

Our HOSPITALS CHARITY

Supporting the NHS in
Middlesbrough, Redcar & Cleveland
and Hambleton & Richmondshire

SOUTH TEES HOSPITALS CHARITY AND ASSOCIATED FUNDS ANNUAL REPORT & ACCOUNTS

1 April 2020 - 31 March 2021

Principal office:

Charities Office
The Murray Building
South Tees Hospitals NHS Foundation Trust
James Cook University Hospital
Marton Road
Middlesbrough
TS4 3BW

Registered Charity No. 1056061

Contents	Page
1. Chairman's Statement	3
2. Aims and Objectives	5
Our Role	
Our Mission	
3. Some Highlights	6
4. Financial Review	
Assets	20
Income	20
Expenditure	21
Investments	22
5. Structure Governance and Management	23
Members of the corporate	25
Key management personnel remuneration	26
Constitution and powers	26
Administration	26
Risk management	26
Partnership working	27
Reserves	27
6. Objectives – Moving Forwards	28
7. Statement of Directors' Responsibilities	29
8. Audit Report	30
9. Statement of Financial Activities	32
10. Balance Sheet	33
11. Statement of Cash Flows	34
12. Notes to the accounts	35

1. Chairman's Statement

Despite the challenging year our staff have faced, responding so magnificently in the care they have provided during the coronavirus pandemic, we are delighted to report another successful year of fundraising for South Tees Hospitals Charity. This has enabled us to enhance the services we provide to our patients, carers, families and of course our dedicated teams of professionals.

A heart felt thank you to each and every dedicated and committed fundraiser who has contributed to the success of the many activities and events ran throughout 2020/21.

The greatest achievements of our charity team under Ben Murphy's excellent leadership include supporting our staff and most vulnerable patients during the pandemic. They delivered thousands of welfare packs to our staff and created spaces for them to relax and take time out during what has been an incredibly challenging year.

We are also incredibly proud of the fundraising achievements of our Kidney Unit appeal. We launched the appeal in November during a pandemic, unsure how it would affect fundraising. We were delighted that over £400,000 was raised within the first four months of launching the appeal, which is incredible and testament to the dedication and support of all our fundraisers and the charity team.

Thanks to the dedicated individuals, groups, local companies and staff who have supported us we have had another fantastic year in raising funds over the course of the year in a wide range of charitable and health-related activities. All this has been achieved despite social distancing restrictions which led to some fantastic and innovative fundraising ideas.

Their donations and fundraising activities have allowed us to continue with our on-going commitment to support enhanced specialist medical equipment, research and training opportunities and improvements to environments and patient comfort across our hospitals and healthcare services. On behalf of our service users, carers and staff we send our appreciation to everyone who has worked tirelessly to support us throughout the last financial year.

I would also like to thank Neil Mundy who was Joint chair for part of the year for his leadership and stewardship of the charity during what has been an incredibly challenging year.

As the Trust continues to serve ever increasing numbers of people, the Charity is positioning itself to deliver improved patient and carer experiences and outcomes, support staff health and wellbeing, commit to wider participation and community involvement and support research and innovation.

The Trust's Charity serves two principal functions. Firstly, to oversee the good management of the funds, ensuring donations are acknowledged and spent in a way that reflects the donor's wishes. Secondly, the promotion of the Charity both internally and externally to encourage and support people raising vital funds.

Finally, as Chair, may I once again thank all the fundraisers, volunteers and our Friends organisations who contribute so much to the Trust. Their contribution to our work is hugely important. Their energy and passion has contributed so much to their local hospitals and community health services in providing excellent, patient-centred care throughout the year and has the potential to have an impact on people's lives every single day.

Thank you so much.

Derek



Professor Derek Bell OBE – Joint Chairman

2. Aims and Objectives

Our Role

South Tees Hospitals Charity raises funds to enhance the services that South Tees Hospitals NHS Foundation Trust provides to more than one million people across the region.

The role of the Charity is not to fund patient care, but with the support of the communities we serve to improve it and help with those extras over and above what the NHS can provide.

Our Mission

To support and fund initiatives beyond the remit and the capacity of the NHS.

To achieve this we:

- Keep the hospitals of the Trust at the forefront of healthcare delivery by purchasing state of the art equipment and funding research.
- Enhance our teams' training to keep our staff at the leading edge of medical advances.
- Create the best possible environments for patients and staff.
- Grow the level of charitable giving to ensure that the work can continue by supporting staff and patients in their fundraising activities.

The hospitals that we support are:

- James Cook University Hospital
- The Friarage Hospital
- East Cleveland Primary Care Hospital
- Guisborough Primary Care Hospital
- Redcar Primary Care Hospital
- The Friary Community Hospital

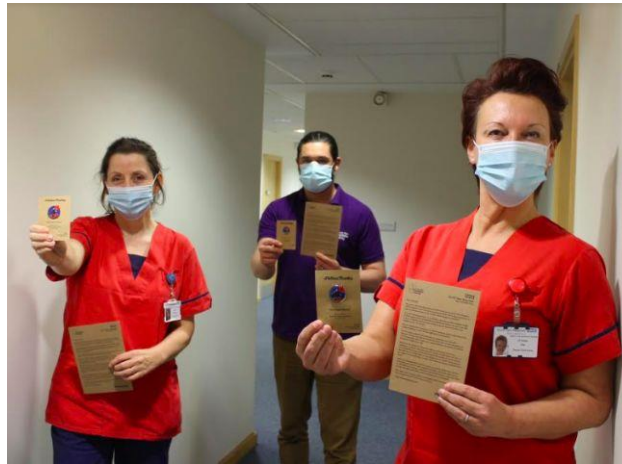
In 2020/21 we were able to make a difference to patients, by spending over £205,000 on their welfare and improving clinical environments.

Expenditure is made in accordance with charity law, our constitution and the wishes and direction of donors and with regard to the Charity Commission's guidance on public benefit. In 2020/21 the Charity made grants to a value of £1.619 million (£1.579 million in 2019/20).

During the financial year voluntary income from donations totalled £0.492 million (£0.675 million in 2019/20) and bequests totalled £0.345 million (£0.206 million in 2019/20). Grants received totalled £0.798 million (£0.115 million in 2019/20). Investment income of £0.183 million (£0.240 million in 2019/20) was received as well as income from charitable activities totalling £0.006 million (£0.062 million in 2019/20). Miscellaneous income of £0.041 million (£0.137 million in 2019/20) and Gifts in kind £0.044 million (£0.000 million in 2019/20).

3. Some Highlights from the last 12 months:

Mackenzie Thorpe designed the People's Medal to thank South Tees Staff.



In February we teamed up with local artist Mackenzie Thorpe to present a bespoke pin badge to every member of staff across our hospitals and healthcare services.

Mackenzie kindly gave his time free of charge to create the special piece of art – his way of saying thank you for everything local healthcare teams have done during this amazingly challenging time.

He said: “South Tees Hospitals really are the beating heart of our community, caring for us and our loved ones in times of need; never more so than during this last year. Like all of us I stand in the shadow of their greatness and will be forever in their debt, so I was honoured to be asked to be involved in the design of this pin and help, in a small way, to show my deepest gratitude to all.”



Ben Murphy, head of South Tees Hospitals Charity said: “We issued these People's Medal pin badges on behalf of everyone at the trust, our patients and the local community to offer a heartfelt thank you to each and every one of our staff for all their amazing efforts during the pandemic.”

Prime Minister, Boris Johnson, and local MP, Jacob Young, also showed their appreciation to South Tees Hospitals staff by wearing one of our pins.



The James Cook Hospital Kidney Unit Appeal



We launched the Kidney Unit Appeal in November and have managed to raise over £400,000 within four months, thanks to our local community and legacies.

The renal team, who carry out more than 3,000 appointments each year, are in need of an updated and improved unit to ensure patients can continue receiving outstanding kidney care in a first class facility.

The funds will go towards creating a new environment that offers increased clinical space and brings the renal specialist nursing team together in one place.

As well as outstanding care, patients will benefit from a modern, brighter and more welcoming space.

Supporting staff when it's needed most



Thanks to generous donations, we were able to create a number of 'wobble rooms' at The James Cook University Hospital in Middlesbrough and another three at the Friarage Hospital in Northallerton.

These are areas where staff can collect their thoughts and take time out as they continue to serve on the frontline during the pandemic. We asked for help to make them as comfortable as possible for our colleagues and our donors rose to the challenge, helping us to stock them with everything from tea and coffee to uplifting posters and colouring books.

The wobble rooms were used and appreciated by staff at all levels, so much so, we were replenishing stocks on a daily basis.

We also supported the wellbeing of our staff with psychological support, refreshments and welfare packs.

Fundraising superheroes

Our next stories involve youngsters from across our region.

Inspired by Captain Tom Moore, Noah 5, and Jacob 3, managed to walk a 33 metre long wall 100 times! This was a real challenge for Jacob in particular, who has hyper mobility and a neurological condition, meaning he finds running, jumping, balancing and walking for extensive periods more difficult than other children.

The pair raised an incredible £915 thanks to their commitment and the generosity of family and friends.



Owen Swift aged 21, who lives in Coulby Newham, has been under the care of the NHS since he was a baby and although he is now looked after by adult services he still holds the children's ward at The James Cook University Hospital and the staff close to his heart.

At 10 months old his immune system started to attack his spinal cord, he was admitted to Middlesbrough General Hospital with collapsed lungs, it was after this he was diagnosed with the condition Transverse myelitis.

Transverse myelitis is an attack of inflammation of the spinal cord. It is caused by the body's immune system becoming mis-programmed and activating immune cells to attack the healthy myelin covering the nerves in the spine which affects his mobility. His symptoms are so rare they affect 1 in a million.

Owen loves football and gaming so in the first lockdown he decided to ask people to sponsor him to wear one of his 100 plus football shirts where he would play in that teams colours, which helped him to raise £1,000 "there were a few teams I wasn't as keen to wear" said Owen "but I think of the staff like family and I really wanted to help them as a way to say thank you for everything they have done for me."

Owen Swift presenting money to Cathy Brammer



Freya 6, and Immy 4, both enjoy dressing up and wanted to have some fun while raising funds for those on the frontline. The sisters combined their love of costumes with their love of walking, completing five lots of five kilometres in five different costumes!

Freya said: "I want to raise money for the NHS to help them stop the virus. I am missing seeing all my friends and family, this will keep us busy. I hope you are all staying safe. Thank you NHS for helping us!"

With their parents by their side they completed a total distance of 25 kilometres, raising more than £1,100 for South Tees Hospitals Charity in the process.



Harry 8, and Edward 6, set their sights on riding 100 miles each to raise £100 for South Tees Hospitals Charity during the pandemic. With a love of cycling, the boys put the wheels in motion by using their daily hour of exercise to clock the miles up.

The sponsored bike ride was thought up by Harry, who wanted to sponsor our NHS at this difficult time. As well as donations going towards welfare packs, the family wanted to help provide other health and wellbeing initiatives to boost staff morale.

In total, a huge £1,700 has been raised by over 100 supporters!



Over the course of five days, 11-year-old Emmy set herself the challenge of rowing the same distance as the English Channel, as well as cycling the same distance on her bike!

Inspired by Captain Tom and with the help of a rowing machine, she managed to row the 22 miles, followed by the same distance on two wheels.

Emmy raised just under £1,200, with money going towards our local NHS hospitals and heroes in the South Tees region.



NHS Charities Together Funding

Thanks to Captain Tom funding via NHS Charities we were able to buy white goods for departments across the hospitals, as well as picnic benches and garden furniture. Although they might appear small and simple everyday things, they've helped improve the environment for both staff and patients alike.



Picnic benches and garden furniture have provided staff with a space outside away from their wards where they can meet, talk and relax. Fresh air, natural light and green spaces are proven to engage the senses and improve wellbeing; ultimately leading to increased productivity, reduced pressure and better mental health. Similarly, the fridges and freezers have improved kitchen facilities and allowed staff to bring in a wider range of food and drinks for throughout the day.



Supporting staff during the Pandemic

With help from local and national businesses, we delivered over 40 food parcels daily throughout the pandemic to The James Cook University Hospital, the Friarage Hospital and other community settings. The boxes contained food, snacks, treats and refreshments, all of which helped support NHS staff in our hospitals.

Alongside this, overnight packages and toiletries were delivered, including hand and face creams, lips balms, deodorants, toothbrushes and shampoo; all making a difference to frontline staff as they battled through longer working hours. While these might appear small

and simple things, they're the type of little extras that go a long way during an intense and stressful time.

Hot food was generously donated from local restaurants and takeaways, as well as from a Sikh temple and one lady who travelled from York every week for 12 weeks.

Altogether, 134 different groups of people supported our charity, which culminated in 20,000 bottles of water being donated in just two days!

We also received over 18,000 Easter eggs.

In addition, iPads were both donated and bought, helping admitted patients to stay in touch with loved ones whilst in care. Thanks to special fundraising from Tesco distribution centre and the public, we have been able to fund and kit out two wobble rooms to support staff wellbeing as they continue to tackle the pandemic.

Light boxes



Working in partnership with Macmillan and James Cook University Hospital Voluntary Services the charity had installed a series of light boxes in James Cook's service corridor which leads to the mortuary. Relatives were often escorted down the dull, busy service corridor to the mortuary viewing room to view their loved ones as there is no alternative route. It is hoped the new ceiling lights and light box pictures, depicting a walk to Roseberry Topping, will provide a more pleasant walkway and be a distraction for grieving relatives.

Capturing the pandemic on the frontline



During the pandemic the charity commissioned photographer and teaching fellow Matthew Jones to take a series of striking images showcasing some of the extraordinary work carried out by James Cook team during the coronavirus pandemic.

Taken inside the hospital's critical care department, the project documented the pressure, the challenges, the camaraderie and the kindness shown by this incredible team in the most difficult times. Matthew said: "When I was working in South Sudan as a doctor in 2018 I found that photography was a powerful way to help me understand the experience as it unfolded at such speed. It gave a means to pause and reflect and find answers, and continues to do so even now. "I wanted to offer that simple resource to staff in intensive care at James Cook, so they could process events and move forward with a sense of what they had achieved.

"The atmosphere in the intensive care unit was amazing. You sensed the strong bonds that existed between them all, a real spirit of care for each other's welfare. "I think the photos do a little justice to the stresses and pressure of the environment, but also the immense humanity on display as staff made such an effort to build bonds with the patients despite the obstacles they faced.

"To spend the time they did in the PPE and in such heightened stress and emotion was an incredible effort and to do it with humour, good spirit and such team spirit even more so."

A selection of the images are on display in the hospital's main atrium. The centre piece of the Care in a Crisis project is a stunning photo montage called The Wall of Hidden Love - because if you look closely there's a heart hidden in there.



Rainbow bracelets



Sophie McCrossan who was 12 years old, during the first coronavirus lockdown made over 1,000 rainbow bracelets to raise money for the charity, after being inundated with orders.

Her mum Lizanne bought her daughter some beads and cotton from eBay to keep her busy whilst she was at home, initially the idea was to give bracelets to some of her neighbours and close friends who are key workers.

However when mum posted a picture of Sophie on social media, she was left overwhelmed after receiving dozens of messages from people asking to buy them. It took Sophie, her mum and a team of six close friends to make them all, with the bracelets being sent as far as Spain, Belgium and France.

As a way of spreading a bit of happiness during an uncertain time, Sophie aimed to raise £50 when people started wanting to buy her bracelets, but she exceeded all expectations as she ended up raising a staggering £2,700 to help the front line staff at James Cook Hospital.

Inspired by Captain Tom

An 11-year-old girl who was inspired by Captain Sir Tom Moore raised more than £600 for the charity. Lucy Bettley, from Ingleby Barwick, was determined to follow Captain Sir Tom Moore's example and set herself the challenge of running and exercising in her garden for two and a half hours every night in five half hour shifts during May.

After successfully completing her challenge Lucy, who shares her birthday with Captain Tom Moore, exceeded her target of £50, thanks to her family and friends, and raised £650. Using some of the money, she prepared two hampers of "goodies" for frontline workers and presented a £300 cheque to the intensive care unit at James Cook and the University Hospital.



Youngster inspired by Captain Sir Tom Moore Lucy Bettley and Suzi Campbell from South Tees Hospitals Charity

Going blonde

With DIY haircuts an unexpected and unwanted side effect of lockdown, Jake McBride, chose the perfect moment to dye his hair blonde while raising funds for a special cause. After some light-hearted jokes from family and friends, Jake got his friends involved by asking them to put their money where their mouths were; nominating them to dye their hair and raise even more money!

Over 100 people took part in the challenge, with someone in Australia even getting in touch to say they've heard about the challenge!

Thanks to more than 500 donations, the group managed to raise an amazing £13,000.

Hitting the saddle

With one of their coaches working on the frontline in the fight against COVID-19, Richmond Triathlon Club wanted to do something extra special to raise funds for their local NHS trust. Adults, coaches, juniors and parents, all came together to complete a 48 hour turbo relay.

The challenge involved members young and old hitting the saddle of their turbo trainers; combining to cycle for two consecutive days including the dreaded night shifts. Donations came flooding in from friends, family and members, as well as other triathlon clubs from the North East and Yorkshire.

In total, a huge £4,195 thanks to over 200 supporters!

Richmond Triathlon Club



Delivering with a difference

In April, teams from Thirsk and Helmsley Royal Mail Delivery Offices were spreading cheer and positivity as they left their usual uniform at home and instead donned their best fancy dress for the day's deliveries!

The usual work attire of red fleeces and coats were replaced by bunny rabbits, bananas in pyjamas, batman and plenty more. The costumes brought a smile to people's faces, as well as helping to raise vital funds at an important time.

Despite an initial target of £300, the team managed to raise an amazing £1,400 from colleagues, friends, family and residents.

Virtual running to Afghanistan

A team consisting of 30 members from the Babaji regiment completed a virtual run to where the Company's name originates from in Afghanistan!

The '10 Days challenge to Babaji' covered a huge total distance of 6690km. The challenge was run in two phases between September 1st – September 4th, followed by September 14th – September 19th; the final day being the birthday of when the regiment was formed.

Over £2,000 has been raised by the team, with donations going towards the Friarage Hospital in Northallerton, where funds are needed to update staff spaces, in particular the kitchen facilities and outdoor areas to support staff's mental health and wellbeing.

Babaji regiment – 10 days challenge to Babaji



In 2020/21 Our Friends organisations supported the following initiatives:

Friends of the Friarage donated:

- £213,799.29 funding for a new renal unit
- £28,728.00 funding for a new eye service

4. Financial Review

Assets

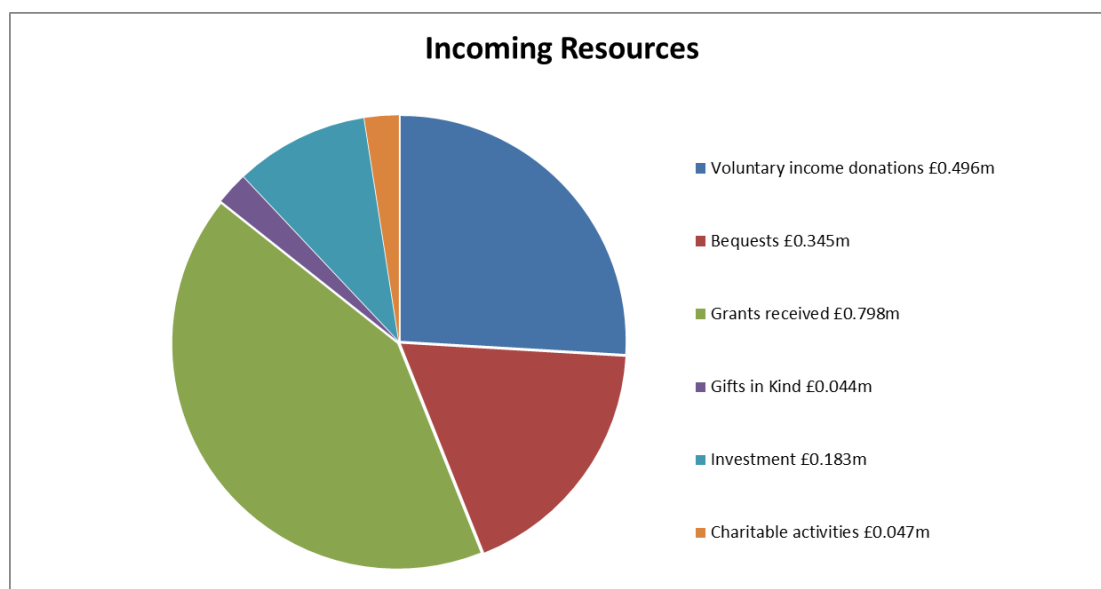
The net assets of South Tees Hospitals Charity as at 31 March 2021 were £7.095 million (£5.869 million 2019/20). There was a decrease in cash holdings to £1.297 million (£1.775 million 2019/20), an increase in debtors to £0.338million (£0.232million 2019/20) and a decrease in creditors to £0.579 million (£1.246 million 2019/20).

Income

The Charity relies on income received from donations, legacies and the voluntary fundraising efforts of the general public who supported specific appeals or made gifts to support the wards from which they or loved ones had received care. In 2020/21 income increased from £0.996 million to £1.683 million.

The total income received amounting to £1.913 million was represented by voluntary income donations which totalled £0.496 million (£0.675 million 2019/20), bequests totalled £0.345 million (£0.206 million 2019/20), grants received totalled £0.798 million (£0.115 million 2019/20) and gifts in kind totalled £0.044 (£0.000 Million 2019/20)

Investment income of £0.183 million (£0.240 million 2019/20) was received as well as income from charitable trading and activities of £0.047 million (£0.199 million 2019/20).

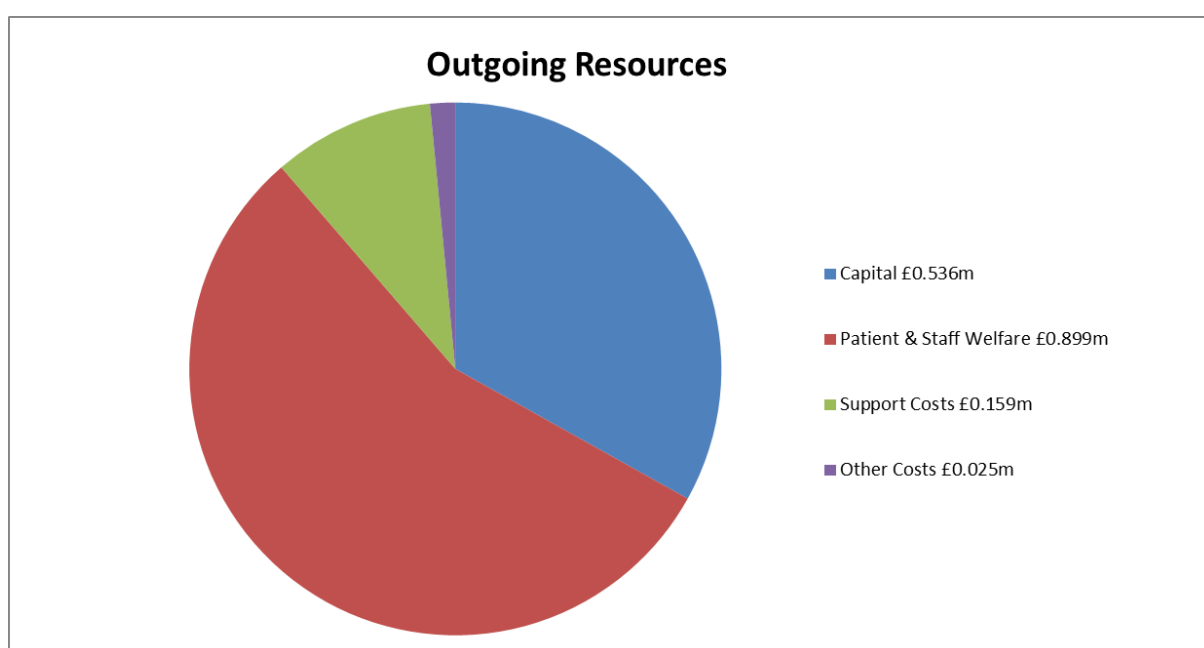


Expenditure

The Charity is a grant giving charity, rather than a service providing charity, in that it seeks to support the services provided by South Tees Hospitals NHS Foundation Trust. All equipment and services purchased by the Charity are donated to the Trust.

Expenditure from funds totalled £1.619 million, compared to expenditure of £1.579 million during the previous financial year.

Expenditure has been spent on capital £0.536 million (£0.367 million 2019/20), patient & staff welfare £0.899 million (£0.919 million), support costs £0.159 million (£0.144 million 2019/20) and other costs £0.025 million (£0.149 million 2019/20)



Investments

The Charity's investments are held with CCLA Investment Management and Barclays Wealth with an aim of maximising income and longer term growth.

The management of 93% of the investment portfolio was moved from Barclays Wealth to CCLA during 2019/20. Cash funds are held outside the portfolio to deal with the short term cash flow issues. As a consequence of the economic and market uncertainty caused by COVID-19 there was a fall in the valuation of the investment portfolio as at 31 March 2020 of approximately 16% in the capital value. As at 31st March 2021 the gain on investments in this financial year has more than covered the losses reported in the 2019/20.

	Total Funds 31 March 2021 £'000	Total Funds 31 March 2020 £'000
Market value brought forward	5,107	5,885
Additions	-	727
Disposals	-	(749)
Fair value (losses) / gains	932	(756)
Market value as at 31 March 2021	6,039	5,107
Investments held:		
Alternative assets	326	351
COIF Charities Ethical Investment Fund	5,713	4,756
	6,039	5,107

The performance of the investments is monitored by the Charitable Funds Committee which reports to the Board and reviews investment portfolio valuations provided at regular intervals by the advisers.

The investment policy is reviewed on an on-going basis.

5. Structure, Governance and Management

The South Tees Hospitals Charity was established by Trust Deed and is registered with the Charity Commission (charity number 1056061).

As a body it is a member of the Association of NHS Charities.

All trust funds are registered with the Charity Commission under the umbrella registration of South Tees Hospitals Charity.

The Charity's funds were established using the model declaration of trust and all funds held as at the date of registration were either a part of this unrestricted fund or registered as separate restricted funds under the main charity.

The Corporate Trustee fulfils its legal duty by ensuring that restricted funds are used in accordance with the objectives of each fund, and in designating funds the Trustee respects the wishes of the donor with due consideration made to the Charity Commission's published guidance on Public Benefit as specified under the Charities Act 2011.

At the end of March 2021 there were 262 funds (267 in 2019/20). Each has a designated fund manager with specialist knowledge of the area to which the fund relates. They are generally clinical directors, managers, clinical consultants, heads of departments, ward sisters and Operations Directors whom have the delegated power to commit expenditure up to £25,000. For all grants over £25,000 there is an approved Scheme of Delegation based on the Charity's governance framework.

Charitable receipts are recorded in accordance with donors' wishes to registered funds and expenditure is made in accordance with the objectives of each designated trust fund, within the limits set by the Trust's Standing Orders, Standing Financial Instructions and Scheme of Delegation.

The accounting records and day-to-day administration of the funds are dealt with by the charities finance office, which is within the Trust's Chief Executive's department.

It is the responsibility of the Corporate Trustee to ensure that the legal and accounting requirements of the Charities Act 2011 and directives from the Charity Commission are adhered to and that surplus funds are invested in a manner suitable for the maximisation of income and to safeguard the capital sums therein.

The Charitable Funds Committee supports and advises the Corporate Trustee of South Tees Hospitals Charity in discharging its responsibilities and remains accountable to the board of directors, acting as Corporate Trustee, in every respect. In 2020/21 the Committee met on four occasions to consider a range of strategic issues within its remit.

Our purpose is to enhance the services that South Tees Hospitals NHS Foundation Trust provides, supporting the provision of general healthcare and staff welfare, the improvement of specialist clinical and clinical support services and the advancement of clinical knowledge. The role of the Charity is not to fund patient care but to improve it.

Strong governance is critical to our success and reputation. The Corporate Trustee has overall responsibility for our work, to ensure we are governed in accordance with the legal and regulatory requirements and we meet our aims and objectives as a charity.

The Corporate Trustee of the Charity is tasked with:

- Furthering our overall purpose and setting our direction and strategy.
- Ensuring our work is effective, responsible and legal.
- Safeguarding our finances, resources and property and ensuring they are used to further our purpose.
- Being 'accountable' to those with an interest or stake in us or those who regulate us.
- Establishing clear boundaries with the staff and volunteers who carry out our work between the governance role of the Trustees and operational or day-to-day matters.
- Ensuring the Charity operates effectively.

By establishing good governance at South Tees Hospitals Charity, ensuring:

- Compliance with law and regulation.
- That our Charity is well run and efficient.
- That any problems are identified early and dealt with appropriately.
- That we make a difference and the objects of the Charity are advanced.

Appointments to the Board are in accordance with the Trust's Constitution, Terms of Authorisation and legal and regulatory requirements.

Members of the Corporate Trustee

The Corporate Trustee is South Tees Hospital NHS Foundation Trust

The Charitable Funds Committee is supported by a number of professional advisers:

Bankers

Barclays Bank Plc
Leicester
LE87 2BB

External Auditor

Mazars LLP
The Corner
Bank Chambers
26 Mosley Chambers
Newcastle upon Tyne
NE1 1DF

Investment Advisors

Barclays Wealth
Barclays House
5 St Ann's Street
Quayside
Newcastle upon Tyne
NE1 2BH

Investment Advisors

CCLA Investment Management
Senator House
85 Queen Victoria Street
London
EC4V 4ET

Additional expertise relating to training is drawn from being a member of the Association of NHS Charities that holds regular conferences and symposia for Directors of the Corporate Trustee.

Key management personnel remuneration

Members of the Corporate Trustee and Charitable Funds Committee are required to disclose relevant interests and register them with the Head of Charity, withdrawing from decisions where conflicts of interest may exist.

The daily management of the Charity is delegated to the Head of Charity who is employed under the terms and conditions set out in the Agenda for Change. Remuneration is reviewed annually and is increased in accordance with the nationally agreed increases in pay scale.

Constitution and powers

Administration

The Corporate Trustee, under its Scheme of Delegation, has appointed the Director of Finance to be the officer responsible for implementation of procedures, to ensure all legislation and directives are adhered to and that expenditure from trust funds is appropriate for the purpose.

The Director of Finance maintains such accounts and records, as necessary, to record and protect all funds held in trust. He has responsibility for ensuring that the activities of each fund are within the regulations of the Charities Act 2011 and comply with the procedures adopted by the Trust.

Risk Management

The members of the Charitable Funds Committee periodically review the Charity's risk register.

The major external risk, to which the charity could be exposed, is a sudden fall in the value of the investment portfolio. However the Directors invest over the long term to ensure that the greatest returns are achieved.

Policies and procedures to mitigate risks include:

- The Charity has systems in place to ensure that all donations and legacies are accurately recorded, and that all expenditure is correctly authorised in accordance with the objects of the Charity.
- The internal controls of the Trust have been adopted by the Charity.
- The Charity is audited by the Trust's internal auditors, PricewaterhouseCoopers LLP, who review and test systems, and the Trust's external auditors, Mazars LLP, who audit the Charity's Annual Accounts and Report.
- The risks around investment balances have been mitigated through the holding of a balanced portfolio.
- CCLA was appointed to manage the Charity's investments as from 13th February 2020. There are procedures in place to review the investment policy and monitor its performance.
- Short term cash holdings are held in bank accounts to enable immediate access to funds. The level of short term cash holdings has been reviewed as part of the Charitable Funds Treasury Management Policy.

Partnership working

The patients of South Tees Hospitals NHS Foundation Trust are the main beneficiaries of the Charity and the Trust is a related party by virtue of the Board of Directors acting as Corporate Trustee. By working in partnership with the Trust, the Corporate Trustee has regard to the main activities taking place within its hospitals to ensure that funds are spent in accordance with the objects of each fund to support the health and welfare of patients and staff.

The Trust is well supported by groups and associated charities, including the South Cleveland Heart Fund, Royal Voluntary Service, Friends of the Friarage and The James Cook University Hospital Voluntary Services Organisation who over many years have raised hundreds of thousands of pounds to support the Trust.

Reserves

At the end of 2020/21 the charity held reserves of £7.095 million. All monies held in funds were unrestricted apart from £0.524 million which are held on a restricted basis.

Reserves are built up to reinvest into the South Tees Hospitals NHS Foundation Trust and provide maximum benefit to the patients and staff. The classification of restricted and unrestricted reserves is reviewed on an annual basis.

There are no material recurring commitments for which it would be prudent to hold reserves against uncertainties; the main form of recurring expenditure is salary costs associated with the Trinity Holistic Centre and Charity administration. Commitments for other expenditure are only given to the level of resources available within the funds received and held.

Cash on hand balances of £1,297 million are held at the end of 2020/21.

6. Objectives – Moving Forwards

In light of Covid-19 pandemic, next year the charity will be embarking on an ambitious and exciting 12 month strategy, and marks a significant step as we evolve.

We are the fundraising arm of South Tees Hospitals NHS Foundation Trust and support patients and staff across Middlesbrough, Redcar & Cleveland and Hambleton & Richmondshire.

We help improve the health and wellbeing of over one million people across the region. Whether it's state of the art equipment, pioneering research, increasing staff training or improving staff health and wellbeing, we're committed to raising the level of NHS service.

We exist to improve the NHS for those closest to you. Everything we do revolves around raising money to enhance services, and ultimately enrich our region's health and wellbeing. Our fundraising impacts your nearest and dearest — covering both patients and staff; your family, friends, neighbours and colleagues. Those who truly matter most;

At our heart, we're NHS champions who are passionate about making a difference. This is a meaningful mission that resonates, inspires and empowers charitable activity across our area.

It's a cause that's far-reaching, long-lasting and one we can all continuously strive towards.

Ultimately the Charity's ambition is to increase the impact it makes for patients each and every year. This can only be achieved by ensuring that the Charity builds genuine partnerships with NHS staff who clearly understand the needs of patients, evolve to meet the changing funding landscape by embarking on a digital transformation, obtains feedback on the projects it funds to ensure that it is making a difference; increases the profile of the charity, reduce the charitable funds to a manageable size and introduce budgets for funds and improve the financial reporting of charitable funds, ensuring funds are accessible, and most importantly targeted towards activities which will deliver the greatest benefit for patients.

7. Statement of Directors' responsibilities in respect of the Corporate Trustee's annual report and the financial statements

In accordance with the trust deed and charity law, the Corporate Trustee is responsible for preparing the Charity's Annual Report and the financial statements in accordance with applicable law and regulations. The Corporate Trustee has elected to prepare the financial statements in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the excess of expenditure over income for that period.

In preparing these financial statements, generally accepted accounting practice entails that the trustees:

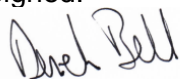
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether the financial statements comply with the trust deed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Members of the Corporate Trustee are required to act in accordance with the trust deed of the charity, within the framework of trust law. They are responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the Corporate Trustee to ensure that, where any statements of accounts are prepared by them under section 132(1) of the Charities Act 2011, those statements of accounts comply with the requirements of regulations under that provision. The Members of the Corporate Trustee have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

The Corporate Trustee is responsible for the maintenance and integrity of the financial and other information included on the charity's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the Corporate Trustee,

Signed:



.....
Chairman

27/01/2022
Date



.....
Chief Finance Officer

27/01/2022
Date

8. Audit report

Independent auditor's report to the trustees of South Tees Hospitals NHS Charity

Opinion

We have audited the financial statements of South Tees Hospitals NHS Charity (the 'charity') for the year ended 31 March 2021 which comprise Statement of Financial Activities, Balance Sheet, Statement of Cash flow and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2021 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' Report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustee

As explained more fully in the trustee responsibilities statement set out on page 29, the trustee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustee are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Based on our understanding of the charity and its activities, we identified that the principal risks of non-compliance with laws and regulations related to the UK tax legislation, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud, money laundering and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Charities Act 2011 and the Charities Statement of Recommended Practice.

We evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, and significant one-off or unusual transactions.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with the trustees and management their policies and procedures regarding compliance with laws and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the charity which were contrary to applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and

- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of the audit report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Signed: 
Mazars LLP (Jan 31, 2022 17:04 GMT)

For and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

The Corner

Bank Chambers

26 Mosley Street

Newcastle upon Tyne

NE1 1DF

Date: 31 January 2022

Mazars LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

9. South Tees Hospitals Charity Statement of Financial Activities for the year ending 31 March 2021

	Notes to financial statements	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds 2020/21 £'000	Total Funds 2019/20 £'000
Income and endowments from:					
Donations and legacies	4	1,195	488	1,683	996
Charitable activities - supply of goods or services	5	6	-	6	62
Other trading activities - charity events, lottery	6	(4)	45	41	137
Investments	8	183	0	183	240
Total Income		1,380	533	1,913	1,435
Expenditure on:					
Raising funds	9	156	16	172	263
Charitable activities	10	1,235	212	1,447	1,316
Total Expenditure		1,391	228	1,619	1,579
Net gains/(losses) on investments	15	932	-	932	(755)
Net Income/(Expenditure)		921	305	1,226	(899)
Transfers between funds	20	52	(52)	-	-
Net movement in funds		973	253	1,226	(899)
Reconciliation of Funds					
Total funds brought forward	21	5,598	271	5,869	6,768
Total funds carried forward	21	6,571	524	7,095	5,869

10. South Tees Hospitals Charity Balance Sheet as at 31 March 2021

	Notes to financial statements	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds 31 March 2021 £'000	Total Funds 31 March 2020 £'000
Fixed Assets;					
Investments	15	5,539	500	6,039	5,108
Total Fixed Assets		5,539	500	6,039	5,108
Current Assets;					
Debtors and accrued income	16	338	-	338	232
Cash and cash equivalents	17	1,273	24	1,297	1,775
Total Current Assets		1,611	24	1,635	2,007
Liabilities;					
Creditors falling due within 1 year	18	(579)	-	(579)	(1,246)
Net Current Assets		1,032	24	1,056	761
Total Net Assets		6,571	524	7,095	5,869
The funds of the charity;					
Restricted income funds	21	-	524	524	271
Unrestricted income funds		6,571	-	6,571	5,598
Total Charity Funds		6,571	524	7,095	5,869

The notes at pages 22 to 40 form part of these accounts and were approved by the Corporate Trustee on 27/01/2022.

Signed on its behalf by:



Signed

Name Chris Hand

Date 27/01/2022

11. South Tees Hospitals Charity Statement of Cash Flows **for the year ending 31 March 2021**

	Note	Total Funds 2020/21 £'000	Total Funds 2019/20 £'000
Cash flows from operating activities:			
Net cash (used in)/provided by operating activities	19	(662)	405
Cash flows from investing activities:			
Dividends, interest and rents from investments	8	183	240
Cash divested from investments	15	-	112
Net Book Value of disposal at carrying value	15	-	637
Purchase of investments & fees	15	-	(727)
Petty cash	17	1	-
Net cash provided by investing activities		184	262
Change in cash and cash equivalents in the reporting period		(478)	667
Cash and cash equivalents at the beginning of the reporting period	17	1,775	1,108
Cash and cash equivalents at the end of the reporting period	17	1,297	1,775

12. South Tees Hospitals Charity Notes to the accounts

Note 1	Accounting policies
Note 2	Prior year comparatives by type of fund
Note 3	Related party transactions
Note 4	Income from donations and legacies
Note 5	Analysis of income from charitable activities
Note 6	Analysis of income from other trading activities
Note 7	Role of volunteers
Note 8	Gross investment income
Note 9	Analysis of expenditure on raising funds
Note 10	Analysis of charitable expenditure
Note 11	Allocation of support costs and overheads
Note 12	Directors of the Corporate Trustee remuneration, benefits and expenses
Note 13	Analysis of staff costs, remuneration of key management personnel
Note 14	Auditor's remuneration
Note 15	Fixed asset investments
Note 16	Analysis of current debtors
Note 17	Analysis of cash and cash equivalents
Note 18	Analysis of liabilities
Note 19	Reconciliation of net income to net cash flow from operating activities
Note 20	Transfer between funds
Note 21	Analysis of charitable funds
Note 22	Funds over £100,000 for disclosure

1. Accounting Policies

(a) Basis of preparation

The financial statements have been prepared under the historic cost convention, with the exception of investments which are included at fair value.

The financial statements have been prepared in accordance with the statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) issued on 16 July 2014 and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

The Trustee considers that there are no material uncertainties about South Tees Hospitals Charity's ability to continue as a going concern. There are no material uncertainties affecting the current year's accounts.

In future years, the key risks to the Charity would be a fall in donations or a fall in the stock market and resulting losses and reduced investment income. The trustees have a risk management strategy and reserves policy in place to mitigate against such risks.

(b) Funds structure

South Tees Hospitals Charity has both restricted and unrestricted funds but has no endowment funds. The Charity has specific funds for each service area of its hospitals; each fund has its own objectives/purpose and is classified as un-restricted designated funds. If a general donation is made and no specific area is identified then the monies will be paid into the General Purpose Fund which is used to benefit patients and staff of the trust at the Trustees' discretion. Appeals for a specific purpose are classified as restricted.

The major funds held are disclosed in note 22.

(c) Income

All income is recognised once the Charity has entitlement, or is probable that the resources will be received and the monetary value can be measured with sufficient reliability.

Where there are terms and conditions attached to the income, particularly grants, then the terms and conditions must be met before the income is recognised as the entitlement condition will not be satisfied until that point. When the terms or conditions have not been met or uncertainty exists as to whether they can be met then the relevant income is not recognised in the year.

(d) Income from legacies

Legacies are accounted for as income either upon receipt or where the receipt of the legacy is probable. Receipt is probable when;

- confirmation has been received from the representatives of the estate(s) that probate has been granted
- the executors have established that there are sufficient assets in the estate to pay the legacy
- all conditions attached to the legacy have been fulfilled or are within the charity's control.

If there is uncertainty as to the amount of the legacy and it cannot be reliably estimated then the legacy is shown as a contingent asset until all of the criteria for income recognition are met.

(e) Expenditure and irrecoverable VAT

All expenditure has been accounted for on an accruals basis and has been classified under headings that aggregate all costs related to each category of expense shown in the Statement of Financial Activities. Expenditure is recognised when the following criteria are met:

- There is a present legal or constructive obligation resulting from a past event
- It is more likely than not that a transfer of benefits (usually a cash payment) will be required in settlement
- The amount of the obligation can be measured or estimated reliably.

Irrecoverable VAT is charged against the category of expenditure for which it was incurred.

The Charity reimburses the Trust for expenditure they have incurred on the Charity's behalf; this is as a result of the grants awarded by the Charity. Reimbursement is made when the liabilities have been settled and payment made. Any goods received prior to 31 March but not yet settled are accounted for as accruals in year.

(f) Recognition of expenditure and associated liabilities as a result of a grant

Grants payable are payments made to linked, related party or third party NHS bodies and non NHS bodies, in furtherance of the charitable objectives of the funds held on trust, primarily relief of those who are sick.

Grant payments are recognised as expenditure when the conditions for their payment have been met or where there is a constructive obligation to make a payment. A constructive obligation arises when:

- We have communicated our intention to award a grant to a recipient who then has a reasonable expectation that they will receive the grant
- We have made a public announcement about a commitment which is specific enough for the recipient to have a reasonable expectation that they will receive a grant
- There is an established pattern of practice which indicates to the recipient that we will honour the commitment.

The Trustee has control over the amount and timing of grant payments and consequently where approval has been given by them and any of the above criteria

have been met then a liability is recognised. When grants are awarded with conditions attached then those conditions have to be met, or expected to be met, before the liability is recognised.

Where an intention has not been communicated, then no expenditure is recognised but an appropriate designation is made in the appropriate fund. If a grant has been offered but there is uncertainty as to whether it will be accepted or whether conditions will be met then no liability is recognised but a contingent liability is disclosed.

(g) Allocation of support costs

Support costs are those which do not relate directly to a single activity. These include some staff costs, costs of administration, internal and external audit costs and IT support. Support costs have been apportioned between fundraising costs and charitable activities on an appropriate basis. The analysis of support costs and the bases of apportionment applied are shown in note 11.

(h) Fundraising costs

The costs of generating funds are those costs attributable to generating income for the Charity, other than those costs incurred in undertaking charitable activities or the costs incurred in undertaking trading activities in furtherance of a charity's objects. The costs of generating funds represent fundraising costs together with investment management fees. Fundraising costs include expenses for fundraising activities.

(i) Charitable activities

Costs of charitable activities comprise all the costs incurred in the pursuit of the charitable objectives of the Charity. These costs, where not wholly attributable, are apportioned between the categories of charitable expenditure in addition to the direct costs. The total costs of each category of charitable expenditure include an apportionment of support costs as shown in note 10.

(j) Fixed asset investments

Investments are a form of basic financial instrument. Fixed asset investments are initially recognised at their transaction value and are subsequently measured at their fair value (market value) as at the balance sheet date.

(k) Debtors

Debtors are amounts owed to the Charity. They are measured on the basis of their recoverable amount.

(l) Cash and cash equivalents

Cash at bank and in hand is held to meet the day to day running costs of the charity as they fall due. Cash equivalents are short term, highly liquid investments, usually in less than 90 day notice interest bearing savings accounts.

(m) Creditors

Creditors are amounts owed by the Charity. They are measured at the amounts that the Charity must pay to settle the debt.

Those amounts which are owed in more than one year are shown as long term creditors.

(n) Realised gains and losses

Unrealised gains and losses are calculated as the difference between the market value at the year end and opening carrying value (or purchase date if later).

2. Prior year comparatives by type of fund

The primary statements provide prior year comparatives in total; this note provides prior year comparatives for the Statement of Financial Activities and Balance Sheet for each type of fund that South Tees Hospitals Charity manages.

2a Unrestricted funds - Statement of Financial Activity for the year ended 31 March 2021

	2020/21 £'000	2019/20 £'000
Income and endowments from:		
Donations and legacies	1,195	790
Charitable activities - supply of goods or services	6	62
Other trading activities - charity events, lottery	(4)	94
Investments	183	240
Total Income	1,380	1,186
Expenditure on:		
Raising funds	156	243
Charitable activities	1,235	1,316
Total Expenditure	1,391	1,559
Net gains/(losses) on investments	932	(755)
Net Income	921	(1,128)
Transfers between funds	52	-
Net movement in funds	973	(1,128)
Reconciliation of Funds		
Total funds brought forward	5,598	6,726
Total funds carried forward	6,571	5,598

Unrestricted funds - Balance Sheet as at 31 March 2021

	2020/21 £'000	2019/20 £'000
Fixed Assets;		
Investments	5,539	4,932
Total Fixed Assets	5,539	4,932
Current Assets;		
Debtors and accrued income	338	232
Cash and cash equivalents	1,273	1,680
Total Current Assets	1,611	1,912
Liabilities;		
Creditors falling due within 1 year	(579)	(1,246)
Net Current Assets	1,032	666
Total Net Assets	6,571	5,598
The funds of the charity;		
Unrestricted income funds	6,571	5,598
Total Charity Funds	6,571	5,598

2b Restricted funds - Statement of Financial Activity for the year ended 31 March 2021

	2020/21 £'000	2019/20 £'000
Income and endowments from:		
Donations and legacies	488	206
Other trading activities - charity events, lottery	45	43
Total Income	533	249
Expenditure on:		
Raising funds	16	20
Charitable activities	212	-
Total Expenditure	228	20
Net gains/(losses) on investments	-	-
Net Income	305	229
Transfers between funds	(52)	-
Net movement in funds	253	229
Reconciliation of Funds		
Total funds brought forward	271	42
Total funds carried forward	524	271

Restricted funds - Balance Sheet as at 31 March 2021

	2020/21 £'000	2019/20 £'000
Fixed Assets;		
Investments	500	176
Total Fixed Assets	500	-
Current Assets;		
Debtors and accrued income	-	-
Cash and cash equivalents	24	95
Total Current Assets	24	95
Liabilities;		
Creditors falling due within 1 year	-	-
Net Current Assets	24	95
Total Net Assets	524	95
The funds of the charity;		
Restricted income funds	524	271
Total Charity Funds	524	271

3. Related party transactions

South Tees Hospitals NHS Foundation Trust patients are the main beneficiary of the Charity and the trust is a related party by virtue of being Corporate Trustee of the Charity. The charity has provided funding to the Trust for approved expenditure made on behalf of the charity. During the current financial year this expenditure amounted to £1.619 million (£1.579 million 2019/20) with £0.386 million owed by the charity to the Trust at 31 March 2021 (£1.140 million 2019/20).

During the year, no members of the Charitable Funds Committee, the key management staff or parties related to them has undertaken any material transaction within the South Tees Hospitals Charity and Associated Funds.

The South Tees Hospitals NHS Foundation Trust makes a number of services available to the Charity; these include the use of the general ledger system, procurement system, payroll reimbursement system and office accommodation.

Board members and directors

Declarations of interests, completed on an annual basis by Executive and Non-Executive Directors, have been reviewed to identify any related party relationships requiring disclosure within this note.

There were no charity related party transactions connected with Directors of the Corporate Trustee and their associated interests.

4. Income from donations and legacies

Note 4: Income from donations and legacies

	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds 2020/21 £'000	Total Funds 2019/20 £'000
Donations from individuals	373	-	373	385
Fundraising income generated by donors	71	-	71	226
Gift Aid	22	-	22	-
Corporate Donations	30	-	30	64
Legacies	266	79	345	206
Grants receivable	389	409	798	115
Gifts in Kind	44	-	44	-
Total	1,195	488	1,683	996

Donations from individuals are gifts from members of the public, relatives of patients and staff. Grateful patients and family members express their gratitude for the care received; supporters often undertake fundraising activities and collect sponsorship.

5. Analysis of income from charitable activities

Note 5: Income from charitable activities

	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds 2020/21 £'000	Total Funds 2019/20 £'000
Income from training courses	1	-	1	11
Income from hire of space	-	-	-	10
Payment for holistic treatments provided	5	-	5	2
Other trading income	-	-	-	39
Total	6	-	6	62

Trading income was primarily from the therapy treatments to patients of South Tees Hospitals provided by the Trinity Holistic Centre.

6. Analysis of income from other trading activities

Note 6: Income from other trading activities

	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds 2020/21 £'000	Total Funds 2019/20 £'000
MRI Scanner Appeal	-	-	-	2
Staff lottery deductions	-	45	45	41
Miscellaneous income	(4)	-	(4)	94
Total	-4	45	41	137

7. Role of volunteers

The Charity is reliant on a team of volunteers. In accordance with the SORP, due to the absence of any reliable measurement basis, the contribution of these volunteers is not recognised in the accounts.

8. Gross investment income

	2020/21 Held in UK Total £'000	2019/20 Held in UK Total £'000
Investments listed on a Stock Exchange	183	240
Total	183	240

9. Analysis of expenditure on raising funds

Note 9: Analysis of expenditure on raising funds

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2020/21 £'000	Total 2019/20 £'000
Fundraising events	8	-	8	65
Investment management	(11)	-	(11)	34
Lottery winnings paid	-	16	16	20
Support costs	159	-	159	144
Total	156	16	172	263

10. Analysis of charitable expenditure

The Charity did not undertake any direct charitable activities on its own account during the year.

Expenditure is incurred in favour of South Tees Hospitals NHS Foundation Trust to carry out activities which will benefit NHS patients, their families and staff. The Charity incurred expenditure with third parties in pursuance of those grants or reimbursed expenditure incurred by them or their staff.

The Charity reimburses the Trust once the expenditure is recognised, this is when liabilities have been settled and payment made with obligations committing the Charity to expenditure by fund-holders to whom power to expend Charity funds has been delegated, any goods or services received prior to 31 March 2021 but not yet settled are accounted for as accruals in year.

	Unrestricted Funds		Restricted Funds		
	Grant funded activity £'000	Support costs £'000	Grant funded activity £'000	Total Funds 2020/21 £'000	Total Funds 2019/20 £'000
Analysis Category					
Patient welfare	172	14	34	220	207
Staff salaries, education and welfare	311	26	178	515	557
Capital	495	41	-	536	367
Goods and equipment	108	9	-	117	155
Course running costs	9	1	-	10	26
Volunteer support costs	2	-	-	2	4
Gift in Kind	44	4	-	48	-
Grand Total	1,141	94	212	1,447	1,316

11. Allocation of support costs and overheads

	Raising funds £'000	Charitable activities £'000	Total 2020/21 £'000	Total 2019/20 £'000
External audit	11	-	11	9
Governance	11	-	11	9
Financial administration				
Salaries and related costs	131	94	225	245
Bank Charges	4	-	4	4
Rent & Rates	10	-	10	1
System charges	3	-	3	-
Miscellaneous	-	-	-	4
Total	159	94	253	263

12. Directors of the Corporate Trustee remuneration, benefits and expenses

The members of the governing committee give their time freely but are able to claim expenses to reimburse them for costs that they incur in fulfilling their duties.

Committee members have not received remuneration, benefits or expenses during 2020/21 or 2019/20 in relation to their support of the charity.

13. Analysis of staff costs, remuneration of key management personnel

Staff costs

	2020/21 £'000	2019/20 £'000
Salaries and wages	185	201
Social security costs	18	21
Employers' pension contribution	22	23
Total	225	245

The members of staff within the charity are employed by South Tees Hospitals NHS Foundation Trust. Salaries are recharged to the charity.

The average number of employees working for the charity was 6 Whole Time Equivalents (WTE) (6 WTE in 2019/20). 2 employees provided support services to charitable activities and the governance of the charity (2 WTE in 2019/20). 4 employees engaged in general fundraising (4 in 2019/20) with the Director of Charities, overseeing both elements.

The charity considers its key management personnel to be the Directors of the Corporate Trustee and the Director of Charities.

Key management personnel remuneration:

	2020/21 £'000	2019/20 £'000
Salary	19	81
Social security costs	2	10
Employers' pension contribution	3	10
Total	24	101

The charity employed one employee whose total employee benefits (excluding pension costs) exceeded £60,000.

	2020/21 Employee Costs Number	2020/21 Employee Costs £000's	2019/20 Employee Costs Number	2019/20 Employee Costs £000's
£60,000 to £70,000	1	24	0	0
£70,001 to £80,000	0	0	0	0
£80,001 to £90,000	0	0	1	93
	1	24	1	93

14. Auditor's remuneration

The auditor's remuneration for the 2020/21 financial year was £10,800 (£9,000 2019/20) related solely to the audit with no additional work being undertaken.

15. Fixed asset investments

	Total Funds 31 March 2021 £'000	Total Funds 31 March 2020 £'000
Movement in fixed asset investments		
Market value brought forward	5,107	5,885
Add: additions to investments at cost	-	727
Less: disposals on carrying value	-	(637)
Movement in cash	-	(112)
Net Gain/(Loss) on revaluation	932	(890)
Gain on disposal	-	134
Market Value as at 31st March	6,039	5,107

The management of 93% of the investment portfolio was moved from Barclays Wealth to CCLA during 2019/20. Cash funds are held outside the portfolio to deal with short term cash flow issues. As a consequence of the economic and market uncertainty caused by COVID-19 there was a fall in the valuation of the investment portfolio as at 31 March 2020 of approximately 16% in the capital value. The investments have made a full recovery in 2020/21 from the losses incurred in the previous financial year.

	Total Funds 31 March 2021 £'000	Total Funds 31 March 2020 £'000
Market value brought forward	5,107	5,885
Additions	-	727
Disposals	-	(749)
Fair value gains/(losses)	932	(756)
Market value as at 31 March 2021	6,039	5,107

16. Analysis of current debtors

	Total Funds 31 March 2021 £'000	Total Funds 31 March 2020 £'000
Debtors under 1 year		
Other debtors - unrestricted	11	83
Prepayments and accrued income - unrestricted	327	149
Total Debtors	338	232

Other debtors represent sums owed to the Charity by other non-related parties.

17. Analysis of cash and cash equivalents

	Total Funds 31 March 2021 £'000	Total Funds 31 March 2020 £'000
Cash in hand - unrestricted	1,114	1,521
Cash in hand - restricted	24	95
Notice Deposits (90 days)	159	159
Total	1,297	1,775

The notice deposit is held as an interest bearing deposit with Barclays and represents the unrestricted designated funds held to facilitate cash flow and the fulfilment of obligations in the furtherance of the charities objectives. The funds are in a 90 day notice account and are therefore classified as cash and cash equivalents.

The unrestricted cash in hand represents the balance in the charity's current account as at 31 March 2021 and the restricted cash in hand represents the cash held for the lottery account £0.024m (£0.024 million 2019/20).

No cash or cash equivalents or current asset investments were held in non-cash investments or outside of the UK.

18. Analysis of liabilities

	Total Funds 31 March 2021 £'000	Total Funds 31 March 2020 £'000
Creditors under 1 year		
Other Creditors - unrestricted	476	856
Accruals - unrestricted	103	390
Total	579	1,246

19. Reconciliation of net income to net cash flow from operating activities

	2021 £'000	2020 £'000
Net income for the reporting period (as per the statement of financial activities)	1,226	(899)
Adjustments for:		
Net (Gain) / Loss on investments	(932)	755
Dividends, interest and rents from investments	(183)	(240)
Decrease/ (increase) in debtors	(106)	(78)
Increase/(decrease) in creditors	(667)	867
Net cash (used in)/provided by operating activities	(662)	405

20. Transfers between funds

There were four transfers from restricted to unrestricted funds during the financial year.

	Unrestricted Funds £'000	Restricted Funds £'000
Transfers	52	(52)
Total	52	(52)

Two MRI transfers to the Kidney appeal and one Mowbray Suite transfer to the Trinity Holistic Centre.

21. Analysis of charitable funds

a) Analysis of restricted fund movements

	Fund balance at 1 April 2020 brought forward £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains / carry forward £'000	Fund Balance at 31 March 2021 £'000
MRI Scanner Appeal	33	79	-	(112)	-	0
Trinity Holistic Centre JCUH Legacy	101	-	(101)	-	-	0
To Benefit Mowbray Suite FHN	87	-	-	(3)	-	84
NHS Charities	-	409	(111)	63	-	361
Staff Lottery	50	45	(16)	-	-	79
Restricted Funds Total	271	533	(228)	(52)	-	524

b) Analysis of unrestricted and material designated fund movements

	Fund balance at 1 April 2020 brought forward £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains / carry forward £'000	Fund Balance at 31 March 2021 £'000
South Tees Hospital Charity and Associated Funds	5,598	1,380	(1,391)	52	932	6,571
Unrestricted Funds Total	5,598	1,380	(1,391)	52	932	6,571
Total Funds	5,869	1,913	(1,619)	-	932	7,095

£100,000 or above is set as an opening or closing balance as the threshold for the separate reporting of material designated funds.

Other designated funds relate to assisting patients of services provided by the South Tees Hospitals NHS Foundation Trust for which donors have indicated their non-binding wishes when making their generous gifts.

The general funds included donations where donors have not expressed any preference as to how the funds shall be spent and the unrestricted income accruing to the charity. These funds are applied for any charitable purpose to the benefit of the patients of South Tees Hospitals NHS Foundation Trust at the absolute discretion of the Corporate Trustee.

22. Funds over £100,000 for disclosure

Name	Objective	2021 £'000	2020 £'000
Breast Cancer Fund (Surgery)	Developments in breast care unit.	131	112
Cardiothoracic Research & Development Fund	To purchase and support research and development in the division of Cardiothoracic Medicine, both clinical and non clinical.	141	121
Discretionary expenditure fund	Capital fund to purchase items of equipment	752	216
General Fund	Any charitable purposes relating to the NHS, wholly or mainly for the services provided by South Tees NHS Foundation Trust.	456	173
Haematology	To support research and facilities for Haematology service.	223	224
Oncology / Radiotherapy / Ward 14 (was Ward 14 Oncology)	For the benefit of patients and staff.	251	253
Rheumatology	For the benefit of staff and patients as well as for training and education of staff and patients.	184	155
South Tees Post Graduate Medical Centre	To fund post graduate medical education.	185	173
Special Care Baby Unit	For the benefit of patients and staff.	174	207
Spinal Injuries	To benefit Spinal Injuries patients and staff.	344	198
Kidney Unit Appeal Jcuh	To fund the new kidney unit	527	179
Endocrinology	To generate donations to help with Diabetes, Endocrinology related education, support courses, conferences and purchase equipment for patient care.	113	163
Cardiothoracic Trust Fund	For the benefit of staff and patients within the cardiothoracic division.	110	124
Northallerton General Purpose	For the benefit of staff and patients.	123	41
Cardiology	For the benefit of staff and patients..	142	155