

DORSET HEALTHCARE CHARITABLE FUND

A registered charity
(Registered No. 1056550)

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31 JANUARY 2021**



ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31 JANUARY 2021

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**DORSET HEALTHCARE CHARITABLE FUND - ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31 JANUARY 2021**

REFERENCE AND ADMINISTRATIVE DETAILS

Charity registration number: **1056550**

Principal & Registered Office of Charity:

Sentinel House
Nuffield Industrial Estate
Poole
Dorset
BH17 0RB

Bankers:

Barclays Bank PLC
Ground Floor County Gates
300 Poole Road
Bournemouth
BH12 1AZ

Independent Examiners:

TC Group
10 Bridge Street
Christchurch
Dorset
BH23 1EF

Internal Auditors:

BDO LLP
Arcadia House, Maritime Walk
Ocean Village, Southampton
Hampshire
SO14 3TL

Dorset HealthCare University NHS Foundation Trust (the Foundation Trust) is the Corporate Trustee of the Dorset HealthCare Charitable Fund governed by the laws applicable to Trusts, principally the Trustee Act 2000 and the Charities Act 2011. The Foundation Trust Board has delegated responsibility for overseeing the administration of the charity to the Board acting as the Corporate Trustee. The members of the Foundation Trust Board who served during the last two financial years were as follows:

Corporate Trustee members:

Andy Willis	Chair
Matthew Metcalfe	Executive Director of Finance and Strategic Development (from 5 Sept 2016)
Heather Bailly	Non Executive Director (from 1 Oct 2017)
Nicola Plumb	Executive Director for People and Culture

Trust Board members current:

Andy Willis	Trust Chair (from 24 Mar 2017)
Eugine Yafele	Chief Executive (from 1 Feb 2019)
David Brook	Non Executive Director
Sir David Haslam CBE	Non Executive Director (from 1 Oct 2020)
Andreas Haimboeck-Tichy	Non Executive Director (from 1 Oct 2020)
Des Pullen	Non Executive Director (from 1 Nov 2020)
Heather Bailly	Non Executive Director
Steven Peacock	Non Executive Director (from 1 Mar 2020)
Tristan Phillips	Non Executive Director (from 1 Jul 2019)
Dawn Dawson	Executive Director of Nursing and Quality (from 1 Apr 2018)
Dr Faisal Sethi	Medical Director (from October 2020)
Nicola Plumb	Executive Director for People and Culture
Kristin Dominy	Chief Operating Officer/Deputy Chief Executive Officer (from 1 Apr 2020)
Matthew Metcalfe	Executive Director of Finance and Strategic Development (from 5 Sept 2016)

Trust Board members past:

Belinda Phipps	Non Executive Director and Chair of Charitable Fund Committee (from 1 Oct 2019 to 30 Sept 2020)
John Carvel	Non Executive Director (from October 2017 to October 2020)
Sarah Murray	Non Executive Director (from August 2014 to October 2020)
Steven Tomkins	Medical Director (from 6 July 2018 - July 2020)

Trustees' Annual Report

The Corporate Trustee presents the Charitable Funds Annual Report together with the Independently Examined Financial Statements for the year ended 31 January 2021. The prior year was the year to 31 January 2020. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" FRS102 (1a) in preparing the annual report and financial statements of the charity.

The Charity's Annual Report and Financial Statements for the year ended 31 January 2021 have been prepared by the Corporate Trustee in accordance with the accounting policies set out in the notes to the financial statements and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard FRS102 (1a).

Trustees of the Charity

The directors of the Foundation Trust are the Charity's trustees for the purpose of charity law. The trustees who have served during the year and since the year end are noted on page 1.

Objectives

Dorset HealthCare Charitable Fund is an independent registered charity. It exists to raise funds and receive donations for the benefit of the patients and staff of Dorset HealthCare University NHS Foundation Trust. We are a trustee body independent from the Foundation Trust but work for the benefit of the patients, their families and the staff.

The Charity's main objective is to hold the fund upon trust to apply the income for any charitable purpose or purposes relating to the provision of health and social care. This includes social care services; particularly in relation to services provided on or behalf of (but in no way limited to) Dorset HealthCare NHS Foundation Trust.

The charity secures funding from fundraising, donations and legacies received from patients, their relatives, the general public and other organisations to be able to enhance and augment the service provided and environment in which care is provided.

The fund benefits a wide range of patients in hospitals, day centres, clinics and within their own home including older people, children, those with mental health problems, those recovering from operations, as well as people with physical and sensory difficulties and those who have learning disabilities.

Staff also benefit from the fund which is used for staff appreciation, team building and the improvement of staff facilities and well being as well as the education of staff by providing training over and above normal NHS standards. This enhanced training benefits both staff and patients.

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Trustees' Annual Report continued

Public Benefit

The Charity Trustees have complied with the duty in section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charities Commission. The Trustees:

- must act reasonably and prudently in all matters relating to the Charity;
- must protect the Charity and act in the best interests of the Charity;
- should fully discuss and agree the annual accounts and annual report;
- ensure the income and property of the Charity is applied for the purposes set out in the Governing Document;
- ensure that good policies are in place and are followed to ensure that the systems of control are rigorous and that the systems of control are well monitored;
- annually review policies and investments and method of investment;
- take proper professional advice when necessary;
- must ensure that the way in which the Charity is administered is not open to abuse by unscrupulous persons.

Structure

Governance

Dorset HealthCare Charitable Fund was established by a Declaration of Trust dated April 1996. The objects being for any charitable purpose(s) relating to the provision of health and social care in relation to (although no way limited to) services provided by or on behalf of Dorset HealthCare University NHS Foundation Trust.

The Board of Directors, on behalf of the Charitable Fund Committee and the Corporate Trustee, review risk via the results of any audits undertaken by both the Internal Auditors and Independent Reviewers. The Internal Audit reports are presented to the Trust's Audit Committee and any significant risks are entered onto the Corporate and/or Operational Risk Registers. No significant risks were identified during the year under review. See also the Independent Examiners' Report to the Trustees of Dorset HealthCare Charitable Fund on page 13. The Trustees are satisfied that there are systems in place to reduce and mitigate the exposure of the Charity to any significant risks.

The Chair and Non-Executive Directors are appointed by the Board of Governors of the Foundation Trust. The Board of Governors also approve the appointment of the Chief Executive by the Non-Executive Directors.

Dorset HealthCare University NHS Foundation Trust fulfils the role of Corporate Trustee. The Corporate Trustee fulfils its legal duty by ensuring that funds are spent in accordance with the objects of each fund. The authority to spend funds has been delegated to service managers within limits agreed by the Trust Board.

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Structure continued

Management

The Corporate Trustee is responsible for overseeing the administration of the charity. The finance directorate of Dorset HealthCare University NHS Foundation Trust has been given the responsibility for the administration of the fund accounts and reports to the Board twice a year. The Director of Finance and Strategy has responsibility for ensuring that full accounting records are maintained and that devolved decision making or delegated arrangements are in accordance with the policies and procedures governing the Charity.

The charitable funds available for spending are allocated to service managers, with each allocation managed by use of a designated fund within the general unrestricted fund. This is intended to ensure funds are spent in a way which respects the wishes of our generous donors and benefactors. Where funds are received with specific restriction set by the donor, a new restricted fund is established.

The delegated limits set by the Corporate Trustee for expenditure below £10k requires the approval of the Fund Manager. Expenditure above £10k and up to £50k requires the approval of the Service Director (or nominated Deputy). Expenditure of £50k or more requires the approval of the Director of Finance and Strategic Development and the Service Director (or nominated Deputy). These limits were increased in October 2020 in order to cut down on bureaucracy, facilitate spending of the funds whilst maintaining a reasonable control of authorised expenditure.

The trustees consider themselves to be the only key management personnel.

Risk Management

Key risk areas include fraudulent attempts and over commitments of funds. Procedures and policies have been established to mitigate these risks.

Dorset HealthCare Charitable Fund also engages with an internal auditor to periodically carry out reviews and report any areas of weakness. Improvements to processes are implemented when any weakness is highlighted.

Reserves Policy

The reserves policy consists of:

- an expectation that income in each individual fund will be spent within 18 months of receipt unless it is being accumulated for a specific purpose.
- no individual fund should hold a permanent balance of more than £25k during a three month consecutive period unless, as above, the funds are being accumulated for a specific project.
- funds with more than £50k require expenditure plans to be submitted to the Corporate Trustee.

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Reserves Policy continued

The reserves total £991k. Fund managers are encouraged to spend funds within 18 months. However, in some cases appropriate expenditure has not yet been identified. This has led to an accumulation of reserves. These reserves will be spent on future appropriate expenditure as and when it is identified.

There are three funds with a balance over £50k. These are:

Wimborne Hospital X-Ray Department fund: £339k
Wimborne X-Ray Department received a large legacy of £350k in 2019/20 which is to be used for the refurbishment of the X-Ray department. Work is being undertaken on the enabling works to commence this project. This is forecast to complete in 2023/24.

Wimborne Hospital designated fund: £183k
This is a designated pot to be used for the benefit of Wimborne Hospital. This hospital has a brilliant level of support from the local community and is regularly in receipt of legacy donations. Consequently a lot of work has already been carried out at Wimborne funded from the Charitable Fund. The staff at Wimborne use this fund as and when they identify either a staff, patient or building requirement.

NHS Charities Together £160k
The Charity joined NHS Charities Together in 2020 and received £176k to support staff and patients during the COVID-19 crisis. Some spending has commenced in 2020/21 and future plans made to spend on staff and well being projects in 2021/22.

Treasury Management Policy

The Fund usually invests £100k with H M Treasury Deposit, which previously gave a return of between 0.38% to 0.39%, resulting in a small balance in previous years. However, due to the COVID crisis H M Treasury has suspended deposits. The funds are still currently on deposit with the main Trust waiting for the investment process to resume.

The Charitable Fund spending principle is to spend funds within 18 months therefore investment are only entered into short term options.

The Treasury Management policy states:

- surplus cash can be invested for a period of up to 95 days.
- potential risks to the reputation of the Trust that may come from an involvement with deposits in the commercial sector must be minimised.
- cash is only deposited in "safe harbour" deposits. These are low risk and high liquidity investments. They are deposited with permitted institutions which meet recognised rating agency criteria.

The impact of COVID-19

The 2020 COVID-19 pandemic has had impacts on the Charity both positive and negative.

Dorset HealthCare NHS Foundation Trust, the NHS as a whole and the Charity had to quickly adapt to deal with the crisis and the significant numbers of patients who were ill. Wards and services were re-purposed and for long periods closed to any but essential staff. This impacted on day to day donations as visitors could no longer attend sites - reducing donations significantly. Expenditure was also reduced as staff focused their efforts into treatment and further prevention of the spread of the virus.

However the fundraising efforts of the public in support of the wider NHS, typified in the amazing response to Captain Sir Tom Moore and others, led to a huge influx of donations for the Health Service via the NHS Charities Together Charity. The Trust became a member of NHS Charities Together and as a consequence received a share of these donations (£176k).

Additionally, some members of the public and local companies also supported their local hospitals and services via crowd funding raising £9k for their chosen sites.

The NHS Charities Together money has been primarily spent on staff welfare and further details of expenditure are shown under future plans.

Normal expenditure is slowly recovering in 2021/22 as Teams now have time to plan to reward their staff or create new improvements or facilities for patients and services.

The Charity is incredibly grateful for all the support during this time shown to it and to the wider NHS.



Review of the Activities, Achievements and Performance of the Charitable Funds in 2020/21

Activities and Achievements

The Charitable Fund spent £50k on activities and purchases (excluding support costs) to meet the Charity's objectives in the year. A highlight of these include:



Ongoing development of more beautiful and patient/visitor friendly gardens thanks to the dedication of a group of volunteers known as The Westminster Memorial Hospital Gardening Group



Patient Welfare

Direct patient welfare expenditure for the period totalled £23k but also includes the purchase of equipment or refurbishment to Wards and Units to provide a better patient experience (note 5). Funds are mainly used to provide additional facilities, or extras, to make the patients' stay more comfortable such as radios, particularly when patients were unable to have visitors or access patient lounges due to COVID restrictions. These funds make it possible to purchase certain special items which otherwise could not be provided from Dorset HealthCare NHS Foundation Trust's existing revenue or capital budgets. The largest items of spend by monetary value include refurbishments and additional equipment purchases, which enhance the quality of care. This includes an upgrade to a palliative care suite which is above and beyond what is considered standard NHS interior.

Review of the Activities, Achievements and Performance of the Charitable Funds in 2020/21

Activities and Achievements continued

Swanage Hospital End of Life Suite and Hospital gardens



The living wall at Swanage Hospital leads into the patient lounge area which is used by the Lewis Manning Hospice, bereavement volunteers and inpatients at the Hospital.

A view of the relatives suite which is provided for relatives of patients who are at the end of their lives.

It enables relatives to take a break or stay overnight to be close to their loved ones. It is also a disabled friendly space so inclusive to all.



Original stained glass windows have been re-framed so that the glass can feature in the therapeutic garden used by patients, those with life limiting illness or at the end of their lives.

It is also used by staff and visitors.

Review of the Activities, Achievements and Performance of the Charitable Funds in 2020/21 continued

Staff Education and Welfare

Staff education and welfare expenditure for the year totalled £27k. These costs were incurred to improve staff facilities and for staff development and also represent NHS Charities Together monies being spent to support and thank staff.

Staff were able to attend external training courses which provided an even higher level of teaching for the benefits of our patients. This included training courses in palliative care and cancer care. Many courses this year have been virtual or postponed until next year. Other funds were donated towards staff events and other morale and team building events.

Other Charitable events included:

- Netflix for patients on Twynham Ward to alleviate the impact of staying inside during lock downs;
- gardening therapy items at Alderney Hospital;
- pet therapy guinea pigs and rabbits for patients at Alderney Hospital;
- pizza and ice cream for staff on arduous shifts at Alderney Hospital;
- memorial trees at various hospitals and sites;
- welcome cakes for the 111 service now hosted by Dorset HealthCare University Foundation Trust;
- cotton tote bags for the End of Life services in two hospitals so that relatives can take their loved ones possessions home in a dignified and environmentally friendly way;
- memory aids such as specialised clocks, key finders and phones for patients attending the Brain Injury Service;
- allotment rental as part of gardening therapy for people with mental health/anxiety;
- radios for patients to use who were unable to have visitors or to visit the TV room due to COVID
- inpatient Christmas entertainment;
- start up monies for patient run cafes in two mental health sites;
- thank you gifts and hampers for facilities and clinical staff from monies donated by grateful patients and public;
- fairy lights and ornaments for hospital gardens at Christmas;
- Pilates equipment for staff at Wimborne Hospital;
- art works and planters for a new Sexual Health hub;
- mini toiletry sets for patients in hospital to make their stay more pleasant;
- a music system for chaplaincy services;
- hot food and drinks for people working in the night time economy in areas of deprivation;
- poppies and a cut out metal soldier for Bridport Memorial garden.

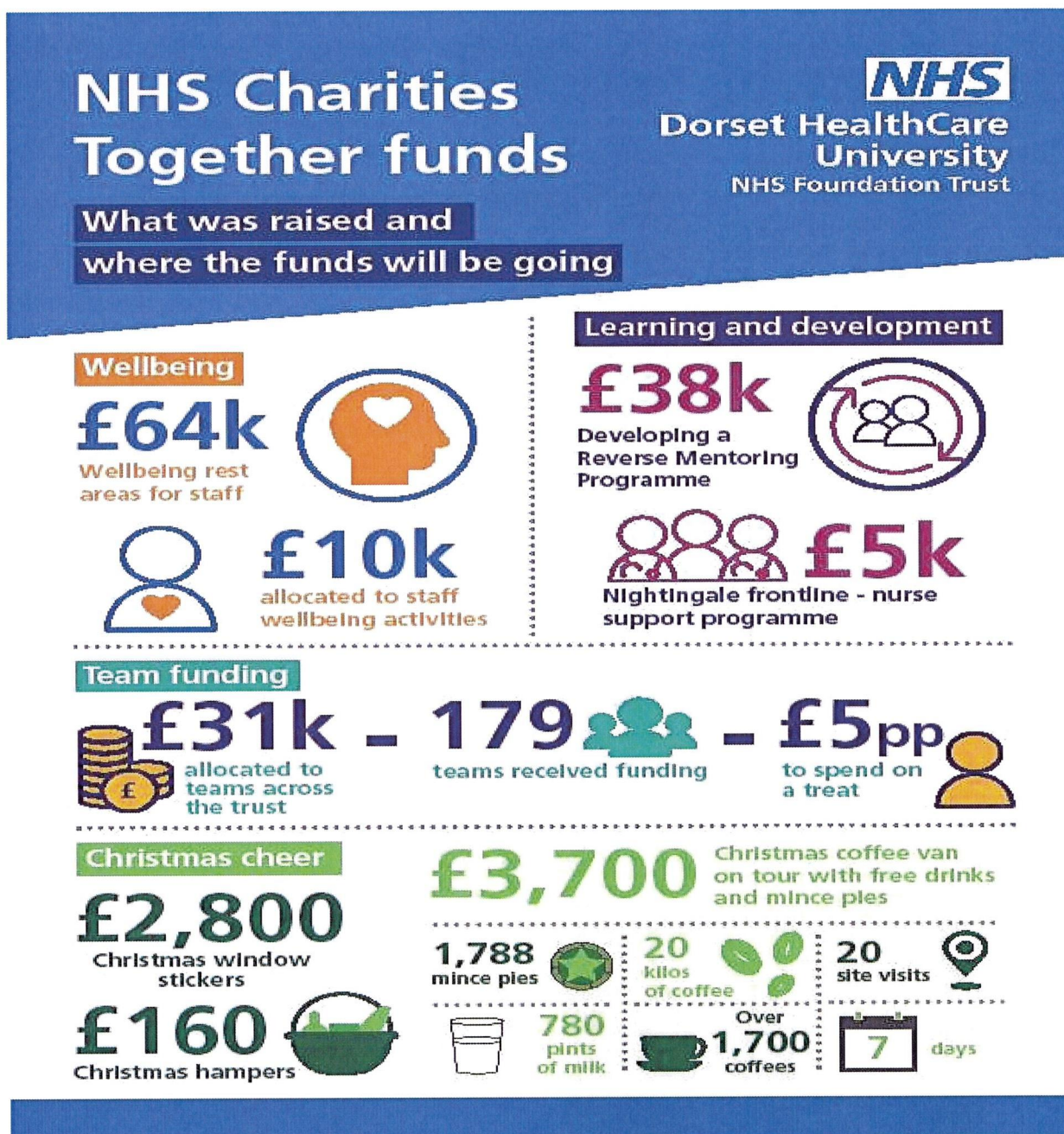


A detail from
Swanage Hospital's
living wall.

Our Future Plans

The Charitable Fund makes plans in line with the direction and strategy of the Foundation Trust to ensure funds are being spent effectively.

The following provides a summary of the future spending plans for the NHS Charities Together funds:



Our Future Plans continued

Future plans are financed by either fund reserves or new donations, legacies or grant income.

Future spend will be reflective of the future needs of the services provided or carried out on behalf of the Foundation Trust and the supporting community.

Spending plans are requested on a regular basis from all service managers who hold funds.

Other spending plans include:

- Mindray monitors for theatre, recovery and day surgery ward at Wimborne Hospital. These provide ECG monitoring, patient rhythm data and the ability to monitor respiratory rate;
- Digital radios for patient use at West Haven and Bridport Hospitals. During the pandemic patients were unable to have visitors or access patient lounges so the radios supplied entertainment and company.

Review of the Finances of the Charitable Funds in 2020/21

Total income decreased by £178k to £235k in year (2019/20 increase of £125k). 2019-20 included a one off legacy of £350k so legacies were particularly high last year but the effects of the COVID pandemic were also felt in 2020/21. However, due to grants from NHS Charities Together and fundraising activities by members of the public which together realised £185k the Charity's funds remained buoyant. The 4 legacies made throughout the year totalled £19k and additionally over 180 donations were made totalling £30k, resulting in total 2020/21 donation and legacy income of £234k (2019/20 £411k). Investment income of £1k (2019/20 £2k) was from interest earned on the Fund's bank account.

Total expenditure decreased by £83k to £81k in year (2019/20 increase of £40k) due again to the impact of COVID on charitable activities. A total of £80k (2019/20 £133k) was spent directly on charitable activities, a breakdown of which can be seen in note 5. In order to manage the charity £31k (2019/20 £31k) was spent on support costs.

Total net profit totalled £154k (2019/20 £249k) and was added to the brought forward net assets of £837k resulting in total net assets at the end of 2020/21 of £991k.

The charity relies on donations, grants and legacies as its main source of income. While the charity does not actively seek donations, past years donations have always more than exceed total annual running costs.

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources of the Charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By Order of the Trustee
Signed:

..... 

Date 12th October 2021

Andy Willis, Chair of the Corporate Trustee

**DORSET HEALTHCARE CHARITABLE FUND - ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR
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Independent Examiners' Report to the Trustees of Dorset HealthCare Charitable Fund

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 January 2021 which are set out on pages 1 to 26.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the Charity as requested by section 130 of the Act; or
- 2 the accounts do not accord with those records
- 3 the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a "true and fair view" which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed:


Lucy Eller FCA
For and on behalf of
TC Group
10 Bridge Street
Christchurch
Dorset
BH23 1EF

Date 5/11/2021



Captain Sir Tom Moore completing his 100th lap of his garden raising £33 million for NHS Charities as a result.

A BIG THANK YOU...

On behalf of the patients and staff who have benefited from the donations and legacies received, the Dorset HealthCare Charitable Fund would like to thank everyone who has made charitable donations.

In addition a special thanks to those individuals, both staff of Dorset HealthCare University Foundation Trust and external supporters who have invested their time to drive forward a charitable scheme.

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Statement of Financial Activities for the year ending 31 January 2021

	Note	Unrestricted funds	Restricted funds	2020/21 Total funds	2019/20 Total funds
		£000	£000	£000	£000
Income from:					
Donations and legacies	3	111	21	132	411
Grants	3	0	102	102	0
Investments	4	1	0	1	2
Total income		112	123	235	413
Expenditure from:					
Charitable activities	5	(34)	(47)	(81)	(164)
Total expenditure		(34)	(47)	(81)	(164)
Net income/(expenditure)		78	76	154	249
Transfers between funds	13	0	0	0	0
Other recognised gains/(losses):		0	0	0	0
Net movement in funds	13	78	76	154	249
Reconciliation of funds:					
Total funds brought forward	13	373	464	837	588
Total funds carried forward	13	451	540	991	837

**DORSET HEALTHCARE CHARITABLE FUND - ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR
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Statement of Financial Position for the year ending 31 January 2021

	Note	Unrestricted funds	Restricted funds	2020/21 Total funds	2019/20 Total funds
		£000	£000	£000	£000
Current assets:					
Debtors	10	23	1	24	23
Cash and cash equivalents	11	436	545	981	831
Total current assets		459	546	1,005	854
Liabilities:					
Creditors: amounts falling due within one year	12	(8)	(6)	(14)	(17)
Net current assets/(liabilities)		451	540	991	837
Total net assets/(liabilities)		451	540	991	837
The funds of the charity:					
Restricted Funds	13	0	540	540	464
Unrestricted Funds	13	451	0	451	373
Total charity funds	13	451	540	991	837

The notes at pages 17 to 26 form part of these accounts.

The financial statements were approved and authorised for issue by the Board on

Signed on behalf of the Board of Trustees

Signed:



Date: 12th October 2021

Andy Willis, Chair of the Corporate Trustee

Date:

Charity registration number: 1056550

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Notes to the Financial Statements

1 Summary of accounting policies

1.1 General information and basis of preparation

Dorset HealthCare Charitable Fund is a charity in the United Kingdom. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principle activities are detailed in the Trustees Annual Report.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements are prepared on a going concern basis under the historical cost convention. The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £000.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

1.2 Statement of Compliance

These financial statements have been prepared in compliance with the provisions of FRS102 section 1a, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

1.3 Funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Notes to the Financial Statements

1.3 Funds (continued)

Designated funds comprise unrestricted funds which are either set aside to be used for specific purposes or which reflect non-binding wishes of donors.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund.

The major funds held in each of these categories are disclosed in note 13.

1.4 Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity, however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed. If the details of the amount are confirmed after the reporting period but prior to the accounts being authorised for issue then the legacy will be treated as an adjusting post reporting date event and accrued as income.

Investment income is earned through holding assets for investment purposes such as shares and cash. It includes dividends and interest. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend income is recognised as the charity's right to receive payment is established.

Notes to the Financial Statements

1.5 Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

Expenditure on charitable activities includes costs incurred in relation to the charitable operations including support and governance costs apportioned to the charitable activities.

1.6 Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs and governance costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to the cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources. All overheads have been allocated on an expenditure proportion basis.

Details of these costs is included in note 6.

1.7 Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

1.8 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, held in either an interest bearing premium account of cash.

1.9 Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

1.10 Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

**DORSET HEALTHCARE CHARITABLE FUND - ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR
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Notes to the Financial Statements

2 Prior year comparatives by type of fund

The primary statements provide prior year comparatives in total; this note provides prior period comparatives for the Statement of Financial Activities and the Statement of Financial Position for the two types of funds the charity manages.

2.1 Statement of Financial Activities for the year ending 31 January 2020

	Unrestricted funds	Restricted funds	2019/20 Total funds
	£000	£000	£000
Income from:			
Donations and legacies	35	376	411
Investments	1	1	2
Total incoming resources	36	377	413
Expenditure on:			
Charitable activities	(132)	(32)	(164)
Total expenditure	(132)	(32)	(164)
Net movement in funds	(96)	345	249
Reconciliation of funds:			
Total funds brought forward	472	116	588
Total funds carried forward	376	461	837

2.2 Statement of Financial Position for the year ending 31 January 2020

	Unrestricted funds	Restricted funds	2019/20 Total funds
	£000	£000	£000
Current Assets:			
Debtors	22	1	23
Cash at bank and in hand	362	469	831
Total Current Assets	384	470	854
Liabilities:			
Creditors: amounts falling due within one year	(11)	(6)	(17)
Net current assets/(liabilities)	373	464	837

**DORSET HEALTHCARE CHARITABLE FUND - ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR
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Notes to the Financial Statements

3 Income from donations and legacies

	Unrestricted funds £000	Restricted funds £000	2020/21 £000	2019/20 £000
Donations	93	20	113	40
Legacies	18	1	19	371
Grants	0	102	102	0
	111	123	234	411

4 Income from investments

	Unrestricted funds £000	Restricted funds £000	2020/21 £000	2019/20 £000
Interest - deposits	1	0	1	2
	1	0	1	2

5 Analysis of charitable expenditure

	Charitable activity £000	Support costs £000	2020/21 £000	2019/20 £000
Purchase of new equipment	9	4	13	56
Building and refurbishment	10	1	11	26
Staff education and welfare	27	18	45	52
Patient welfare	4	8	12	30
	50	31	81	164

The basis for allocating support costs is by number of transactions processed to more accurately reflect the support time and resources used.

Of the above support costs £19k were attributable to restricted funds (2019/20 £7k). The increase is due to the additional administration support needed for the large amounts (£176k) of restricted monies received from NHS Charities Together.

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6 Allocation of support costs and governance costs

Support costs are allocated between fundraising activities and charitable activities. Governance costs are those support costs which relate to the strategic and day to day management of a charity.

The bases of allocation used are as follows:

Support cost	Charitable activities £000	Total 2020/21 £000	Total 2019/20 £000
Internal Audit	1	1	1
External Independent Review	3	3	3
Governance Total	4	4	4
Financial administration	24	24	24
Telephone/postage/stationery	1	1	1
Computer expenses	2	2	2
Total	31	31	31

	Unrestricted funds	Restricted funds	Total 2020/21	Total 2019/20
Charitable activities	14	17	31	31
	14	17	31	31

7 Independent examiners remuneration

The independent examiners remuneration of £3k (2019/20 - £3k) relates to the independent examination of the financial statements by our external reviewers.

8 Trustees' and key management personnel remuneration and expenses

The Trustees and key management personnel neither received nor waived any remuneration during the year 2020/21 (2019/20 - £nil).

No Trustees are accruing pension arrangements (2019/20 - £nil).

The Trustees did not have any expenses reimbursed during the year (2019/20 - £nil).

**DORSET HEALTHCARE CHARITABLE FUND - ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR
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Notes to the Financial Statements

9 Staff cost and employee benefits

For the 2020/21 year the charitable fund did not employ any staff (2019/20 - nil).

Staff are not directly employed by the Charitable Fund. Staff of Dorset HealthCare University NHS Foundation Trust have responsibility for the day to day running of the Charitable Fund and the time spent on this work is recharged to the Charity on a monthly basis.

10 Debtors

	2020/21	2019/20
	£000	£000
Other debtors - legacies	23	22
Prepayments and accrued income	1	1
	<u>24</u>	<u>23</u>

11 Analysis of cash and cash equivalents

	2020/21	2019/20
	£000	£000
Cash in hand	881	731
Cash on deposit	100	100
	<u>981</u>	<u>831</u>

12 Creditors: amounts falling due within one year

	2020/21	2019/20
	£000	£000
Accruals	14	17
	<u>14</u>	<u>17</u>

**DORSET HEALTHCARE CHARITABLE FUND - ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR
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Notes to the Financial Statements

13 Fund reconciliation

	Balance at 01/02/2020	Transfer	Income	Expenditure	Balance at 31/01/2021
	£000	£000	£000	£000	£000
Unrestricted and designated funds:					
Designated funds					
Wimborne Hospital fund	194	0	2	(13)	183
New Wave fund	44	0	0	(1)	43
Other immaterial designated funds (42 funds)	131	0	33	(17)	147
Unrestricted funds					
NHS Charities Together Initial Funding	0	0	74	(1)	73
General funds	4	0	3	(2)	5
Total unrestricted and designated funds	373	0	112	(34)	451
Restricted funds:					
Buckland Fund	7	0	0	0	7
Swanage Hospital	17	0	0	(5)	12
Swanage Hospital Training LoF	10	0	0	(0)	10
Wareham Hospital	7	0	0	(5)	2
Dorset Working Women's Project	5	0	0	(0)	5
Pebble Lodge	5	0	0	(0)	5
Wimborne Bullows A&E Eyes	2	0	0	(0)	2
Kings Park Hospital	36	0	0	(1)	35
Wimborne X-Ray	350	0	0	(11)	339
NHS Charities Together	0	0	102	(15)	87
District Nurses Bournemouth North	6	0	0	(1)	5
Bridport COVID crowd funding	0	0	9	(1)	8
Other immaterial restricted funds (37 funds)	19	0	12	(8)	23
Total Restricted Funds	464	0	123	(47)	540
Total Funds	837	0	235	(81)	991

Fund Descriptions

Full details of funds are shown with the Trustee Report.

a) Unrestricted and designated funds

The purpose of the unrestricted funds are to support the charitable purpose as stated in the objects of the Dorset HealthCare Charitable Fund; particular designated funds have been created to reflect the non binding wishes of donors.

The Trustees set a closing balance of £50k or above as the threshold for reporting material designated funds. In the interests of accountability a breakdown of all such funds is available upon written request. There is one designated fund with a closing balance over £50k which is Wimborne Hospital at £183k.

Wimborne Hospital Material Designated Fund

This is a non binding legacy which was left to Wimborne Hospital in November 2013. Wimborne has also been the recipient of several further legacies in 2017/18, 2018/19, 2019/20 and in 2020/21.

**DORSET HEALTHCARE CHARITABLE FUND - ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR
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Fund Descriptions continued

Funds were received from New Wave Integrated Care Ltd in April 2014 for the benefit of people in Boscombe and the immediate surrounding areas. This fund is now being used for projects which were identified in 2019/20 such as lunch clubs for lonely isolated older people. Again due to COVID restrictions these have been temporarily postponed.

NHS Charities Together - Unrestricted Funds

The Charity joined NHS Charities Together in 2020 and received initial unrestricted funding of £74k to support staff and patients during the COVID crisis. Some spending has commenced in 2020/21 and future plans made to spend on staff and well being projects in 2021/22.

b) Restricted funds

Restricted funds over £50k

Wimborne X-Ray Department

A large legacy was received in 2019/20 of £350k which is solely for the benefit of the Radiology Department at Wimborne Hospital. Plans are being made to use this money on refurbishing/improving the X-ray department.

NHS Charities Together - Grants

NHS Charities Together invited bids in 2020 and the Charity consequently received £50k to mentor ethnic minority, disabled and other staff (spent in 2021-2022). A second £50k has and is currently being spent on staff reward, recognition and recovery. The final £2k was spent on goodie bags containing healthy snacks and essentials to welcome, sustain and thank vaccination staff.

Restricted funds under £50k

There is a restricted fund relating to a legacy left by the Reverend Buckland to be used for any charitable purpose relating to the benefit of Occupational Therapy and the Rehabilitation Assessment units.

Swanage Hospital has a restricted fund to be used for the care of cancer patients.

Wareham Hospital has a restricted fund for the benefit of the palliative care unit - and received a legacy of £15k in 2020/21. The Hospital has submitted a plan to refurbish Kimmeridge Ward which as well hosting general clinical space will also be used for audiology, coagulation, heart failure, continence and AAA screening clinics in a location easy and accessible for as many patients as possible.

Wimborne Hospital received a legacy in January 2017 of £8k for use in the Minor Injury Unit with specific reference to eye care. Items for the ophthalmology department have been purchased in 2019/20.

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Fund Descriptions continued

Kings Park Hospital received a £40k legacy in July 2018 and ideas were put forward regarding how to spend this money.

Dorset Working Women's Project received £4k in August 2016 to create a safe space for working women within the Boscombe/Springbourne areas. They have also received a £2k donation in September 2018 which is being used for an Outreach project to take health education and hot food and drinks to workers in the night time economy in deprived areas of Dorset.

Pebble Lodge, the Trust's Child and Adolescent Mental Health Hospital in Bournemouth, received a £5k donation in 2019/20 which is to be spent on young people's activities. Unfortunately due to COVID these had to be postponed but are still planned for when restrictions ease.

14 Related party transactions

Information about related party transactions and outstanding balances is outlined below:

	Income £000	Expenditure £000	Debtors £000	Creditors £000
Dorset HealthCare University NHS Foundation Trust - Corporate Trustee				
To 31 January 2021	0	28	0	0
To 31 January 2020	0	28	0	0

The Trust Board of Dorset HealthCare University NHS Foundation Trust is the sole corporate trustee of the charitable fund.

Board Members of Dorset HealthCare University NHS Foundation Trust (and other senior staff) take decisions on Charity matters but endeavour to keep the interests of each discrete and do not seek to benefit personally from such decisions.

Dorset HealthCare University NHS Foundation Trust on occasion will receive income or make payments on behalf of Dorset HealthCare Charitable Fund, the charity will then refund the balance. In addition Dorset HealthCare University NHS Foundation Trust provides management and accounting support to the Charitable Fund. During the year ended 31 January 2021 £28k (2019/20: £28k) was paid to Dorset HealthCare University NHS Foundation Trust in respect of this. The figures above include both of these elements.

During the period none of the Trustees or members of the key management staff or parties related to them has undertaken any material transactions with the Dorset HealthCare Charitable Fund or received any benefit from the charity through payment or in kind.

15 Contingent Liabilities or Assets

There are no contingent assets or liabilities in 2020/21.