

BARNSELEY HOSPITAL CHARITY

ANNUAL REPORT
Including
ANNUAL ACCOUNTS
Year ended 31 March 2021

Charity Registration Number: 1058037

**AS INCORPORATED BY DEED IN THE FORM OF
THE MODEL DECLARATION OF TRUST
DATED 15 AUGUST 1996**

BARNSELEY HOSPITAL CHARITY ANNUAL REPORT
REGISTERED CHARITY NUMBER 1058037

FOREWORD

The Barnsley Hospital Charity Annual Report and Accounts for the year ended 31 March 2021 have been prepared by the corporate trustee in accordance with the Charities Act 2011. The annual report and accounts include all the separately established funds for which Barnsley Hospital NHS Foundation Trust ('The Trust') is the corporate trustee. The Trust provides a full range of district hospital services to the local community and surrounding area.

Throughout the financial year, the Covid-19 pandemic continued to have an impact on the Charity as the Trust changed its operations to focus on treating infected patients and we started to discuss how we could support this fast-developing area.

The Trust is the key related party of the Charity (refer note 18 of Financial Statements for further details). Details of all the Directors of the Trust for the year are listed below:

CHAIRMAN: Mr T Lake

CHIEF EXECUTIVE: Dr R Jenkins

EXECUTIVES: Mr S Ned
Director of Workforce

Mr C Thickett
Director of Finance

Ms J Murphy
Director of Nursing and Quality

Mr R Kirton
Chief Delivery Officer and Deputy Chief Executive

Dr S Enright
Medical Director

NON- EXECUTIVES: Mr N Mapstone

Ms R Moore

Mr F Patton (left 31 December 2020)

Ms S Ellis

Mrs K Firth

Mr P Hudson

Mr K Clifford OBE (from 1 December 2020)

REFERENCE AND ADMINISTRATIVE DETAILS

All charitable funds administered by the Trust were registered with the Charity Commission on 15 August 1996 as an "umbrella charity", registration number 1058037; this registration is in accordance with the Charities Act 2011. The fund comprises both general and special purpose funds. Charitable funds received by the Charity are accepted, held and administered as funds and property held on trust for purposes relating to the health service in accordance with the relevant guidance and legislation by the corporate trustee.

The Charity is constituted of 31 individual funds, being 8 restricted and 23 unrestricted as at 31 March 2021. The notes to the financial statements distinguish the types of fund held and disclose separately all material funds.

TRUSTEE

The Trust is the corporate trustee of the charitable funds governed by the law applicable to Trusts, principally the Trustee Act 2000 and the Charities Act 2011.

OUR OBJECTIVES ACTIVITIES AND PUBLIC BENEFIT

By raising new money and with careful management of our existing funds, the Charity provides a public benefit by making grants to Barnsley Hospital NHS Foundation Trust and the organisations it works with in order to fulfil the objectives, being:

The main purpose of the charitable funds held on trust is to apply income for charitable purposes relating to the general or any specific purposes of the Barnsley Hospital NHS Foundation Trust or to purposes relating to the Health Service.

Grants are made in accordance with charity law, our constitution and the wishes and directions of donors. In making grants we endeavour to reflect the wishes of patients and staff by directing funds towards areas they tell us are most in need. During the year 2020/21 grants totalling £233,000 were made. When considering where to focus our attention our corporate trustee's board have regard to the Charity Commission's guidance on public benefit and what this means for the Charity.

Principal Office: **Barnsley Hospital NHS Foundation Trust**
Gawber Road
Barnsley
South Yorkshire
S75 2EP

Principal Professional Advisers:

Banker: **Lloyds TSB Plc**
Market Hill
Barnsley
S70 2PP

Investment Advisor: **Investec Wealth and Investment**
30 Gresham Street
London
EC2V 7QN

Auditor **KPMG LLP**
1 Sovereign Square
Leeds
LS1 4DA

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charity was incorporated by deed in the form of the model declaration of trust dated 15 August 1996. The Trust is the corporate trustee of the Charitable Funds governed by law applicable to Trust, principally the Trustees Act 2000 and also the law applicable to Charities, which is governed by the Charities Act 2011.

Until March 2021, the Board of Trustees managed the funds on behalf of the corporate trustee. Effective from March 2020 a Charitable Trusteeship Committee was formed with agreed terms of reference, this committee was subsequently renamed to the Charitable Funds Committee in March 2021. Accordingly, from March 2021, the Charitable Funds Committee manages the funds on behalf of the corporate trustee. The Board of Trustees and the Charitable Funds Committee consist of Executive and Non-Executive Directors. Non-Executive Directors are appointed by the Council of Governors and Executive Directors are subject to the Trust's recruitment policies.

The corporate trustee, as trustee of the funds, has an overall responsibility for the administration and distribution of the monies. The charitable funds available for spending are allocated to specialties within the Trust's clinical business unit management structure. The corporate trustee fulfils its legal duty by ensuring that funds are spent in accordance with the objects of each fund. The corporate trustee respects the wishes of our generous donors to benefit patient care and advance the good health and welfare of patients, carers and staff.

In the year the committees met on a quarterly basis where requests for expenditure were discussed and approved. A quarterly report is received from the Charitable Fund's investment brokers on the performance of the portfolio.

Under the scheme of delegated authority, approved by the Board of Directors, the Director of Finance has responsibility for the day-to-day management of the Charitable Fund.

Administratively, a senior member of staff from the Finance Department supported the Charitable Trusteeship Committee and the Charitable Funds Committee from March 2021. The accounting records and the day-to-day administration of the funds are dealt with by the Financial Accounts Department.

TRAINING FOR THE CORPORATE TRUSTEE

Members of the Board of Directors are subject to an induction programme on appointment to the Board. Further training is available on request and is provided as and when required.

EXPENDITURE AND RESERVES POLICY

The expenditure of donated funds shall be conditional upon the goods/ services being within the terms of the appropriate fund and also that the expenditure does not lead the Charitable Funds into further payments, which have not been agreed and funded.

The Charity is funded by donations and/or legacies received from patients, relatives, and the general public and other external organisations. The overall strategy is to meet its charitable objectives by the following means:

- Patients amenities and welfare – purchase of small equipment, provision of services and the provision of facilities not normally provided by or in addition to the normal NHS provision;
- Staff amenities and welfare – providing staff facilities that improves staff well-being and also the education of staff over and above what would normally be provided by the NHS;
- Contributions to NHS expenditure – anything which does not fit in to the above, e.g. capital equipment (over £5,000); and
- Research and Development.

Reserves are held by the Charity to meet the future potential commitments of the Funds held.

The overall policy aim is that donated monies should be spent as soon as practicable in line with the purpose of the charity, as opposed to a deliberate programme of building up capital investments.

In practice, this will ensure that the Charitable Funds will aim to spend, each year, all income received including investment income.

The corporate trustee considers the total funds of the Charitable Funds should be at a minimum of £200,000 whilst the reserves should not reduce below £95,000. At 31 March 2021 the Charitable Funds currently has total funds of £1,980,000 including reserves of £1,528,000 and accordingly holds an excess over the minimum reserves. The aim is that the level of expenditure is to increase over and above new donations during the course of a reasonable timeframe to achieve these levels of minimum protected investments. In 2021/22 the corporate trustee agreed £1,330,000 of the existing unrestricted funds to be designated funds. The expenditure and reserves policy will continue to be reviewed in the future as considered necessary.

In addition, where it is prudent to do so, the Charitable Funds will agree to fund one off projects from reserves. This policy over time will reduce the size of the investment portfolio, assuming the continuance of the past level of donations. The corporate trustee will be advised on the level of

investments the Charitable Funds needs to protect, in order to support the recurrent expenditure from such sources.

The following authorisation limits were applied during the year:

All expenditure on Charitable Funds was approved by the Charitable Trusteeship Committee or the Charitable Funds Committee. A bid had to be submitted on the approved documentation and signed by the authorised signatory – depending on the fund, signatories include: a Clinical Director, General Manager, Chief Operating Officer, Associate Director of Operations, Director of Operations, Director of Finance, Associate Director of Nursing, Head of Midwifery, Director of Nursing and Quality, Chief Executive and members of the Executive team who are not Executive Directors nor Non Executive Directors of the Trust.

PARTNERSHIP WORKING AND NETWORKS

The Trust is the main beneficiary of the Charity and is a related party by virtue of being the corporate trustee of the Charity. By working in partnership with the Trust, the Charitable Funds are used to best effect. When deciding upon the most beneficial way to use Charitable Funds, the corporate trustee has regard to the main activities, objectives, strategies and plans for the Trust.

RISK MANAGEMENT POLICY

The corporate trustee is responsible for managing risk issues for the Charity, which is underpinned by the internal policies and procedures of the Trust, including:

- Code of Conduct and Code of Accountability;
- Standing Orders;
- Standing Financial Instructions and Scheme of Delegation; and
- Fraud Policy and Response Plan.

The Charity has agreed ongoing to adopt all Trust policies where relevant.

This list of documents is not exhaustive but governs how the corporate trustee must operate and the issues it must consider. However, the corporate trustee must also be aware of the statutory framework in which it operates, specifically in relation to the charitable status as well as the wider NHS environment. With regards to investments, the corporate trustee adopts a managed fund approach by engaging a professional advisor. This is detailed further in the Investment Policy below.

In addition to these, the corporate trustee considers specific risk issues on a regular and on-going basis.

As part of the business planning exercise carried out during the year, the corporate trustee has considered the major risks to which Barnsley Hospital Charity is exposed. Systems have been reviewed and steps identified to mitigate those risks. Consideration of two risks within the Covid-19 climate are detailed below:

i) Future levels of income

The Charity is reliant on donations to allow it to make grants to NHS bodies. If income falls, then the charity would not be able to make as many grants or enter into longer term commitments with the NHS bodies it supports.

The committee mitigates the risk that income will fall by engaging with the Fundraising Department. That Department comprises dedicated fundraising experts who work with the Trust as well as the Charity to provide a co-ordinated approach to raising funds. Fundraising activity is

regularly benchmarked against our peers and thorough reviews are undertaken after major campaigns and events to understand what worked well and how things could be done better. The public's support of the NHS has been demonstrated through increased donations during the Covid-19 pandemic, particularly the national emergency appeal managed by NHS Charities Together.

ii) Fall in investment returns

The Charity generates additional income from investing elements of its cash balances so the committee considers the loss of investment income to be a major financial risk. This risk is increased as a result of the impact of the Covid-19 pandemic on the stock market. The risk is mitigated by retaining expert investment managers, having a diversified investment portfolio and regularly reviewing that portfolio. The committee makes use of benchmarking information when reviewing the portfolio.

INVESTMENT POLICY

The corporate trustee reviews the investment policy on a regular basis and considers that the most appropriate policy to adopt is one which is consistent with the Standing Financial Instructions of the Trust and as such the Investment Policy of the Charity has been produced in line with these instructions; "Donated Funds pending their expenditure" shall be invested by the Director of Finance subject to statutory requirements, principally, the 1961 Trustee Investment Act as superseded by the Trustees Act 2000 implemented from 1 Feb 2001.

This Act imposes a duty on the corporate trustee when exercising its powers of investment to consider the need for diversification in order to reduce the risk of loss should an investment fail.

In addition, the corporate trustee, in line with the ethos of promoting patient care, attempts to ensure that all investments are ethically and environmentally sound, and are not opposed to the 'purpose' of the Charity. In particular, the corporate trustee requires that no investment be made directly into companies involved in the tobacco industry. This restriction excludes collective investments.

In all other respects, the corporate trustee considers that it should adopt a balanced attitude to investment risk. In adopting this profile, the corporate trustee is aware that capital and income will fluctuate in value in order to obtain the potential for greater medium to long-term benefits.

The Charitable Funds have a designated fund whereby the investment advisors are responsible for the day-to-day movements in investments (this is subject to review every three years or sooner). The advisors for the last financial year were Investec Wealth and Investment. The policy is to seek a balanced return from income and capital growth at a moderate level of risk.

The portfolio was moved into the Master Portfolio Service of Investec Wealth and Investment Ltd on 14 March 2016. In 2020/21 as the portfolio value exceeded £150,000, it was transferred into the Bespoke Discretionary Managed Service in December 2020.

As at 31st March 2021, the portfolio was valued at £338,375 (as at 31 March 2020 £267,660). This represented a gross return of 30% compared to 21% for the benchmark. On a net basis, the portfolio delivered 28.8%.

ACTIVITIES, ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR ENDED 31 MARCH 2021

Our key aim is to serve the NHS patients of Barnsley Hospital NHS Foundation Trust for the public benefit. By funding research, services and equipment we are able to help the NHS body and other organisations we work with to provide care to their patients which goes beyond that which they are funded to provide.

The finances of the Charity are primarily dependent upon donations and legacies. The income is detailed in the table below, together with the main expenditure headings. An adequate cash balance and financial investment portfolio is maintained in order to continue to support the Charity.

The main achievements of the charity included consolidating the fundraising function, which consequently has contributed to charitable income and enabling expenditure to further the objectives. Accordingly, the Charities work has made a difference to the circumstances of its beneficiaries and given wider benefits to society as a whole. Examples of achievements to contribute to income and facilitate expenditure are detailed below which are explanatory in regards the main activities undertaken to further the charity's purposes for the public benefit.

During the year the Charity consolidated the fundraising strategy which has been developed to continue to support the fundraising infrastructure to support the charity fundraising, to build existing revenue streams, to identify new opportunities, to drive capital project funding, to further engage staff in both applying for and raising charitable funds for their working area and to assure the Board of Trustees and the Charitable Funds Committee on charity performance, sustainability and risk management.

Charitable Income

Key fundraising and public engagement initiatives contributing to income in the year included income streams to the Covid-19 and Make a Memory Appeal.

INCOME

The Charity continues to rely on donations from the general public as its main source of income. The sources of income are detailed below:

£	TYPE OF INCOME
1,525,000	Donations and legacies
4,000	Investments
12,000	Other sources
1,541,000	TOTAL

EXPENDITURE

During the financial year, the Charity has continued to be active in committing funds in supporting a wide range of charitable and health related activities benefiting both patients and staff. In summary these are detailed below:

£	TYPE OF EXPENDITURE
28,000	Patients' education and welfare
35,000	Purchase of new equipment for benefit of patients
184,000	Staff Education and Welfare

97,000	Cost of Generating Funds
8,000	Miscellaneous
352,000	TOTAL

Note 1—Support costs of £38,000 have been allocated to the above expenditure rows as further detailed in the Financial Statements.

At the end of the reporting period as at 31 March 2021 there was a positive net movement in funds for the year of £1,262,000 which resulted in a period end total fund value of £1,980,000 and cash equivalents of £1,915,000.

Examples of Expenditure in Year

Examples of expenditure in the year are as follows:

Some examples of the successful bids made to the Board of Trustees and the Charitable Trusteeship Committee of Barnsley Hospital Charity in the last year for use of the Charitable Funds included:

- £310 for relaxing music and lighting in support of the labour ward.
- £197,000 – from the Covid-19 Fund – to support, recognise and benefit staff and patients needs.
- £1,300 gifts for Children's ward.
- £14,838 bereavement project – to support bereaved families on various projects.
- £598 wellbeing first aid kits for the World Mental Health Day.
- £ 5,000 for a paediatrics – children and young people video to improve patient experience for children and young people.
- £13,000 was expended from the Tiny Hearts fund which has the objective of funds used solely for the purpose of creating, furnishing and equipping a brand new, state of the art, special care baby unit at Barnsley Hospital.

PLANS FOR FUTURE PERIODS

Barnsley Hospital Charity launched our new Make A Memory Appeal on national Dementia Action Week - 17 May 2021. For the forthcoming year our fundraising plans will be focused on engaging supporters to help us kickstart the appeal. The Appeal will enable us to transform our care of the elderly ward by providing a homely, calm and relaxing environment which supports all patients particularly those living with dementia. We will be commencing on and off-site fundraising in a Covid-19 secure way, whilst also building on the virtual fundraising activities which have been undertaken in 2020.

We will be undertaking various seasonal fundraising activities throughout the period which are in line with the Fundraising Regulator's Code of Fundraising Practice.

We also celebrate our 25th year anniversary in 2021, being first registered as a Charity on 15 August 1996. We will mark the occasion with a series of fundraising activities and a celebration of all our achievements in supporting staff, volunteers and patients of Barnsley Hospital.

EXPRESSION OF GRATITUDE

On behalf of the staff and patients who have benefited from the improved services due to donations and legacies, the corporate trustee would like to thank all members of the public, patients, relatives and staff who have made charitable donations.

Your support makes these plans possible and to help the Charity please do consider making a donation. You can find out more information and make a donation on our website at <http://www.barnsleyhospitalcharity.co.uk>.

The corporate trustee would also like to pay tribute to our volunteers for their time, support and commitment to the Charity.

Chairman  Date **9 December 2021**

Name : Trevor Lake, Chairman

On behalf of the corporate trustee

**FUNDS HELD ON TRUST
ANNUAL FINANCIAL STATEMENTS 2020/21**

PRINCIPAL OFFICE

Barnsley Hospital NHS Foundation Trust, Gawber Road, Barnsley, South Yorkshire, S75 2EP.

STATUTORY BACKGROUND

The funds held on trust are registered with the Charity Commission and include funds in respect of Barnsley Hospital NHS Foundation Trust and until 22 December 2011 various funds relating to NHS Barnsley. As at the 22 December 2011 the funds held for NHS Barnsley were transferred by statutory instrument to South West Yorkshire Partnership NHS Foundation Trust "SWYPFT". The transfer was required to reflect the movement of provider services from NHS Barnsley to SWYPFT in line with Transforming of Community Services guidance. In relation to the transferred elements, the amounts were identified and agreed by the Trustees and SWYPFT in a process in accordance with guidance issued and managed by the Department of Health.

On the 1 May 2013, the Charity Commission confirmed that the name of the Charity had been changed to 'Barnsley Hospital Charity' from 'Barnsley District General Hospital NHS Trust General Purpose Charity and Other Related Charities'.

MAIN PURPOSE OF THE FUNDS HELD ON TRUST

The main purpose of the charitable funds held on trust is to apply income for charitable purposes relating to the general or any specific purposes of the Barnsley Hospital NHS Foundation Trust or to purposes relating to the Health Service.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

The Charities Act 2011 requires the trustees to prepare financial statements for each financial year. The trustees have to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. The trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the charity and of the incoming resources and application of 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 judgments and estimates that are reasonable and prudent;
- * state whether applicable UK Accounting Standards have been followed, 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 trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provision 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.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement as to disclosure to our auditors

In so far as the Trustee is aware at the time of approving the Trustee annual report:

- * there is no relevant information, being information needed by the auditors in connection with preparing their report, of which the auditor is unaware; and
- * the Trustee, having made enquiries of directors have each taken all the steps that he/she is obliged to take as a director/trustee in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

On behalf of the corporate trustee

Chairman

Date 9 December 2021

Trustee

Date 9 December 2021

Statement of Financial Activities for the year ended 31 March 2021

	Note	Unrestricted Funds	Restricted Funds	Total Funds	Unrestricted Funds	Restricted Funds	Total Funds
		£000	£000	Year ended 31 March 2021 £000	£000	£000	Year ended 31 March 2020 £000
Income from:							
Donations and legacies	2	1,202	323	1,525	154	186	340
Charitable activities	3	10	0	10	15	0	15
Unity Lottery		2	0	2	2	0	2
Investments	13.3	2	2	4	4	5	9
Total incoming resources		1,216	325	1,541	175	191	366
Expenditure on:							
Raising funds	5	85	12	97	41	53	94
Charitable activities							
- Purchase of new equipment	6	13	22	35	26	65	91
- Staff education and welfare	6	5	179	184	1	2	3
- Patient education and welfare	6	19	9	28	17	4	21
- Miscellaneous	6	3	5	8	3	5	8
		40	215	255	47	76	123
Total expenditure		125	227	352	88	129	217
Net gains/(losses) on investments	13.1	63	10	73	(23)	3	(20)
Net income/(expenditure) and movement in funds		1,154	108	1,262	64	65	129
Reconciliation of funds							
Fund balances brought forward	17	374	344	718	310	279	589
Fund balances carried forward	17	1,528	452	1,980	374	344	718

All gains and losses recognised in the year are included in the Statement of Financial Activities.

All amounts relate to continuing operations for the current and prior year.

There is no difference between the funds values for the current and prior year stated above and their historical cost equivalents.

Balance Sheet as at 31 March 2021

	Note	Unrestricted funds £000	Restricted funds £000	Total at 31 March 2021 £000	Unrestricted funds £000	Restricted funds £000	Total at 31 March 2020 £000
Fixed assets							
Investments	13	237	101	338	133	135	268
Total fixed assets		<u>237</u>	<u>101</u>	<u>338</u>	<u>133</u>	<u>135</u>	<u>268</u>
Current assets							
Debtors	14	2	0	2	3	0	3
Cash at bank and in hand		1,343	572	1,915	290	296	586
Total current assets		<u>1,345</u>	<u>572</u>	<u>1,917</u>	<u>293</u>	<u>296</u>	<u>589</u>
Liabilities							
Creditors: amounts falling due within one year	15	(54)	(221)	(275)	(51)	(88)	(139)
Net current assets/(liabilities)		<u>1,291</u>	<u>351</u>	<u>1,642</u>	<u>242</u>	<u>208</u>	<u>450</u>
Total net assets		<u>1,528</u>	<u>452</u>	<u>1,980</u>	<u>375</u>	<u>343</u>	<u>718</u>
The funds of the charity:							
Restricted funds	17.1	0	452	452	0	344	344
Unrestricted funds	17.2	1,528	0	1,528	374	0	374
Total charity funds		<u>1,528</u>	<u>452</u>	<u>1,980</u>	<u>374</u>	<u>344</u>	<u>718</u>

The notes at pages 14 to 21 form part of these financial statements.

The financial statements on pages 12 to 21 were approved by the corporate trustee on 9 December 2021 and signed on its behalf by Mr Trefon Lake, Chairman.

Signed:

Date

9 December 2021

Notes to the financial statements

1 Accounting policies

1.1 Basis of preparation

Barnsley Hospital Charity is registered in England and Wales Charity number 1058037. The financial statements have been prepared under the historic cost convention, with the exception of investments which are included at fair value.

The accounts (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 UK and Republic of Ireland (FRS 102) issued in October 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

In the preparation of the financial statements, due consideration has been given to the 'Implications of Covid-19 control measures and charity financial reporting' as issued by the Charities SORP Committee in March 2020.

As a qualifying entity the charity has taken the advantage permitted by FRS102, not to prepare a cash flow statement. The Charity is a member of a group where the parent of that group prepares publicly available consolidated financial statements which are intended to give a true and fair view and Barnsley Hospital Charity is included in the consolidation.

Going concern - The trustees consider that there are no material uncertainties about the ability of Barnsley Hospital Charity to continue as a going concern. To date the Covid-19 pandemic has had a significantly positive impact on levels of donation income. There are no material uncertainties affecting the current year's financial statements.

In future years, the key risks to Barnsley Hospital Charity are a fall in income from donations or investment income but the trustees have arrangements in place to mitigate those risks.

1.2 Funds structure

Where there is a legal restriction on the purpose to which a fund may be put, the fund is classified as a restricted fund.

Restricted funds are those where the donor has provided for the donation to be spent in furtherance of a specified charitable purpose.

Those funds which are not restricted funds, are unrestricted funds which are sub analysed between designated (earmarked) funds where the trustees have set aside amounts to be used for specific purposes or which reflect the non-binding wishes of donors and unrestricted funds which are at the trustees' discretion, including the general fund which represents the charity's reserves.

The major funds held in each of these categories are disclosed in note 17.

1.3 Incoming resources

- a) All incoming resources are recognised once the charity has entitlement to the resources, it is probable (more likely than not) that the resources will be received and the monetary value of incoming resources can be measured with sufficient reliability.

Where there are terms or conditions attached to incoming resources, particularly grants, then these terms or conditions must be before the income is recognised as the entitlement condition will not be satisfied until that point. Where 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 but deferred and shown on the balance sheet as deferred income.

b) Gifts in Kind

- 1) Assets given for distribution by the funds are included in the Statement of Financial Activities only when distributed.
- 2) Assets given for use by the funds (e.g. property for its own occupation) are included in the Statement of Financial Activities as incoming resources when receivable.
- 3) Gifts made in kind but on trust for conversion into cash and subsequent application by the funds are included in the accounting period in which the gift is sold.

In all cases the amount at which gifts in kind are brought into account is either a reasonable estimate of their value to the funds or the amount actually realised. The basis of the valuation is disclosed in the annual report.

Notes to the financial statements

1 Accounting policies (continued)**1.3 Incoming resources (continued)****c) Incoming resources from legacies**

Legacies are accounted for as incoming resources 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.
- Any conditions attached to the legacy are either within the control of the charity or have been met.

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 conditions for income recognition are met.

d) Investment income

Investment income consists of dividends and interest received from the managed portfolio and also bank deposit account interest. An investment income credit recharge is calculated and allocated over both restricted and unrestricted funds based on the average balance of the funds over the past five years.

1.4 Resources expended and irrecoverable VAT

All expenditure is 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 resources expended for which it was incurred.

1.5 Recognition of expenditure and associated liabilities as a result of 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 they will receive a 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 our commitment.

The trustees have control over the amount and timing of grant payments and consequently where approval has been given by the trustees and any of the above criteria have been met then a liability is recognised. Grants are not usually awarded with conditions attached. However, when they are then those conditions have 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.

1.6 Allocation of support costs

Support costs are those costs 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 9.

1.7 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 the charity's objects. The costs of generating funds represent fundraising costs. Fundraising costs include expenses for fundraising activities and a fee paid to a related party, Barnsley Hospital NHS Foundation Trust. The fee is used to pay the salaries and overhead costs of the Hospital's fundraising office.

Notes to the financial statements**1 Accounting policies (continued)****1.8 Charitable activities**

Costs of charitable activities comprise all costs incurred in the pursuit of the charitable objects 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 6.

1.9 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. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year. Quoted stocks and shares are included in the balance sheet at the current market value quoted by the investment analyst, excluding dividend. Other investments are included at the trustees' best estimate of market value.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors. Further information on the investments of Barnsley Hospital Charity can be found in note 13.

2.0 Debtors

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

2.1 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, in an interest bearing current account.

2.2 Creditors

Creditors are amounts owed by the charity. They are measured at the amount that the charity expects to have to pay to settle the debt. Amounts which are owed more than a year are shown as long term creditors.

2.3 Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening carrying value (purchase date if later). 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).

2.4 Pooling Scheme

Following the deed created on 15 August 1996, Barnsley District General Hospital NHS Trust General Purpose Charity and other Related Charities was registered as one fund with the Charities Commission on 17 March 1998. The fund currently operates a pooling scheme whereby there are now 31 individual funds within the one scheme. This was impacted as at 22 December 2011 when the fund held for NHS Barnsley was transferred by statutory instrument to SWYPFT for a cash transfer value of £181,000. The Charities Commission confirmed on 1 May 2013 the name change of the Charitable Funds to Barnsley Hospital Charity.

2.5 Taxation

The Charity is a registered charity and as such is entitled to certain tax exemptions on income and profits from investments and surpluses on any trading activities carried on in furtherance of the charity's primary objectives, if these profits and surpluses are applied solely for charitable purposes.

2.6 Critical accounting judgements, estimates and assumptions

The preparation of the accounts requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based upon historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the financial year in which the estimate is revised if the revision affects only that financial year, or in the financial year of the revision, and future financial years, if the revision affects both current and future financial years. The estimates and judgements that have had a significant effect on the amounts in the accounts are outlined below.

Expense accruals - in estimating expenses that have not yet been charged for, management have made a realistic assessment based on costs actually incurred in the year to date, with a view to ensuring that no material items have been omitted.

Investments - the charity holds a number of fixed asset investments at market value. Given the nature of these assets the Charity seeks the external support of an appropriately qualified analyst (Investec) to provide a market value of the assets at the balance sheet date.

Notes to the financial statements

2 Income from donations and legacies

	Unrestricted funds £000	Restricted funds £000	2021 Total £000	Unrestricted funds £000	Restricted Funds £000	2020 Total £000
Donations from individuals	1,145	323	1,468	83	186	269
Legacies	57	0	57	71	0	71
Total	1,202	323	1,525	154	186	340

Donations from individuals are gifts from members of public, relatives and patients and staff. Further details are included in the Annual Report.

3 Incoming resources from charitable activities

	Unrestricted funds £000	Restricted funds £000	2021 Total £000	Unrestricted funds £000	Restricted Funds £000	2020 Total £000
Miscellaneous income	10	0	10	15	0	15
Total	10	0	10	15	0	15

The charity received miscellaneous income which is neither donations, legacies or Gifts in Kind for example gifted commissions.

4 Role of volunteers

Like many charities, Barnsley Hospital Charity enlists the support of volunteers to achieve its objectives.

In the year ended 31 March 2021 there were 16 such volunteers (31 March 2020 - 26). The volunteers primarily assist in fundraising activities.

In accordance with the SORP, due to the absence of any reliable measurement basis, the contribution of these volunteers is not recognised in these financial statements.

5 Analysis of expenditure on raising funds

	Unrestricted funds £000	Restricted funds £000	2021 Total £000	Unrestricted funds £000	Restricted Funds £000	2020 Total £000
Fundraising costs	79	2	81	35	43	78
Support costs	6	10	16	6	10	16
Total	85	12	97	41	53	94

Allocation of total fundraising costs between the Tiny Hearts fund from 1 April 2019 and the Make a Memory fund from 1 April 2020 with the General Fund is based on a prorate of the donation totals into these two funds as a percentage of total donations.

6 Analysis of charitable expenditure

	Grant funded activity £000	Support costs £000	Total 2021 £000	Total 2020 £000
Purchase of new equipment	29	6	35	91
Staff education and welfare	176	8	184	3
Patient education and welfare	26	2	28	21
Miscellaneous *	2	6	8	8
	233	22	255	123

* Includes Investment and legacy tracking service fees

The charity did not undertake any direct charitable activities on its own account during the year. All of the charitable expenditure was in the form of grant funding. Grants were approved in favour of the partner organisation being Barnsley Hospital NHS Foundation Trust to carry out activities to further the objects of the Charity. The charity incurred expenditure with the third parties in pursuance of those grants or reimbursed expenditure incurred by them.

Notes to the financial statements

7 Analysis of grants

The charity does not make grants to individuals. All grants are made to Barnsley Hospital NHS Foundation Trust or other institutions to provide for the care of NHS patients in furtherance of our Charitable aims. All grant support was given to Barnsley Hospital NHS Foundation Trust. The total cost of making grants, including support costs, is disclosed on the face of the Statement of Financial Activities and the actual funds spent on each category of charitable activity, is disclosed in note 6.

The Charitable Funds Committee meets on a quarterly basis where anticipated expenditure is discussed and approved.

All grant expenditure was awarded to the institution Barnsley Hospital NHS Foundation Trust analysed as follows:
In 2020/21 there were 52 such grants amounting to £233,000 (2019/20: 33 grants amounting to £102,000).

8 Movement in funding commitments

	Total 2021 £000	Total 2020 £000
Opening balance at 1 April	126	149
Additional commitments made during the year	186	89
Amounts paid during the year	(54)	(112)
Closing balance at 1 April	258	126

As described in note 6, the charity awards a number of grants in the year. Many grants are awarded and paid out in the same financial year. However, some grants, especially those relating to research and development or for funding specific posts are multi year grants paid over a longer period.

As the charity has control over the award and timing of grants there is little uncertainty around these payments.

9 Allocation of support costs and overheads

Support and overhead 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.

Support costs, which include governance costs and management charge are recharged across all funds to include both restricted and unrestricted funds. The support charge is calculated and allocated over restricted and unrestricted funds based on the average balance of the fund over the past five years. Once calculated the support charge is allocated over areas of expenditure based upon accounting transactions carried out in the period.

	Raising funds £000	Charitable activities £000	2021 Total £000	2020 Total £000
Governance costs *	2	2	4	5
Management charge	13	21	34	32
	15	23	38	37

* Includes audit fee charge for 2021 of £5,000 less a credit releasing an accrual of circa -£1,500 for independent examiner's remuneration for 2020.

	Unrestricted funds £000	Restricted funds £000	2020 Total £000	2019 Total £000
Raising funds	6	10	16	16
Charitable activities	9	13	22	21
	15	23	38	37

10 Trustees' remuneration, benefits and expenses

The trustee is defined as the corporate trustee which does not constitute employment with the charity. Accordingly no Trustees are paid any remuneration nor receive any other benefits and expenses from employment with the charity.

11 Analysis of staff costs and remuneration of key management personnel

Barnsley Hospital Charity considers its key management personnel to be the corporate trustee for which there is no remuneration. There are no employees of the charity, clerical and transaction services are detailed further in note 18.

12 Auditor's and independent examiner's remuneration.

The auditor's remuneration was £5,000 (2020: Independent examiner's remuneration of £1,800). No additional work was undertaken (2020: £Nil).

13 Fixed asset investments**13.1 Movement of fixed asset investments**

	2021	2020
	£000	£000
Market value at 1 April	256	289
Add: additions to investments at cost	87	115
Less: Disposals at carrying value	(84)	(128)
Net gains/(losses) on investments	73	(20)
Market value at 31 March	332	256

13.2 Fixed asset investments by type

	2021	2020
	Total	Total
	£000	£000
Other investments	332	256
Cash held as part of the investment portfolio	6	12
	338	268

Original cost of total Investments at 31 March 2021 is £292,996 (as at 31 March 2020 - £287,616). All investments are carried at their fair value.

Fixed assets investments with a holding of over 5% in the managed fund are as follows:

	%	2021 Holding	Market value £000	%	2020 Holding	Market value £000
Liontrust Fund Par Special Situations Inc Note 1	6.35%	4,506	21	6.10%	4,506	16
Baillie Gifford American W3 Dis Note 1	n/a	n/a	n/a	5.90%	19	16
Vanguard Funds Plc FTSE 100 Ucits Etf GBP D	5.13%	575	17	5.10%	544	14
Vanguard Funds Plc S & P 500 Ucits Etf USD DI	n/a	n/a	n/a	8.00%	532	21
Fortem Capital Ltd Firtem Cap	5.13%	16,843	17	n/a	n/a	n/a
JP Morgan Asset Management UK Ltd	5.46%	13,907	18	n/a	n/a	n/a
Jupiter UT Mngers Strategic Bond	5.26%	26,588	17	n/a	n/a	n/a
Threadneedle Inv UK Eqty	6.47%	120	21	n/a	n/a	n/a
Investments where holding is less than 5% of the total			220			189
Market value of listed investments						
Investment cash			6			12
			338			268

Note 1 - n/a indicates table values not displayed as at period end since holdings less than 5%.

The Trustee believes that the carrying value of the investments is supported by their underlying net assets.

The main risk from financial instruments lies in the combination of uncertain investment markets and volatility yield. The impact of Covid 19 on the financial markets continues to be a concern, although it should be noted that the fund value as at 30 June 2021 was £352,311 and so in excess of the market values as at 31.3.21 and 31.3.20.

Barnsley Hospital Charity investments are mainly traded in markets with good liquidity and high trading volumes. Barnsley Hospital Charity has no material investment holdings in markets subject to exchange controls or trading restrictions. In 2015/16 all holdings in UK equities were changed to collective only.

Barnsley Hospital Charity does not make use of derivatives and similar complex financial instruments as it takes the view that investments are held for the longer term yield total return and historic studies of quoted financial instruments have shown that volatility in any particular 5 year period will normally be corrected.

13.3 Analysis of gross income from investments

	Unrestricted funds	Restricted Funds	2021 Total £000	Unrestricted funds	Restricted funds	2020 Total £000
Investments	2	2	4	3	4	7
Bank interest received	0	0	0	1	1	2
	2	2	4	4	5	9

14 Debtors

	2021	2020
	£000	£000
Amounts falling due within one year:		
Other debtors	2	3
Total debtors falling due within one year	2	3

14.1 As at 31 March 2021 the Charity has received notifications of legacies for which there are uncertainties as to their amounts and which cannot be reliably estimated. A contingent asset exists as at 31 March 2021 for £Nil until all the conditions for income recognition are met (as at 31 March 2020 - £Nil).**15 Analysis of liabilities**

	2021	2020
	£000	£000
Creditors : amounts falling due within one year		
Trade creditors	17	13
Accruals *	258	126
	275	139

* Includes commitments of £258,000 being restricted £221,000 and unrestricted £37,000 (2019/20 £126,000 being restricted £88,000 and unrestricted £38,000).

Notes to the financial statements

16 Analysis of cash and cash equivalents

All cash and cash equivalents are held on an interest bearing instant access account with Lloyds bank plc and represent restricted appeals to fund specific equipment or funds held to facilitate cash flow and the fulfilment of obligations to make grant payments. No cash or cash equivalents or current asset investments were held in non-cash investments or outside of the UK. All of the amounts held on interest bearing deposits are available to spend on Charitable activities.

17 Analysis of charitable funds

	Balance 31 March 2021	Incoming resources	Resources expended	Gains and losses	Balance 31 March 2020
	£000	£000	£000	£000	£000
17.1 Restricted income funds					
Coronary Care	34	2	(7)	1	38
Phyllis Pierrepont	(1)	0	(4)	1	2
Occupational Therapy	3	0	0	0	3
The Well	170	7	(4)	2	165
Dermatology Trust Fund	8	0	0	0	8
Jaxon's Gift	4	0	0	0	4
Make a Memory Appeal	49	47	(2)	0	4
Covid	72	268	(197)	1	0
Tiny Hearts Appeal	113	1	(13)	5	120
Total	452	325	(227)	10	344

Details of the objectives/ restrictions on these funds are as follows;

- Occupational Therapy - a bequest which was to be used to enhance the therapy activities received by patients to enable their rehabilitation.
- Phyllis Pierrepont - a bequest for the use and benefit of the Chemotherapy Department. It has been agreed in 2020/21 to transfer circa £1,000 in 2020/21 from the general reserve to reverse this overdrawn fund balance as at 31.3.21.
- Coronary Care - was designated as restricted further to a review of the fund.
- The Well - for complementary therapy services.
- Jaxon's Gift - for use towards projects supporting bereaved families.
- Dermatology Trust Fund - to satisfy the stipulation of the bequest.
- Tiny Hearts Appeal - funds used solely for the purpose of creating, furnishing and equipping a brand new, state of the art, special care baby unit at Barnsley Hospital.
- Make a Memory Appeal - providing environmental improvements and equipment/services to benefit patients with dementia,
- Covid 19 - to support, recognise and benefit staff and patient's needs.

The assets in respect of both restricted and unrestricted funds are considered to be liquid for the purposes of the expected expenditure over the the course of the next year.

	Balance 31 March 2021	Incoming resources	Resources expended	Gains and losses	Balance 31 March 2020
	£000	£000	£000	£000	£000
17.2 Unrestricted funds					
General Reserve	1,110	1,138	(100)	1	71
Medicine General	71	21	7	1	42
Intensive Care Unit	47	26	(7)	1	27
Childrens	72	6	(8)	0	74
Other unrestricted funds	228	25	(17)	60	160
Total	1,528	1,216	(125)	63	374

The unrestricted funds balance noted above is made up of 23 unrestricted funds. Excluding the general reserve these funds include donations from donors who have indicated their non binding wishes when making their generous gifts. The general reserve includes all donations for which a donor has not expressed a preference as to how the funds shall be spent. All unrestricted funds are applied for the purposes of the funds held on trust (refer page 11) at the absolute discretion of the corporate trustee.

The trustees set an opening or closing balance of £39,600 (2020: £14,000) or above as the threshold for the separate reporting of material designated (earmarked) funds.

Notes to the financial statements

18 Related party transactions

The Charitable Fund has made revenue and capital grant payments of £251,000 (2020: £121,000) which was all to its parent Barnsley Hospital NHS Foundation Trust (refer note 20). The activities of the parent are those of a Foundation Trust. The Board of Trustees (whose names are listed below) are also members of the Board of directors of Barnsley Hospital NHS Foundation Trust.

None of the trustees or members of the Barnsley Hospital NHS Foundation Trust board or parties related to them has undertaken any transactions with the Charitable Funds or received any benefit from the charity in payment or kind. The trustees received no honoraria or emoluments in the year. There were no expenses paid to Trustees.

The Barnsley Hospital NHS Foundation Trust makes a number of clerical and transaction services available to the charity, by agreement with the trustees. These include:

- Fundraising services and office cost of £97,000 (£94,000 in 2019/20) - see note 5.

- Management charge at a cost of £34,000 (£32,000 in 2019/20) in relation to Trust staff regarding their time spent on the Charitable Funds finance and administration which are included within support costs - see note 9.

The charges made by the Barnsley Hospital NHS Foundation Trust constitute the costs of the fundraising office. The amounts paid for the management charge are subject to agreement and are set at an amount on an arms length basis since it allows Barnsley Hospital NHS Foundation Trust to recover its costs.

The Board of Trustees of the charitable funds are the Directors of Barnsley Hospital NHS Foundation Trust who served in the year as follows :

Mr C Thickett	Director of Finance
Ms J Murphy	Director of Nursing and Quality
Dr R Jenkins	Chief Executive
Mr R Kirtton	Deputy Chief Executive and Chief Delivery Officer
Mr S Ned	Director of Workforce
Dr S Enright	Medical Director
Mr T Lake	Chairman
Mr K Clifford OBE	Non Executive (from 1 December 2020)
Mr N Mapstone	Non Executive
Ms S Ellis	Non Executive
Ms R Moore	Non Executive
Mr F Patton	Non Executive (left 31 December 2020)
Mrs K Firth	Non Executive
Mr P Hudson	Non Executive

19 Events after the end of the reporting period

After the end of the reporting period the corporate trustee agreed £1,330,000 of the existing unrestricted funds to be designated funds.

20 Ultimate Parent Undertaking and Controlling Party

The ultimate parent and controlling parent of Barnsley Hospital Charity is Barnsley Hospital NHS Foundation Trust, which is under the ultimate control of the Department of Health. The financial statements of Barnsley Hospital Charity will be consolidated into those of the ultimate parent Barnsley NHS Foundation Trust. The consolidated financial statements of Barnsley Hospital NHS Foundation Trust are available from Gawber Road, Barnsley, S75 2EP.

Independent auditor's report to the Trustees of Barnsley Hospital Charity

Opinion

We have audited the financial statements of Barnsley Hospital Charity ("the charity") for the year ended 31 March 2021 which comprise the Statement of Financial Activities, Balance Sheet and related notes, including the accounting policies in note 1.

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 incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We have been appointed as auditor under section 149 of the Charities Act 2011 (or its predecessors) and report in accordance with regulations made under section 154 of that Act.

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the charity in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The trustees have prepared the financial statements on the going concern basis as they do not intend to liquidate the charity or to cease its operations, and as they have concluded that the charity's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the trustees' conclusions, we considered the inherent risks to the charity's business model and analysed how those risks might affect the charity's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the trustees' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the charity will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors and inspection of policy documentation as to the Charity's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud; and
- Reading Board minutes

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries.

We did not identify any additional fraud risks

In determining the audit procedures we took into account the results of our evaluation and testing of the operating effectiveness of some of the Charity-wide fraud risk management controls.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and discussed with the directors the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

The Charity is subject to laws and regulations that directly affect the financial statements including financial reporting legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Whilst the Charity is subject to many other laws and regulations, we did not identify any others where the consequences of non-compliance alone could have a material effect on amounts or disclosures in the financial statements.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other information

The trustees are responsible for the other information, which comprises the Trustees' Annual Report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. We are required to report to you if:

- based solely on that work, we have identified material misstatements in the other information; or
- in our opinion, the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements.



We have nothing to report in these respects.

Matters on which we are required to report by exception

Under the Charities Act 2011 we are required to report to you if, in our opinion:

- the charity has not kept sufficient accounting records; 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.

We have nothing to report in these respects.

Trustees' responsibilities

As explained more fully in their statement set out on page 11, the trustees are responsible for: the preparation of financial statements which give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the charity's trustees as a body, in accordance with section 149 of the Charities Act 2011 (or its predecessors) and regulations made under section 154 of that Act. 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 its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Clare Partridge
for and on behalf of KPMG LLP, Statutory Auditor

1 Sovereign Square
Leeds
LS1 4DA

15 December 2021