

THE LUTON AND DUNSTABLE HOSPITAL CHARITABLE FUNDS
REGISTERED IN ENGLAND & WALES AS A CHARITY NUMBER 1058704

**TRUSTEE'S ANNUAL REPORT FOR LUTON AND DUNSTABLE HOSPITAL CHARITABLE FUND
BY BEDFORDSHIRE HSOPITALS NHS FOUNDATION TRUST FOR THE YEAR ENDING 31
MARCH 2021**

A CHARITY REGISTERED IN ENGLAND & WALES 1058704

The Corporate Trustee presents the Charity's Annual Report together with the Audited Financial Statements for the year ended 31 March 2021.

The Charity's annual report and accounts for the year ended 31 March 2021 have been prepared by the Corporate Trustee in accordance with the Trustees Act 2000 and the Charities Act 2011, the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to Charities preparing accounts in accordance with the Financial Reporting Standard applicable in the UK (FRS 102) effective 1 January 2015. The Charity's Report and accounts include the separately established funds for which Bedfordshire Hospitals NHS Foundation Trust is the sole beneficiary.

The Charity has a corporate trustee: Bedfordshire Hospitals NHS Foundation Trust (The Trust) that oversee the Luton and Dunstable Hospital Charitable Fund. The Luton and Dunstable University Hospital NHS Foundation Trust acquired Bedford Hospital Trust on the 1st April 2020 and the two Charitable Funds remained separate. Four meetings were held during 2020/21 and the directors of the Trust who served during the financial year were as follows:

	Position within Trust	Committee Attendance *
Simon Linnett	Chairman	4 out of 4
Matthew Gibbons	Director of Finance	4 out of 4
Liz Lees	Director of Nursing & Midwifery	2 out of 4
Catherine Thorne	Director of Quality and Safety Governance	3 out of 4
Angela Doak	Director of Human Resources	4 out of 4
Ian Mackie	Non-Executive	2 out of 2
Annet Gamell	Non-Executive	2 out of 2
Mark Prior	Non-Executive	2 out of 2
Gordon Johns	Non-Executive	4 out of 4
Steve Hone	Non-Executive	2 out of 2

*Although not formally members, David Carter, Chief Executive and Cathy Jones, Deputy Chief Executive attended 3 meetings each.

Reference and Administrative details

The main charity Luton and Dunstable Hospital Charitable Fund, registered Charity Number 1058704, was ratified by the NHS Trust Board and submitted to the Central Register of Charities in 1996. The charity is constituted of 75 individual funds (2019: 83) as at 31 March

2021. The notes to the accounts distinguish the types of funds held and disclose separately all material funds. On the acquisition of Bedford Hospital NHS Trust, the assets and liabilities for the Bedford Hospital NHS Trust Charitable Fund were transferred to the Luton and Dunstable University Hospital NHS Foundation Trust who then changed their name to Bedfordshire Hospital NHS Foundation Trust.

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 National Health Service Act 1977 and the National Health Service and Community Care Act 1990 and these funds are held on trust by the corporate body.

The Trustee confirms that it has complied with the duty included in section 4 of the Charities Act 2006 to have due regard to public benefit guidance provided by the Charity Commission when reviewing aims and objectives, when planning future activities and in setting the grant making policy for the year.

The Charity carries out these objects by funding activities that benefit NHS patients of Luton and Dunstable Hospital or the staff that deliver care to those patients. Primarily, these activities improve the health of patients and the general patient experience, but also activities that improve the skills of staff, improve working conditions and improve staff morale.

Trustee's Report

Bedfordshire Hospitals NHS Foundation Trust is the Corporate Trustee of the Charity governed by the law applicable to Trusts, principally the Charities Act 2011. The Trust Board executed a supplemental deed in August 2008 to reflect the granting of foundation trust status and the amended title of Luton and Dunstable Hospital NHS Foundation Trust. The Business Transaction Agreement dated March 2020 acquired Bedford Hospital NHS Trust and the Trust changed their name to Bedfordshire Hospitals NHS Foundation Trust maintaining two separate funds.

The Board of Bedfordshire Hospitals NHS Foundation Trust devolved responsibility for the on-going management of funds to the Charitable Funds Committee (CFC) which administers the funds on behalf of the Corporate Trustee.

All Board members remain accountable on behalf of the Corporate Trustee with a representative Board membership having delegated responsibility to attend the meetings and report to the Board. The terms of reference reflect this position. Each Charitable Funds Committee meeting must meet a quorum quota to be valid.

Principal Charitable Funds' Adviser to the Board:

The Chief Executive of the Foundation Trust during 2020/21 was David Carter. The Chief Executive has day to day responsibility for the management of the Charitable Fund. Matthew Gibbons acted as the Principal Officer overseeing the day to day financial management and accounting for the charitable funds during the year. The Chair of the Charity is Simon Linnett, this appointment was ratified by the Board of Directors.

For day to day operations the Charitable Funds adhere to the Standing Orders and Standing Financial Instructions of the Corporate Trustee.

Principal Office

The principal office for the charity is:
The Trust Offices, Nova House
Bedfordshire Hospitals NHS Foundation Trust
Luton and Dunstable Hospital
Lewsey Road
Luton
Beds. LU4 0DZ

Principal Professional Advisers:

Bankers National Westminster Bank PLC 31 George Street Luton Bedfordshire LU1 2AH	Solicitors Park Woodfine Solicitors 1 Lurke Road Bedford Bedfordshire MK40 3TN
Auditors KPMG 12 th Floor, 15 Canada Square Canary Wharf LONDON E14 5GL	Investment Fund Managers Waverton Investment Management Ltd 16 Babmaes Street London SW1Y 6AH

Structure, Governance and Management

The charity's unrestricted funds were established using the model declaration of trust. All funds held on trust as at the date of registration were either part of these unrestricted funds or registered as separate restricted funds under the main charity. Subsequent donations and gifts received by the charity that are attributable to the original funds are added to those fund balances within the existing charity.

The Corporate Trustee fulfills its legal duty by ensuring that funds are spent in accordance with the objects of each fund and by designating funds the Trustee respects the wishes of our generous donors to benefit patient care and advance the good health and welfare of patients, carers and staff. Where funds have been received which have a specific restriction set by the donor, a restricted fund was established.

The charitable funds available for spending are allocated to managers within the Trust's management structure. Each allocation is managed by use of an identifiable fund within the general unrestricted fund. For example there are charitable funds for medicine which include allocations for each of the wards and for specific medical specialties. Our designated authority's agreement sits within our CFC Terms of Reference.

The nomination, remuneration and terms of office of Non-Executive Directors of the Foundation Trust are determined by the Council of Governors at a General Meeting in accordance with the Foundation Trust's Constitution. Members of the Trust Board and the Charitable Funds Committee are not individual trustees under Charity Law but act as agents on behalf of the Corporate Trustee.

Full use is made of Charity Commission guidance and support for trustees. An induction pack is given to newly appointed members of the NHS Trust Board and Charitable Funds Committee as FT Board members are automatically required to act as agents of the corporate trustee as part of their employment terms. This includes the governing documents, the terms of reference of the Charitable Funds Committee, the most recent Trustee's Annual Report, investment mandates and Financial Statements and the Charity Commission guidance on being a trustee and the hallmarks of an effective charity together with internet links they might find useful. This pack is reviewed and refreshed on an on-going basis either when updated guidance is published or when guidance covering a topic or area is requested by a member.

Acting for the Corporate Trustee, the Charitable Funds Committee is responsible for the overall management of the Charitable Fund. The Committee is required to:

- Control, manage and monitor the use of the fund's resources
- Provide support, guidance and encouragement for all its income raising activities whilst managing and monitoring the receipt of all income.
- Ensure that 'best practice' is followed in the conduct of all its affairs fulfilling all of its legal responsibilities.
- Ensure a risk matrix and complaints mechanism is in place and incidents reported to ICO.
- Ensure investments are appropriate and that performance is continually reviewed whilst being aware of ethical considerations.
- Keep the Trust Board fully informed on the activity, performance and risks of the charity.

The accounting records and the day-to-day administration of the funds are dealt with by the Finance Department located at Luton and Dunstable Hospital, Lewsey Road, Luton, Bedfordshire LU4 0DZ.

The Charity has been proactively working to ensure explicit consent is evidenced on all contacts and donors on the charity database, in line with General Data Protection Regulations (GDPR). The Charity has up to date privacy notices and consent is accessible online, via paper and orally. As a charity which respects our supporters, we have been compliant since May 2018, with annual review. All appointed personnel and volunteers who have access to supporter data undergo annual GDPR refresher training annually.

There have been cases of ongoing media coverage and large fines for some charities that have mishandled the personal data of donors and fundraisers. Although the Charity has not registered with the Fundraising Regulator the Charity and its functionaries do not:

- sell the names, addresses or data of any of our supporters.
- share our supporter database with other charities
- use third party fundraisers or fundraising agencies.

The Charity maintains a complaints and escalation procedure, in line Charity Commission guidelines. No complaints have been recorded or received to date, which is a positive reflection on the way we are perceived externally.

The Luton and Dunstable Hospitals Charity's reputation is very important to its ability to raise funds. In line with this the Trustees approved three new policies, firstly an update to the fundraising policy, secondly a naming rights policy and thirdly a gifting policy. These are the three policies in relation to the Charity and donations which are available Trust wide to offer guidance and support to counteract any potentially negative impact on the Charity or potential Donors.

Risk Management

The major risks to which the charity is exposed have been identified and considered including – risk of fraud and boundary controls; over commitments by the Charity; loss of investments if market falls, the risk of Fundraising not achieving the strategic objectives of the Charity and risk of failure to thrive for retail venture. These have been reviewed and systems established to mitigate those risks. The Charity also maintains a risk register which is reviewed at each Charitable Funds meeting, by the Charitable Funds Trustees acting on behalf of the Corporate Trustee.

Income and Expenditure is being monitored in total and is compared with the available funds to detect trends as part of the risk management process to avoid unforeseen calls on reserves.

Partnership Working and Networks

The Bedfordshire Hospitals NHS Foundation Trust is the main beneficiary of all charitable funds and is a related party by virtue of being 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 of the Foundation Trust.

Making our vision happen involves all of our partners, volunteers including the Luton and Dunstable Hospital League of Friends, Nurses League, as well as members of the public and staff who give time and money to support the Charity.

The charities membership with the NHS Charities Together has been extremely useful to benchmark and compare fundraising and charitable practices against similar NHS charities. This has supported decisions to refine our charity policies, review practices and supported our choices around GDPR implementation.

Objectives and Strategy

The Charity's main fund has NHS wide objectives as follows:

“The Trustee shall hold the trust fund upon trust to apply the income at the discretion of the agent Trustees, so far as may be permissible, the capital, for any charitable purpose or purposes relating to the National Health Service (hereinafter referred to as “the objects”)” at the discretion of its representative directors.”

In 2018 the Trustees agreed a Charity Strategy, setting out the direction for the next five years. The Charity has benefited from the strategic direction set out and was ahead of trend. However, in March 2020, the world was hit with the Covid pandemic. This changed the focus for the charity and impacted on the direction for the year. The impact of the pandemic demonstrated significant support for the NHS and locally this was seen by the hospital and the Trust. Most of the objectives were paused and there has been significant impact on the plans and future plans. We continue to aim to achieve the objectives of the Charity Strategy, but have redirected our expectations and aimed to review and deliver a further interim strategy for 2021/22.

Overview of key benefits of Charity Strategy:

- Supports growth and visibility of the Charity, delivering much greater income opportunities.
- Provides a road map and outline for how this may look; new opportunities are identified, properly considered and effectively promoted, in conjunction with charitable partners, vision, mission and values.
- Places the Charity in a key position to work in better partnership with the Trust for the benefit of its patients.

- Promotes positive engagement, improving the Trusts profile and putting people at the heart of the Charity.
- In addition to the above benefits, the greater community and voluntary engagement, the new strategy will also drive membership numbers, work placements and pathways into recruitment for the Trust.

Public Benefit Statement

The activities carried out for the public benefit by us, in partnership with Bedfordshire Hospitals NHS Foundation Trust, are broadly covered by the aims to:

- enhance the provision of high quality patient care for the public benefit;
- support research in areas relevant to the Hospital's activity and patients, making such research publicly available; and
- support the provision of healthcare free at the point of need, and care for the patients, families, carers and staff by focusing on areas not covered or fully supported by central NHS funds.

When setting these objectives and carrying out the activities described below the trustee has regard to both the Charity Commission's general guidance on public benefit and our objectives.

Annual Review: Our Activities

The Charitable Trust can only continue to support the work of the Luton and Dunstable University Hospital NHS FT for as long as we receive the finance required. Almost all of our income comes from grant giving trusts and the voluntary efforts of the general public.

Money received – sources of funds .

During the 2020/21 financial year, Luton and Dunstable Charitable Fund received £1,324,000 in income from over 1,000 donations from grant-giving trusts, companies, individuals, community groups, legacies and the charity shop.

Of the £1.3m income, £161,000 was donated specifically for our COVID response.

COVID – 19 completely changed the way we fundraised in 2020/21, we saw an increase in online giving platforms, and much fewer events were held which resulted in a significant decrease in income from that stream.

Aims

The aim of the Charity is to serve NHS patients, in particular the patients of Luton and Dunstable Hospital for the public benefit. Assisting patients from every walk of life, irrespective of race, creed, ethnicity or personal or financial circumstances. Working with the NHS to help the patients, their families and carers, and visitors to the hospital by:

- Funding medical research to understand better the diseases affecting our patients today, so that we can develop the cures and therapies of tomorrow.
- Enhancing the care our hospital can offer, through making grants for new equipment and building improvements to deliver better facilities.
- Investing in NHS staff, in particular by supporting staff engagement.
- Supporting the Luton and Dunstable Hospital in the creating of a caring environment for the patients receiving care, their families and visitors.
- Making a number of smaller grants for the provision of extra comforts for patients and to support social and other activities recommended as part of their rehabilitation.

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Highlights from the main programmes undertaken in the year are detailed below to give a wider understanding of the difference made to patients' lives both now and in the future.

Some of the many projects the charity supported across the hospital site are included below:

- The purchase of a CT scanner for the Maxillo-Facial Unit
- Clinical Psychologist Posts for Staff across our two hospitals
- Wellbeing Hubs and a permanent wellbeing space for staff
- Staff wellbeing and engagement events
- Subscription to the Daisy Awards

The team has seen many changes since the beginning of the financial year. March 2020 saw the first of many lockdowns, the economic climate dipped, the community changed, public and private gatherings were no longer allowed. The team dynamics also changed with the introduction of a Deputy Fundraising Manager brought in to support driving the charities growth within the community and across the corporate sector. With lots of people facing a question mark over their jobs and their financial security, the charity saw the beginning of a reduction of income. Social Media became the biggest resource for fundraising as appeals and charity information moved online and began a movement of change in how funds were raised and supporters engaged. There was an increase in the younger population wanting to support their local hospitals, clap for carers began and so did the need to open a new fund – the COVID 19¹ response fund. The community and corporate world came together to support Doctors, Nurses, Cleaning Staff, Administrative Staff and everyone in between with donations of food, drinks, toiletries and funds

Funding the treatments of tomorrow

In addition to above funds are made available to sponsor non-commercial research in areas where our NHS Foundation Trust has considerable expertise, with a view to developing new therapies for treating and caring for patients. This peer reviewed programme, which is approved by the Trust's Research Ethics Committee, is supported by way of legacies and grants from organisations.

Where research is non-commercial, with agreement from the Trust, the Trust's Research & Development Directorate undertakes the role of research sponsor. The research sponsor is responsible for assessment of the quality of the research as proposed, the quality of the research environment within which the research will be undertaken and the experience and expertise of the principal investigator and other key researchers involved.

The research sponsors are responsible for ensuring that arrangements are in place for the research team to access resources and support to deliver the research as proposed and that agreements are in place which specifies responsibilities for the management and monitoring of research. They are also responsible for ensuring that arrangements are in place to review significant developments as the research proceeds, particularly those which put the safety of individuals at risk, and to approve modifications to the design. The Trust complies with the Department of Health standards contained in the Research Governance Framework for Health and Social Care (Second Edition, 2005), ICH-Good Clinical Practice, European Directives and UK Law when undertaking research.

Where the research is part of a commercial trial i.e. the research is owned by the third party, the funds associated are not considered charitable. Any such funds have been transferred out of the Trust's charitable funds to comply with charitable legislation and regulations. The Charity has 2 research funds, totalling £43k, covering neurophysiology research as well as a general research

¹ Along with Charities Together funding

fund.

Recognising staff and improving morale

The Trustees recognises the impact staff morale has on staff motivation and how this, in turn, can affect the way patients experience their interactions with staff. Many donations are received from grateful patients in recognition of the way staff have responded to them has made them feel, as well as the treatment they have received.

This is reflected in the use of funds to enable staff to attend one staff event this year which are not normally funded by the NHS but will indirectly benefit patients. Sessions at these events include specialist interest talks, engagement and morale boosting sessions.

In addition the charity also funds a counselling service (CIC) and Staff Wellbeing events and activities.

Donations

Owing to data protection regulations the charity is unable to display donor names within this report, but the Trust would like to take this opportunity to express gratitude and heartfelt thanks to all who have and continue to support, which, in turn, allows us to support the patients of the Luton and Dunstable Hospital. Thank you.

Legacies

The Luton and Dunstable Hospital Charitable Fund benefited from the generosity of our supporters who remembered us in their will. The Charity and Trustees are always very grateful to receive such legacies as they help us to provide state of the art equipment and facilities for our patients. Noting that these gifts are received at a sensitive time for the remaining family and we should like to take this opportunity to emphasise how grateful we are to be remembered in this way.

Legacy donations received totalled £57,000 from four separate legacies gifted to benefit the hospital's general fund. Legacies play a key part in shaping the Hospital for future generations.

We recognise legacy income only once it is probable that the incoming resources will be received and the value of those incoming resources can be reliably measured.

The Hospital staff and Trustees are very touched to be remembered in this way and always recognise the wishes of the testators expressed in their Wills, or discuss an acceptable alternative area of spend with families and/or executors where it is not possible to honour specific requests.

Charity Achievements

Since March 2020, the start of the COVID 19 pandemic, Bedfordshire Hospitals NHS Charity has remained stable. We have experienced a small reduction in donations, saw a number of our volunteers go into isolation but also saw an increased interest in volunteering for the Trust. Through all of this, we have managed to bring our volunteering numbers back to almost pre-pandemic volume, taking our numbers to 320 on the Luton & Dunstable site and 186 on the Bedford Site. The charity shop was forced to close for 3 months but since re-opening has gone from strength to strength. The charity team have adapted our operational activities across all of our income streams and we have developed some new ways of working that have boosted our fundraising and improved the way we engage with our volunteers and supporters. Social media now has a huge part to play in our strategy moving forward with solutions for better engagement, such as, short burst videos, time lapse videos, and heartfelt stories from patients and supporters. The corporate world and the local community came together to offer support of gifts in kind, (as these donations are not material and were immediately distributed to and consumed by staff and patients, they have not been included in

the accounts. This included items such as meals, Easter eggs and hand cream), in the form of food and toiletry donations when supermarkets had been emptied, monetary donations raising £33,000 specific to COVID to support staff wellbeing included letters and pictures of support and love. 'Clap for the NHS' became a part of the support for the NHS and saw a change in the way communities viewed the NHS and its staff.

Community fundraising experienced many changes due to COVID-19, events and activities specifically have moved to a new approach. Virtual events joining family and friends together safely saw an increase in income across the sector. However, face to face events, stalls, carnivals and fairs had all been cancelled. Supporters using the JustGiving platform increased raising £132,000, thanks to the ease of collecting and paying donations also inspired by the wonderful fundraising Sir Captain Tom Moore completed. We have seen an increase of followers across our social media channels and now use this as a portal to the community for support with wish lists and fundraising.

The Helipad appeal was put on hold due to the nature of the fundraising involved and the Trusts focus moved to supporting the staff and patients. We received substantial donations into our General Funds to support with the COVID 19 response and the wellbeing of our staff but this then resulted in a decrease in income to many other funds in support of the COVID 19 response.

From the support from the community during the height of the pandemic, we have furthered relationships with several supporters including Domino's, GKN, Luton and Harpenden Mayors, Dunstable Rotary, Harpenden Rotary, Reactive Integrated Services, Kempston Police Headquarters, Curry's PC World Luton and Amazon to name a few. The merger with Bedford Hospital resulted in us growing our partnership with Bedford Hospital Charity & Friends. They have continued to support Bedford Hospital with their fundraising efforts continuing the Primrose Car Service, donating goods for staff wellbeing which included lots of cakes, donating lights for Sir Captain Tom Moore's Garden for *Light up a Life* and gifts for the elderly at Christmas. They are continuing their support of the Paediatric and Elderly wards with ongoing wish list items like portable radios for the elderly and toys for the children.

Charitable funds have continued to support wards and departments across the Trust with investment in the NICU Music Therapy, training for a new state of the art piece of X-ray equipment and other projects and services.

The *Give a gift* campaign was extended to cover the newly merged Bedford Site. This campaign is where people donate gifts for patients in hospital on Christmas Day and is a huge success every year. Over 1000 gifts were donated and presented on Christmas Day, although sadly we were unable to allow visitors to the wards this year. A video of local schools singing carols was played across several wards on Christmas Day and Boxing Day.

The *Light up a Life* campaign was also ran across both sites supporting with the NICU (Neonatal Intensive Care Unit) and SCBU (Special Care Baby Unit) Accommodation. This campaign, which has run for several years, enables supporters to purchase a virtual light in memory of a loved one on our Christmas tree which stands proudly outside Luton & Dunstable Hospital, or in Sir Captain Tom Moore's Garden at Bedford Hospital.

We saw the several closures of schools in a bid to keep our communities safe, sadly with this came a reduction in school fundraising and income. However, this has given the team the opportunity to move work experience to a virtual package with guest speakers from doctors, nurses, administration staff, finance staff and many others to showcase to our younger supporters what a career with the NHS

could look like. This fed into more schools supporting with fundraising when they did return to the classroom. The student volunteering programme was put on hold and has currently not recommenced.

A mail out was sent to all schools at the end of March thanking them for all they were doing to keep schools open for Keyworker children. Throughout the pandemic we received fantastic support from around 35 educational establishments who donated PPE (including visors, goggles, scrubs and uniform bags), food, drink and toiletries. We also received 100's of incredible handmade pictures, photos and public displays of support. A Schools & Youth Support update was sent out to all schools in June detailing who supported us and thanking them.

Trust and Grants have had an increase in income during the period with funders opening up COVID specific funding sources, in total grants and Trusts raised £759,317 towards various areas of support. We have received considerable funds from NHS Charities Together funding, £191,600, which has funded a Clinical Psychologist post, Daisy Awards, the continued use of the staff CIC programme and the funding for wellbeing spaces across both sites.

NHSCT have been a notable support for the Trusts and Grants sections. With the varying funding opportunities offered, we have supported projects that range from staff wellbeing, to staff development and to support the continuation of roles. In particular, NHSCT funding has been pivotal in supporting the Bedfordshire Hospitals NHS Charity to develop projects across Bedfordshire, Luton and Milton Keynes through the Stage 2 Community Partnership Grants, working with the ICS. The development of BLMK relations will be crucial in enhancing the image and name of the charity across BLMK, highlighting the charity's central role.

The relationship with NHSCT has been a key component in the trusts and grants development of the charity, with the Bedfordshire Hospitals NHSCT being selected as one of 30 trusts to allow 3 members of staff to visit Buckingham Palace as part of the 'NHS Big Tea' celebration, with the Duke of Cambridge in attendance. This demonstrates the notable achievements resulting from the continued development of relationships with NHSCT.

We also received grant funding for an End of Life Co-ordinator role known as the Blossom Project. This post runs a team of trained volunteers who support patients at the end of their life and gives support to their family members at such a sad time. This team support the Palliative Care Team and work alongside Chaplaincy. The Blossom Project has been running at the Bedford Site for some time and now has been extended to the Luton & Dunstable site with the funding received for the Co-ordinator.

In line with government advice, we reviewed our volunteer base and many of our volunteers stepped down due to age/vulnerability or family pressure, as volunteering was seen as an unnecessary risk. Maintaining contact and supporting volunteers health and wellbeing during that time has been critical. Virtual coffee catch ups are being held to help keep our volunteers engaged with the hospital as well as having friendly faces to talk to on a regular basis. With the volunteers who decided to step down, a gift and a letter from our CEO David Carter was sent as gesture to mark the time they have given us. Being unable to host the regular volunteer functions during volunteers week and Christmas, several other gifts had been sent as a way of recognising volunteers, despite the restrictions. All gifts were gratefully received.

During this last year we have continued to receive enquiries so, due to the nature of needing to bring volunteers on board safely and quickly, we developed a fast-track recruitment process which allowed

us to optimise volunteer support and on-board new applicants more quickly. This has helped us recruit back to near our original numbers of volunteers across both sites. The restriction of roles due to Covid has had a huge impact on hours given, during April 20 – March 21 we have recorded 562 hours from volunteers at the L&D which at mid-point B2 equates to £5739. This is not a true reflection as volunteers were not always able to sign in/ out during this period due to the infection control risks and additionally the availability of the registers at Main Reception, data was not collated at the Bedford site during this period so we are unable to report on their hours.

As a result of our response to a survey conducted by the NCVO (National Council for Voluntary Organisations), the University of Kent and the Economic and Social Research Council, we were further interviewed by Amy Garvey, an NCVO researcher and have been included in the Volunteering in England during COVID-19 current issues and learning for recovery report as a case study/example of best practice. This report has been circulated nationally and will inform a further report at the end of the year.

The charity retail hub reopened in June 2020 and has seen support grow, with income increasing month on month as we continue to make improvements to goods sold as well as trialling inventive ideas like Strawberry and Cream Day. The Costa Coffee machine has been a great investment to the retail hub and has seen an increase of sales from staff, patients and visitors alike.

The Charity team are beginning to find “our new normal” way of working where we are safely returning to the community by attending and holding events, we are also returning to many of the volunteering posts that were put on hold. We are delighted to be back working with our supporters in this way.

The Fundraising team are looking to continue to support such wards as Paediatrics, the new cancer services and elderly wards, as well as developing fundraising appeals for the new ED plans and the proposed Acute Services block. The new strategy will support continuous fundraising to enhance these areas, projects will range from state of the art equipment to sustainable outdoor spaces.

Further events will take place in 2021/22. We have no doubt that yet again many entertaining and successful ways of raising funds will be found. The varied activities carried out on behalf of our staff and patients are all made possible by the generosity of so many different people. So, thank you once again to everyone who contributed and to those who continue to support us.

For more details about how to get involved with fundraising or to find out more about specific projects and what donations are spent on please contact the Fundraising Team on 01582 718 043 or email fundraising@ldh.nhs.uk.

Grant Making Policy

All grants are normally made from the charity's unrestricted funds – these funds comprise two elements:

- Firstly **The Luton and Dunstable General Fund** which is constituted of gifts received by the charity where no particular preference as to its expenditure has been expressed by donors. Each year, applications are received from any member of the Hospital, and also from specialist departments and patient groups working with the Hospital. Based on their knowledge of the Hospital and their contacts with the Bedfordshire Hospitals NHS Foundation Trust, the Charitable Funds Committee agrees funding priorities and reviews the applications for quality and value for money. Grants are targeted on projects in areas of the Hospital that do not have available designated funds (see below) to meet the costs. The Committee monitors the spend

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against these bids and the outcome both in terms of identification of expenditure, and the difference it made to patients of the hospital. This information informs future grant making policy in addition to providing a basis for assessing the charity's performance.

- The second element of the unrestricted funds is the **Designated (Earmarked) Funds** – these usually contain donations where a particular part or activity of the Hospital has been nominated at the time of the donation. The designated funds are overseen by fund managers who can incur expenditure in line with Standing Financial Instructions.

Reserves Policy

The Charities reserves policy takes note of the Charity Commission publication CC19 Charities and Reserves and requires a minimum balance of reserves to meet 3 months of expected expenditure. Our reserves are currently set at £250,000 in line with this.

This publication defines reserves as being that part of a charity's unrestricted funds that is freely available to spend on any of a charity's purposes. This definition excludes restricted income funds, although holding such funds may influence a charity's reserve policy.

Reserves will also normally exclude amounts designated for essential future spending. Charity law requires any income received by a charity to be spent within a reasonable period of receipt and trustees should be able to justify the holding of this income as reserves.

The reserve is calculated as being that part of this charity's unrestricted funds that is freely available after taking account of designated funds which have been earmarked for specific purposes.

Calculation of reserves held as at 31 March 2021:

Total Funds	£4,695,000
Less restricted	(£3,950,000)
Less designated	(£403,000)
Reserves	£342,000

The reserve amount of £342,000 held as at 31 March 2021 is sufficient to meet the 3 months support cost target of £250,000 and a large part of the designated funds that have not been earmarked for specific expenditure are available to the CFC for reallocation should the need arise.

The CFC is mindful of the Charity Commission's requirement that funds be spent in a timely manner and that reserve levels should not be high.

Performance management

The charity relies upon the expertise of the Trust's Finance Department and the skills of Trustee representatives to ensure that the fund is managed appropriately. The work of the Finance Department is independently reviewed by appointed internal and external auditors.

Investments

The investment portfolio is managed by Waverton Investment Management.

The Charity requires that all monies, apart from working capital, be invested in securities to maximise the overall return consistent with an acceptable level of risk, with the aim of maximising income whilst preserving capital. Consequently the investments are managed with the aim of maintaining the value of the invested portfolio, while providing reasonable income. For ethical reasons the Trust has decided that no direct tobacco stocks are to be held. The performance of the investment manager is reviewed regularly by the Charitable Funds Committee. The Charitable Funds Committee ensures that the requirements of the Trustee Act 2011 are met.

The performance of the investments is continuously monitored and reported by the Fund Manager on a quarterly basis in relationship to other investment funds using recognised benchmarks. Appendix 1 shows the performance of the investments for the period April 2020 to 31 March 2021.

Future Plans

Although the overarching strategic direction for the charity agreed by the Board of Directors was for the next five years there has been considerable change for the charity. The Trust has had to respond to that change in profile. An Interim Fundraising Strategy was approved by the Charitable Funds Committee in September 2021.

The Strategy focusses on:



Developing Fundraising Opportunities:

The Charity will develop a plan across both sites to support initiatives. This will raise awareness of the Charity Team and what it can offer. The intention is to increase visibility of what has been donated and expand the *'Because of You'* initiative.

Work with Bedford Hospital Charity and Friends:

The Bedford Hospital site has a large external Charity, who works proactively within the community to fundraise for the hospital. During the first year, the Charity Team have worked closely with Bedford Hospital Charity and Friends to ensure a good working relationship for the benefit of our Bedford

Luton and Dunstable Hospital Charitable Fund Annual Report
Hospital site. During the second year we aim to put in place a Memorandum of Understanding to support our working relationship.

Work closely with Redevelopment to set future planning and priorities:

During 2020/21, the Trust received monies to develop the Emergency Department on both sites and has completed enabling works to support the Acute Services Block on the L&D site. This will provide opportunity for the Charity to support gold standard activity and increase the presence on both sites.

New ways of working and delivering support:

The Covid year has demonstrated the importance of the virtual world. Following a successful social media campaigns for ITU, we aim to recruit a Digital Fundraiser to increase our presence online.

Looking after our fundraisers and community support:

We will communicate our strategy and ensure our fundraisers are aware of the immediate and proposed activities they can get involved with.

We will engage with the six Charity Ambassadors to find alternative ways of accessing our communities and we will review methods of donating.

We will work closely with schools and community groups to increase our profile and increase our fundraising.

Growing for the future:

We want to grow the charity by expanding our project base, increasing our profile for volunteering and work experience. We will look to the future for opportunities and developments that come out of the Trust redevelopment and ensure that we are building on the excellent community engagement.

Supporting the charity to provide better benefits to patients and staff, benefits such as:

- Pathway into volunteering and supporting appeals
- Social inclusion – supporting current patient needs
- The resources and expertise of the charity and will be more visible and accessible to the public
- Greater autonomy means the Charity will be able to plan more effectively for the longer term as it will not be as constrained by growing donor spending controls and cycles. Greater freedom will enable the Charity to pursue a more flexible and strategic approach to generating income.

These changes reflect the Trustees desire to derive maximum benefit from the charity for patients and staff, both as a grant making body and a service provider. Furthermore they inspire staff, families and community to choose to support our charity above others as supporters of Health and Well-being.

Acknowledgements

On behalf of the staff and patients who have benefited from improved services due to donations and legacies, the representatives of the Corporate Trustee, would like to thank all patients and relatives, staff and donors who have contributed during the year.

Simon Linnett,
Chair of the Charitable Funds Committee and Bedfordshire Hospitals NHS Foundation Trust

Appendix 1:

Main Portfolio Investment Performance provided by Waverton Investment Management

Client Valuation

Luton and Dunstable Hospital

01 April 2020 - 31 March 2021

£1,532,083.63

Luton and Dunstable Hospital Charitable Fund	£1,281,557.42
Luton and Dunstable Hospital Charitable Fund No. 2	£250,526.21

Full details of your portfolio are on page 6

PERFORMANCE

Total Return*	18.71%
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*Performance figures are shown net of fees

REFERENCE INDICES

Balanced Index	25.51%
ARC Steady Growth Index	26.82%

Full details of performance are on page 3



ALLOCATION

Fixed Income	10.4%
Equities	51.4%
Alternatives	18.2%
Diversified Investment Funds	13.5%
Cash	6.6%

MANDATE: OBJECTIVES

INVESTMENT MANDATE & OBJECTIVE	Balanced – For those who are comfortable with equities representing the core of the portfolio, but whose risk tolerance and / or time horizon requires diversification across asset classes and a lower level of volatility than a portfolio with a higher equity content. Often appropriate for clients requiring a combination of income as well as some modest capital growth in real terms.
RISK PROFILE	Medium
REFERENCE INDEX	Balanced Index
INDICATIVE LONG TERM RETURN	CPI + 3.0%; Consumer Price Inflation plus 3.0% per annum.
RESTRICTIONS	Pornography, Tobacco
FEES	<p>I30121330 : A flat fee of 0.7% (with minimum annual fee of £500)</p> <p>I30121960 : A flat fee of 0.7% (with minimum annual fee of £500)</p>
INCOME INSTRUCTIONS	<p>I30121330: 100% Income reinvested on the last day of March, June, September and December</p> <p>I30121960: 100% Income reinvested on the last day of March, June, September and December</p>

MANDATE: PORTFOLIO ALLOCATION



PERFORMANCE: 01 April 2020 - 31 March 2021

PORTFOLIO

Total Return	(Gross)	19.58%
	(Net)	18.71%

REFERENCE INDICES

Balanced Index Total Return	25.51%
ARC Steady Growth Index Total Return	26.82%

Please note that ARC Steady Growth Index figures are estimates.

Luton and Dunstable Hospital - Total Portfolio

Start value	01 April 2020	£1,083,254.14
Cash	Cash in	£246,022.33
	Cash out	-£9,297.74
	inc. Investment management fees	-£9,297.74
Appreciation/Depreciation*		£212,104.90
End value	31 March 2021	£1,532,083.63

PERFORMANCE (ACCOUNTS): 01 April 2020 - 31 March 2021

Luton and Dunstable Hospital Charitable Fund - 130121330

Start value	01 April 2020	£1,083,254.14
Cash	Cash in	£22.33
	Cash out	-£9,217.84
	inc. Investment management fees	£9,217.84
Appreciation/Depreciation*		£207,498.79
End value	31 March 2021	£1,281,557.42
Total Return		18.30%
Balanced Index		25.51%

PORTFOLIO EXPOSURE: ALLOCATIONS - 31 March 2021


Asset	Market value	Forecast income	% of total
Fixed Income	£159,299.83	£4202.39	10.4%
Equities	£787,050.81	£8,827.68	51.4%
Alternatives	£278,125.03	£9,420.63	18.2%
Diversified Investment Funds	£206,507.23	£1,383.60	13.5%
Cash	£101,100.73	-	6.6%
Total	£1,532,083.63	£23,834.30	100.0%



Region	Market value	Forecast income	% of total
North America	£439,756.44	£3,507.41	55.9%
United Kingdom	£104,868.80	£1,579.76	13.3%
Europe ex UK	£44,618.62	£863.22	5.7%
Japan	£41,352.00	£687.00	5.3%
Asia Pacific ex Japan	£27,581.32	£1,123.46	3.5%
Emerging Markets	-	-	-
Global	£128,873.63	£1,066.83	16.4%
Total	£787,050.81	£8,827.68	100.0%



Sector	Market value	Forecast income	% of total
Energy	£11,498.20	£432.59	1.5%
Materials	-	-	-
Industrials	£45,989.20	£799.30	5.8%
Consumer Discretionary	£60,001.87	-	7.6%
Consumer Staples	-	-	-
Health Care	£102,476.74	£1,784.17	13.0%
Financials	£106,091.90	£1,154.86	13.5%
Information Technology	£152,064.17	£1,469.45	19.3%
Communication Services	-	-	-
Utilities	-	-	-
Equity Investment Funds	£308,928.73	£3,187.31	39.3%
Total	£787,050.81	£8,827.68	100.0%

PORTFOLIO EXPOSURE: TOP TEN HOLDINGS - 31 March 2021

Name	Regional	Sector	% of total
Waverton Portfolio Fund 'A' Inc	Global	Diversified Investment Funds	13.5%
Waverton Sterling Bond Fund 'B' Inc £	United Kingdom	Bond Investment Funds	6.1%
Findlay Park American Fund Unhedged (£)	North America	Equity Investment Funds	5.7%
Waverton Global Strategic Bond Fund 'A' US\$	Global	Bond Investment Funds	3.9%
Microsoft Corporation Com US\$0.00000625	North America	Information Technology	3.1%
Fundsmith LLP Equity Fund Inc (Institutional)	Global	Equity Investment Funds	3.1%
Lindsell Train Japanese Equity Fund Class B £	Japan	Equity Investment Funds	2.7%
CME Group Inc Com US\$0.01 'A'	North America	Financials	2.6%
CS FTSE5&P/Euro Stoxx Defensive Autocal 9%	Global	Structured Opportunities	2.4%
Amazon.com Inc Com US\$0.01	North America	Consumer Discretionary	2.3%
Percentage of Total Portfolio			45.5%

NICU Portfolio Investment Performance provided by Waverton Investment Management

Client Valuation

NICU Appeal Fund

01 April 2020 - 31 March 2021

£671,602.36

NICU Appeal Fund - 13012134

Total Securities	£630,189.40
Total Cash	£41,412.96

Full details of your portfolio are on page 5

PERFORMANCE

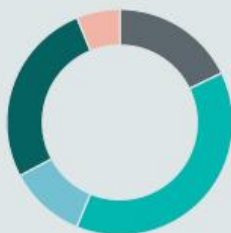
Total Return*	19.02%
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*Performance figures are shown net of fees

REFERENCE INDICES

Balanced Index	25.51%
ARC Steady Growth Index	26.82%

Full details of performance are on page 3



ALLOCATION

Fixed Income	17.8%
Equities	38.4%
Alternatives	11.0%
Diversified Investment Funds	26.6%
Cash	6.2%

MANDATE: OBJECTIVES

INVESTMENT MANDATE & OBJECTIVE	Balanced – For those who are comfortable with equities representing the core of the portfolio, but whose risk tolerance and / or time horizon requires diversification across asset classes and a lower level of volatility than a portfolio with a higher equity content. Often appropriate for clients requiring a combination of income as well as some modest capital growth in real terms.
RISK PROFILE	Medium
REFERENCE INDEX	Balanced Index
INDICATIVE LONG TERM RETURN	CPI + 3.0%; Consumer Price Inflation plus 3.0% per annum.
RESTRICTIONS	Pornography, Tobacco
FEES	A flat fee of 0.7% (with minimum annual fee of £500)
INCOME INSTRUCTIONS	100% Income reinvested on the last day of March, June, September and December

MANDATE: PORTFOLIO ALLOCATION



Asset	Current Portfolio Position	Reference Index Weight	Relative Position
Fixed Income	17.8%	25.0%	-7.2%
Equities	38.4%	60.0%	-21.6%
Alternatives	11.0%	0.0%	11.0%
Diversified Investment Funds	26.6%	0.0%	26.6%
Cash	6.2%	15.0%	-8.8%

PERFORMANCE: 01 April 2020 - 31 March 2021

PORTFOLIO

Total Return	(Gross)	19.51%
	(Net)	19.02%

REFERENCE INDICES

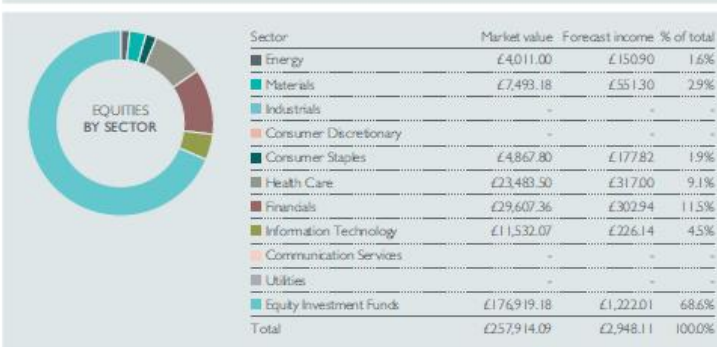
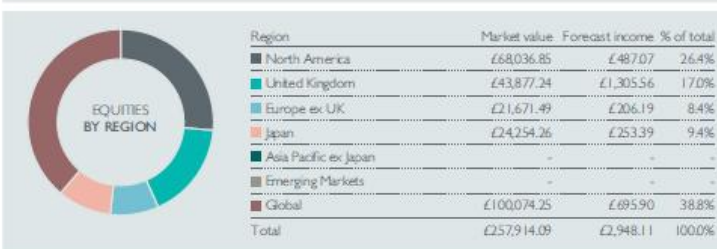
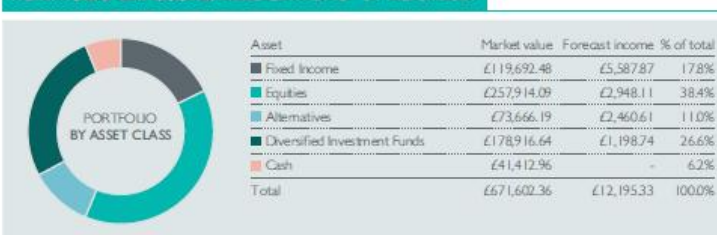
Balanced Index Total Return	25.51%
ARC Steady Growth Index Total Return	26.82%

Please note that ARC Steady Growth Index figures are estimates

NICU Appeal Fund - Total Portfolio

Start value	01 April 2020	£564,273.90
Cash	Cash in	£0.00
	Cash out	-£2,583.68
	inc. Investment management fees	-£2,583.68
Appreciation/Depreciation*		£109,912.14
End value	31 March 2021	£671,602.36

PORTFOLIO EXPOSURE: ALLOCATIONS - 31 March 2021



PORTFOLIO EXPOSURE: TOP TEN HOLDINGS - 31 March 2021

Name	Regional	Sector	% of total
Waverton Portfolio Fund 'A' Inc	Global	Diversified Investment Funds	26.6%
Findlay Park American Fund Unhedged (£)	North America	Equity Investment Funds	4.8%
Fundsmith LLP Equity Fund Inc (Institutional)	Global	Equity Investment Funds	4.4%
Paragon Banking Group plc 6.125% 30/01/2022 £100/100	United Kingdom	Financials	3.9%
Waverton Sterling Bond Fund 'B' Inc £	United Kingdom	Bond Investment Funds	3.9%
Burford Capital plc 6.5% 19/08/2022 £100/100	United Kingdom	Financials	3.8%
Lendinvest Secured Income plc 5.25% 10/08/2022	United Kingdom	Financials	3.8%
Lindell Train Global Equity B	Global	Equity Investment Funds	3.5%
Supermarket Inc REIT Plc Ord GBP 0.01	United Kingdom	Property	3.3%
Waverton European Capital Growth Fund 'L' €	Europe ex UK	Equity Investment Funds	3.2%
Percentage of Total Portfolio			61.3%

Statement of Trustees' responsibilities in respect of the Trustees' annual report and the financial statements

Under charity law, the Corporate Trustee is responsible for preparing a Trustees' Annual Report and financial statements for each financial year which show a true and fair view of the state of affairs of the charity and of the excess of expenditure over income for that period. The trustees have elected to prepare the financial statements in accordance with UK Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

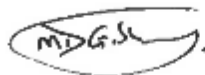
In preparing these financial statements, generally accepted accounting practice entails that the trustees:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the recommendations of the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether the financial statements comply with the trust deed, subject to any material departures disclosed and explained in the financial statements;
- assess the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use 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.

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

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

Signed on behalf of the Corporate Trustee:



Trustee Matthew Gibbons Date: 17 | 4 | 2021

Independent auditor's report to the Trustees of Luton & Dunstable Hospital Charitable Funds

Opinion

We have audited the financial statements of Luton & Dunstable Hospital Charitable Funds ("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 management as whether they have knowledge of any actual, suspected or alleged fraud;
- Reading Trust Board minutes;
- Using analytical procedures to identify any usual or unexpected relationships; and
- Reviewing the Group’s accounting policies.

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.

We also performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included seldom used accounts and the last five journals posted

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 through discussion with management (as required by auditing standards), and discussed with management the policies and procedures regarding compliance with laws and regulations.

As the Charity is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity’s procedures for complying with regulatory requirements.

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 1, 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.



Fleur Nieboer
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
Canary Wharf
London
E14 5GL

9 December 2021

CHARITABLE TRUST ACCOUNT - THE LUTON & DUNSTABLE HOSPITAL NHS FOUNDATION TRUST

Statement of Financial Activities for the year ended 31 March 2021

		2020-21			2019-20		
	Note	Unrestricted Funds £000	Restricted Funds £000	Total Funds £000	Unrestricted Funds £000	Restricted Funds £000	Total Funds £000
Incoming and endowments from:							
Donations and legacies	4.1	485	839	1,324	450	856	1,306
Charitable activities	4.2	0	1	1	0	26	26
Trading activities	4.3	40	0	40	13	0	13
Investments	4.4	21	13	34	32	17	49
Total incoming resources		546	853	1,399	495	899	1,394
Expenditure on							
Raising funds	5.1	431	3	434	384	15	399
Charitable Activities	5.2						
Patients welfare and amenities		10	4	14	73	128	201
Staff welfare and amenities		162	124	286	170	0	170
Contributions to NHS		166	17	183	133	8	141
Total expenditure		769	148	917	760	151	911
Net gains/ (losses) on investments		285	16	301	(99)	(37)	(136)
Net income/ (expenditure)		62	721	783	(364)	711	347
Transfers between funds	6	(144)	144	0	0	0	0
Net movement in funds		(82)	865	783	(364)	711	347
Fund balances carried forward at 31 March 2020		827	3,085	3,912	1,191	2,374	3,565
Fund balances carried forward at 31 March 2021		745	3,950	4,695	827	3,085	3,912

These accounts were approved on 15 September 2021

The notes at pages 5 to 13 form part of this account.

CHARITABLE TRUST ACCOUNT - THE LUTON & DUNSTABLE HOSPITAL NHS FOUNDATION TRUST

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	11.1	1,283	877	2,160	1,148	527	1,675
Total Fixed Assets		<u>1,283</u>	<u>877</u>	<u>2,160</u>	<u>1,148</u>	<u>527</u>	<u>1,675</u>
Current Assets							
Debtors	12	17	0	17	27	13	40
Cash at bank and in hand	13	103	3,193	3,296	337	2,576	2,913
Total Current Assets		<u>120</u>	<u>3,193</u>	<u>3,313</u>	<u>364</u>	<u>2,589</u>	<u>2,953</u>
Creditors: Amounts falling due within one year	14	31	3	34	58	31	89
Provisions falling due within one year	16	627	117	744	627	0	627
Net Current Assets/(Liabilities)		<u>(538)</u>	<u>3,073</u>	<u>2,535</u>	<u>(321)</u>	<u>2,558</u>	<u>2,237</u>
Total Assets less Current Liabilities		<u>745</u>	<u>3,950</u>	<u>4,695</u>	<u>827</u>	<u>3,085</u>	<u>3,912</u>
Provisions for liabilities and charges	16	0	0	0	0	0	0
Total Net Assets		<u>745</u>	<u>3,950</u>	<u>4,695</u>	<u>827</u>	<u>3,085</u>	<u>3,912</u>
Funds of the Charity							
Restricted	15.2	0	3,950	3,950	0	3,085	3,085
Unrestricted	15.3	745	0	745	827	0	827
Total Funds		<u>745</u>	<u>3,950</u>	<u>4,695</u>	<u>827</u>	<u>3,085</u>	<u>3,912</u>

The notes at pages 5 to 13 form part of these accounts.

Signed: 

Matthew Gibbons

Date: 17 | 11 | 2021

CHARITABLE TRUST ACCOUNT - THE LUTON & DUNSTABLE HOSPITAL NHS FOUNDATION TRUST

Statement of Cash Flows for the year ending 31 March 2021

		2020-21	2019-20
		Total	Total
	Note	Funds	Funds
		£000	£000
Cash flows from operating activities:			
Net Cash provided by (used in) operating activities		533	498
Cash flows from investing activities:			
Dividends, interest and rents from investments	4.4	34	49
Proceeds from the sale of investments	11.1	343	423
Purchase of investments	11.1	(527)	(615)
Net Cash provided by (used in) investing activities		(150)	(143)
<i>Change in cash and cash equivalents in the reporting period</i>		383	355
Cash and cash equivalents at the beginning of the reporting period		2913	2558
Cash and cash equivalents at the end of the reporting period		3,296	2913

Reconciliation of net income/(expenditure) to net cash flow from operating activities

		2020-21	2019-20
		Total	Total
		Funds	Funds
		£000	£000
Net income/(expenditure) for 2020/21 as per the Statement of Financial Activities		783	347
Adjustments for:			
(Gains)/ losses on investments		(301)	136
Dividends, interest and rents from investments		(34)	(49)
(Increase)/ decrease in debtors		23	28
Increase/ (decrease) in creditors		(55)	(7)
Increase/ (decrease) in provisions		117	43
Net cash provided by (used in) operating activities		533	498

CHARITABLE TRUST ACCOUNT - THE LUTON & DUNSTABLE HOSPITAL NHS FOUNDATION TRUST

Notes to the Accounts

1. Accounting Policies

1.1 Basis of Preparation

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

The 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 on 16 July 2014 and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following 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 on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements have been prepared on a going concern basis which the Trustee considers to be appropriate for the following reasons.

The business model of the charity is such that its charitable activities are limited to those which it has sufficient funds to support from the excess of funding received over the costs of administering the charity. The charity therefore has no specific commitments and no committed costs beyond its fixed costs of operation which are detailed in note 7.

The Trustee has reviewed the cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that the charity will have sufficient funds to meet its liabilities as they fall due for that period. The Trustee has also considered the implications of COVID-19 on these cash flow forecasts and consider that as a result of its operating model explained above, even if no further funding is received in the 12 month period, the charity has sufficient cash reserves to pay all committed costs.

Consequently, the Trustee is confident that the charity will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements.

In future years, the key risks to the charity are a fall in income from donations or investment income but the trustees have arrangements in place to mitigate those risks (see the risk management and reserves section of the annual report for more information).

1.2 Funds Structure

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

Restricted funds are those where the donor has provided for the donation to be spent in furtherance of a specified charitable purpose. This charity's restricted funds tend to result from appeals for specified purposes.

Endowment funds arise when the donor has expressly provided that the gift is to be invested and only of the income of the fund be spent. During 2017/18 agreement was obtained from the Charities Commission to convert the previous endowment fund to a restricted fund and therefore the charity currently holds no endowment funds.

Those funds which are neither endowment nor restricted income funds, are unrestricted income 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 within these categories are disclosed in notes 15.3.

CHARITABLE TRUST ACCOUNT - THE LUTON & DUNSTABLE HOSPITAL NHS FOUNDATION TRUST

1.4 Incoming Resources

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, then these terms or conditions must be met 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.

Gifts in kind

Gifts in kind, such as food and care packages are not accounted for when they are accepted and immediately distributed unless a single donation is material. If material they are recognised as a donation at fair value (market price) on receipt and charitable expenditure when they are distributed. Where gifts in kind are held before being distributed to beneficiaries, they are recognised at fair value as stock until they are distributed.

During 20/21 there were no material gifts in kind.

1.5 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 and
- * All conditions attached to the legacy have been fulfilled or are within the charity's control.

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

1.6 Incoming resources from endowment funds

The incoming resources received from the invested endowment fund are wholly restricted.

1.7 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.

1.8 Allocation of support costs

Support costs are those costs which do not relate directly to a single activity. These include external audit costs and finance 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 7.

1.9 Charitable Activities

Costs of charities activities comprise all costs incurred in the pursuit of the charitable objectives. 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 5.2.

1.10 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 on the Balance Sheet at the current market value quoted by the investment manager, excluding dividend.

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 Charities investments can be found in note 11.1-2.

CHARITABLE TRUST ACCOUNT - THE LUTON & DUNSTABLE HOSPITAL NHS FOUNDATION TRUST

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

1.12 Pooling Scheme

An official pooling scheme is operated for investments relating to the funds of the NHS Trust Common Investment Fund. This scheme was registered with the Charity Commission on 2nd March 2001.

1.13 Debtors

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

1.14 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 as part of the investment portfolio.

1.15 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 in more than a year are shown as long term creditors.

1.16 Provisions

Provisions are generally commitments agreed by the Charitable Funds Committee that meet the criteria set out in note 1.7. The estimate is based on information in the bid (where fully costed) or contract terms.

2. Related Party Transactions

Bedfordshire Hospitals NHS Foundation Trust is the corporate trustee to Luton & Dunstable Hospital NHS Foundation Trust Charitable Fund. The foundation trust has assessed its relationship to the charitable fund and determined it to be a subsidiary because the foundation trust is exposed to, or has rights to, variable returns and other benefits for itself, patients and staff from its involvement with the charitable fund and has the ability to affect those returns and other benefits through its power over the fund.

The charity has provided revenue and capital support to the Foundation Trust for the benefit of NHS patients. These are detailed in note 5.2.

None of the trustees/ members of the Foundation Trust Board or parties related to them has undertaken any transactions with the charitable fund or received any benefit from the charity in payment of kind. The trustees received no honoraria, emoluments nor have had expenses reimbursed by the Charitable Fund in the year.

The Foundation Trust provides clerical and transaction services to the charity by agreement with the trustees. These relate to financial services and are disclosed within support costs, see Note 7. The £52k arises under a service level agreement and set at an amount to allow the Foundation Trust to recover its costs.

3. Role of Volunteers

Like all charities the charitable fund is reliant on a team of volunteers for its smooth running. Outside of the main fundraising team there are numerous fundraisers who actively fundraise for the charitable fund by running events such as coffee mornings, cake sales, sponsored runs, supermarket collections etc.

The charitable fund also provides funding for an enhanced voluntary services team within the hospital. This enhanced service improves morale and retention of volunteers having a consequential improvement on the patient experience. During 2019/20 the charity began to run a charity hub predominantly staffed by volunteers and this has continued during 2020/21.

Volunteers do not receive remuneration for the services provided although expenses can be reimbursed at cost and recorded within the financial statements within the Statement of Financial Activities. In accordance with the Charities SORP, due to the absence of any reliable measurement basis (with the exception of expenses incurred), the contribution of these volunteers is not recognised in the accounts.

4. Analysis of income from other trading activities

4.1 Income from donations and legacies	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds 2021	Total Funds 2020
	£000	£000	£000	£000	£000
Voluntary Income					
A Donations	428	839		1,267	1,266
B Legacies	57			57	40
Total Of Voluntary income	485	839	0	1,324	1,306

Donations are predominantly from individuals such as members of the public, relatives of patients and staff. This income is collected through collections and voluntary gifts in departments/ wards.

Legacies are recognised as per Note 1.5. As at 31 March 2021 the Trust had been notified of 3 legacies with a share in the residual estate. As it was not possible to estimate with sufficient certainty the value of these legacies they are recognised as contingent assets and not as income in 2020/21.

4.2 Analysis of income from charitable activities

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total 2021	Total 2020
	£000	£000	£000	£000	£000
Event					
Light Up A Life	0	1	0	1	2
Gala Event*	0	0	0	0	24
Total	0	1	0	1	26

* Excludes related donations (ticket sales only)

4.3 Analysis of income from other trading activities

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total 2021	Total 2020
	£000	£000	£000	£000	£000
Event					
Charity Hub	40	0	0	40	13
Total	40	0	0	40	13

4.4 Investment Income

	Held in UK	Held outside UK	2021 Total	2020 Total
	£000	£000	£000	£000
Investments listed on Stock Exchange	9	12	21	26
Investments in a Common Deposit Fund or Common Investment Fund	2	10	12	14
Other investments (accrued at 31/03/2021)	0	0	0	1
Interest on cash held outside the portfolio	0	1	1	8
	11	23	34	49

The charity holds four investment portfolios:-

* A general portfolio where all investment income, investment gains and losses are allocated to the unrestricted funds to mitigate the risk of downward movements distorting available restricted fund balances; and

* the NICU portfolio where all investment income, investment gains and losses are allocated to the specific NICU restricted fund balance.

* A Nurses Awards portfolio where investment gainst and losses are allocated to the specific nurses awards restricted fund balance.

* A temporary portfolio to enable the donation of investments

CHARITABLE TRUST ACCOUNT - THE LUTON & DUNSTABLE HOSPITAL NHS FOUNDATION TRUST

5.1 Analysis of expenditure on raising funds

	Unrestricted Funds £000	Restricted Funds £000	Total 2021 £000	Total 2020 £000
Fundraising Team ¹	285	0	285	333
Fundraising events/ Initiatives			0	9
Charity Hub	54		54	22
Investment Management	61	3	64	12
Support Costs	31		31	23
Total	431	3	434	399

¹ See Note 9 for details - Fundraising Team costs are recognised when the bid for funding is received.

5.2 Analysis of charitable expenditure

	Direct Costs £000	Support Costs £000	Total 2021 £000	Total 2020 £000
Patients welfare and amenities	13	1	14	201
Staff welfare and amenities	266	20	286	170
Contributions to NHS	172	11	183	141
	451	32	483	512

Patient welfare expenditure covers a variety of purposes including helipad project scoping. Staff welfare includes the provision of additional training/ staff engagement events/ conferences and subscriptions and the employee assistance programme. The contributions to NHS category includes the provision of various medical equipment including a breast surgery tools, NICU music therapy etc and breast nurse funding.

Bids are made to the Charitable Funds Committee to support hospital activities in furtherance of the charitable aims to be funded from the general charitable fund. The costs of such bids are recognised once approved by the committee and once a constructive obligation exists. Each bid's costs are allocated to the categories above based on the nature of the expenditure, see note 16 for further information.

6. Transfers	Unrestricted Funds £000	Restricted Funds £000	Reason for Transfer
NICU Appeal		(5)	Confirmation from donor to be treated as
Special Care Baby Unit	5		SCBU donation
Cardiac Appeal		(4)	Clarification from fundholder
Cardiac Department	4		
General Fund	245		Transfer of balance of investment/
Holding Account	(245)		management transactions.
General Fund	(153)		Transfer of proportion of gain on
Nurse Awards Fund		153	investments to reflect portfolio
Total Transfer	(144)	144	0

7. Allocation of Support Costs and Overheads

	Raising Funds £000	Charitable Activities £000	Total 2021 £000	Total 2020 £000
Audit fee	2	2	4	4
Financial Services	23	30	53	46
	25	32	57	50

8. Trustees' remuneration, benefits and expenses

No Trustee or persons connected to Trustees have been remunerated or have had expenses reimbursed by the Charitable Fund. The trustees give their time freely and receive no remuneration for the work that they undertake as trustees.

9. Analysis of staff costs and remuneration of key management personnel

The fundraising and charity hub staff employed by Luton & Dunstable University Hospital NHSFT provide services to the charity. However, these services are provided as a result of a bid process with funding agreed for a specified period of time. The commitment is recognised at this stage and disclosed within expenditure on raising funds. There are no other staff directly working for the charity and therefore no staff costs disclosed.

The Charity considers its key management personnel to be the trustees. As per note 8 the trustees are not remunerated directly by the Charity.

10. Auditor's remuneration

The auditors remuneration of £4k (2020: £4k) related solely to the audit with no other additional work being undertaken. (2020: nil)

11.1 Fixed Asset Investments:

	2021	2020
	£000	£000
Opening market value	1,675	1,619
Less: Disposals at carrying value	(343)	(423)
Add: Acquisitions at cost	527	615
Net gain/(loss) on revaluation	301	(136)
Closing market value	2,160	1,675

Post balance sheet event: At 31 July 2021 the market value of the investment portfolio held was £2,327k plus £128k held as cash. A total portfolio of £2,455k.

11.2 Market value at 31 March:

	Held in UK £000	Held outside UK £000	2021 Total £000	2020 Total £000
Investments listed on Stock Exchange	446	605	1,051	950
Investments in a Common Deposit Fund or Common Investment Fund	269	817	1,086	725
Other investments	23	0	23	0
Cash held as part of the investment portfolio	142	0	142	156
	880	1,422	2,302	1,831

The Trust has no investment which represents more than 9% of the investment portfolios.

This note includes the cash held as part of the investment portfolio and therefore does not agree to the investments as per the Balance Sheet and note 11.1 above.

All investments are carried at their fair value. The significance of financial instruments to the ongoing financial sustainability of the charitable fund is considered in the risk analysis section of the trustees' annual report.

Despite the global economy experiencing one of the sharpest downturns seen in a century from pre-pandemic levels to the trough at the end of March, equity markets in the second calendar quarter of 2020 recorded their third best quarter in history. The catalyst for the rebound was the extreme levels of stimulus and liquidity provided by governments and Central Banks, that felt more akin to disaster recovery relief. A combination of ultra-low interest rates, loan guarantees and asset buying in the form of Quantitative Easing, all helped to assuage concerns over a potential raft of defaults and a more sustained economic depression.

The absolute level of market appreciation over the fiscal year was significant. This masked some substantial swings in investor preference, however, between new economy businesses that are driving or embracing disruptive trends, and those that are more structurally impaired longer term but better positioned to benefit as economies reopen. From the beginning of the fiscal year in May through to November when Pfizer and BioNTech announced the success of their Phase 3 COVID-19 vaccine trial, Consumer Discretionary and Information Technology led the way and particularly those businesses that are facilitators of some of the trends accelerated by the pandemic: cloud infrastructure, e-commerce platforms, digital payments and anything linked to the explosion of data were all deemed structural winners. The fact that a larger proportion of these companies' cash flow will be generated in the future also meant that valuations for these stocks were bolstered by the depressed discount rate environment.

11.2 Market value at 31 March (cont.):

On the other side of this, however, markets appear to be pricing in a lot of this optimism already and there are reasons to be somewhat cautious. A key question determining the outlook for equity markets from here remains whether the combination of central bank and government stimulus alongside rapid economic recovery, will lead to a sharper than expected rise in inflation that is more difficult to contain. This would lead to a corresponding upward shift in yields and a potential broad-based derating of equities. From a bottom up perspective, we have already seen some clear evidence of supply chain bottlenecks, inventory shortages and commodity price increases which will put upward pressure on inflation.

This broader macroeconomic uncertainty ensures that the focus for positioning in the portfolio is driven by the bottom up fundamentals. We think that the stock selection process lends itself towards identifying companies that have good pricing power and long term growth opportunities. In the event that inflation takes a firmer hold, the ability to pass on

Liquidity risk is anticipated to be low as all assets are traded and the commitment to intervention by central banks and market regulators has continued to provide for orderly trading in markets and so the ability to buy and sell quoted equities and stock is anticipated to continue. The charity's investments are mainly traded in markets with good liquidity and high trading volumes. The charity has no material investment holdings in markets subject to exchange controls or trading restrictions. The charity does not make use of derivatives and similar complex financial instruments as it takes the view that investments are held for their 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.

12. Analysis of Debtors

	2021	2020
	£000	£000
Amounts falling due within one year:		
Amounts owed by associated undertakings	13	
Accrued income	3	40
Other debtors	1	
Total debtors falling due within one year	17	40
Total debtors	17	40

13. Analysis of cash and cash equivalents

	2021	2020
	£000	£000
Cash in hand	3,154	2,757
Cash held as part of investment portfolio	142	156
	3,296	2,913

No cash or cash equivalents or current asset investments were held in non-cash investments or outside of the UK. All cash and cash equivalents are available to spend on charitable activities.

14. Analysis of Creditors

	2021	2020
	£000	£000
Amounts falling due within one year:		
Amounts due to associated undertakings	19	24
Trade creditors	0	36
Other creditors	4	4
Accruals	11	25
Total creditors falling due within one year	34	89
Total creditors	34	89

15. Analysis of Charitable Funds

15.1 Endowment Fund Movements

There are no endowment funds held by the Charity.

CHARITABLE TRUST ACCOUNT - THE LUTON & DUNSTABLE HOSPITAL NHS FOUNDATION TRUST

15.2 Restricted Funds Movements	Balance 1 April 2020	Incoming Resources £000	Resources Expended £000	Transfers £000	Misc £000	Balance 31 March 2021 £000
Material funds	£000	£000	£000	£000	£000	£000
A NICU Appeal	733	50	(42)	(5)	0	736
B Medical Research	43	0	(4)	0	0	39
C League of Friends	3	0	0	0	0	3
D Cardiac Catheterisation Lab	8	0	0	(4)	0	4
E NICU Parents Accommodation	22	15	0	(2)	0	35
F Helipad Appeal	2,264	574	0	0	0	2,838
G Paediatric Oncology	6	0	0	0	0	6
H Paediatric Diabetes	2	0	0	0	0	2
I John Grieg Memorial Prize Fund	1	0	0	0	0	1
J Charities Together	0	161	0	(125)	0	36
K Nursing Awards	0	94	0	153	0	247
Other	3	0	0	0	0	3
Total	3,085	894	(46)	17	0	3,950

Name of fund	Description of the nature and purpose of each fund
A NICU Appeal	To provide equipment for NICU
B Medical Research	To fund general medical research
C League of Friends	To further the wishes of the League of Friends
D Cardiac Catheterisation Lab	To fund equipment for the Cardiac Catheterisation Lab
E NICU Parents Accommodation	To fund the provision of NICU Parents Accommodation
F Helipad Appeal	To fund the provision of a helipad
G Paediatric Oncology	To fund transformation of oncology treatment rooms for children
H Paediatric Diabetes	To fund equipment for Paediatric Diabetes treatment
I John Grieg Memorial Prize Fund	To fund Imaging Staffing Award
J Charities Together	To ensure the Charities Together grant funding is transparently spent
K Nursing Awards	To fund Nursing Awards

All restricted funds have sufficient funds to carry out the requirements of the restriction.

15.3 Analysis of unrestricted and material designated fund movements

	Balance 1 April 2020	Incoming Resources £000	Resources Expended £000	Transfers £000	Misc £000	Balance 31 March 2021 £000
A General Fund	351	332	(468)	127	0	342
Total	351	332	(468)	127	0	342

The trustees set an opening and closing balance of £100,000 or above as the threshold for the separate reporting of material designated (earmarked) funds. In the interests of accountability and transparency a complete breakdown of all such funds is available upon written request. The material designated fund purpose is listed below.

Name of fund	Description of the nature and purpose of each fund
A General Fund	To support the Luton & Dunstable Hospital

The general fund includes all donations for which a donor has not expressed any preference as to how the funds shall be spent and the unrestricted income accruing to the charity. These funds are applied for any charitable purpose to the benefit of the patients of the hospital at the absolute discretion of the trustees.

A further 63 funds exist as at 31 March 2021 with a cumulative balance of £403k. These relate to assisting patients on other wards and clinical departments within the hospital for which donors have indicated their non-binding wishes when making their generous gifts.

15.4 New Funds

Two new funds were established in 2020/21. These are the two new restricted funds as summarised in note 15.2 (Charities Together and Nursing Awards).

CHARITABLE TRUST ACCOUNT - THE LUTON & DUNSTABLE HOSPITAL NHS FOUNDATION TRUST

16. Movements in Funding Commitments

Bid	Opening £'000	Additional	Exp	Closing
Staff Ownership and Engagement Events	12	0	(1)	11
Hospital Gardens	28	0	(8)	20
Cardiac Device	5	0	0	5
Fundraising Staff	56	0	(20)	36
CT Beam Cone Scanner	118	0	(92)	26
Summer Engagement Event 2019	26	0	-26	0
End of Life Support Programme Pilot	38	0	0	38
Xmas Engagement Event 2019	3	0	(3)	0
Community Midwives room refurb	6	0	(1)	5
Dementia Entertainment Devices	2	0	0	2
Nurses Ball	1	0	0	1
CiC funding 2020	21	0	(18)	3
Therapy Cushions	2	0	(1)	1
Fundraising Team 2020/2021	261	285	(268)	278
Rotary Grant	48	0	(20)	28
Nursing Award Proposal	0	60	0	60
Staff well-being rooms	0	50	(34)	16
Ward 14 & 15 recreation room conversion	0	11	0	11
CiC funding 2021	0	86	0	86
Charities Together - Psychology Post	0	94	0	94
NICU Music Therapy	0	11	0	11
Charities Together - Daisy Awards	0	5	(3)	2
Additional Wellbeing Room	0	10	0	10
Total	627	612	(495)	744

As described in Note 5.2 the commitments above were agreed by the Charitable Funds Committee to be funded by the general fund and are recognised in the Statement of Financial Activities and the Balance Sheet for 2020/21.

Many bids are awarded and paid out in the same financial year. However some bids, especially those funding a specific post are multi-year bids paid over a longer period.

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

Timing of cashflows of funding £'000

Less than 1 year	744
Over 1 year	0

There are no bids approved for which no constructive obligation exists.

17. Connected Organisations

The main purpose of the charitable funds held on trust is to apply income for any charitable purpose relating to the National Health Service wholly or mainly for the services provided by The Bedfordshire Hospitals NHS Foundation Trust.

Many of the charitable funds' transactions are dealt with in the hospital's accounts and then transferred to the charitable fund. In 2020/21 the transactions amount to £342k expenditure incurred by the Trust and income of £47k. At 31 March 2021 there was a creditor of £19k.

	2020-21		2019-20	
	Turnover of Connected Organisation £000s	Surplus for Connected Organisation £000s	Turnover of Connected Organisation £000s	Surplus for Connected Organisation £000s
Trustee Board members act as Trustees of the charity and as the NHS Foundation Trust	685,138	2,705	384,329	10,732

On the 1st April 2020 the charity's corporate trustee acquired Bedford Hospital and by virtue of this transaction became the Corporate Trustee to the Bedford Hospital Charity. Consequently Luton and Dunstable Hospital NHS Foundation Trust and Bedford NHS Trust charities will merge. The new name of the merged entity is Bedfordshire Hospitals NHS Foundation Trust and so it is proposed to update the name of the merged charity accordingly. The formal documentation to inform the Charity Commission of the change is yet to be completed. However, during the 2020/21 year the financial records of the two charities have been maintained in the one ledger. Consequently, there is an intra charity balance disclosed. This is a debtor to Luton and Dunstable Hospital NHS Foundation Trust Charitable fund with a balance of £16k.