

SOMERSET NHS FOUNDATION TRUST CHARITABLE FUNDS

Registered Charity Number: 1059922

**TRUSTEE'S ANNUAL REPORT
and FINANCIAL STATEMENTS
For the year ended 31 March 2023**

Somerset NHS Foundation Trust Charitable Funds
Trustee's Annual Report and Accounts 2022/23



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Somerset NHS Foundation Trust Charitable Funds

Trustee's Annual Report and Financial Statements 2022/23

Who We Are

Somerset NHS Foundation Trust Charitable Funds, (the Charity), is a registered charity (registration number 1059922). We exist to raise funds and receive donations for the benefit of the patients of Musgrove Park Hospital, 13 Community Hospitals, and the Mental Health and Learning Disabilities services in Somerset. By securing donations and legacies, the charity can provide the icing on the cake to make a real difference for the patients, their families and the colleagues who look after them.

Our Objectives and Activities

Our Mission

By raising new money and careful management of our existing funds, the Charity provides a public benefit by making grants to the NHS organisation it works with in order; ***'To fund provisions above and beyond what the NHS can offer, ensuring our patients get treated more quickly and comfortably.'***

Grants are made in accordance with charity law, our constitution and the wishes and directions of donors. During the year 2022/23, grants totalling £680,890 were made, (see note 6).

When considering where to focus our attention, the members of the charitable funds committee (CFC), have regard to the Charity Commission's guidance on public benefit and what this means for the Charity.

Our future plans are to continue to develop our level of fundraising to achieve an annual target of £1,500,000 a year which will help us work with our NHS partners to transform the patient experience in our community and support the staff.

Highlights from the activities undertaken in the year.

The key aim of the Charity is to serve the NHS patients of its related constituent bodies for the public benefit. By funding equipment, services and research so we can assist the NHS bodies we work with to provide care to their patients which goes beyond that which they are funded to provide. We put this aim into practice by assisting the patients their families and visitors to the services by;

- Providing any equipment or activity to improve the support of colleagues and patients and their families and friends by creating a comfortable and engaging environment.
- Research into causes of sickness and disability and the prevention, treatment, cures and defeat of sickness and disability in all its forms.
- Making available medical education for colleagues to enhance the patient experience.

We do this through a range of methods funded by you, our generous donors. Over £15,000 in donations have been received in recognition of good care delivered by colleagues across the Trust. Highlights from the main programmes undertaken this year are detailed in the Activities highlights, overleaf, to give you a wider appreciation of the difference that we have made together.

Somerset NHS Foundation Trust Charitable Funds
Activities highlights (cont'd)

1. Ambulatory Care for Haematology Patients

This project focusses on the safe delivery of nebulised pentamidine (an antibiotic used for pneumonia treatment) in a procedure room.

Patients who are being treated for blood cancer have the challenge of complex and intensive chemotherapy, with side effects including neutropenic sepsis, nausea, vomiting, diarrhoea, electrolyte imbalance and pancytopenia requiring blood product support. Ward 9 currently has 11 inpatient haematology beds; 1 room is shared with 2 people and no bathroom facility. They are currently unable to use 1 of the shared rooms due to social distancing rules.

The vision is to optimise the capacity for treating patients with haematological cancers whilst enabling to safely practice within the post COVID landscape and to empower patients undergoing treatment for blood cancers to maintain their independence and remain at home, whilst continuing to receive full access to expert medical and nursing care 24 hours a day.

In line with 2016 NICE recommendations, a new way of working with haematology patients has been implemented. Patients in the Somerset area pre-selected to give them the opportunity to have their treatment using an Ambulatory Care Unit.

This recommendation is already set up in other areas of the country (not the southwest yet) and includes patients who it would be anticipated that they would be neutropenic for 7 days or more. This group of patients would normally be an inpatient for their chemotherapy and neutropenic period (approx. 4 weeks), having their treatment in an Ambulatory Care Unit would cut down bed usage, increase patient satisfaction and increase patient outcomes.

The patients come to the unit daily for blood tests, observations, assessment by a nurse discussing side effects and concerns, chemotherapy, and supportive treatments (blood products and electrolyte replacement). A strict guideline to ensure patients are safely being cared for is followed and the patients have a 24-hour helpline for any concerns and if they need admission to haematology ward.

A new procedure room will be created as a 3-chair ambulatory unit which will be run by a Band 6 nurse with consultant and registrar input and supported by a Band 4 nursing associate. This room will enable nebulised Pentamidine and Intrathecal Chemotherapy to be delivered safely. Current nursing staff will be used for a trial period due to the loss of beds; a 24-hr cancer out of hours helpline is already in place.

This project aims to streamline the service offered to haematology patients, reducing the amount of time the patient requires an in-patient bed and increasing patient satisfaction outcomes; This has already resulted in a reduction in length of stay. A review of the outcome data from a number of centres that undertake ambulatory care have seen length of stay reduce from an average 25 days to 7 days.

Somerset NHS Foundation Trust Charitable Funds

Activities highlights (cont'd)

2. Early Intervention in Psychosis (EIP) 'Voyage to Recovery' 2022

Psychosis is associated with stigma, fear and limited public understanding. It is often a frightening and isolating experience. The first few years after onset can be particularly upsetting and other problems such as social exclusion, reduced opportunities returning to work/ study and difficulties forming new relationships can continue after experiences of psychosis have subsided. There has been growing interest in developing alternative approaches to collaborating with people who have experienced psychosis to optimise opportunity for emotional, social and occupational recovery. One such area showing promise is developing adjunctive interventions using principles of Adventure Therapy; capturing a range of activities conducted in the natural environment which are rooted in an ethos of experiential education.

Following the success of the trip in 2021, the team once again teamed up with the Cirdan Sailing Trust with a 7-day voyage from 10-16 September sailing from Portsmouth. Several group activities were undertaken which helped members of the group begin to get to know each other, experience new environments, and to follow instructions and new skills; These activities included bowling, paddle boarding and preparing, cooking, and eating meals together.

Eight service users took part in the voyage, some people dropped out due to work commitments. However, the determination, optimism, passion, memories, and benefits observed from last year's trip helped to spur the team on.



Each day brought a new set of challenges to overcome. Hoisting and lowering sails, flaking (folding) the sails away and storing them when not in use, winching in and releasing the sheets (lines attached to the sails), learning to tack (turn) the boat, helming the boat, releasing, and pulling up to anchor, adapting to the changing sea state, wind direction and weather conditions, all while trying to keep their balance, keep an eye out for other shipping and enjoy the journey.

Over the week, the bonds strengthened between the group members, with everyone offering support to each other.

Some of the members of the group expressed the desire for a career in sailing and other comments from the week included:

"I'm so pleased after this voyage."

"It's the best experience of my life."

"It fills me with the good feelings."

"I really felt welcomed and appreciated and I feel as though I have made good connections and leaving, I have realised I have made a wonderful group of friends after such an inspiring and memorable time spent together."

Charitable funds donated £5,000 towards this voyage. The Cirdan Sailing Trust also matched funded.

Somerset NHS Foundation Trust Charitable Funds
Our Achievements & Performance

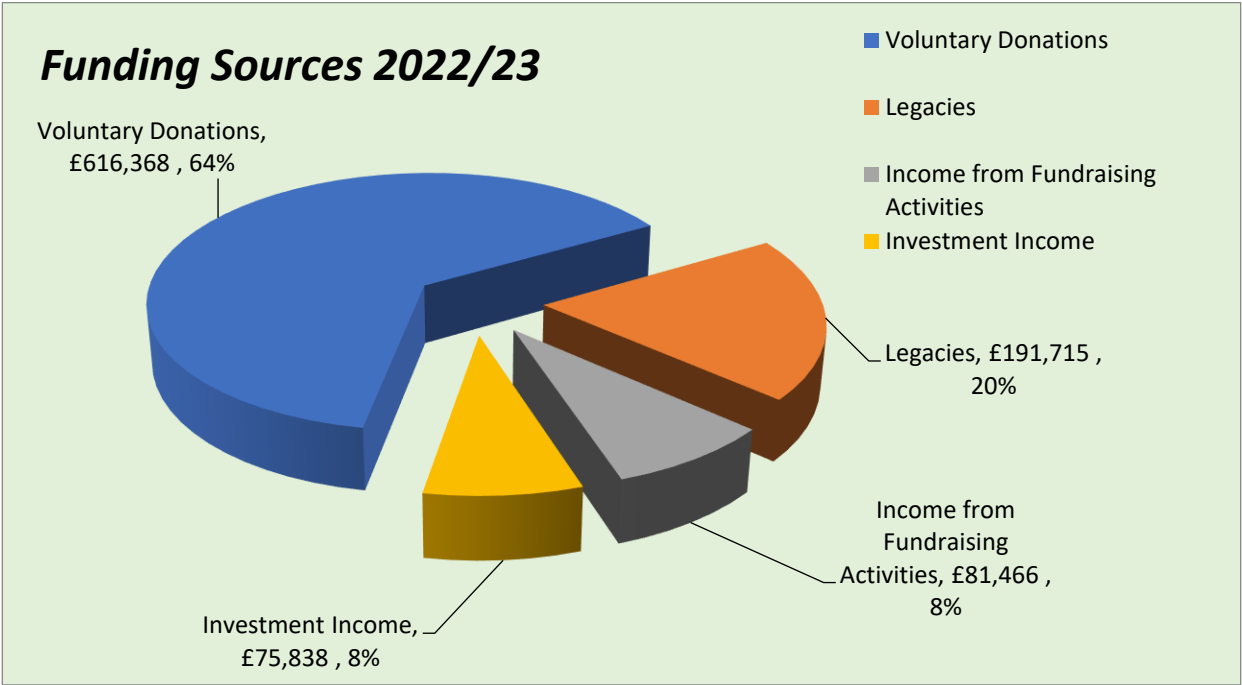
The following figures are taken from the Charitable Fund accounts, approved on 7 June 2023, which carry an unqualified audit report. This part of the trustee's annual report comments on the key features of those accounts. Firstly, we explain how we raised the money and then how we spent it.

Money Received - £965,387. Money Spent - £794,023.

Money Received, Sources of Funds

Voluntary Donations (£616,368) ~ the pie chart shows our main sources of income. The largest proportion, almost two-thirds of total income, are voluntary donations and represent gifts and donations from the public, by local companies and by groups and associations.

- Gifts from the public and local groups, (£377,131) ~ these range from collection tin donations to several hundred pounds from grateful relatives. We are fortunate to receive thousands of such gifts each year.



- Corporate Donations, (£23,482) ~ The charity is grateful to the companies and local businesses that have donated over the year and to their employees who have given their time and money to maximise the corporate support we receive.
- Gifts in Memory, (£157,788) ~ collections in memory of a loved one are particularly generous, and we are fortunate to be remembered by so many people each year.
- Gifts in Kind, (£57,967) ~ the value of items gifted by personal and corporate entities received in the financial year.

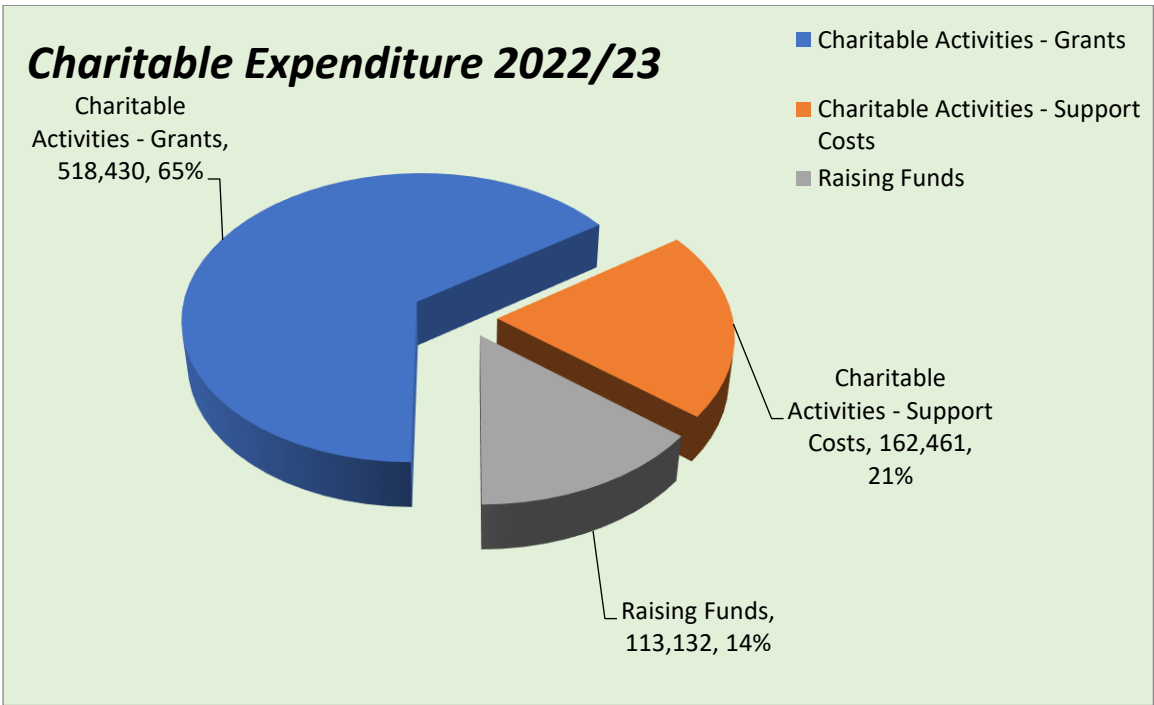
Legacies, (£191,715) ~ we have been most fortunate to benefit from several legacies in the calendar year, details of which may be found in the Note 14 to the Accounts.

Somerset NHS Foundation Trust Charitable Funds
Our Achievements & Performance (cont'd)

Income from Fundraising Activities (£81,466) ~ the Staff Lottery run exclusively for colleagues generated £75,838 this year. £43,937 of this was spent on Staff related grants.

Investment Income (£75,838) prudent management of funds not immediately required for use earned interest of £8,661 and dividends of £67,178 despite being a difficult year for world markets.

Money Spent; £794,023. What we spent the money on



The chart above shows the areas of spend for the Charity in this financial year, (£794,023).

The Charitable activities undertaken directly, (See Note 4) cost £518,430 and are split into four distinct areas.

- Purchase of Equipment (£85,033). We can increase efficiencies by ensuring colleagues have sufficient quantities of modern equipment to hand when required.
- Patient Welfare and Amenities (£189,681). A broad area of activity encompassing remedial building work to patient toiletries.
- Staff Welfare & Amenities (£211,319). The NHS Charities Together Grant Stages 2 & 3 and donations from the public enabled many examples of improvement to colleague well-being.
- Staff Education & Training (£32,397). The Charity has helped staff access vocational training over and above the Trusts CPD budget.

Support costs are those costs which cannot be directly attributable to a particular line of expenditure and are apportioned among the charitable activities and fundraising costs on a percentage of the balance method. Total support costs for 2022/23 was £162,461.

Fundraising Costs for 2022/23 was £113,132.

Somerset NHS Foundation Trust Charitable Funds

Our Fundraising practices & Fundraising performance

The Charity is registered with the Fundraising Regulator and complies with all the relevant standards set out in the Code of Fundraising Practice. There have been no complaints about fundraising activity this year.

Policies and procedures have been implemented and reviewed as a set of guiding principles:

- Complaints Policy - a clear process for anyone who wishes to make a complaint and how complaints will be managed and resolved.
- Vulnerable People and Fundraising Policy - outlining specific guidelines around different types of fundraising and what action will be taken if it is suspected someone may/might be vulnerable.
- Privacy Policy - in line with General Data Protection Regulation (GDPR), a Privacy Policy has been created outlining the way in which personal data is used, ensuring we communicate with our supporters in the manner they prefer and respect their privacy and communication preferences. We do not sell data.
- Supporters promise - outlining our promise; showing we are committed to fundraising in an honest and transparent way.
- Gift handling policy - a comprehensive guide on best practice regarding the handling of donations and acceptance of gifts.
- Stewardship - a clear programme of welcoming, thanking (including Gift Aid and GDPR compliant in the collection of data) and ensuring each supporter has a positive experience, receiving the right communication at the right time.

Direct marketing

The Fundraising Team undertake all direct marketing to ensure that it is not unreasonably intrusive or persistent. A comprehensive mailing schedule is used to ensure our messages are segmented and tailored to supporters, providing a bespoke stewardship programme to build and nurture relationships for donor retention.

All marketing materials contain clear instructions on how a person can unsubscribe from mailing lists.

Fundraising undertaken by others.

The Fundraising Team organise fundraising events and co-ordinate the activities of our supporters when we are notified both in Musgrove and in the wider community and Mental health areas with key touch points with each fundraiser/organisation throughout their fundraising journey, ensuring that fundraising is legal by providing advice and guidance. The supporter journey is recorded on the fundraising database alongside all communication sent.

A significant percentage of our funds are raised from the public, and we ensure that is undertaken in a respectful way.

Our campaigns and appeals are organised with the aim of seeking and gathering support by engaging individuals, businesses, organisations, charitable foundations, partner hospital charities and high net worth individuals.

A mixture of channels and promotional tools are used both within the community and across Musgrove to raise awareness of the Charity.

- Face to face with identified key individuals.
- Broadcast media.
- Written communication - letters, newsletters, direct mail and e-news.
- Website.
- Social media platforms - Facebook, Twitter, Instagram, LinkedIn and YouTube.

Somerset NHS Foundation Trust Charitable Funds Fundraising Practices & Performance (cont'd)

- Hybrid collection points.
- Leaflets - detailing ways to give.
- Event - such as banners, window vinyl wraps indicating ways to give.

We benchmark our fundraising activity with our peers through NHS Charities Together and monitor the comparative success of campaigns.

Fundraising Performance

This year marked 25 years of charitable giving at Somerset NHS Foundation Trust. A varied and exciting list of projects were put together such as various items of equipment at Musgrove, enhancements to the Hydrotherapy Pool, transforming garden spaces across Community Hospitals and Mental Health sites.

Many individuals, businesses and grant-makers helped us to mark this occasion.

We have been able to fund:



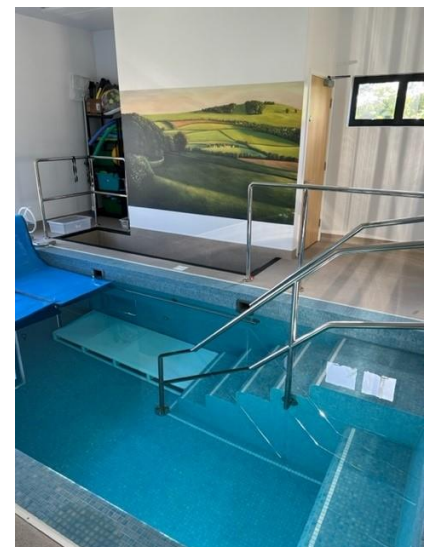
- Meaningful Moments boxes for 72 clinical areas - filled with items to support patients with dementia such as a light projector, scrapbooks, colouring books, word searches, sensory toys, and practical items such as hearing aid batteries and glasses wipes (pictured left)

- iCare Tonometer for Minehead Community Hospital. This evaluates the pressure inside the eyes and is used to assess glaucoma and to measure how the treatment is working.

- Hydrotherapy pool - based at Dene Barton Community Hospital, the money has been used to fund enhancements

such as a large mural, plants, and a radio (pictured right)

- Bladder Scanner for Portman Ward at Musgrove, courtesy of a donation from a Trust.
- Older Adult DBT (Dialectical Behaviour Therapy) to develop the service for adults in the community to help them talk through their emotions, understand them, and learn skills to manage them.



Somerset NHS Foundation Trust Charitable Funds Fundraising Practices & Performance (cont'd)

Colleagues from the library and knowledge service at Musgrove embarked on their first charity even to raise funds for the 25th Anniversary Appeal via a 'virtual journey' from their location at Musgrove to the 'mothership' - the Bibliotheca Alexandra. The team covered the distance of 5,000 km by cycling, swimming, and walking and raised £541.00.



9 brave jumpers took to the skies on Saturday 30 April, this event was part of the 25th Anniversary Appeal. Over £6,500 was raised with some of the team donating their money to wards and departments such as the Beacon Centre.



We have also had incredible support from across the community.

A ride for Teddy and Ava

On 11 June, a team of 18 brilliant riders took on the Somerset countryside to raise money for the Somerset Neonatal Intensive Care Unit (SNICU). Their target was to ride 1,000 miles but they smashed it and completed 1,170 miles!

Ava and Teddy were welcomed into the world at just 30 weeks. With their early arrival they spent 6 weeks in SNICU. Their Mum, Millie said "the care Ava and Teddy received from each and every member of the team was truly amazing, and this unit will always hold a very special place in our family's heart."

The team raised over £12,000 and was used to buy 4 Neopuff Resuscitation devices which help to resuscitate babies when they stop breathing.



**Somerset NHS Foundation Trust Charitable Funds
Fundraising Practices & Performance (cont'd)**

We were delighted to be chosen as Cheddon Fitzpaine Primary School's charity of the year. The school completed a series of events throughout the year from a Halloween party to a Christmas party, to a summer fete, to raise money for the Children's Ward. We were delighted to be invited to the school to present the school council for their hard work and efforts.



One of our toughest fundraisers was when Craig Pimm and Simon Thorne set out to complete a Mission to Radiator Springs for SNICU. They drove 1,600 miles to get Lightning McQueen back to his home in Radiator Springs after finding him looking lost and confused while driving on the wrong side of the road in Somerset! The challenge took Craig and Simon a few days, but they were successfully able to return Lightening McQueen to Radiator Springs in Barcelona, Spain and raised over £2,000.



We were thrilled to be the Charity of the Year from Rumwell Farm Shop. Money was raised through various events including two quiz nights and Christmas candlelight evenings. Donated proceeds were given from the sale of their chocolate coated raisins and from the sale of carrier bags.

£1,750 was raised for the Beacon Centre.




Somerset NHS Foundation Trust Charitable Funds Fundraising Practices & Performance (cont'd)

Davan Caravans raised £852 for SNICU. This was raised from very generous customers who purchased items during their online Davan donated month.

We are incredibly grateful for donations from grateful patients. The Beacon Day Unit received £25,000 from a family whose loved one was cared for by the team.

We also received a wonderful note with a donation left in one of our collection vaults across the hospital.



“My husband was admitted to hospital and sadly died. Thank you to all the staff and ambulance crew, A&E, Acute Medical and Sheppard Ward. They all treated him with care and dignity. The care he received from every member of staff was nothing short of brilliant. Thank you.”



The Tree of Light returned to Musgrove. For the third year we hosted our Tree of Light appeal, inviting our supporters and member of the public to write message in memory or in recognition of someone special on our Tree of Light baubles. The appeal raised £1,350 and each supporter received a thank you card.

In 2022/23, £135,000 was secured from trusts and foundations, which included £99,000 from NHS Charities Together, being part of a recovery grant from Covid to support staff across the Trust. This particular grant will eventually be worth £198,000 with the funds to be released over a 3-year period.

This grant focuses on four projects:

1. **Equality and Inclusion Project.** To level-up inequalities of access to wellbeing offerings, by focussing on Levels 1 and 2 of the SFT 'stepped care wellbeing model' and to provide universal offerings where there may be gaps. This will expand on the engagement work with the multicultural network drop-ins and extend across all SFT inclusion networks, through the development of a dedicated post.

Somerset NHS Foundation Trust Charitable Funds Fundraising Practices & Performance (cont'd)

2. **Psychological PPE and 'Wellbeing MOT' Project.** To skill-up all colleagues and increase organisational capability to use 'Psychological PPE' as a primary preventative approach to emotional wellbeing, through the development of webinars, self-help modules, and sparkol videos, and to build on the resources on the SFT intranet.
3. **Compassion Circles Project.** To further spread and sustain the use of Compassion Circles across SFT as a response to stress and burnout experienced within teams, through the development of both a training programme, and a train the trainer (TTT) programme of work.
4. **Colleague Support Service (CSS) Level 5 Project.** To develop further the skills and capability of the SFT Colleague Support Service (CSS) for the specialist and complex offering at Level 5 of the SFT 'stepped care wellbeing model', ensuring existing posts can be funded and enabling senior clinicians for the service receives Eye Movement Desensitisation and Reprocessing (EMDR) training. (EMDR is an internationally recognised evidence-based intervention for complex trauma and Post Traumatic Stress Disorder (PTSD)).

There has been some feedback from staff in relation to Compassion Circles:

- circles beneficial. It is a good space to take some time off the unit and just take a moment. Often it feels like we do not get a chance to do this in the hospital so knowing that the department supports this is great. I have also found I often think about patients a lot outside of work and if we are doing the right treatments etc, particularly the long stay patients so it is good to chat with others and know they are also in similar positions and have similar thoughts. Thank you again for facilitating these sessions, a huge asset to the team."
- "Firstly, thank you for putting on the sessions for us. I have found them useful, mainly because regardless of our role/experience/expertise, the feelings and things I have found difficult seem to have also resonated with other colleagues.
- I went to the CC last week. Found it useful for the following reasons:
 - nice to talk to people I had never spoken to before.
 - Reassuring to hear other people have same experiences + challenges going forwards.
 - Protected time off the unit to clear your head etc.

£30,000 was also secured from a Development Grant to fund a new Community Fundraiser for the East of the county.

In 2020/2021 £250,000 was secured from Barclay's Covid-19 Community Aid Package to reduce 'digital poverty' in communities and social care across Somerset. This project started on 1 August 2021 and is managed by Spark Somerset who provide information, advice, training, and support to the voluntary community sector in Somerset with the co-ordination of the distribution of tablet devices and the provision of an IT helpdesk to support users. In 2022/23 Spark Somerset drew down £49,172.

Somerset NHS Foundation Trust Charitable Funds Fundraising Practices & Performance (cont'd)

This project continues to have an enormous impact with:

- Digital cafes set up across venues in Somerset with an expansion of further venues.
- The project has provided 1,127 hours with 1,069 individuals.
- The triage service has processed 189 service users and have been supported either by referral to their nearest Digital café, for a home visit or providing digital kit with the help of a Digital Champion.
- There has been a significant increase in volunteers (37 in total).

1:1 In-home Visits Only	3
Helping at a Digital Café	8
Running a Digital Café on behalf of Spark IT, and available for 1:1 visit's	3
Running a Digital Café only	4
Helping in a Digital Café and available for 1:1 home visit's	2
Kit delivery and set up service	2
Behind the scenes volunteers	1
In training and/or waiting for DBS clearance	2
At query stage	7
Currently trained but 'on hold' at volunteer request	5

Love Musgrove

The awareness of *Love Musgrove* continues to grow considerably within the local community. Recruitment of new and stewardship of existing supporters through tailored communications to build long-term rapport and relationships will ensure long-term income generation.

A multichannel approach is used to engage with supporters through e-news, newsletters, direct mail, appeal letters, social media, and telephone calls. To re-engage and thank donors who have not given a gift within a year, a mixture of letters, personalised note cards and calls are made to thank them for their support and highlight the impact of their gift.

Engagement and collaborative working with colleagues have continued across the organisation in the delivery of both projects.

Social media is a key tool to regularly inform our supporters with fundraising stories, upcoming events and latest stories. #ThankYouThursday posts are extremely popular and receive regular high engagement and traction. All of this continues to increase the profile and awareness of the Charity.

The Fundraising Team continues to increase awareness of the Charity by supporting fundraisers, ensuring they receive the best possible experience as well as inspiring others to take part in fundraising for the Charity.

Somerset NHS Foundation Trust Charitable Funds Fundraising Practices & Performance (cont'd)

Activities by the Fundraising Team include:

- Launch of the 25th Anniversary Project and engagement with supporters across the county and applications to trusts and foundations.

Our plans for future periods

The Charity intends to achieve its long-term objectives by working with SFT to develop the facilities needed to provide healthcare of the highest quality to the population it serves.

- To improve patient care through the provision of 'state of the art' equipment and by promoting and supporting the improvement of staff knowledge and experience.
- To complete the 25th Anniversary celebration. Many items have been funded right across the Trust but there are some items that needs funding.
- To expand our fundraising activities towards achieving a sustainable goal of £1.5 million a year
- To promote effective fundraising across Services.
- To pursue an investment policy which provides a balance between income and long-term capital growth and protects fund values.
- The merger with Yeovil District Hospital brings the Trust's charitable funds together and provides the opportunity for collaborative working to build on the success of the two charities, building the supporter bases to make a difference to the services across the Trust. The implementation of the contemporary brands will enable wider engagement across the county and hopefully inspire the support of new and existing fundraisers.

How we manage the money

The Charity makes grants from both restricted and unrestricted funds. Within the unrestricted funds, grants are made from general funds and designated (earmarked) funds.

General funds – the charity receives these donations with no preference expressed by donors. Four times a year, the CFC invite applications from any member of the Trust and from specialist partner charities, for example Macmillan and patient groups working with the hospital. Based on their knowledge of the Trust, the committee agree funding priorities and score the applications for quality and value for money. Grants are particularly targeted on projects in areas of the Trust that do not have available designated funds to assist them.

Designated (earmarked) funds - are established for a particular part of the Trust or activity nominated for support by the donor. They are overseen by fund advisors who can make recommendations on how to spend the money within the designated area. Fund advisors' recommendations are generally accepted, and these funds can be spent at any time.

Financial Review

Reserves Policy

The CFC have established a reserves policy as part of their plans to provide long term support to our partner Foundation Trusts for new equipment, patient & colleague welfare, education and research.

The CFC calculates the reserves as the portion of the charity's unrestricted income funds that is freely available after taking account of designated funds that have been earmarked for specific building or major equipment purchase, research and other projects. The total reserves of £1,888,403 are calculated as follows:

£

Total Unrestricted funds	2,813,871
Less: Legacies held for specific projects	<u>925,467</u>
Total Reserves	<u>1,888,403</u>

The CFC intends that designated funds are spent within a reasonable period of receipt and therefore foresee a need only to maintain reserves sufficient to provide certainty of funding for general grant making.

The minimum reserve requirement is calculated as follows:

Requirement for charitable expenditure	644,386
Funds committed to future charitable activities	<u>303,284</u>
Total Reserve requirement	<u>947,670</u>

The reserves held are currently well above our target requirement.

The CFC review the balances held in designated funds to determine whether these funds are likely to be committed soon and the extent to which there is a continuing need identified designated fund(s). The CFC will be undertaking a review of designated funds to ensure that they are all active with any inactive funds being closed, and the funds transferred to reserves.

About our Investments

The Investments of the charity are managed by Churches, Charities and Local Authorities Fund Managers Ltd, (CCLA), registered in England No. 8735639. CCLA are authorised and regulated by the Financial Conduct Authority.

The objective of the Charities Investment Fund, managed by the CCLA, is to provide a long-term total return comprising growth in capital and income. The fund is an actively managed, diversified portfolio of assets with an emphasis on equities but also includes property, bonds and other asset classes which may be both liquid and illiquid in nature.

Since our portfolio mostly represents unrestricted income funds, including reserves, the emphasis is on maintaining a high level of liquidity and a low to moderate investment risk. At the balance sheet date, no holding has a market value greater than 4.96% of the total investment. In addition, the CFC has decided not to invest in tobacco securities because of the proven link between smoking and poor health which would make such investments contrary to our charitable aims.

Somerset NHS Foundation Trust Charitable Funds

Reserves Policy (cont'd)

Any appeal funds or funds intended to be used to pay grants in the near future are held in a higher interest deposit account, also managed by CCLA, for immediate availability and to minimise investment risk. At the balance sheet date this amounted to £477,250.

The CFC reviews the performance of the external investment manager and ensures that the investment of funds is in accordance with its policy on investments. Investment performance is monitored by the CFC which receives quarterly investment reports from the CCLA. During the financial year, investment portfolio return including dividends and interest, was -0.90%. This compares favourably with the CCLA's composite comparative benchmark, over a similar period, of -3.97%.

How we organise our affairs: Reference and Administrative details

The Somerset NHS Foundation Trust Charitable Funds are registered with the Charity Commission under the single registration number 1059922.

The charity office and principal address of the Somerset NHS Foundation Trust Charitable Funds is:

The Charitable Funds Accountant,
Finance Department,
Block B/C Link, Level2,
County Hall,
The Crescent,
Taunton, TA1 4DY Tel: (01823) 343966.

For Fundraising queries please contact:

The Head of Fundraising,
Fundraising Office,
Old Building,
Musgrove Park Hospital,
Taunton, TA1 5DA. Tel: (01823) 344437.

Structure, Governance and Management

Trustee arrangements

Somerset NHS Foundation Trust, (SFT), is the sole corporate trustee of the charity. The corporate trustee's responsibilities are therefore conducted by the SFT's Board of Directors. The Board is appointed in accordance with the SFT's constitution. Details of the SFT's Board membership can be found in its annual report and accounts and on its website.

Somerset NHS Foundation Trust Charitable Funds Structure, Governance and Management (cont'd)

As this NHS Charity has a corporate trustee it is, in accounting terms, controlled by SFT and is therefore its subsidiary. Financially, the charity is not material to SFT, so it is not consolidated in the Foundation Trust's financial accounts.

The Board of the Foundation Trust meets annually as corporate trustee to:

- review and approve the Charity's strategic plan,
- re-appoint or appoint members of the CFC and,
- approve the trustee's annual report and accounts for the year.

The SFT Board of directors' delegates responsibility for the day-to-day management of the charity to the CFC in accordance with the scheme of delegation and standing financial instructions. They are responsible for fulfilling the corporate trustee's strategic plan and for collaborating with the professional advisors and with the representatives of SFT who provides the financial services to the charity.

The CFC comprises two executive members of the Board and three non-executive members. Other colleagues of SFT are invited to attend committee meetings but do not have a vote at those meetings. During the year, the committee members were:

Name	Date Appointed (to the committee)	Date resigned	Notes
Barbara Gregory	24/10/19		Non-Executive Director of the SFT Board, Chair of the Charitable Funds.
David Shannon	24/10/17		Director of Strategy and Digital Development of the SFT Board
Pippa Moger	02/10/17		Chief Finance Officer of the SFT Board
Stephen Harrison	24/10/19	31/03/23	Non-Executive Director of the SFT Board
Alexander Priest	01/04/20		Non-Executive Director of the SFT Board
Sube Banerjee	01/04/23		Non-Executive Director of the SFT Board
Graham Hughes	01/04/23		Non-Executive Director of the SFT Board

New members of the committee are provided with an induction pack consisting of the governing documents, previous 3 years of trustee's annual report and accounts, policies and procedures of the charity as well as the Charity Commission's guidance; The essential trustee: what you need to know (CC3). NHS Charities Together, (to which we belong), runs regular conferences and symposia for trustees.

**Somerset NHS Foundation Trust Charitable Funds
Structure, Governance and Management (cont'd)**

Our staff & advisors

The charity has one staff member seconded full time from SFT, Nick Boatwright, Charitable Funds Accountant. The Trust also provides financial systems work on an *ad hoc* basis.

The CFC is also assisted when required by several professional advisors, as detailed below:

Bankers:	National Westminster Bank PLC 26-27, Fore Street, TAUNTON TA1 1JQ
Investment Managers:	CCLA Ltd Senator House, 85, Queen Victoria Street, LONDON EC4V 4ET
Independent Auditors:	KPMG LLP 66 Queen Square, BRISTOL BS1 4BE
Legal Advisors:	Bevan Brittan LLP Kings Orchard, 1 Queen Street BRISTOL BS2 0HQ

Key management personnel remuneration

The Board of the corporate trustee and the charitable funds accountant comprise the key management personnel of the charity as they oversee:

- directing and controlling the charity,
- running and operating the charity on a day-to-day basis.

SFT Board members are either executive members, who are employees of Somerset NHS Foundation Trust, or non-executive members who are remunerated in accordance with the Somerset NHS Foundation Trust's constitution. None of the Board members are specifically paid in relation to the charity; they give of their time freely.

Members of SFT's Board are required to disclose all relevant interests, register them and withdraw from decisions where a conflict of interest arises. All related party transactions are disclosed in note 16 to the accounts on page 36.

The charitable funds accountant is employed by SFT on NHS terms and conditions. Their remuneration is reviewed annually and is increased in accordance with the nationally agreed increases for his pay scale. The Charity is fully recharged by the Trust for the employment costs relating to his employment.

No expenses were paid to key management personnel during the financial year.

Somerset NHS Foundation Trust Charitable Funds Structure, Governance and Management (cont'd)

Risk Analysis

As part of their business planning exercise conducted during the year, the CFC has considered the major risks to which the charity is exposed. They have reviewed systems and identified steps to mitigate those risks. Three major risks have been identified and arrangements have been put in place to mitigate those risks.

i) Future levels of income

The Charity is heavily reliant on voluntary donations and legacies to allow it to make grants to NHS bodies. If income falls then the trust would not be able to make as many grants or enter longer term commitments with the NHS bodies, we support.

The committee mitigates the risk that income will fall by engaging with the Fundraising Department. That Department comprises dedicated fundraising experts who collaborate with the committee to provide a co-ordinated approach to raising funds. Fundraising activity is regularly benchmarked against our peers and thorough reviews are undertaken after major campaigns and events to understand what worked well and how things could be done better.

ii) Falls in investment returns

The charity generated additional income from investing its cash balances, so the committee considers the loss of investment income to be a major financial risk. The risk is mitigated by retaining expert investment managers, having a diversified investment portfolio and regularly reviewing that portfolio. The committee makes use of benchmarking information when reviewing the portfolio.

iii) Unforeseen changes in the operation of the NHS

The NHS is, by its very nature, subject to national changes in government policy as well as local politically driven decisions. The CFC has identified this as a risk as it may mean initiatives or healthcare activities supported by the charity are no longer delivered in Somerset. The committee regularly consults with NHS partners to understand the changes that they are facing at an early stage.

Wider Networks

The Charity is delighted to maintain close links with the League of Friends of Musgrove Hospital and the League of Friends of the various Community Hospitals in Somerset, the Musgrove Leukaemic Group Somerset and the Somerset Unit for Radiotherapy Equipment. The support provided by these organisations is valued greatly.

The Corporate Trustee is a member of the Healthcare Financial Management Association (HFMA) and the Institute of Charities and receives regular updates and bulletins on matters affecting NHS charity funds from the HFMA Charitable Funds Special Interest Group.

The Somerset NHS Foundation Trust Charitable Fund is one of over 280 NHS linked charities in England and Wales who are members of NHS Charities Together. As a member charity, we have the opportunity to discuss matters of common concern and exchange information and experience. We have been most fortunate to continue to benefit in a share of the National Appeal run by them during the Covid-19 pandemic.

Somerset NHS Foundation Trust Charitable Funds Structure, Governance and Management (cont'd)

Volunteers

The trustee would like to pay tribute to:

- Our volunteers for their time, support and commitment
- Our colleagues who give of their time out of hours in support of the work of the Charity, in developing ideas for fundraising and working with us to identify how we can help them improve care and wellbeing for the patients.
- Our fundraisers who do so much to encourage others to enrich lives through donations and fundraising activities.

Signed on behalf of the Corporate Trustee: Graham Hughes



Date: 11 October 2023.

Somerset NHS Foundation Trust Charitable Funds
Statement of Trustee’s Responsibilities

The Trustee is responsible for preparing the Trustee’s Annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that period.

In preparing these financial statements, the Trustee is required to:

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

The Trustee is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2016, the Charity (Accounts and Reports) Regulations 2008 and the provision of the trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

By Order of the Trustee

Signed:



..... Date: 11 October 2023.
Graham Hughes, Chair of the Charitable Funds Committee, on behalf of the Corporate Trustee.



..... Date: 11 October 2023.
Pippa Moger, Chief Finance Officer.

Independent auditor's report to the Trustees of Somerset NHS Foundation Trust Charitable Fund

Opinion

We have audited the financial statements of Somerset NHS Foundation Trust Charitable Fund ("the charity") for the year ended 31 March 2023 which comprise the statement of financial activities, balance sheet and statement of cash flows 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 2023 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 properly 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.

The impact of uncertainties due to the UK exiting the European Union on our audit

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors, related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the charity's prospects and performance.

Brexit is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the charity's prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a charity and this is particularly the case in relation to Brexit.

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").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. 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. We have nothing to report in these respects.

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 absence of reference to a material uncertainty in this auditor's report is not a guarantee that the charity will continue in operation.

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 22, 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 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.



for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

66 Queen Square

Bristol

BS1 4BE

12 December 2023

KPMG LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Somerset NHS Foundation Trust Charitable Funds
Statement of Financial Activities for the year ended 31 March 2023

	Note	Restricted Funds	Unrestricted Funds	Total Funds 2022/23	Total Funds 2021/22
		£000	£000	£000	£000
Income from:					
Voluntary income:					
Donations & legacies	2	130	678	808	692
Other trading activities	2	0	81	81	91
Income from investments	2	0	76	76	58
Total income		130	835	965	841
Expenditure on:					
Raising funds	3	0	(113)	(113)	(126)
Charitable activities:					
Purchase of new equipment	4	0	(106)	(106)	(80)
Patient welfare and amenities	4	(50)	(182)	(232)	(403)
Staff welfare and amenities	4	(113)	(192)	(305)	(218)
Staff education, training and development	4	(6)	(32)	(38)	(19)
Total resources expended		(169)	(625)	(794)	(846)
Net (Losses) / gains on investments	8	0	(72)	(72)	165
Net income		(39)	138	99	160
Transfers between funds	13	0	0	0	0
Net movement in funds		(39)	138	99	160
Reconciliation of Funds:					
Total funds brought forward	15	301	2,676	2,977	2,817
Total funds carried forward	15	262	2,814	3,076	2,977

All gains and losses recognised in the reporting period are included in the Statement of Financial Activities and relate to continuing operations.

There is no material difference between the net incoming / (outgoing) resources for the reporting period stated above and their historical cost equivalents.

The notes on pages 27 to 36 form part of the accounts.

Somerset NHS FT Foundation Trust Charitable Funds
Balance Sheet as at 31 March 2023

	Note	Restricted Funds £000	Unrestricted Funds £000	31 March 2023 £000	31 March 2022 £000
Fixed assets					
Investments	8	245	2,057	2,302	2,074
Total non-current assets		245	2,057	2,302	2,074
Current Assets					
Trade and other receivables	9	1	39	40	40
Cash at bank and in hand	10	65	790	855	1,055
Total current assets		66	829	895	1,093
Current liabilities					
Trade and other payables falling due within one year	11	49	72	121	192
Total current liabilities		49	72	121	192
Total current assets less current liabilities		17	757	774	903
Total assets employed		262	2,814	3,076	2,977
Funds of the Charity					
Restricted	15	262	0	262	301
Unrestricted	15	0	676	676	816
Designated	15	0	2,138	2,138	1,860
Total Charity Funds		262	2,814	3,076	2,977

The financial statements on pages 24 to 36 were approved by the Corporate Trustee on 11 October 2023 and signed on its behalf by:



Signed:

Name: **Graham Hughes**
Chair of the Charitable Funds Committee on behalf of the Corporate Trustee
Date: **11 October 2023**

Somerset NHS FT Foundation Trust Charitable Funds
Statement of Cash Flows for the year ended 31 March 2023

	Note	2022/23 £000	2021/22 £000
Cash Flows from operating activities:			
<i>Net Cash provided by operating activities</i>	(i)	24	31
Cash Flows from investing activities:			
Dividends and interest from investments		76	58
Purchase of Investments		(300)	0
<i>Net Cash (used in)/from investing activities</i>		(224)	58
<i>Net Cash (used in)/provided by activities</i>		(200)	89
<i>Change in cash & cash equivalents in the reporting period</i>		(200)	89
Cash and cash equivalents at the beginning of the reporting period		1,055	966
<i>Cash and cash equivalents at the end of the reporting period</i>	(ii)	855	1,055

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

		2022/23 £000	2021/22 £000
<i>Net income/(expenditure) for the reporting period</i>		171	(5)
Adjustments for:			
Dividends and interest from investments		(76)	(58)
(Increase) / decrease in receivables	9	(2)	18
(Decrease) / increase in payables	11	(69)	76
<i>Net cash provided by operating activities</i>	(i)	24	31

(ii) Analysis of cash & cash equivalents

		2022/23 £000	2021/22 £000
Cash in Hand	10	855	1,055
Total cash & cash equivalents	(ii)	855	1,055

1. Accounting Policies

(a) Basis of Preparation

The financial statements have been prepared under the historic cost convention, except for investments which are included at market value. The financial statements have been prepared in accordance with the charities SORP with additional disclosures as required by FRS102.

The Trustee has prepared the financial statements on a going concern basis which they consider is 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 5.

The Trustee has reviewed 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.

On 1 April 2023, the Trust acquired the assets and business of Yeovil District Hospital (YDH) NHS FT forming Somerset NHS Foundation Trust (SFT) through merger by acquisition, and there is a reasonable expectation that SFT has adequate resources to continue in operational existence for the next 12 months.

(b) Structure of Funds

Where there is a legal restriction on the purpose to which a fund may be used, the fund is classified as a restricted fund where the donor has provided for the donation to be spent in furtherance of a specified charitable purpose.

Unrestricted funds are spent or applied at the discretion of the trustees to further any of the charity's purposes.

Trustees may choose to set aside a part of the unrestricted fund to be used for a particular project or commitment. These Designated funds are a part of the unrestricted fund balance of the charity and do not legally restrict the trustee's discretion in how to apply the unrestricted funds that they have earmarked.

The major funds held in each of these categories are disclosed in Note 15.

(c) Incoming Resources

All incoming resources are recognised once the Charity has entitlement to the resources, it is probable that the resources will be received, and the monetary value of incoming resources can be measured with sufficient reliability. See Note 14.

Legacies are recognised when it is probable that they will be received. Receipt is normally probable when:

- there has been grant of probate,
- the executors have established that there are sufficient assets in the estate, after settling any liabilities, to pay the legacy; and
- any conditions attached to the legacy are either within the control of the charity or have been met.

(d) Resources Expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. All expenditure is recognised once there is a legal or constructive obligation committing the Charity to the expenditure.

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

Costs of charitable activities comprise all costs incurred in the pursuit of the charitable objects of the Charity. These costs, where not wholly attributable, are apportioned between the categories of charitable expenditure.

1. Accounting Policies (cont'd).

(e) Allocation of Direct and Support Costs

Direct and support costs have been allocated between charitable activities and fundraising costs. Direct costs are attributable directly to the activity to which it relates. Support costs have been apportioned between fundraising costs and charitable activities on an appropriate basis. The analysis of support costs and the basis of allocations are shown in Note 5.

(f) Fixed Asset Investments

Investments are stated at market value as at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Quoted stocks and shares are included in the balance sheet at mid-market price, excluding dividend.

Details of movements in fixed asset investments during the year are shown in Note 8.

(g) Realised Gains and Losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening market value (purchase date if later). Unrealised gains and losses are those gains/losses arising from increases or decreases in the value of investments that have not been sold (and hence unrealised) at the reporting period end. These are calculated as the difference between the carrying value at the period end and opening market value (or purchase date if later).

(h) Key judgements and Assumptions

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The only estimate that has a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year relates to the recognition of legacy and grant income. The estimate is based on historical experience and information gained from correspondence with the executor up to the balance sheet date. See Note 14.

(i) Financial Instruments

The Charity only has financial assets and financial liabilities that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. See Note 17.

(j) Staff Costs and pensions

SFT fully re-charge the charity for the member of staff who works full time for the charity. The staff member belongs to the NHS Pension Scheme which is an unfunded defined benefit scheme which is accounted for as a defined contribution scheme. The recharge from the SFT includes the employer contributions to that scheme. For more information on the NHS Pension Scheme, please refer to the SFT Annual Report and Accounts.

(k) Gifts in Kind

Gifts in kind, such as foods, toiletries and toys are accounted for quarterly after they are accepted and immediately distributed. Gifts of tangible assets such as white goods are recognised as a donation at fair value on receipt and charitable expenditure when they are distributed. Where gifts in kind are held before distribution to beneficiaries, they are recognised at fair value as stock until they are distributed.

2. Analysis of Income

The primary statements provide prior year comparatives in total; this note provides prior period comparatives for the Statement of Financial Activities, (2a) and the Balance Sheet, (2b), on the next page, for each type of fund that the Somerset NHS Foundation Trust Charitable Funds manages.

2a Unrestricted Funds - Statement of Financial Activity for the year ended 31 March 2023

Note

		Restricted Funds	Unrestricted Funds	2022/23 Total	Restricted Funds	Unrestricted Funds	2021/22 Total
		£000	£000	£000	£000	£000	£000
Income from:							
Voluntary income:							
Donations & legacies		130	678	808	53	639	692
Other trading activities		0	81	81	0	91	91
Income from investments		0	76	76	0	58	58
Total income		130	835	965	53	788	841
Expenditure on:							
Raising funds	3	0	(113)	(113)	0	(126)	(126)
Charitable activities:	4	(169)	(512)	(681)	(139)	(581)	(720)
Total resources expended		(169)	(625)	(794)	(139)	(707)	(846)
Net (Loss) /gains on investments		0	(72)	(72)	0	165	165
Net Income		(39)	138	99	(86)	246	160
Transfers between funds	13	0	0	0	0	0	0
Net movement in funds		(39)	138	99	(86)	246	160
Reconciliation of Funds:							
Total funds brought forward		301	2,676	2,977	387	2,430	2,817
Total funds carried forward		262	2,814	3,076	301	2,676	2,977

Somerset NHS Foundation Trust Charitable Funds
Notes to the Financial Statements

2b Balance Sheet as at 31 March 2023

	Note	Restricted Funds	Unrestricted Funds	2022/23 Total	Restricted Funds	Unrestricted Funds	2021/22 Total
		£000	£000	£000	£0	£0	£0
Investments	8	245	2,057	2,302	209	1,865	2,074
Total Fixed Assets		245	2,057	2,302	209	1,865	2,074
Current Assets							
Debtors	9	1	39	40	2	38	40
Cash at bank and in hand	10	65	790	855	90	965	1,055
Total Current Assets		66	829	895	92	1,003	1,095
Creditors amounts falling due within one year	11	(49)	(72)	(121)	0	(192)	(192)
		(49)	(72)	(121)	0	(192)	(192)
Net Current Assets		17	757	774	92	811	903
Net Assets		262	2,814	3,076	301	2,676	2,977
Funds of the Charity:							
Restricted Funds	15	262	0	262	301	0	301
Unrestricted & Designated Funds	15	0	2,814	2,814	0	2,676	2,676
Total Charity Funds		262	2,814	3,076	301	2,676	2,977

3. Raising Funds

	Activities undertaken directly £000	Support Costs £000	2022/23 Total £000	2021/22 Total £000
Expenditure on raising funds				
Fundraising costs	45	23	68	71
Lottery running costs	21	24	45	55
	66	47	113	126

4. Analysis of Charitable Expenditure

	Activities undertaken directly £000	Support Costs £000	2022/23 Total £000	2021/22 Total £000
Purchase of new equipment	85	21	106	80
Patient welfare and amenities	190	42	232	403
Staff welfare and amenities	212	93	305	218
Staff education and training	32	6	38	19
Total	519	162	681	720

5. Analysis of Support and Governance Costs across Expenditure

	Administration Costs £000	Finance & Audit £000	Governance £000	Salary & Related £000	2022/23 Total £000	2021/22 Total £000
Raising funds	35	1	1	10	47	73
Purchase of new equipment	15	1	1	4	21	9
Patient welfare and amenities	31	1	1	9	42	114
Staff welfare and amenities	68	3	2	20	93	63
Staff education and training	5	0	0	1	6	2
Total	154	6	5	44	209	261

The support costs of £209,473 (2021/22, £261,046) are, by their very nature, not attributable to a single activity or activities and therefore are apportioned across expenditure on the basis of average value of funds.

6. Analysis of Grants

The Charity does not make grants to individuals. All grants are made to the Somerset NHS Foundation Trust or other institutions to provide for the care of NHS patients in furtherance of our charitable aims. The total cost of making grants, including support costs, is disclosed on the face of the Statement of Financial Activities and the actual funds spent on each category of charitable activity, is disclosed in Note 4.

	Total amount paid 2022/23 £000	Total amount paid 2021/22 £000
Institutions Receiving Grant Support:		
Somerset NHS Foundation Trust	632	703
Spark Somerset	49	17
Total Grants	681	720

7. Auditors' Remuneration

The external auditors' remuneration inclusive of VAT of £5,640 (2021/22, £7,000) relates solely to the statutory independent audit with no other additional work undertaken.

8. Investments

Fixed asset investments are measured initially at cost and subsequently at fair value, (their market value), at the balance sheet date. This treatment is in accordance with paragraph 11.14(d) of FRS 102.

	31 March 2023	31 March 2022
Movement in Fixed Asset Investments	£000	£000
Market value brought forward	2,074	1,909
Add: Invested	300	0
Less: Net Losses on revaluation	(72)	165
Market value at end of Year	2,302	2,074
Analysis of Losses / Gains	£000	£000
Unrealised (Losses) / Gains	(72)	165
Total	(72)	165
Fixed Asset Investments Market Value and Gross Income Receivable	£000	£000
Investments listed on the Stock Exchange	2,302	2,074
Total Value of investments held	2,302	2,074

9. Trade and other receivables

	31 March 2023	31 March 2022
	£000	£000
Trade receivables	0	4
Prepayments	2	2
Accrued income	35	32
Gift aid to be reclaimed	3	2
Total	40	40

10. Cash at Bank and in hand

	31 March 2023	31 March 2022
Analysis of cash and cash equivalents at bank and in hand.	£000	£000
Cash in hand	378	287
Funds held at bank	477	768
Total	855	1055

Cash at bank and in hand is held to meet short-term cash commitments as they fall due rather than for investment purposes.

Somerset NHS Foundation Trust Charitable Funds
Notes to the Financial Statements

11. Trade and other payables falling due within one year

	31 March 2023 £000	31 March 2022 £000
Trade Creditors	0	159
Accruals	6	8
Other payables	115	25
Total	121	192

12. Provisions for Liabilities and Charges

There were no provisions made in the current or previous year and all the grants payable have been paid or accrued. There were no grants approved by the Trustee on a provisional basis or on an estimated basis where a firm intention had been communicated to any beneficiaries.

13. Transfers between Funds

The Trustee designated an unrestricted legacy to the value of £52,099 to support the Charity's 25 year Anniversary Appeal. This amount was transferred to the Appeal Fund in July 2022.

A sum of £9,998 was awarded to the STEP fund to assist with funding the voyages in 2023. This was transferred to the Mental Health and Learning Directorate fund in March 2023.

14. Material Legacies

Fifteen legacies to the value of £191,715 (2021/22: £239,943) were received in the financial year to the benefit of twelve different funds, (see below).

Where future receipt of a legacy is certain, and the amount is known or can be reasonably estimated, an accrual is made.

The funds that benefitted are as follows:

	<u>31 March 2023</u>		<u>31 March 2022</u>
	<u>Received</u>	<u>Accrued</u>	<u>Received</u>
	<u>£</u>	<u>£</u>	<u>£</u>
Musgrove Park Hospital, General Funds	110,835	0	166,596
Musgrove Park Hospital, Beacon Centre Fund	50,316	0	2,250
Musgrove Park Hospital, Coronary Care Unit	16,423	0	5,490
Musgrove Park Hospital, 25Appeal Fund	12,836	0	0
Musgrove Park Hospital, Mendip Ward	1,000	0	0
Williton Hospital	305	0	20,000
Musgrove Park Hospital, Heart Research	0	0	250
Musgrove Park Hospital, SNICU	0	0	500
Musgrove Park Hospital, ITU	0	0	200
Musgrove Park Hospital, Palliative Care Ward	0	0	5,490
Musgrove Park Hospital, Respiratory Ward	0	0	5,490
Burnham Community Hospital	0	0	18,000
Wincanton Community Hospital	0	0	7,677
Frome Community Hospital, (Will Trust)	0	0	7,000
	191,715	0	238,943
			1,000

15. Analysis of Charitable Funds

A closing fund balance of £30,000 or above has been set for separate reporting of material funds. Those funds listed are those with closing balances exceeding £30,000 as at 31 March 2023.

a) Details of Material Restricted Funds

Restricted funds are funds where the donor has placed a legal restriction to either only utilise income generated from the donation (endowment) or to only be spent in furtherance of a specific charitable purpose.

The funds analysed below, are for any charitable purpose or purposes, principally at or in connection with the Somerset NHS Foundation Trust.

	Balance b/fwd 01/04/22 £000	Incoming resources £000	Resources expended £000	Balance c/fwd 31/03/23 £000
Barclays Foundation	103	0	(49)	54
NHS CT Grant Third Wave	50	99	(100)	49
NHS CT Development Grant	0	30	0	30
Other restricted funds	148	1	(20)	129
Total	301	130	(169)	262

NHS Charities together Grant - For improving the wellbeing of NHS Staff due to and because of the Covid-19 pandemic.

Barclays Foundation Grant - Grant bestowed for the purpose of reducing digital poverty in Somerset.

Urological research fund - as per research objectives but specifically for urology research and patient studies.

b) Details of material Designated and Unrestricted Funds

(i) Analysis of Unrestricted Funds held by Somerset FT Charitable Funds

Unrestricted Funds, analysed below, are those funds where no donors have expressed any specific non-binding wish together with all the unrestricted income accruing to the Charity.

	Balance b/fwd £000	Incoming resources £000	Resources expended £000	Transfers £000	Unrealised Losses £000	Balance c/fwd £000
SFT General Fund	707	243	(307)	(18)	(72)	553
SFT Staff Lottery	109	79	(21)	(44)	0	123
Total	£816	£322	(328)	(62)	(72)	£676

SFT General Fund - for any charitable purpose relating to the National Health Service wholly or mainly at any premises managed by SFT.

SFT Staff Lottery - Raised by staff for the improvement of the working environment at any premises managed by SFT.

15. Analysis of Charitable Funds (Cont'd)

b) Details of material Designated and Unrestricted Funds

(ii) Analysis of Designated Funds

Within the Charity's unrestricted funds are several designated funds relating to specific wards and departments. These designated funds, analysed under(i), are those where the donor has made known their non-binding wishes and where members of the Corporate Trustee have, at their discretion, created a specific fund for a specific purpose. These are wholly unrestricted funds which are designated at the Trustee's discretion and can be reverted to the Unrestricted General Fund at any time.

The Trustee conducted a review of designated funds during the year and reduced the total number of designated funds from 92 to 29 by merging some funds of similar specialty or within hospital service care group.

		Balance b/fwd	Incoming resources	Resources expended	Transfers	Unrealised Losses	Balance c/fwd
	Note	£000	£000	£000	£000	£000	£000
Beacon Centre		390	212	(77)	95	0	620
Morse Paediatric		190	18	(28)	4	0	184
Eliot Ward Refurbishment		119	0	0	0	0	119
Breast Care Unit		116	5	(3)	0	0	118
SNICU		69	56	(3)	0	0	122
Henry Bissell Spinal Fund		66	1	(2)	0	0	65
Art for Life		39	1	(1)	0	0	39
Sight Fund		35	1	0	0	0	36
W. Somerset Academy		29	0	(1)	3	0	31
25 Appeal Fund	13	3	105	(26)	52	0	134
Surgical Directorate		0	10	(12)	132	0	130
Medical Services Group Fund		0	1	0	32	0	33
Cardiology Fund		0	7	(7)	61	0	61
Stroke/ Neurology Fund		0	0	(5)	56	0	51
Paediatric Cancer & Diabetes		0	6	0	42	0	48
Neighbourhood Funds		0	3	(1)	29	0	31
N. Sedgemoor Fund		0	1	(3)	43	0	41
W. Somerset Fund		0	1	(2)	47	0	46
Mendip Fund		0	0	(3)	98	0	95
Other Designated Funds		804	85	(123)	(632)	0	134
		1,860	513	(297)	62	0	2,138
Total Unrestricted Funds	(i) + (ii)	£2,676	£835	(£625)	£0	(£72)	£2,814

16. Related Party Transactions

The SFT is the main beneficiary of the Charity. At the balance sheet date, the Charity owed the Trust £27,925 and was owed £270 by the Trust. During the financial year, the Charity provided funding to the SFT of £631,718

Support costs recharged by the Trust are shown in Note 5 of the financial statements. During the year, neither the members of the Trust or Partnership Boards, senior staff of these organisations or parties related to them, were beneficiaries of the Charity. Support costs recharged by the Trust in 2022/23 amounted to £209,473 (2021/22, £261,046).

Neither the Corporate Trustee nor any member of the NHS Trust Board has received honoraria, emoluments or expenses in the year. The Trustee has not purchased Trustee indemnity insurance from the funds; however, indemnity insurance has been provided as part of the corporate policy of The Somerset NHS Foundation Trust.

No key management personnel are employed by the Charity.

17. Financial Instruments

The Charity has the following financial instruments:

	31 March 2023 £000	31 March 2022 £000
Financial assets that are debt instruments measured at amortised cost		
Trade receivables	0	2
Other receivables	40	36
	40	38
Financial liabilities measured at amortised cost		
Trade creditors	0	157
Other creditors	121	33
	121	190

18. Contingent Asset

Contingent assets are possible assets whose existence will be confirmed by the occurrence or non-occurrence of uncertain future events that are not wholly within the control of the charity.

The Charity is a one-third residual beneficiary in a legacy with a probate value approaching £1.1M. Figures received suggest the contingent value to the charity would be approximately £350k.

19. Post Balance Sheet Events

Towards the end of April 2022, the Charity received the estate accounts for review of a legacy recently completed. The Charity is to receive one-third of the residue which is approximately £352k. The legacy is in favour of the Coronary Care Unit at Musgrove Park Hospital. Entitlement was expected to be achieved June 2022 but due to errors with the Trust accounts no payments have yet been made.

On 1 April 2023 Yeovil NHS Foundation Trust was acquired by Somerset NHS Foundation Trust. Their NHS Charity, the Yeovil Hospital Charity, reg. number 1057580, will become a linked Charity of the Somerset NHS Foundation Trust Charitable Funds.

20. Ultimate Holding Organisation and Registered Address

The ultimate controlling party of the Charity is Somerset NHS Foundation Trust, (SFT). Copies of the 2022/23 Annual Report and Financial Statements of SFT can be obtained by writing to the: Chief Finance Officer, Somerset NHS Foundation Trust, Musgrove Park Hospital, Taunton, Somerset TA1 5DA.

The registered address of the Charity is Musgrove Park Hospital, Taunton, Somerset, TA1 5DA.

Registered Number of Charity: 1059922