


NORTH CUMBRIA UNIVERSITY HOSPITALS CHARITABLE FUND



ANNUAL REPORT & ACCOUNTS 2020/21

REGISTERED
CHARITY NUMBER:
1059946

CONTENT

1. Trustees Annual Report
2. How we responded to the Covid-19 Pandemic
3. How we funded our work, our achievements and our performance
4. Our future plans
5. How we manage charitable funds
6. Risk management
7. Statement of trustee's responsibilities in respect of the trustees annual report and accounts
8. Auditor's report to the Corporate Trustee of North Cumbria University Hospitals Charitable Fund
9. North Cumbria University Hospital Charitable Fund accounts for the year ending March 2021
10. Notes to the accounts
11. Accounts direction from Secretary of State for Health



1. Trustees Annual Report

The Corporate Trustees present the North Cumbria University Hospital Charitable Fund 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 in accordance with the accounting policies set out in section 13 to the accounts and comply with the deed of trust, the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2009 and the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charity's report and accounts include all the separately established funds for which the North Cumbria University Hospital Charitable Fund is the sole beneficiary.

1.1. Foreword by the Chairman of Charitable Funds Committee of the North Cumbria University Hospital Charitable Fund

Welcome to the North Cumbria University Hospital Charitable Fund Annual Report for 2020/21. The Charity supports the services provided by North Cumbria Integrated Care NHS Foundation Trust's (NCIC) two acute hospitals, the Cumberland Infirmary and West Cumberland Infirmary, to benefit NHS patients, their families and communities.

2020/2021 has been a year like no other, with Covid-19 affecting everyone's lives and putting a strain on our NHS and our communities. In response to Covid-19 we have focused on supporting our staff through this pandemic and the start of our recovery. Making sure our staff are happy, secure and have the opportunity to develop in their roles is essential to achieving excellent patient care. We have supported the development and improvement of staff rest areas within the hospitals and are in the process of improving external rest areas.

To help improve patient care we purchased a Endobronchial Ultrasound Processor and Ultrasound cable to enable the set-up of an Endobronchial service at West Cumberland Hospital. Prior to this scanner being available patients with cancer would have to travel from West Cumbria to Carlisle. Now patients are able to access this service in West Cumbria and receive improved continuity of care.

Your donations made this work possible, and your future donations are the key to our continued success. I would like to thank everyone who has donated gifts or money this year as well as our staff who supported our frontline services in this year unlike any other.

As we start to emerge from the pandemic, we will be reviewing our plans, but we will continue to focus on helping the population of North Cumbria to live fulfilling and healthy lives. If you would like to get involved, details about how to do this can be found later in this report. Please support us, every pound helps.

Signed:



Date: 1 December 2021

Peter Scott

Chair of the Charitable Funds Committee



1.2. Who we are

North Cumbria University Hospital Charitable Fund ('the Charity') is a registered charity (registered charity number: 1059946). We exist to raise funds and receive donations for the benefit of the NHS. For us this is the patients of the Cumberland Infirmary and West Cumberland Hospital. By securing donations, legacies, and sponsorship, the Charity can provide the 'icing on the cake' to make a real difference for patients, their families and the staff who look after them. Providing both general and specialist care for over 670,000 patients each year, the Cumberland Infirmary and West Cumberland Hospital are key partners in fulfilling our charitable aims. We would like you to support us in our crucial work so please read on and let us tell you more about ourselves, what we do, what we have achieved and how we go about spending the money given to us.

1.3. Charity details

Charity Name: North Cumbria University Hospital Charitable Fund

Registered Charity Number: 1059946

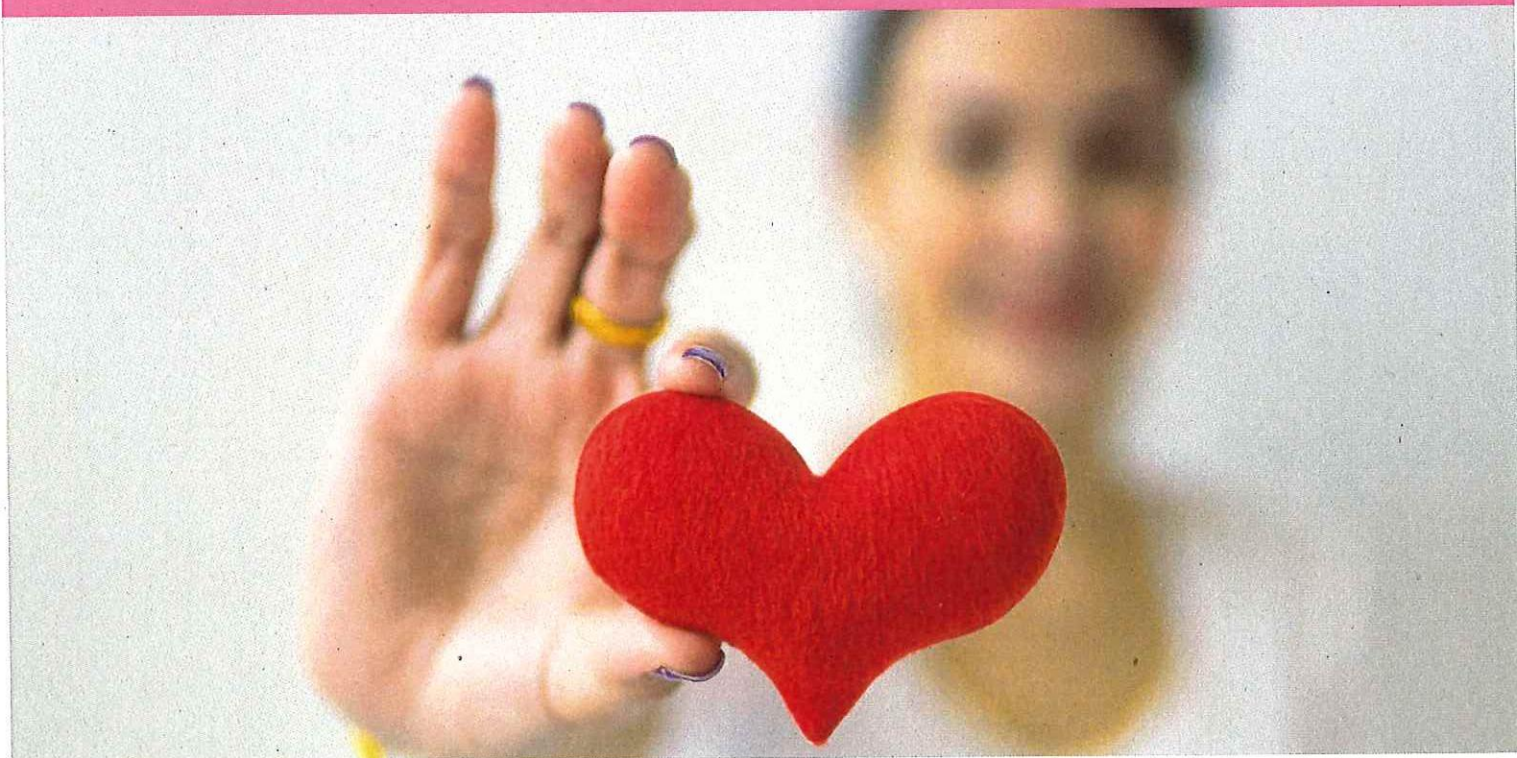
Principal Office:

North Cumbria University Hospital Charitable Fund
Executive Director of Finance
Cumberland Infirmary
Newtown Road
Carlisle
Cumbria
CA2 7HY

The Charity was established under the Umbrella Charity Model by a declaration of trust dated 29 October 1996, as amended by the supplemental deed dated 28 January 2003 and by supplemental deed dated 6 October 2009.

The Charity has a Corporate Trustee which was North Cumbria University Hospitals NHS Trust up until 30 September 2019. On 1 October 2019 the North Cumbria University Hospital NHS Trust was acquired by Cumbria Partnership NHS Foundation which was renamed as North Cumbria Integrated Care NHS Foundation Trust on the same date.

The transaction took place under Section 56A of the National Health Service Act 2006 and the transaction agreement made provision for the charitable funds of North Cumbria University Hospitals NHS Trust to be transferred as part of the transaction. Therefore, since 1 October 2019 the new corporate trustee has been North Cumbria Integrated Care NHS Foundation Trust.



How to contact us

The charity office and principal address

North Cumbria University Hospital Charitable Fund
Executive Director of Finance
Cumberland Infirmary
Newtown Road
Carlisle
Cumbria
CA2 7HY
Tel: 01228 523444



For fundraising queries

Clare Warwick
Charity Fundraising Lead
North Cumbria Integrated Care NHS
Foundation Trust
NHS Finance
Parkhouse Building South
Baron Way
Kingmoor Business Park
Carlisle
Cumbria
CA6 4SJ
Tel: 07814280456
Email: Clare.Warwick@ncic.nhs.uk

1.4. Our mission

By raising new money and careful management of our existing funds, North Cumbria University Hospital Charitable Fund provides a public benefit by making grants to North Cumbria Integrated Care NHS Foundation Trust. The object of the Charity is as follows:

The Trustee shall hold the charitable fund upon trust to apply the income and at their discretion, as far as may be permissible, the capital, for any charitable purpose or purposes relating to the National Health Service.

Charitable funds received by the Charity are accepted and held and administered as funds 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. These funds are held on trust by the corporate body. The members of the Charitable Funds Committee confirm that they have referred to the guidance provided by the Charity Commission on public benefit when reviewing aims and objectives, when planning future activities and in setting the grant making policy for the year.

The Charity supports projects and interventions that improve patient experience, enhance services, improve patients' overall health, and support the wellbeing and development of NHS staff. The Charity covers the costs for items such as specialist equipment and projects such as staff wellbeing initiatives and health education which are not covered by NHS core funding.

Grants to the Trust are made in accordance with charity law, our constitution and the wishes and directions of donors. In making grants, we endeavour to reflect the wishes of patients and staff by directing funds towards areas they tell us are most in need. During the year 2020/21, grants totalling £436k were made.

1.5. What we have achieved: Highlights from the activities undertaken in the year and public benefit

The work of the Cumberland Infirmary and West Cumberland Hospital can only be supported through the ongoing generosity of our donors. During the year, the Charity has continued to benefit from legacies and donations from both individuals and companies.

These are an invaluable source of funds used to purchase additional goods and services that are not able to be provided by core NHS funds. Here are just some of the donations we received and only a small representation of the support the Charity receives from the community. The Charity is most grateful to all supporters for their contributions



Donation in memory of Karen Rangecroft

Ken Rangecroft donated £3,000 in memory of his late wife who died with COVID-19.

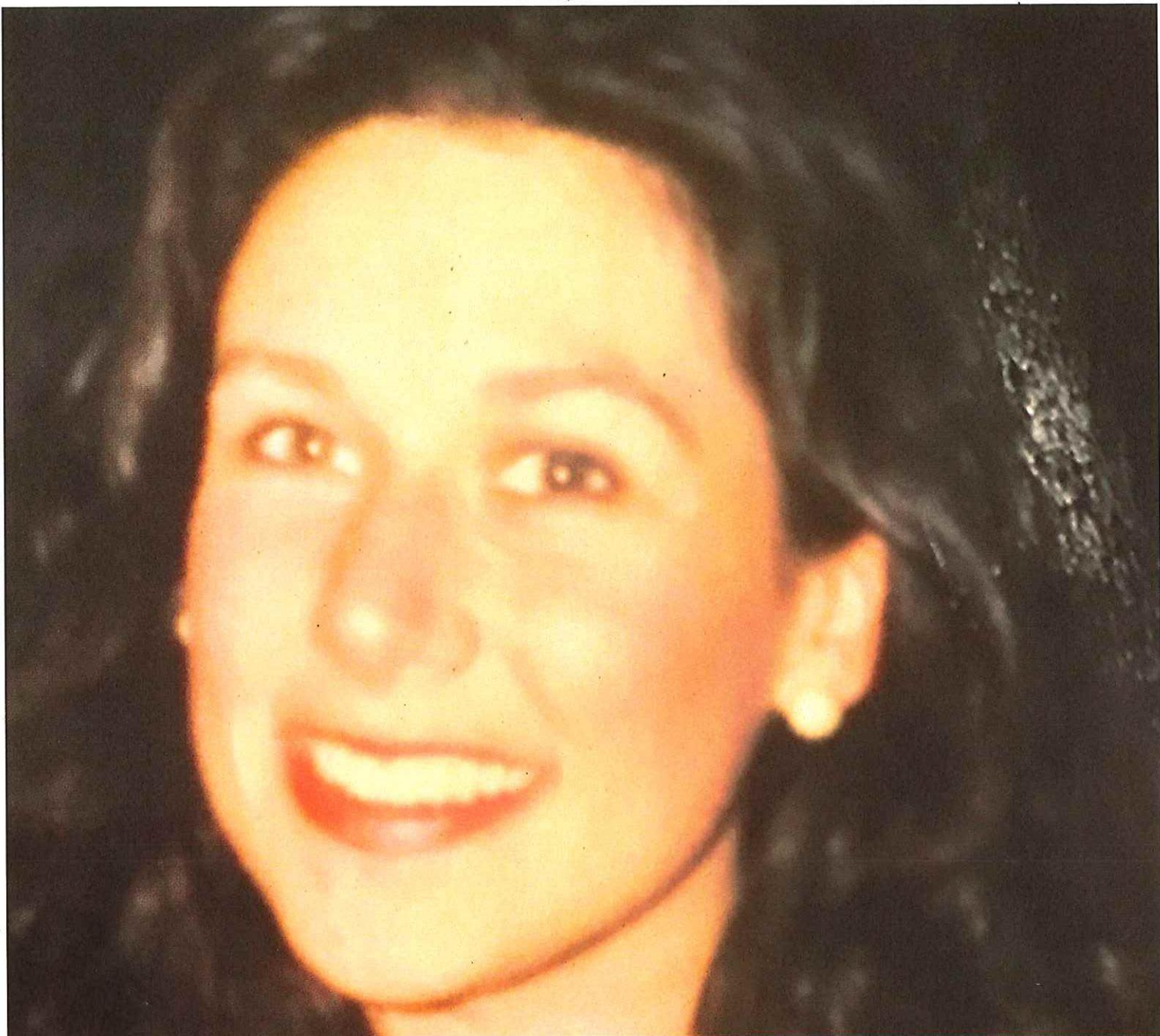
Karen Rangecroft, 58, received care on the Beech Ward and Intensive Care Unit at the Cumberland Infirmary and the Royal Victoria Infirmary in Newcastle and sadly died in February 2021.

The family, including Karen's sons Michael and Christopher, set up a JustGiving page in her memory which raised over £3,000 with the funds being split between the two hospitals who Ken said cared for Karen so compassionately.

Prior to becoming unwell, Karen had dedicated her career to working in the community care sector looking after the elderly. She also had connections within maternity services where her sister-in-law Caroline was a midwife and her father-in-law, Mr Rangecroft, was a consultant at the City General and City Maternity Hospital for many years. The funds raised in Karen's memory were donated to maternity services.

Anna Stabler, Chief Nurse at North Cumbria Integrated Care NHS Foundation Trust, said, "There are too many stories of people being taken too soon with COVID-19. Karen devoted her life to caring for others and we know she would have been proud of her family raising funds and donating them to benefit others. We are very grateful to Karen's family for the kind donation to our maternity services."



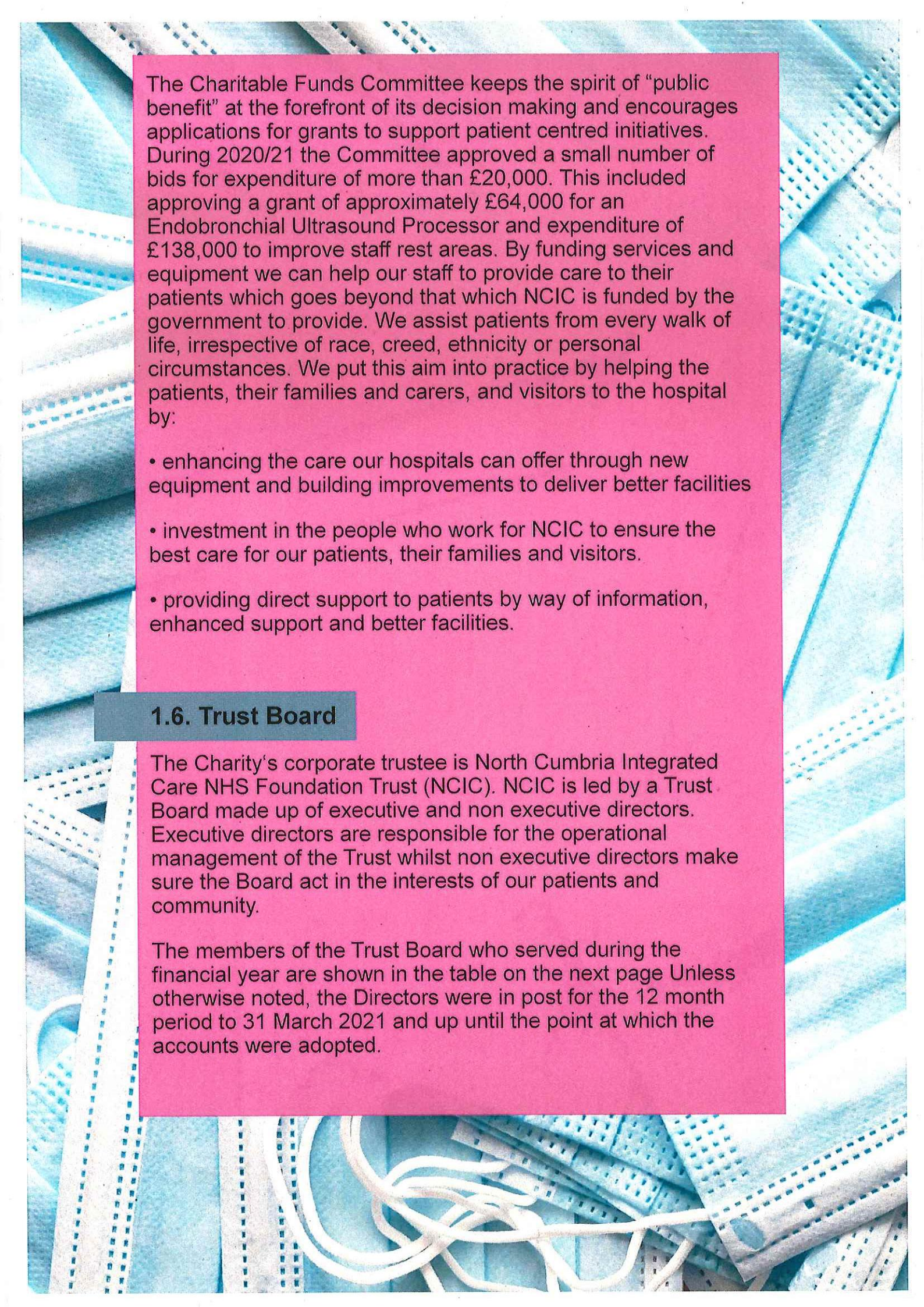


Donation in memory of Joanne Mahone

Chemotherapy services at West Cumberland Hospital in Whitehaven were given a boost with an incredible donation of £40,000.

The money was donated by Martin Mahone from Cleator Moor as a thank you for the care given to his wife Joanne, who sadly passed away aged 46 in 2019.

Martin explained that he wanted to raise money in Joanne's memory that could help others in the local area. He said: "20 months ago I lost my beloved wife Joanne to a very rare sarcoma cancer after she was diagnosed two years ago. Family, friends and our incredible community committed to raising funds in the hope that we could find treatment to save her. Tragically, Jo's cancer was so aggressive that within four months she passed away. We all agreed the money raised should go to charities close to our hearts, and be retained in our local community who raised the bulk of the funds. Thank you to everyone who donated.



The Charitable Funds Committee keeps the spirit of “public benefit” at the forefront of its decision making and encourages applications for grants to support patient centred initiatives. During 2020/21 the Committee approved a small number of bids for expenditure of more than £20,000. This included approving a grant of approximately £64,000 for an Endobronchial Ultrasound Processor and expenditure of £138,000 to improve staff rest areas. By funding services and equipment we can help our staff to provide care to their patients which goes beyond that which NCIC is funded by the government to provide. We assist patients from every walk of life, irrespective of race, creed, ethnicity or personal circumstances. We put this aim into practice by helping the patients, their families and carers, and visitors to the hospital by:

- enhancing the care our hospitals can offer through new equipment and building improvements to deliver better facilities
- investment in the people who work for NCIC to ensure the best care for our patients, their families and visitors.
- providing direct support to patients by way of information, enhanced support and better facilities.

1.6. Trust Board

The Charity’s corporate trustee is North Cumbria Integrated Care NHS Foundation Trust (NCIC). NCIC is led by a Trust Board made up of executive and non executive directors. Executive directors are responsible for the operational management of the Trust whilst non executive directors make sure the Board act in the interests of our patients and community.

The members of the Trust Board who served during the financial year are shown in the table on the next page Unless otherwise noted, the Directors were in post for the 12 month period to 31 March 2021 and up until the point at which the accounts were adopted.

Name	Responsibilities	Post From	To
Peter Scott	Interim Chair	01/04/2020	
Lyn Simpson	Chief Executive		
John Howarth	Joint Deputy Chief Executive until 31 March 2020 and Executive Director of Strategy 1 April 2020 - 31 August 2020	01/04/2020	31/08/2020
Michael Smillie	Executive Director of Finance, Estates & Digital Healthcare and Executive Lead for Workforce and Organisational Development between 17 October 2019 and 3 May 2020.		
Mandy Nagra	Executive Chief Operating (* on secondment to NHSE/I from 1 January 2020)		27/01/2021
Rod Harpin	Interim Executive Medical Director	01/04/2020	
Anna Stabler	Executive Chief Nurse (Interim until 5 July 2020)	01/01/2020	31/05/2021
Jill Foster	Interim Executive Chief Nurse	01/04/2021	
Justine Steele	Executive Director of People & Organisational Development	04/05/2020	
Ramona Duguid	Executive Director of Strategy until 31 March 2020 and Interim Executive Director of Operations wef 1 April 2020		31/03/2021
Dean Oliver	Executive Director of Performance & Improvement on secondment from NHSE/I) and substantive Executive Director of Performance, Planning & Strategy wef 1 May 2021	01/04/2020	
David Allen	Non-Executive Director		
Malcom Cook	Non-Executive Director		31/12/2020
Mark Cullinan	Non-Executive Director	23/11/2021	
Philip Kane	Non-Executive Director	01/05/2021	
George Liston	Non-Executive Director		30/09/2021
Susan McKenna	Non-Executive Director		
Louise Nelson	Non-Executive Director		
Jeff O' Neill	Non-Executive Director		30/09/2021

1.7. Director Appointments and changes during the year

The Trust welcomed Peter Scott as its Interim Chair on 1 April 2020 and said goodbye to Professor John Howarth, Executive Director of Strategy, on 31 August 2020.

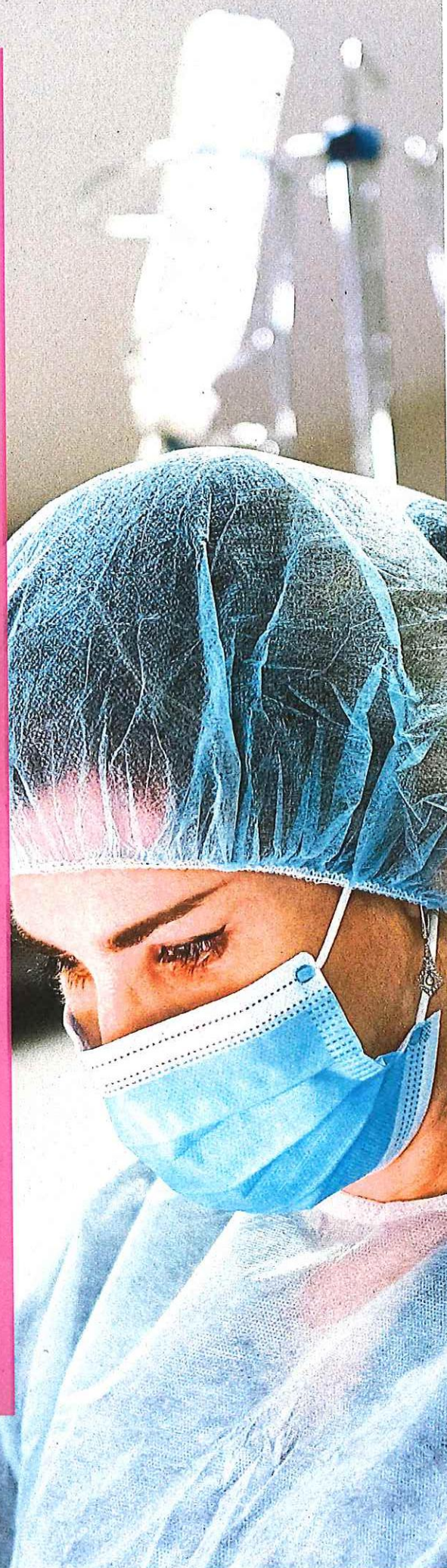
Mandy Nagra, Executive Chief Operating Officer, had been on secondment to NHSE/I from 1 January 2020 and then took up a new post in the NHS on 27 January 2021. Ramona Duguid took up the role of Interim Executive Director of Operations from 1 April 2020 and held this post until she left the Trust on 31 March 2021. Mrs Duguid had previously been Executive Director of Strategy.

Rod Harpin was appointed Interim Executive Medical Director from 1 April 2020 having previously held the post substantively until 31 May 2019.

Anna Stabler, Executive Chief Nurse, took her well earned retirement on 31 May 2021 and Jill Foster joined the Trust as Interim Executive Chief Nurse from 1 April 2021.

Justine Steele took up post as Executive of People and Organisational Development on 4 May 2020 whilst Dean Oliver joined the Trust on 1 April 2020 as Interim Executive Director of Performance & Improvement on secondment from NHSE/I. He was subsequently appointed to the substantive role of Executive Director of Performance, Planning & Strategy wef 1 May 2021.

The Trust saw the departure of four of its long serving Non Executive Directors: Malcom Cook (31 December 2020), George Liston (30 September 2021), Lousie Nelson (30 September 2021) and Jeff O'Neill (30 September 2021). The following new Non Executives were appointed to the Board: Philip Kane (1 May 2021), Celia Weldon (1 October 2021) and Mark Cullinan (23 November 2021).



1.8. Trustees

The Charity's trustee has delegated its powers and functions to the Charitable Funds Committee. The Charitable Funds Committee administer the funds held in trust by the Charity in accordance with any statutory or other legal requirements or best practice required by the Charities Commission on behalf of the Corporate Trustee.

The affairs of the Charity are conducted at quarterly Charitable Funds sub-committee meetings, with a report of the meetings presented to the Trust Board.

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 the approved Investment Policy by the NHS Foundation Trust Board as Corporate Trustee is adhered to 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 Executive Director of Finance is the responsible executive officer. The accounting records and the day to day administration of the funds are dealt with by the Trust's Finance Department located at the Charity's registered address above.

Governance is maintained by various policies and procedures, in particular the Charitable Fund's Governing Document. Members of the Charitable Funds Committee are not individual trustees under Charity Law but act as agents on behalf of the Corporate Trustee.



The members of the Charitable Funds Committee in 2020/21 were:

Non-Executive Directors

Appointment Date

Name	Responsibilities	From	To	Committee Attendance
David Allen	Non-Executive Director	01/10/2019	Until present	1/3
Malcolm Cook	Non-Executive Director	16/12/2013	Until 31 December 2020	2/2
Jeffrey O'Neill	Non-Executive Director	09/11/2018	Until 30 September 2021	3/3
Peter Scott	Interim Chair	01/04/2020	Until present	1/1

Executive Directors

Appointment Date

Name	Responsibilities	From	To	Committee Attendance*
Michael Smillie	Executive Director of Finance, Estates & Digital Healthcare	19/04/2018	Until Present	3/3
Anna Stabler	Executive Chief Nurse	01/01/2020	Until 31 May 2021	2/3

* Attendance includes where the Executive Director has been represented at the meeting by their Deputy Director

Medical Representatives

Appointment Date

Name	Responsibilities	From	To	Committee Attendance
Fiona Dallas	Clinical Representative	01/07/2010	Until Present	3/3

Nursing Representative

Appointment Date

Name	Responsibilities	From	To	Committee Attendance
Richard Heaton	Nursing Representative	N/a	N/a	1/3

A photograph of a hospital corridor. In the foreground, a person wearing blue scrubs and a hairnet is pushing a white medical trolley. The trolley has a large black cylindrical container on it. The floor is made of light-colored square tiles. In the background, other people are visible, and the corridor leads away into the distance.

1.9. Our Advisors

The Charitable Funds Committee is also assisted by professional advisors as detailed below:

External Auditors

Dodd & Co
FIFTEEN Rosehill
Montgomery Way
Rosehill Estate
CARLISLE
CA1 2RW

Solicitors

Ward Hadaway
102 Quayside
Newcastle Upon Tyne
NE1 3DX

Bankers

c/o NatWest Bank
280 Bishopsgate
London
EC2M 4RB

2. How we responded to the Covid-19 Pandemic

The Covid-19 Pandemic put a strain on the Trust's resources and is continuing to have a long term impact on the demand for services across the Trust. Our staff have shown, and continue to demonstrate, their dedication and determination to provide the best possible care to our patients. In this reporting period the Charity identified initiatives to help support staff during the pandemic and the subsequent recovery period. Supporting staff in their roles is vitally important and can help staff feel valued, reduce stress in the workplace and help staff reach their full potential. In turn, supporting staff directly impacts the care our patients receive.

The community support the Charity received during the pandemic was extraordinary and we would like to thank everyone who raised funds for us during this time. These funds are ring-fenced for staff wellbeing. Some of the initiatives the Charity supported during the reporting period are as follows;

1. Rest/break areas. £32,000 was allocated to improving rest areas across our 15 sites. The funding enabled areas the opportunity to purchase coffee machines, water filters, additional microwaves, etc.
2. Outdoor break areas. £50,000 was allocated on improving outdoor seating areas across the two main acute sites and our community hospital sites.
3. Rest areas, £56,000 to extend staff rest facilities at Cumberland Infirmary.



3. How we funded our work, our achievements and our performance

The total net assets of the Charity as at 31 March 2021 of £2.559 million (31 March 2020: £1.788 million) are divided as follows:

- Restricted Funds (Special Purpose Charities) £1.153million (31 March 2020: £0.536 million)
- Unrestricted Funds (General Purpose Charities) £1.406 million (31 March 2020: £1.252 million).

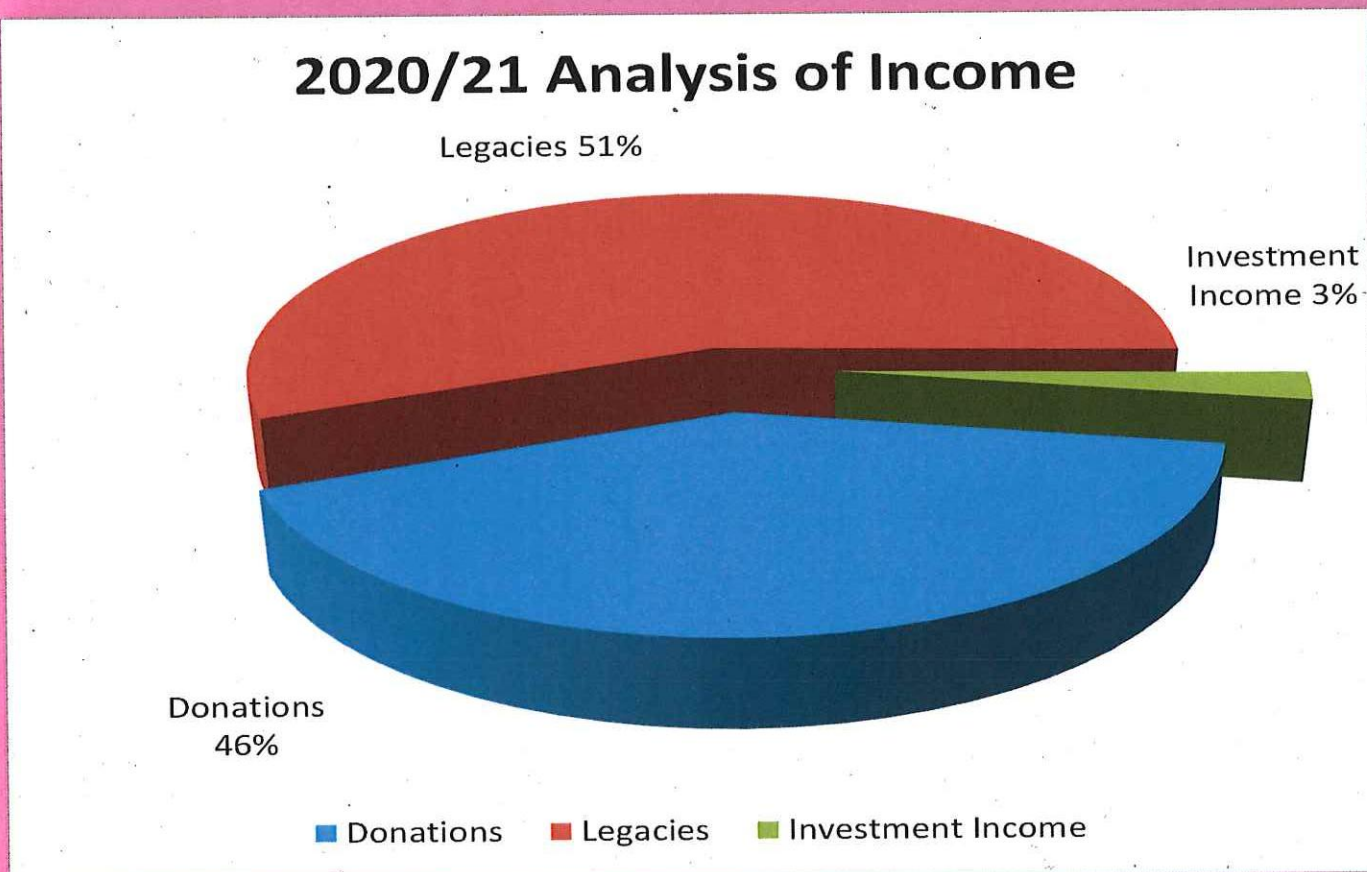
Overall the net assets increased by £0.771m due to an excess of income over expenditure amounting to £0.649m and a gain on investments of £0.122m (2019/20: increase of £0.099m).



3.1. Money received

The Charity has been overwhelmed by the generosity of the public during the Covid-19 pandemic. As well as public donations it has been able to access funds from NHS Charities Together (also known as the Captain Tom monies).

The following graph illustrates the breakdown of the total income received in the 2020/21 financial year.



The total value of donations received in 2020/21 was £464k (2019/20: £333k) of which £271k was from individuals (2019/20: £167k) and £193k from companies (2019/20: £166k). This included £178k from NHS Charities Together. The value of legacies in 2020/21 was £632k (2019/20: £38k). Listed below are the legacies received or notified to the Charity between 1 April 2020 and 31 March 2021 and the areas that have benefitted:

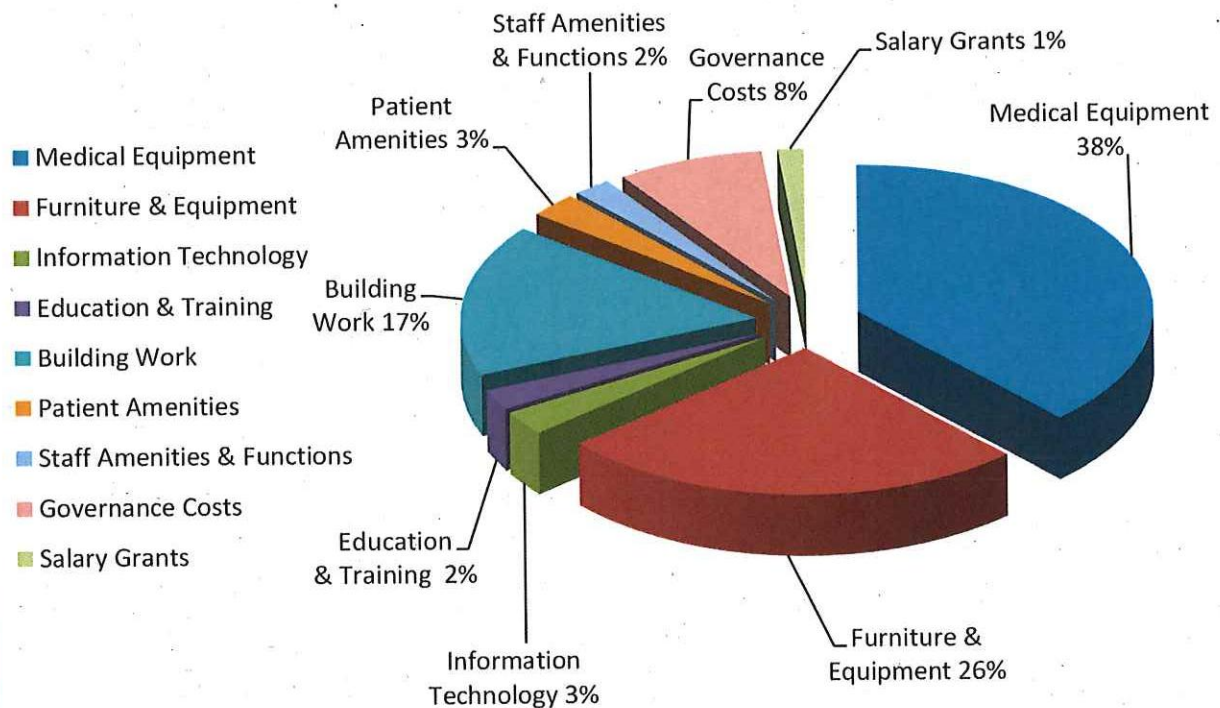
Ruth Parsley	CIC Children's Fund
John Tinnion	WCH Coronary Fund
Leo Duffy	Henderson Suite
Deryck Peter Mynell Gummer	The Heart Centre
Leonard Atkinson	WCH Medical Equipment Fund

Investment income was £27k in 2020/21 (2019/20: £30k).

3.2. Money spent

Of the total expenditure of £475k in 2020/21 (2019/20: £284k), expenditure on direct charitable activity was £436k (2019/20: £245k) spent across a range of programmes from building works to medical equipment. The monies spent were used to purchase additional goods and services not normally provided by, or in addition to, the normal NHS service that benefit staff and patients.

2020/21 Analysis of Expenditure



Patient Care Equipment and Grants

In 2020/21 grants totalling £402k were made relating to medical and surgical equipment, furniture, information technology equipment and minor building works, (2019/20: £146k). These grants are used for improvement in the quality of care and comfort of patients by the provision of services or facilities not normally provided by, or in addition to, the normal NHS service.

Key items purchased by the Charity in 2020/21 were as follows:

£61,118.68	Endobronchial Ultrasound processor	Respiratory Services
£58,000.00	Fibroscan & scopes	Endoscopy
£24,986.00	Breastboards	Radiotherapy

In addition, improvements to staff rest areas and the purchase of outdoor furniture using NHS Charities Together funding were also agreed.

Patients Welfare and Amenities

During 2020/21, grants totalling £13k (2019/20: £25k) were awarded to help improve the quality of care received by patients through the provision of equipment, services and facilities not normally provided for, or in addition to, the normal NHS service. The grants included support towards the Healing Arts programme.



Staff Education and Training

In 2020/21 grants totalling £11k (2019/20: £65k) were made to enable staff to attend health related courses, conferences and books to further develop their clinical knowledge and skills.

Staff Welfare and Amenities

The grants given for staff welfare and amenities in 2020/21 amounted to £3k (2019/20: £9k). The staff welfare and amenities included a grant to fund healthy treats for staff which help to strengthen the staff's morale and their capacity to serve patients well.

Salary Grants

Salary grants of £7k were awarded in 2020/21 (2019/20:nil) to support the Healing Arts programme.

A Big Thank You

On behalf of the patients and staff who have benefitted from improved services and facilities as a result of the many donations and legacies received, the Corporate Trustee would like to thank all our donors for the generous support over the past year.



4. Our Future Plans

The plan for 2021/22 is to work on enhancing the profile of the Charity so that we can maintain and expand services that enrich patient experience and services in the Cumberland Infirmary and West Cumberland Hospital. Over the next year the Charity's focus is going to be on;

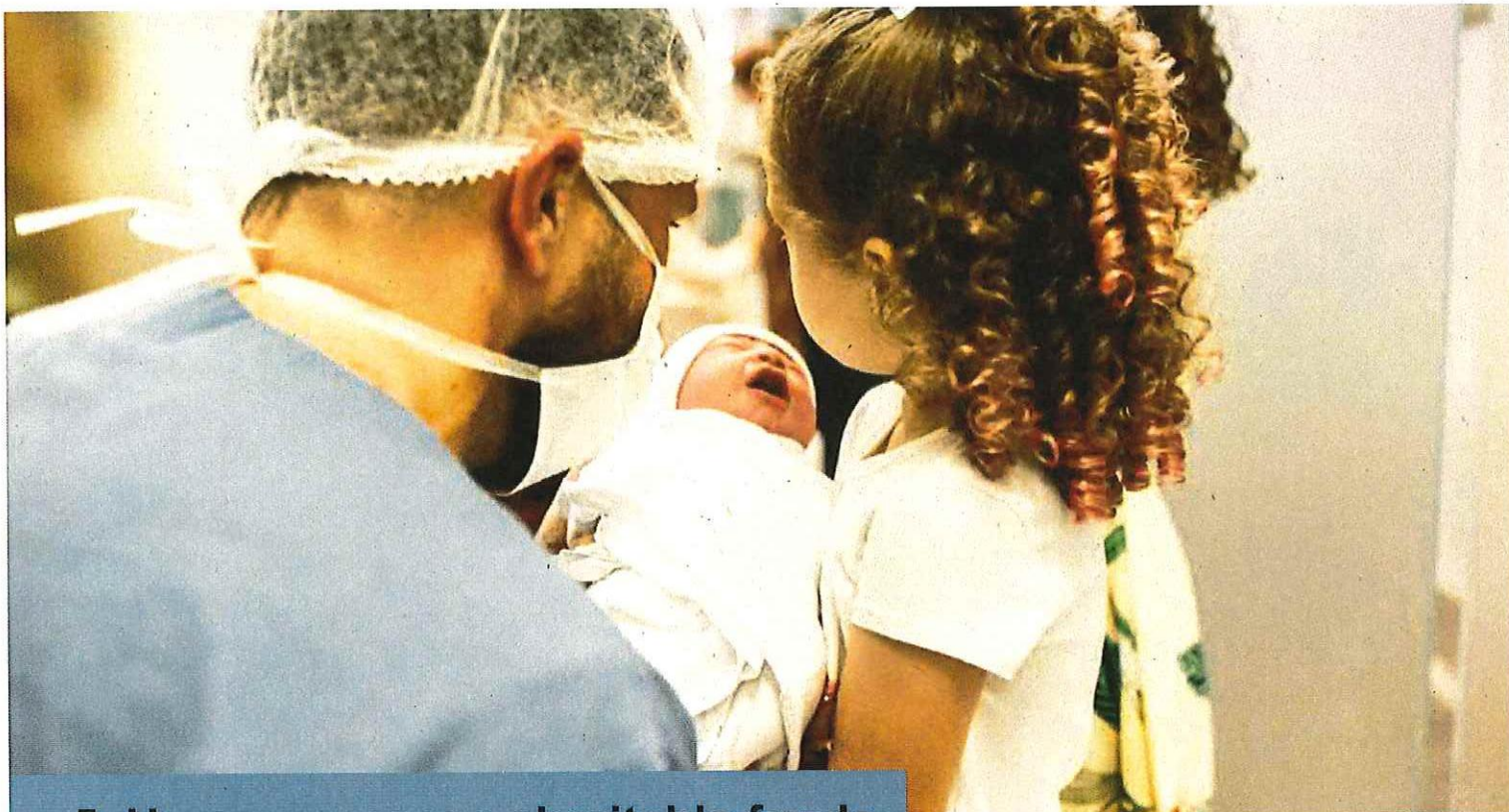
- Raising the profile of the Charity
- Increasing fundraising activity, events and grant income
- Improving staff and corporate engagement with charitable activity
- Advance communication with donors

With the Charity focusing on increasing awareness, donations, public engagement and grant funding it is anticipated that the Charity will see an increase in incomes and be able support projects that help:

- Support staff wellbeing
- Recovery from Covid-19
- Improve patient care

For example, the Charity is preparing a grant bid to Charities Together to help support staff recovery from the Covid-19 pandemic. If the bid is successful NCUH Charitable Fund will support staff to identify those who require mental health support and give staff the confidence to give their colleagues assistance. It is anticipated that this training will help aid recovery as staff who are struggling will receive earlier intervention. There is also a programme of anxiety and stress reduction initiatives planned to be delivered by Healing Arts if the bid is successful.





5. How we manage charitable funds

5.1. Our grant making policy

The Charitable Funds Committee has established its grant making policy to achieve its objectives for the public benefit to improve patient care for NHS patients. All grants made during the year were made to North Cumbria Integrated Care NHS Foundation Trust.

The Committee follows a policy of delegation of decision making on grants to hospital managers, who in turn designate fund managers as appropriate. In this way the Trust Board seeks to maximise the input of medical, nursing and other patient care staff in the utilisation of funds and to manage the corporate trusteeship within the schemes of delegation of the corporate body. Unrestricted General Purpose Funds are managed by Executive Directors who make decisions on grant making related to their sphere of responsibility. The Charitable Funds Committee monitors income and grant making.

- Fund managers are able to authorise grants up to the value of £5,000.
- For grants between £5,000 and £20,000, approval is required from both the fund manager and the Chief Executive or the Executive Director of Finance, Estates & Digital Healthcare.
- For expenditure of over £20,000 the approval of the Trustee is required.

Policy guidelines have been approved by the Trustee and have been circulated to all staff members involved in the administration of Charitable Funds. These Policy guidelines are reviewed periodically by the Charitable Funds Committee.



5.2. Our reserves policy

The Committee has a formal reserves policy. The main objective is to broadly ensure that income received in any one year is approximately equal to expenditure in that year, thus ensuring that reserves do not increase disproportionately over time.

The minimum level of reserves held will be limited to the average expenditure over the previous two years to ensure that the Charity has sufficient funds to cover likely commitments over the coming year. The policy will only be varied in circumstances where sufficient funds are required to meet specific objectives. Such objectives would be defined as an individual fund raising initiative or as something specifically identified in the Charity's spending plans. Once any such objective is achieved the reserves would revert to the previously defined level.

5.3. Our funds

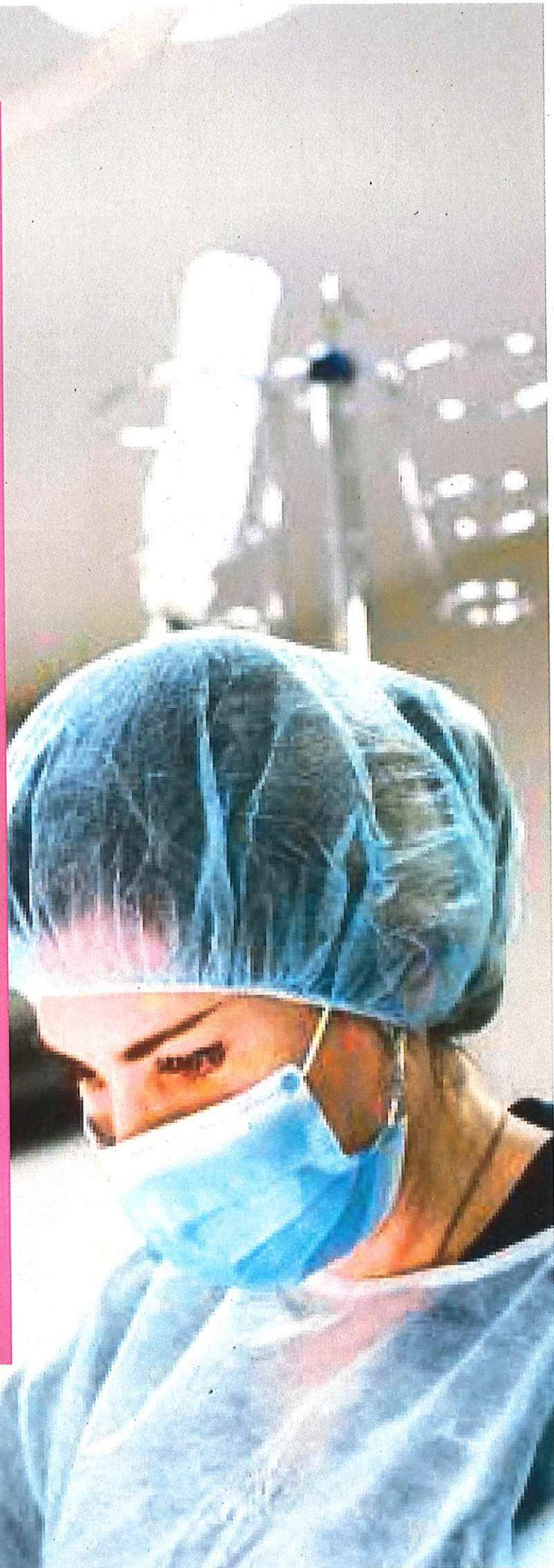
North Cumbria University Hospitals Charitable Fund is an Umbrella Charity governed by Trust Deed, which comprises one unrestricted fund, one restricted fund and seven restricted funds for special purposes.

Unrestricted General Purpose Funds

The Trustee has discretion to apply these funds for any purpose within the objects of the Charity. However, the Trustee has adopted a policy of designating funds within the unrestricted general funds in order to respect the wishes of the donors wherever possible. All general purpose funds which are not designated like this are recorded as General Funds, still under the unrestricted funds umbrella, and are spent as far as possible in the optimum way to further the wider objectives of the Charity.

Restricted Funds

In January 2018 the Charitable Funds Committee approved that the Healing Arts Funds could become a restricted fund in order to support applications for grants and external funding. A new restricted fund has been established in March 2021 to hold the funds for medical equipment at West Cumberland Hospital gifted to the Charity by the late Leonard Atkinson.



Restricted Funds - Special Purpose Charities

Registered under the Charitable Fund, North Cumbria University Hospitals Charitable Fund has seven separate NHS Special Purpose Charities. These share the same registered charity number as the Charitable Fund, but they are separate entities. They are all registered with the Charity Commission and their relationship with the umbrella charity is recorded. They are governed by a Declaration of Trust. Their income can only be used for the purposes shown in their registration documents and they are listed below:

1. Carlisle Hospitals' Radiotherapy Fund

For any charitable purpose or purposes connected with the Radiotherapy Department at the Cumberland Infirmary.

2. Carlisle Hospitals' CT Scanner Fund

For the relief of sickness by the provision and maintenance of a Computed Tomography Scanner for use at the Cumberland Infirmary.

3. Carlisle Hospitals' Children Fund

For the relief of sickness of children who are or have been treated principally (but not exclusively) at the Cumberland Infirmary.

4. North Cumbria Acute Hospitals' Cancer Fund

For any charitable purpose or purposes, principally (but not exclusively) in connection with the services provided by North Cumbria University Hospitals NHS Trust which will further the following aims:

- a. the investigation of the causes of cancer and the prevention, treatment, cure and defeat of cancer in all its forms;
- b. the advancement of scientific and medical education and research in topics related to cancer provided the useful results of such research must be published;
- c. the furtherance of any other charitable purposes for the relief of persons suffering from cancer.

5. Carlisle Hospitals' Breast Cancer Fund

For any charitable purpose or purposes connected with the prevention, diagnosis or treatment of breast cancer principally (but not exclusively) at the Cumberland Infirmary.

6. Carlisle Hospitals' Cardiology Fund

For any charitable purpose or purposes connected with the prevention, diagnosis or treatment of disorders of the heart principally (but not exclusively) at the Cumberland Infirmary.

7. Carlisle Hospitals' Renal Fund

For any charitable purpose or purposes connected with the prevention, diagnosis or treatment of disorders of the kidneys principally (but not exclusively) at the Cumberland Infirmary.



5.4. Our investment policy

Our Investment Policy was established on 6th October 2009 and is reviewed annually.

The main criteria for the investments are:

- The Trustee shall seek to maximise the interest return on cash, consistent with minimising and diversifying risk, and for this purpose may make deposits with a maximum of £1 million being invested for a period no longer than twenty four months and the remainder of accounts to have withdrawal notice periods not exceeding three months.
- Deposits should be spread by counterparty subject to a maximum exposure of £500,000 per financial institution.
- The amount to be held as liquid funds shall be determined by the Trustee based on Fund Holders' spending plans, but in any case a minimum of six months expenditure (based on average expenditure over the two previous years) shall be held in liquid funds.
- The Trustee shall maintain a list of approved banking institutions, together with the maximum deposit across all accounts (the "credit limit") to be held with any one institution, which is £500,000.



6. Risk management

The Charity operates under the corporate controls assurance policies and procedures of the NHS Foundation Trust as part of its governance arrangements. The Trust has put in place as part of its risk management strategy both a risk register and a framework for the identification and minimisation of risk. The risk register for Charitable Funds is part of the Corporate Register as the Trust is the Corporate Trustee.

Income and expenditure is monitored in total to ensure that both pending and firm financial commitments remain in line with income to avoid unforeseen calls on reserves. All expenditure is committed against funds by the appointed Fund Holders and this expenditure is applied in line with the objects of the Charity. This expenditure is then authorised according to the Trust's Standing Financial Instructions, Standing Orders and Charitable Fund Procedures that also comply with Charity Law. All funds are checked before a payment is made to ensure that there is money available to meet expenditure. Income and expenditure statements are sent to the individuals authorised as Fund Holders on a monthly basis. The Trustees are presented with a statement of income and expenditure and fund balances at every Committee Meeting for assurance.

The Charity benefits from the independent reviews and audits undertaken by both internal and external audit, reports from which are presented to the Trustee. The action points from such reports are applied and monitored on behalf of the Charity by the Trust's Finance Department. Audit testing in recent years has not identified any significant financial or other losses.

7. Statement of trustee's responsibilities in respect of the trustees annual report and accounts

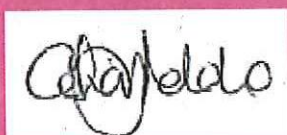
Under charity law, the trustees are responsible for preparing the trustees' annual report and accounts for each financial year which show a true and fair view of the state of affairs of the Charity and of the excess of expenditure over income for that period.

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

- Select suitable accounting policies and then apply them consistently
- Make judgments and estimates that are reasonable and prudent
- State whether the recommendations of the SORP 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
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue its activities.

The trustees are required to act in accordance with the trust deed and the rules of the Charity, within the framework of trust law. The trustees 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 the trustees under section 132(1) of the Charities Act 2011, those statements of accounts comply with the requirements of regulations under that provision. The trustees have general responsibility for taking such steps as are reasonably open to the trustees to safeguard the assets of the Charity and to prevent and detect fraud and other irregularities.

Approved by the Audit & Risk Committee on behalf of the Corporate Trustee on 1 December 2021 and signed on their behalf by:



Celia Weldon

Chair of the Audit & Risk Committee

INDEPENDENT AUDITOR'S REPORT TO THE CORPORATE TRUSTEE OF NORTH CUMBRIA UNIVERSITY HOSPITALS CHARITABLE FUND

Opinion

We have audited the financial statements of North Cumbria University Hospitals Charitable Fund (the 'charity') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2021, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the [Charities Act 2011](#).

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

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

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

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

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

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

Responsibilities of trustee

As explained more fully in the Trustees' Responsibilities Statement the trustee is responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Our responsibilities for the audit of the financial statements

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and charity's performance;
- results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the charity's documentation of their:
 - policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they are aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- The matters discussed among the audit team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud to be in relation to revenue recognition and management override which, in common with all audits under ISAs (UK), we are required to perform specific procedures to respond to this risk.

We also obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context was the Charities Act.

As a result of performing the above, in response to the risks identified, we did not identify any key audit matters related to the potential risk of fraud or non-compliance with laws and regulations. In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of the charity's work.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Use of our report

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



Joanne Thomlinson FCA
Senior Statutory Auditor
For and on behalf of Dodd & Co Limited, Chartered Accountants & Registered Auditors
FIFTEEN Rosehill
Montgomery Way
Rosehill Estate
Carlisle
CA1 2RW

Date 8 December 2021

Statement of Financial Activities for the year ended 31 March 2021

		Unrestricted Funds £000	Restricted Funds £000	2020/21 Total Funds £000	Unrestricted Funds £000	Restricted Funds £000	2019/20 Total Funds £000
	Note:						
Incoming resources							
Donations, Legacies and similar resources							
Donations		429	35	464	286	47	333
Legacies		5	627	632	37	1	38
Total Donations and Legacies	2	434	662	1,096	323	48	371
Investment income	3	26	1	27	27	3	30
Total incoming resources		460	663	1,123	350	51	401
Resources expended							
Charitable activities	5	408	66	474	188	96	284
Raising Funds	4	0	0	0	0	0	0
Total resources expended	5	408	66	474	188	96	284
Net gain/(loss) on investments	11	122	0	122	(19)	0	(19)
Net incoming/(outgoing) resources before Transfers		174	597	771	144	(45)	99
Gross transfer between funds		(20)	20	0	0	0	0
Net incoming/(outgoing) resources		154	617	771	144	(45)	99
Net movement in funds		154	617	771	144	(45)	99
Fund balances brought forward at 1 April		1,252	536	1,788	1,107	582	1,689
Total Fund Balances	15	1,406	1,153	2,559	1,252	536	1,788

The notes on pages 37 to 45 form part of these accounts.

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	730	0	730	608	0	608
Total Fixed Assets		<u>730</u>	<u>0</u>	<u>730</u>	<u>608</u>	<u>0</u>	<u>608</u>
Current Assets							
Debtors	12	3	627	630	20	0	20
Cash and Cash Equivalents	13	966	558	1,524	664	543	1,207
Total Current Assets		<u>969</u>	<u>1,185</u>	<u>2,154</u>	<u>684</u>	<u>543</u>	<u>1,227</u>
Current Liabilities							
Creditors: Amounts falling due within one year	14	(293)	(32)	(325)	(40)	(7)	(47)
Net Current Assets/(Liabilities)		<u>676</u>	<u>1,153</u>	<u>1,829</u>	<u>644</u>	<u>536</u>	<u>1,180</u>
Total Assets less Current Liabilities		<u>1,406</u>	<u>1,153</u>	<u>2,559</u>	<u>1,252</u>	<u>536</u>	<u>1,788</u>
Total Net Assets		<u>1,406</u>	<u>1,153</u>	<u>2,559</u>	<u>1,252</u>	<u>536</u>	<u>1,788</u>
Funds of the Charity							
Income Funds:							
Restricted	15.1	0	1,153	1,153	0	536	536
Unrestricted	15.2	1,406	0	1,406	1,252	0	1,252
Total Funds		<u>1,406</u>	<u>1,153</u>	<u>2,559</u>	<u>1,252</u>	<u>536</u>	<u>1,788</u>

The notes on pages 37 to 45 form part of these accounts.

The financial statements were approved by the Audit & Risk Committee and authorised for issue on 1 December 2021

Signed:



Name: Celia Weldon (Chair of Audit & Risk Committee)

Date: 1 December 2021

Cashflow for Year Ended 31 March 2021

		2020/21	2019/20
Cash flows from Operating Activities:			
Net Income/(Expenditure) for the reporting period as per Statement of Financial Activities		771	99
Adjustments for:			
Dividends & interest from investments	3	(27)	(30)
Unrealised profit on investments		(122)	19
(Increase)/decrease in Debtors	12	(610)	(8)
Increase/(decrease) in Creditors	14	278	(154)
Net Cash provided by (used in) Operating Activities		290	(74)
Cash flows from Investing Activities:			
Interest from Investments	3	27	30
Purchase of investments			
Net Cash provided by Investing Activities		27	30
Change in Cash and Cash Equivalents in the reporting period.		317	(44)
Cash and Cash Equivalents at the beginning of the reporting period		1,207	1,251
Cash and Cash Equivalents at the end of the reporting period		1,524	1,207

Notes to the Accounts

1. Accounting Policies

1.1 Basis of Preparation

The financial statements have been prepared on a historic cost basis, with the exception of investments which are included at fair value. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice.

The trustees consider that there are no material uncertainties about the North Cumbria University Hospitals Charitable Funds' ability to continue as a going concern. Although the COVID-19 pandemic had some impact on the charity's income from donations this was offset by income from the NHS Charities Together national appeal and from legacies. There are no material uncertainties affecting the current year's accounts.

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 specific charitable purpose. Endowment funds arise when the donor has expressly provided that the gift is to be invested and only the income of the fund may be spent.

Those funds which are neither endowment nor restricted income funds are unrestricted income funds which can be analysed between designated (earmarked) funds where the trustees have set aside amounts to be used for specific purposes or which reflect the nonbinding wishes of donors, and unrestricted funds which are at the trustees' discretion.

The North Cumbria University Hospitals Charitable Fund has 9 restricted funds, no endowment funds and one designated unrestricted fund (note 17).

1.3 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, particularly grants, 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.

1.4 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:

- a) Confirmation has been received from the representatives of the estate(s) that probate has been granted
- b) The executors have established that there are sufficient assets in the estate to pay the legacy and
- c) 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.

1.5 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:

- a) There is a present legal or constructive obligation resulting from a past event
- b) It is more likely than not that a transfer of benefits (usually a cash payment) will be required in settlement
- c) 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.

1.6 Recognition of expenditure and associated liabilities as a result of grant

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

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

A constructive obligation arises when:

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

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

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

1.7 Allocation of support costs

Support costs are those costs which do not relate directly to a single activity. These include some staff costs, costs of administration, internal and external audit costs and IT support. Support costs have been apportioned between fundraising costs and charitable activities on an appropriate basis. The analysis of support costs and the bases of apportionment applied are shown in note 7.

1.8 Fundraising costs

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

1.9 Charitable Activities

Costs of charitable activities comprise all costs incurred in the pursuit of the charitable objects of the charity. These costs, where not wholly attributable, are apportioned between the categories of charitable expenditure in addition to the direct costs. The total costs of each category of charitable expenditure include an apportionment of support costs as shown in note 5.

1.10 Debtors

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

1.11 Cash and cash equivalents

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

1.12 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.

1.13 Realised gains and losses

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

1.14 Corporate Trustee arrangements

On 1 October 2019 the North Cumbria University Hospitals NHS Trust was acquired by Cumbria Partnership NHS Foundation which was renamed as North Cumbria Integrated Care NHS Foundation Trust on the same date. The transaction took place under Section 56A of the National Health Services Act 2006 and the transaction agreement made provision for the charitable funds of North Cumbria University Hospitals NHS Trust to be transferred as part of the transaction. Therefore, since 1 October 2019 the new corporate trustee has been North Cumbria Integrated Care NHS Foundation Trust. The Charity updated its name to exclude "NHS Trust". There have been no other changes required to the Charity's governance arrangements.

2. Income from donations and legacies

	Unrestricted Funds	Restricted Funds	Total 31/03/2021 Funds	Total 31/03/2020 Funds
	£000	£000	£000	£000
Donations from individuals	238	33	271	167
Corporate donations	13	2	15	166
Grants	178	0	178	0
Legacies	5	627	632	38
Total Donations and Legacies	434	662	1,096	371

The grants received during the year were all from NHS Charities Together (2019/20: nil).

The Charity has been advised of a legacy for £627k arising from the estate of the late Leonard Atkinson.

This legacy has been placed in a new restricted fund for Medical Equipment at West Cumberland Hospital in line with Mr Atkinson's wishes.

3. Gross investment income

The Trust's investment income is from cash on deposit including in 90 and 95 day notice accounts.

	Unrestricted Funds	Restricted Funds	Total 31/03/2021 Funds	Total 31/03/2020 Funds
	£000	£000	£000	£000
Nationwide Building Society	2	1	3	5
Citibank / GBS	0	0	0	3
CCLA	24	0	24	22
	26	1	27	29

4. Analysis of expenditure on raising funds

In 2020/21 expenditure on raising funds was nil (2019/20: nil).

5. Analysis of charitable expenditure

The Charity did not undertake any direct charitable activities on its own account during the year. All of the charitable expenditure was in the form of grant funding. Grants were approved in favour of North Cumbria Integrated Care NHS Foundation Trust, to carry out activities that will benefit NHS patients and their families. The charity incurred expenditure with third parties in pursuance of those grants or reimbursed expenditure incurred by the Trust.

	Grant funded Activity	Support Costs	Total 31/03/2021 Funds	Total 31/03/2020 Funds
	£000	£000	£000	£000
Medical Equipment	184	17	201	55
Furniture & Equipment	124	11	135	31
Information Technology	13	1	14	37
Education & Training	11	1	12	75
Salary Grants	7	1	8	0
Patient Amenities	13	1	14	29
Staff Amenities & Functions	3	0	3	10
Building Work	81	7	88	47
Total Grants Paid	436	39	475	284

Support costs have been allocated across charitable activities on the basis of direct expenditure on these activities in 2020/21

6. Analysis of Grants

The Charity does not make grants to individuals. All grants and grant support are made to North Cumbria Integrated Care NHS Foundation Trust 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 5.

The trustees operate a scheme of delegation for the majority of the charitable funds, under which fund holders manage the day to day disbursements on their projects in accordance with the directions set out by the trustees in the Charitable Funds Policy, charity standing orders and financial instructions. Funds managed under the scheme of delegation represent ongoing activities and it is not possible to accurately segment these activities into discrete individual grant awards.

The total value of the grant made to North Cumbria Integrated Care NHS Foundation Trust in 2020/21 was £475k (2019/20: £284k to North Cumbria University Hospitals NHS Trust and North Cumbria Integrated Care NHS Foundation Trust).

7. Allocation of support costs and overheads

	Fundraising Activities £000	Charitable Activities £000	2020/21 Total £000	2019/20 Total £000
Auditor / Independent Examiner Fees	0	4	4	3
HMRC - benefit in kind charge	0	0	0	1
Bank Charges and Just Giving Membership	0	1	1	1
Governance costs:				
NEP - financial ledger	0	6	6	6
Financial Administration	0	28	28	27
Stationery	0	1	1	1
	<u>0</u>	<u>40</u>	<u>40</u>	<u>39</u>
	Unrestricted Funds £000	Restricted Funds £000	2020/21 Total £000	2019/20 Total £000
Raising funds	0	0	0	0
Charitable activities	28	12	40	39
	<u>28</u>	<u>12</u>	<u>40</u>	<u>39</u>

As the Charity did not proactively fundraise during 2020/21 it has nil fundraising costs. Support costs (including governance costs) normally relate to charitable activities and are apportioned between restricted and unrestricted on the basis of the average balance of the funds.

8. Trustees' remuneration, benefits and expenses

None of the members of the Charitable Funds Committee have been remunerated or reimbursed from the Charitable Funds for services provided to the Charity, or for expenses incurred in relation to those services.

9. Analysis of staff costs

The staff employed to carry out work on behalf of the Charity are employees of North Cumbria Integrated Care NHS Foundation Trust and as such have the same terms and conditions as other Trust staff. The Charity does not directly employ its own staff.

10. Auditor's remuneration

The auditor's remuneration of £4k (2019/20: £3k) relates entirely to the audit of the Charity's accounts and includes a small credit in relation to an overestimate of 2019/20 charges.

11. Fixed asset investments

	31 March 2021 £000	31 March 2020 £000
Market Value brought forward	608	627
Add: additions to investments at cost	0	0
Less disposals at carrying value	0	0
Add net gain / (loss) on revaluation	122	-19
Market value as at 31 March 2019	<u>730</u>	<u>608</u>

The Charity invested £500k in CCLA's COIF Charities Ethical Investment Fund in June 2016 and it is carried at fair value. In order to reduce risk the Charity chose to invest in a pooled fund made up mainly of UK and overseas equities with some property, infrastructure and cash included in the fund.

12. Analysis of current debtors

			31 March 2021	31 March 2020
	Unrestricted Funds	Restricted Funds	Total	Total
	£000	£000	£000	£000
Amounts falling due within one year:				
Accrued income	3	627	630	20
Other debtors	0	0	0	0
Total debtors falling due within one year	3	627	630	20

Accrued income includes £627k for a legacy notified to the Charity but not realised in cash as at 31 March 2021. (31 March 2020: nil).

13. Analysis of cash and cash equivalents

			31 March 2021	31 March 2020
	Unrestricted Funds	Restricted Funds	TOTAL	TOTAL
	£000	£000	£000	£000
Nationwide Business 95 Day Saver	322	186	508	505
NatWest Bank Direct Reserve Account	0	0	0	253
GBS Bank account	644	372	1,016	449
	966	558	1,524	1,207

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

14. Analysis of liabilities

			31 March 2021	31 March 2020
	Unrestricted Funds	Restricted Funds	Total	Total
	£000	£000	£000	£000
Amounts falling due within one year:				
Other creditors	182	28	210	30
Accruals	111	4	115	17
Total creditors falling due within one year	293	32	325	47

The Trust processes purchase invoice transactions for the Charity and the balance is payable monthly in arrears. At 31 March 2021 there is £210k owed to North Cumbria Integrated Care NHS Foundation Trust. (31 March 2020: £11k).

15. Related Party Transactions

During the year none of the NHS Trust Board or members of the key management staff or parties related to them has undertaken any material transactions with the North Cumbria University Hospitals Charitable Fund.

The Charity has made revenue and capital payments of £475k to North Cumbria University Hospitals NHS Trust, which is the Corporate Trustee of the Charitable Trust (2019/20: £284k). This included payments for governance and administration services of £39k (2019/20: £39k).

At any one time North Cumbria Integrated Care NHS Foundation Trust holds balances for debtors and creditors relating to the transactions it processes on behalf of the Charity, which are normally settled within the following month. At 31 March 2021 the Charity has a creditor balance of £210k owed to North Cumbria Integrated Care NHS Foundation Trust (31 March 2020: £11k).

16. Events After the Reporting Period

At its meeting in January 2021 the Charitable Funds Committee agreed to sell a significant proportion of its investment in CCLA's COIF Charities Ethical Investment Fund. On 20 May 2021 the Charity reduced the number of units it held by 120,000 (45%) realising a gain of £109k on its initial investment. This reduced the value of the Charity's investment from £730k at 31 March 2021 to approximately £408k on 20 May 2021.

17. Analysis of Funds

17.1 Restricted Funds	Balance 31 March 2020 £000	Incoming Resources £000	Resources Expended £000	Transfers £000	Gains and Losses £000	Balance 31 March 2021 £000
Breast Cancer	3	12	(1)	0	0	14
Cancer	12	0	(2)	0	0	10
Cardiology	34	1	0	0	0	35
Children	1	1	(1)	0	0	1
CT Scanner	2	0	(0)	0	0	2
Radiotherapy	94	10	(36)	0	0	68
Renal	382	12	(11)	0	0	383
Healing Arts	7	0	(16)	20	0	11
Leonard Atkinson Fund	0	627	0	0	0	627
Total	536	663	(66)	20	0	1,153

Healing Arts was transferred a £20k share of Covid donations which was approved by the Charitable Funds Committee and included a share of one of the NHS Charities Together grants.

PRIOR YEAR

Restricted Funds	Balance 31 March 2019 £000	Incoming Resources £000	Resources Expended £000	Transfers £000	Gains and Losses £000	Balance 31 March 2020 £000
Breast Cancer	8	3	(8)	0	0	3
Cancer	13	0	(1)	0	0	12
Cardiology	37	3	(6)	0	0	34
Children	2	2	(3)	0	0	1
CT Scanner	3	0	(1)	0	0	2
Radiotherapy	99	16	(21)	0	0	94
Renal	398	13	(29)	0	0	382
Renal	21	14	(28)	0	0	7
Total	582	51	(97)	0	0	536

Details of Restricted Funds

Name of fund	Description of the nature and purpose of each fund
Breast Cancer	Prevention, diagnosis and treatment of breast cancer
Cancer	Prevention, diagnosis and treatment of cancer
Cardiology	Prevention, diagnosis and treatment of heart disorders
Children	Relief of sickness in children
CT Scanner	Provision and maintenance of CT Scanner
Radiotherapy	Relief of sickness of radiotherapy patients
Renal	Prevention, diagnosis and treatment of kidney disorders.
Healing Arts	For the support and development of Healing Arts' initiatives and programmes
Leonard Atkinson	Provision of medical equipment for WCH

17. Analysis of Funds (cont'd)

17.2 Unrestricted Designated Funds

	Balance 31 March 2020 £000	Incoming Resources £000	Resources Expended £000	Transfers £000	Unrealised Profit £000	Gains and Losses £000	Balance 31 March 2021 £000
NCIC Trust	1,252	460	(408)	(20)	122	0	1,406
Total	1,252	460	(408)	(20)	122	0	1,406

PRIOR YEAR

Unrestricted Designated Funds

	Balance 31 March 2019 £000	Incoming Resources £000	Resources Expended £000	Transfers £000	Unrealised Profit £000	Gains and Losses £000	Balance 31 March 2020 £000
Cumberland Infirmary	634	224	(76)	(34)	0	0	748
West Cumberland Hospital	474	108	(111)	34	0	0	504
Total	1,107	332	(187)	0	0	0	1,252

The Unrestricted Funds are split into a number of designated funds across the departments and services operated by the Cumberland Infirmary and West Cumberland Hospital. They are used to fund charitable purposes that benefit NHS patients of North Cumbria Integrated Care NHS Foundation Trust and the staff that deliver patient care to those patients at the discretion of the trustees. Whilst these funds have traditionally been identifiable for each of the two sites an increasing number of the funds are cross-site and service orientated and it is no longer appropriate, or possible, to identify the funds by site.

NATIONAL HEALTH SERVICE FUNDS HELD ON TRUST (ENGLAND)

ACCOUNTS DIRECTION

The Secretary of State, with the approval of the Treasury, in pursuance of Section 98(2) of the National Health Service Act 1977 hereby gives the following direction:

1. In this direction, unless the context otherwise requires -

"the Act" means the National Health Service Act 1977;

"the Authority" means, as the case may require, a Health Authority, a Special Health Authority, a Primary Care Trust, an NHS Trust, Special Trustees appointed in pursuance of Section 29(1) of the National Health Service Reorganisation Act 1973 and Section 95(1) of the National Health Service Act 1977 (as amended) and to any trustees for an NHS Trust appointed in pursuance of Section 11 of the National Health Service and Community Care Act 1990.

2. The statement of accounts which it is the duty of the Authority to prepare in respect of its funds held on trust shall, in respect of the financial year ended 31 March 2001 and subsequent financial years, be as set out in the following paragraphs and Schedule.

3. The statement of accounts in respect of any Funds Held on Trust shall comprise:

- a. a foreword;
- b. a statement of financial activities;
- c. a balance sheet;
- d. a cash flow statement
- e. notes to the accounts.

4. The statement of accounts shall give a true and fair view of the incoming resources and application of resources of the funds held on trust in the financial year and the balance sheet shall give a true and fair view of the state of affairs of the funds held on trust at the end of the financial year in respect of which the statement of account is prepared. The statement of accounts shall separately show the charitable and non charitable funds held on trust. Subject to these requirements, the statement of accounts shall also, without limiting the information given, meet :

- a. generally accepted accounting practice in the United Kingdom including accounting standards issued or adopted by the Accounting Standards Board;
- b. all relevant guidance given by the Charity Commission, including the Statement of Recommended Practice "Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102);
- c. all relevant guidance given by the NHS Executive;
- d. any disclosure and accounting requirements which the Treasury may issue from time to time;

insofar as these are appropriate to the Authority's funds held on trust and are in force for the financial year for which the statement of account is to be prepared.

5. This accounts direction shall be reproduced as an appendix to the published account.

Signed *Jeff Tomlinson*

Signed by the authority of the Secretary of State for Health
Dated *15 May 2001*