

HAMPSHIRE HOSPITALS CHARITY

England & Wales · Charity number 1060133

Details

Other names	HAMPSHIRE HOSPITALS CHARITY
Status	Registered
Legal form	Other
Registered	1997-01-13
Register	View on the Charity Commission register

Contact

Address	North Hampshire Hospital Aldermaston Road Basingstoke RG24 9NA
Phone	01962828353
Email	hh.charity@hhft.nhs.uk
Website	www.hampshirehospitalscharity.org

Activities

Objects: FOR ANY CHARITABLE PURPOSE OR PURPOSES RELATING TO THE NATIONAL HEALTH SERVICE

Activities: The relief of sickness by enhancing patient care through improving their environment provision of extra medical equipment, and by increasing the knowledge of staff who provide care to those patients

Classification

- **How:** Makes Grants To Organisations, Other Charitable Activities
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives
- **Who:** The General Public/mankind

Geography

- Hampshire

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£820,648	£1,153,742	£4,670,602	7
2024-03-31	£936,381	£852,192	£4,870,597	6
2023-03-31	£915,089	£1,120,022	£4,500	0
2022-03-31	£1,599,000	£735,000	£4,766,000	0
2021-03-31	£1,941,000	£2,156,000	£3,902,000	0

Trustees

Name	Role	Appointed
HAMPSHIRE HOSPITALS NHS FOUNDATION TRUST		2012-09-03

Linked charities

- NORTH HAMPSHIRE HOSPITAL GENERAL FUND (1060133-1)
- LORD MAYOR TRELOAR HOSPITAL (1060133-2)

Accounts

Hampshire Hospitals Charity annual report and accounts 2024/25

Trustee's Report

Background

The Trustee presents the Charity's Annual Report and the audited accounts of the Charity for the year ended 31 March 2025.

These accounts have been prepared by the Trustee under the Charities Act 2011, in the form set out in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Ireland (FRS 102).

Hampshire Hospitals Charity administers funds for the benefit of patients and staff of the Basingstoke and North Hampshire Hospital (BNHH), the Royal Hampshire County Hospital (RHCH) in Winchester, and the Andover War Memorial Hospital (AWMH).

Throughout these accounts the word "Charity" refers to the Hampshire Hospitals Charity. "HHFT" refers to Hampshire Hospitals NHS Foundation Trust. Hampshire Hospitals Charity is registered with the Charity Commission (registration number 1060133).

Introduction from Chairman

Having only joined Hampshire Hospitals at the start of 2025, it would be remiss of me to take any credit for the sterling work I've seen so far from Hampshire Hospitals Charity. I must therefore begin with a thank you to all the staff, volunteers and supporters who make it all happen.

When I joined the trust, I did so already having worked with other hospitals and therefore know just how valuable and important the work of hospital's charities is. Already, in my few short months here, I can see the positive impact Hampshire Hospitals Charity has on helping to improve the environment we operate in for both patients and staff. Their support really is everywhere and, no matter where you go in our hospitals, you'll find something, a piece of equipment, a refurbished area or initiatives supporting our wards and departments that has been funded through charitable giving. What a wonderful reflection that is, not only on the charity, but the generous community that continues to support us and help make continual improvements for the benefit of all those who use our hospitals.

As I arrived, the charity had just rebranded to ensure it reflected the work they do. Gone was the rainbow that was so often associated with the NHS during the pandemic, and in came a vibrant colour palette and imagery of smiling people that attracted attention. With its high energy and happy feel, it was an essential upgrade to showcase the difference they make to our hospitals – funding the purchase of important equipment and support, beyond the scope of the NHS, for those who use and work in our hospitals.

The hard work continued with new events added to the fundraising calendar and the charity's first Colour Run was a huge success, seeing 300 people come together to raise almost £10,000!

Money that was put to good use to help fund the refurbishment of a bereavement rooms in both Basingstoke and Winchester where families can go to spend the time, they need after the loss of a loved one. The money raised also funded a football kit for a local team made up of dad's that have suffered the trauma of baby loss and have been brought together through the support they receive from the charity's forget me not fund. There was also a new comedy night introduced to bring people something to look forward to after the January lull and almost 200 people attended raising £2,800.

Every pound raised allows the charity to make a difference to our hospitals. As an excellent example, some of your greatly valued donations have recently funded a new autism specialist lead role, that will work across our hospitals to ensure our practices are fit and proper for our patients with autism. Other funds this year have been used to provide improved Wi-Fi across the trust for the benefit of both patients and staff, wellbeing projects and comfortable furniture for patients to use during prolonged appointments.

Finally, and most importantly, I would like to say thank you to our supporters. Every mile you run, every cake you sell, every pound you raise, makes an incredible difference to those we care for, and we simply couldn't do it without you.

As this year comes to a close, with so much support around it, I can't wait to see what Hampshire Hospitals Charity achieves next year and even further into the future.

Martin Earwicker
Chairman

Date: 22 September 2025

Head of Charity Report

Looking back on the last year, it's phenomenal to see the momentum we're gaining.

As the strain on the budgets of the NHS continues, the need for our support is higher than ever but I must stress that the charity is not here to simply top up NHS budgets. For those core elements that you expect in a hospital – a nurse to care for you, a bed to sleep in, medication to treat you – all those will continue to be funded by our NHS trust.

For Hampshire Hospitals Charity, our objective is to enhance the work of the trust and its wonderful staff to help bring a better hospital experience to our patients. Do you expect there to be a fully functioning building when you arrive at hospital, yes. And that's what the trust provides. Do you expect it to be decorated in a calming way with a comfortable chair to sit on, not necessarily. And that's where we step in.

A great example of this is the Christmas gifts that was mentioned earlier in this report. Would you expect your nursing team to provide you or your child with a Christmas gift is one if you were unexpectedly in hospital over the festive period? No, you wouldn't. But is it a lovely touch which makes a tough time just that little bit better.

Whether you're popping in for a blood test or staying with us for a period of time, we want to ensure that your experience is a good one and we work with our teams across our hospitals to identify areas we can assist in improvements. Over the last year that has included the provision of a range of medical equipment including a sleep study machine, a cold cap machine to support cancer patients by reducing hair loss, an ultrasound imaging unit, a neo BLUE LED phototherapy system for the effective treatment of newborn jaundice and new headlights for our theatres to name but a few.

To support our staff, which is something we're incredibly proud to raise funds for, we've helped to refurbish rest areas to allow our staff to take a well-earned break, supported further education to help upskill our teams and bring further learning back to the trust and funded a Rheumatology & Arthritis Clinical Research Fellow.

All this has only been made possible thanks to the generous support of our community. However you've supported us this year, I'd like to thank you for helping us to achieve so much.

Mark Hainy
Head of Charity
Date: 22 September 2025

Vision, mission and values

Our vision

A happier, healthier Hampshire where Hampshire Hospitals Charity leads the way in elevating and improving healthcare in our hospitals, ensuring outstanding care for every patient.

Our mission

We inspire people and partnerships across Hampshire to champion outstanding healthcare in our community. Together, we will transform generous support into real improvements in patient care and staff welfare; investing in innovations, clinical equipment and funding pioneering research to unlock staff potential and provide local people with leading healthcare excellence.

Our values

Inclusive
Compassionate
Accountable
Respectful
Encouraging

Hampshire Hospitals Charity – Annual Report and Accounts
for the year ended 31 March 2025

How we met our objectives this year

Our objective for 2024/25 were,

- Provide outstanding care for every patient through funding a growing number of impact driven projects across our hospitals.
- Work together for the local population/communities using charitable funds.
- Make our hospitals a great place to work for all trust staff by increasing the number that collaborate with and benefit from the charity each year.

Provide outstanding care for every patient through funding a growing number of impact driven projects across our hospitals.

The only way to be able to fund more projects in our hospitals was to aim to raise as much as we possibly could throughout the year, and by year end a total of 245 projects had been funded through generous donations, some of these projects are highlighted in the following pages.

Work together for the local population/communities using charitable funds.

We continued to grow awareness of the charity across social media, through press coverage, and in developing relationships with local businesses. We also offered local communities the opportunity to attend events to help raise funds for the charity, and the subsequent projects that would then be funded in the hospitals. These events included the Colour Run, Comedy Night and Penguin Challenge, that between them attracted hundreds of people.

Make our hospitals a great place to work for all trust staff by increasing the number that collaborate with and benefit from the charity each year.

Our popular staff led 'charity champions' program continued throughout the year, with 26 staff volunteering their time to represent the charity on their ward or in their department, encouraging colleagues to fundraise and to help everyone to understand how the charity helps. A growing number of staff fundraised throughout the year including Laura Mackie, one of our midwives who continued to raise awareness of baby loss, hosting a fundraising ball for parents who had sadly lost a baby with the aim to raise awareness and support.

How we raised funds in 2024/25

Colour Run raises £10,000.

In August 2024, we introduced our first Colour Run bringing our first large scale mass participation event to Andover.

As the sun shone down on Harewood Forest, nearly 300 people arrived to take part in the charity's first Colour Run, where participants completed a 5km course while being covered in multi-coloured eco-friendly paint - all raising money to help care for local patients and hospital staff.

Each participant was given a new, bright white t-shirt at the start of the event and, as they passed through the paint stations along the course, the t-shirt was turned into a colourful new design, each one different to the others. When crossing the finish line, each was rewarded with a medal and goodie bag to thank them for their fundraising.

One person who took part in the event was seven-year-old Niamh who said, "It was super fun. Everyone was really friendly. I can't wait to do it again next year!"

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The event raised around £10,000 for the charity through event sign up, sponsorship and corporate support. All money raised will be used to help enhance the environment for patients and staff at hospitals in Andover, Basingstoke and Winchester.

Fun fact: 160kg of multi-coloured eco-friendly paint was used to cover our participants!

Other events that raised funds for us this year include:

- The Big Penguin Challenge: Raised £12,000
- Comedy night: Raised £2,800

Corporate support: Spotlight on Cornerstones Nurseries

Throughout the year we've been fortunate enough to be supported by some fantastic local businesses and one of these that has gone above and beyond for us this year is Cornerstones.

The incredible team at Cornerstone Nurseries picked Hampshire Hospitals Charity as their charity of the year last year and recently presented the team with a cheque for over £6,500. The sum was raised in a range of ways, including a superhero day and a silly hair day, a summer fete, a sponsored walk and a raffle. And they had even better news for us when we got there - they've chosen us as their charity of the year for this year too!

The team at the charity has been on hand to support Cornerstones Nurseries with their fundraising and the local business has appreciated the effort we have taken to help them when they needed it, whether that was supplying them with information about how donations are used, or simply dropping in collection buckets when they need them for events. Over the year, the relationship between us had built and they can see the real value in their support, leading to them to continue their support of Hampshire Hospitals Charity into next year.

A huge thank you to all the staff, parents, children and supporters who helped raise this fantastic sum to support our work across our hospitals.

Trusts and grants:

This year, we've been fortunate enough to receive £190,000 from a number of trusts and grant makers. This includes funding towards:

- Designated robotic programme
- Childrens palliative care
- Respiratory project
- Sustainability
- Bike shelter at Winchester Hospice
- PMI research
- Reclining chairs for transfusion patients

Staff fundraising

One of our key supporter bases is staff and last year, their fundraising raised £18,000.

They raised this in a range of ways:

- Cake sales
- Sky dives
- Colour Run participants

Our impact

Funding of specialist autism post

The number of people recorded as having autism has increased dramatically in recent years, likely due to improved recognition and recording. In 2023 the number registered with Hampshire Hospitals stood at just under 3,000 indicating a need to ensure our services are accessible and appropriate for this growing patient number.

Adults with a diagnosis have an increased risk of multiple mental and physical conditions and studies have been conducted reviewing barriers to accessing healthcare in the neurodivergent population. One such study suggested that busy or noisy waiting rooms were a significant barrier to adults with autism accessing health services.

One suggestion to support these patients has been to have a familiar clinician, who understands autism at an easily identified and familiar location. To ensure this happens, Hampshire Hospitals Charity has worked with partners across the trust and funded an all-age autism practitioner to ensure healthcare is accessible to all.

The fixed term practitioner position is now in post and working with colleagues across the trust to develop a comprehensive improvement plan for all age groups with autism accessing care and support from Hampshire Hospitals. The practitioner, among other things, acts as a resource to staff seeking advice on accessing services, recommend changes to improve the experience of patients and suggest autism-friendly updates to buildings.

With it predicted that 1 in 100 people could be affected by autism, it's estimated that between 3,000 and 6,000 people in our community could benefit from the support of this role each year.

Christmas gifts for patients

Spending time in hospital over the festive period isn't the way the majority of people would plan to spend their Christmas. However, for some, it's necessary to ensure they're well cared for.

In the run up to Christmas 2024, the charity's fundraising team worked with local businesses and the community we serve to help provide small gifts for those who were staying with us at the end of December. These gifts included toys and crafts for children and young people as well as puzzle books and toiletries for our adult patients.

In total around 800 gifts were distributed to patients across Basingstoke, Winchester and Andover bringing a little festive cheer to those who didn't foresee a Christmas spent in hospital.

Green competition

As we all strive to be more sustainable and efficient, it's important to look at how we may be able to do things differently. Many are now doing this in their daily lives and the way they run their homes, with local businesses and government organisations also adopting innovative ways to be greener.

At Hampshire Hospitals Trust, staff are constantly analysing how they may be able to do things in greener ways to reduce the trust's carbon footprint while still delivering exceptional care.

To encourage staff to think differently, for the last two years, Hampshire Hospitals Trust, in conjunction with the Centre for Sustainable Healthcare, has run a green team competition for teams to develop innovative ways for them to cut their carbon emissions, funded by Hampshire Hospitals Charity. The winning team is then awarded a prize to spend on further sustainability initiatives.

Winning this year was the team from Nightingale theatres which presented several projects they'd been looking at to help reduce their carbon output and improve efficiencies within the department. These included the delivery of oral paracetamol instead of administering intravenously, optimising the ventilation in theatres, which currently runs for 24 hours a day, and switching disposable equipment for some reusable apparatus. In total, they projected that the proposals they were currently looking at could reduce their carbon waste by over 50,000kg a year and bring a total saving to the trust of over £30,000.

When combined, the six teams that presented their work this year saved an estimated 108,212kg of CO2 which is equal to an average car driving 318,842 miles.

Critical incident response

When a critical incident was declared by Hampshire Hospitals in January, Hampshire Hospitals Charity stepped in to support our NHS staff who worked around the clock to ensure patients were well looked after.

Unprecedented demand was placed on hospital services due to the impact of winter viruses, with a significant number of patients presenting with respiratory issues. With beds in hospitals at full capacity and attendance at emergency departments extremely high, there was no capacity to admit further patients, putting a strain on the teams working to make people better.

As a charity, that's proud to support our staff and patients at our hospitals in Basingstoke, Winchester and Andover, we dropped everything to see what could be done to help.

Long and incredibly busy shifts meant it was difficult for staff to take proper breaks, and many didn't have the time to step away and buy food from the restaurant as they usually would. The charity reached out to the community and contacted local businesses to see if they could help stock staff rooms and rest areas with a variety of food and drink to keep them sustained and boost morale.

We were overwhelmed by the response to our call and we're incredibly grateful to all those who supported us with supplying 'grab and go' items that our teams could consume as they were in between seeing patients. Staff passed on comments to say, 'this is amazing' and 'this made my day' when they realised others were thinking of them and wanted to help.

Alex Whitfield, chief executive of Hampshire Hospitals and trustee of the charity, said; "The support from our communities during the past week has been very much appreciated; it made all the difference as we sought to treat and care for patients during a time of extraordinary demand.

"As well as making shifts easier, it lifted people's spirits and staff felt that their efforts were appreciated. My thanks to the organisations large and small who took the time and effort to support us."

Looking ahead - Our priorities for 25/26

Raise more in philanthropic income to support our greatest needs appeal and our new appeals across our hospital divisions in order to improve the patient experience for more local people.

Raise our profile both within our hospitals and across our local communities to contribute towards raising more in donations to support projects that go above and beyond what day to day NHS budgets can afford. We will work hard to become the 'go to' charity for those visiting and engaging with our hospitals.

Increase awareness and understanding about leaving a legacy to our charity and the positive impact that it can have for patients and staff. Guide and support local people to fundraise in memory of loved ones for Hampshire Hospitals Charity and provide the tools to do this.

Further engage with local business, industry and community groups to participate in fundraising and volunteering, helping to directly support specific projects to benefit patients, their families and hospital staff.

Conclusion

We would like to say a heart-felt thank you to all of the patients, families, carers, staff and the wider community for their continued, generous support. Without this generosity the Charity could not have achieved all of the improvements it has supported during the year.

Governance and leadership

The Charity has a single corporate trustee, HHFT, which administers funds in the interests of beneficiaries. The Trustee meets bi-monthly to monitor progress with managing the Charity's resources, ensuring they are used for the public benefit, and having regard for the guidance issued by the Charity Commission.

We are guided throughout our fundraising activity by robust governance and reporting, holding ourselves to the highest standards as required by the Charities Commission and Fundraising Regulator.

Directors of HHFT who held office during the year and up to the date of signing the Annual Report and Accounts were:

Executive team

- Martin Earwicker, Chairman of Hampshire Hospitals NHS Foundation Trust (from 1st January 2025)
- Steve Erskine, Chairman at Hampshire Hospitals NHS Foundation Trust (until 31st December 2024)
- Alex Whitfield, Chief Executive Officer at Hampshire Hospitals NHS Foundation Trust
- Andy Hyett, Chief Operating Officer at Hampshire Hospitals NHS Foundation Trust
- Dr Ruth Williamson, Chief Medical Officer at Hampshire Hospitals NHS Foundation Trust
- Tim Powell, Chief People Officer at Hampshire Hospitals NHS Foundation Trust
- Julie Dawes, Chief Nurse at Hampshire Hospitals NHS Foundation Trust
- Steve West, Chief Financial Officer at Hampshire Hospitals NHS Foundation Trust
- Shirlene Oh, Chief Strategy and Population Health Officer for Hampshire Hospitals NHS Foundation Trust

Non-executive team

- Barbara Rushton, Non-Executive Director for Hampshire Hospitals NHS Foundation Trust (from 1st November 2024)
- Clancy Murphy, Non-Executive Director for Hampshire Hospitals NHS Foundation Trust
- Dominic Arthur, Associate Non-Executive Director for Hampshire Hospitals NHS Foundation Trust
- John Deverill, Non-Executive Director for Hampshire Hospitals NHS Foundation Trust
- Jos Creese, Non-Executive Director for Hampshire Hospitals NHS Foundation Trust
- Laks Khangura, Non-Executive Director for Hampshire Hospitals NHS Foundation Trust
- Stephen Duckworth, Non-Executive Director for Hampshire Hospitals NHS Foundation Trust
- Vanessa Read, Non-Executive Director for Hampshire Hospitals NHS Foundation Trust (from 1st November 2024)
- Simon Holmes, Non-Executive Director for Hampshire Hospitals NHS Foundation Trust (until 31st October 2024)
- Ruth Williams, Non-Executive Director for Hampshire Hospitals NHS Foundation Trust (until 31st March 2024)

Main Purpose of the Charity

The trustees shall hold the trust fund upon trust to apply the income to enhance patient care, improving hospital environment, and by increasing the knowledge and welfare of staff who provide care to those patients, or purposes related to the National Health Service elevating hospital healthcare and wellbeing of our local community.

Structure, Governance and Management

The main Charity, being an unrestricted fund, was established using the model declaration of trust, with special trusts being registered for the restricted funds. All funds that were held on trust at the date of registration were either part of the unrestricted fund or restricted funds held registered under the main Charity. Subsequent donations and gifts received by the Charity that are for the benefit of the original funds have been added to those fund balances.

The Corporate Trustee fulfils its legal duty by ensuring that funds are spent in accordance with the fund objectives by designating funds to benefiting patient care, promoting good health and welfare for both patients and staff, thereby respecting donors' wishes.

The charitable funds are allocated to specialties, wards and departments within HHFT's divisional management structure. These allocations are known as funds and have fund managers appointed to them, who are responsible for ensuring they are correctly managed.

The accounting records and day to day administration of the funds are dealt with by the finance department of HHFT. To keep the administrative costs to a minimum, the Charity relies on HHFT to identify the appropriateness of funding requests, ensuring they are of a charitable nature, the funds are available and if required a VAT zero rating certificate is completed when the order is raised.

Key management personnel consist of the directors of the Corporate Trustee. The directors undergo charity training as part of their induction. No remuneration was paid to these persons by the Charity in the year.

Risk Management

A risk register is maintained by the Corporate Trustee and is regularly reviewed. Risks are prioritised according to their probability and potential impact. The Corporate Trustee has considered the major risks to which the charity is exposed, and they have satisfied themselves that systems and procedures are in place to manage and mitigate those risks.

Significant areas of risk continue to be reviewed and are deemed to include:

Governance Risk

Hampshire Hospitals NHS Foundation Trust is the Corporate Trustee of the Charity, and its Executive and Non-executive Directors are responsible for the governance of the Charity. Papers are sent out in advance of the regular Trustees meetings for prior consideration, then discussed at the meeting following which decisions taken are minuted and communicated to the fund holders. The Trustee maintains a register of interests and ensures that there are no conflicts of interest with third parties.

The Company Secretary (or delegated assistant) of the Trustee is in attendance at all meetings to ensure that the charity is managed in line with Charity Law guidelines.

Risk to Reputation

The reputation risk that the Charity is not acting in accordance with its donors' wishes is managed by continually checking that all expenditure is in line with the objectives of the individual funds. The fund signatories receive regular reporting of their fund balances and are continually educated on appropriate spending. HHFT Finance review all transactions prior to 3rd party commitment.

Financial Risk

Monthly accounts are prepared by the finance department of the Corporate Trustee, and a quarterly report is presented to its directors to highlight the performance of the Charity over the previous three months.

The risk that the Charity might suffer a financial loss if the investment portfolio is not appropriately managed is mitigated by the investment sub-committee who meet on a regular basis to review the portfolio risk and fund manager performance. The fund managers produce quarterly reports of performance which are considered by the investment sub-committee.

The risk of loss of opportunity to apply for grants from NHS Charities Together (NHSCT) if the Trust does not respond in a timely manner means that correspondence from NHSCT is regularly reviewed and shared.

If legacies intended for our hospitals do not match the legal title of the Charity, there is a risk of delayed or non-receipt of funds but if notified merger documents can be provided.

The Charity takes out an annual insurance policy to cover the Trustee Liability.

The Trustee make a regular assessment as to whether the reserves are sufficient to meet their on-going financial obligations.

Partnership Working

Patients and staff of HHFT are the main beneficiaries of the Charity and HHFT is a related party by the virtue of being the Corporate Trustee of the Charity. By working closely with the Trust, the Charity ensures that funds are used to best effect, after taking into account the main activities, objectives, strategies and plans of HHFT over the short, medium and long term.

Hampshire Hospitals Charity – Annual Report and Accounts
for the year ended 31 March 2025

Annual Review

Hampshire Hospitals Charity receives the majority of its income from donations, legacies and investment income and gains. Trustees of the Charity are extremely grateful to all donors for the funds received over the year as these make a significant difference to the care and treatment provided to the patients of Hampshire Hospitals NHS Foundation Trust.

Total income for the year was £821,000 (2023/24 £936,000) of which donations of £418,000 (2023/24 £764,000), legacies £35,000 (2023/24 £117,000), grants £305,000 (2023/24 nil) and investment income £63,000 (2023/24 £55,000).

The Charity's funds continued to support a wide range of activities which greatly enhance the service offered to patients and/or supported the staff of HHFT. Individual purchases were varied but all added to the quality of patient care or the staff experience by supporting developments that are not possible through NHS funding alone. This included, for example, the purchase of leading-edge clinical equipment, providing staff and equipment to enhance patients' welfare and providing learning and education to increase staff knowledge.

Total expenditure was £1,153,000 (2023/24 £853,000). Charitable expenditure on direct charitable activity was £788,000 (2023/24 £588,000). Fundraising costs were £287,000 (2023/24 £191,000), investment management costs were £8,000 (2023/24 £2,000) and support costs were £70,000 (2023/24 £72,000).

Grant Making Policy

All staff employed by Hampshire Hospitals NHS Foundation Trust can apply for grants from charitable funds to enhance the care and treatment of patients.

Charitable funds can potentially be used for a wide range of costs, including medical research, professional staff development and medical equipment, which the trust cannot acquire through ordinary sources as they are above and beyond the NHS budget.

The directors have discretionary powers to delegate their authority to agree grant applications. Currently, Fund Managers can make decisions on projects and items that are applied for totaling up to and including £10,000 subject to there being sufficient monies in the fund to cover the total requested.

Requests for grants between £10,001 and £50,000 must be approved by two Fund Managers and the charity's Sub-Committee, which meets bi-monthly.

For all grants requests over £50,001, the charity's Sub-Committee will escalate the decision to the charity's Board, which meets three times a year.

Any request to Fund Managers will be in writing, using a dedicated charity application form and includes the details of the name and number of the fund to be charged, the amount, purpose and benefits of request and should be supported with documentation e.g. invoices/receipts.

Details of Fund Managers currently acting for a particular fund can be obtained upon request.

Fundraising

We are guided throughout our fundraising activity by robust governance and reporting, holding ourselves to the highest standards as required by the Charities Commission and Fundraising Regulator.

Income for the Charity is generated through a variety of routes, including, but not exclusive to, direct donations, Charity organised fundraising activity, legacy giving and investments.

There are fundraising costs this year of £287,000 (2023/24: £191,000) the increase due to recruitment of a professional fundraising team with skill set focused on income generation for the full spectrum of fundraising methods. This new function has been created as a response to rising importance, size and needs of the charity and is in line with its strategic goals.

There have been no failures by the charity to comply with the Code of Practice, nor complaints received by the Charity about fundraising activity.

Reserves Policy

The Corporate Trustee has a general legal duty to apply the charitable funds within a reasonable amount of time of receiving them, so with this in mind the Corporate Trustee reviews the funds it holds.

The Charity's reserves and its policy are set out as follows:

	Current Year £'000	Previous Year £'000
General Fund Reserves	734	895
Designated Fund Reserves	3,563	3,533
Total Unrestricted Funds	4,297	4,428
Ratio of Reserves to Annual Operating Expenditure	3.7	5.2

The ratio is calculated using the total unrestricted funds over expenditure in the current year. This means that with the current reserves can cover 3.7 times of the charity's yearly expenditure. Trustees review the ratio annually. The ratio has decreased this year due to higher levels of charitable funds activities, increase expenditures of 35% compared to previous year.

The restricted fund balances of £374,000 (2023/24 £443,000) are not part of the reserves policy as the Corporate Trustee has no discretion over these. Restricted funds are carried forward in the current year to comply with our donors' specific requirements.

In the Corporate Trustee's view, the reserves should provide the Charity with adequate financial stability and the means for it to meet its charitable objectives in the medium term i.e. for next 3 to 5 years.

The Corporate Trustee maintains the Charity's reserves at a level which is at least equivalent to two years operational expenditure having regards to the unpredictability of the funding streams, and therefore discounting any legacy income which, by its nature, cannot be relied upon. The Corporate Trustee also maintains sufficient cover for any reasonable investment losses.

The Corporate Trustee reviews the number of reserves that are required to ensure that they are adequate to fulfil the charity's continuing obligations on a quarterly basis at their finance meeting.

Investments and Performance Management

The Charity complies with the investment powers detailed in its governing document in addition to the powers given to it by the Trustee Act 2000. During the year, the Corporate Trustee invested its charitable funds with Sarasin and Partners LLP and Partners Capital LLP. Investments were valued at £4,142,000 as at 31 March 2025 (2023/24 £4,009,000). There is a further remaining investment held by CCLA

Investment Management Limited COIF Charities Investment Fund which was valued at £22,000 as at 31 March 2025 (2023/24 - £22,000).

The investment portfolios held with Partners Capital LLP and Sarasin & Partners LLP have increased in year, as the inflation has settled, and economy recovered during the year.

The Charity's current investment policy has a restriction, stated within the mandate, preventing investment in companies whose main business is the processing of tobacco.

The Corporate Trustee performs regular reviews of the performance, structure and financial management arrangements of the funds.

Administration

The principal office for the Charity is:

Finance Department
Basingstoke and North Hampshire Hospital
Aldermaston Road
Basingstoke
RG24 9NA

Professional Advisers and Agents

During the year the Charity employed the following agents:

Bankers

Lloyds Bank plc
2 Winchester Street
Basingstoke
Hampshire
RG21 7EB

Investment Advisors

Sarasin & Partners LLP
Juxon House
100 St Paul's Churchyard
London
EC4M 8BU

Partners Capital LLP
5th Floor
5 Young Street
London W8 5EH

Independent Auditor

Kreston Reeves LLP
9 Donnington Park
85 Birdham Road
Chichester
West Sussex
PO20 7AJ

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

Under charity law, the trustee is responsible for preparing the trustee's 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 trustee:

- selects suitable accounting policies and then apply them consistently
- makes judgments and estimates that are reasonable and prudent
- states whether the recommendations of the SORP FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements
- states whether the financial statements comply with the trust deed, subject to any material departures disclosed and explained in the financial statements
- prepares the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue its activities.

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

Signed on behalf of the trustee:



Name: Martin Earwicker (Chair of the charitable funds committee)

Date: 22 September 2025



Name: Alex Whitfield (Trustee)

Date: 22 September 2025

Independent Auditors' Report to the Trustee of Hampshire Hospitals Charity

Opinion

We have audited the financial statements of Hampshire Hospitals Charity ("the charity") for the year ended 31 March 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes, including a summary of significant accounting policies. 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 2025, 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 twelve months from when the financial statements are authorised for issue.

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

Independent Auditors' Report to the Trustee of Hampshire Hospitals Charity (cont'd)

Other information

The other information comprises the information included in the Trustee's Annual Report, other than the financial statements and our auditor's report thereon. The Trustee is responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 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 Trustee's report; or
- sufficient accounting records have not been kept; 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.

Responsibilities of trustees

As explained more fully in the Trustee's responsibilities statement, the Trustee is responsible for the preparation of the 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 Charity or to cease operations, or have no realistic alternative but to do so.

Hampshire Hospitals Charity – Annual Report and Accounts
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Independent Auditors' Report to the Trustee of Hampshire Hospitals Charity (cont'd)

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Capability of the audit in detecting irregularities, including fraud

Based on our understanding of the Charity and industry, and through discussion with the Trustee and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to health and safety and anti-bribery. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011 and Charities Statement of Recommended Practice (FRS 102) 2019. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting inappropriate journal entries to increase revenue or reduce expenditure and management bias in accounting estimates and judgmental areas of the financial statements. Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations and fraud; and
- Identifying and assessing the design effectiveness of controls that management has in place to prevent and detect fraud; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and

Independent Auditors' Report to the Trustee of Hampshire Hospitals Charity (cont'd)

Capability of the audit in detecting irregularities, including fraud (cont'd)

- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Reading minutes of meetings of those charged with governance; and
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustee.

Independent Auditors' Report to the Trustee of Hampshire Hospitals Charity (cont'd)

Capability of the audit in detecting irregularities, including fraud (cont'd)

- Conclude on the appropriateness of the Trustee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation (ie. gives a true and fair view).

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's Trustee, as a body, 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 as a body, for our audit work, for this report, or for the opinions we have formed.



Kreston Reeves LLP
Chartered Accountants
Statutory Auditor
Chichester

Date: 30 September 2025

Kreston Reeves LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

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Hampshire Hospitals Charity statement of financial activities for the year ending 31 March 2025

	Note	Unrestricted funds		Restricted funds		Total	
		2024/25	2023/24	2024/25	2023/24	2024/25	2023/24
		£000	£000	£000	£000	£000	£000
Income and endowments from:							
Donations and legacies	3	756	885	2	(4)	758	881
Investments	4	63	55	-	-	63	55
Total incoming resources		819	940	2	(4)	821	936
Expenditure on:							
Raising funds	5	(295)	(193)	-	-	(295)	(193)
Charitable activities	6	(787)	(551)	(71)	(109)	(858)	(660)
Total expenditure		(1,082)	(744)	(71)	(109)	(1,153)	(853)
Net gains on investments	10	132	288	-	-	132	288
Net income/(expenditure)		(131)	484	(69)	(113)	(200)	371
Reconciliation of Funds							
Total Funds brought forward	16	4,428	3,944	443	556	4,871	4,500
Total Funds carried forward	16	4,297	4,428	374	443	4,671	4,871

Hampshire Hospitals Charity balance sheet as at 31 March 2025

	Note	Unrestricted Funds		Restricted Funds		Total Funds	
		2024/25 £000	2023/24 £000	2024/25 £000	2023/24 £000	2024/25 £000	2023/24 £000
Fixed assets:							
Investments	11	3,994	3,861	170	170	4,164	4,031
Total fixed assets		3,994	3,861	170	170	4,164	4,031
Current assets:							
Debtors	12	76	333	-	-	76	333
Cash and cash equivalents	13	1,129	1,316	392	390	1,521	1,706
Total current assets		1,205	1,649	392	390	1,597	2,039
Liabilities:							
Creditors falling due within one year	14	(902)	(1,082)	(188)	(117)	(1,090)	(1,199)
Net current assets		303	567	204	273	507	840
Total net assets		4,297	4,428	374	443	4,671	4,871
The funds of the charity:							
Restricted income funds		-	-	374	443	374	443
Unrestricted income funds		4,297	4,428	-	-	4,297	4,428
Total charity funds		4,297	4,428	374	443	4,671	4,871

The notes at pages 23-41 form part of these accounts signed on behalf of the trust by the Corporate Trustee and signed on its behalf by Martin Earwicker:

Signed:



Date: 22 September 2025

Hampshire Hospitals Charity statement of cash flows for the year ending 31 March 2025

	Note	Total funds 2024/25 £'000	Total funds 2023/24 £'000
Cash flows (used in) from operating activities:			
<i>Net cash (used in) provided by operating activities</i>	15	(259)	448
Cash flows from investing activities:			
Dividends, interest and rents from investments	4	63	55
Proceeds from the sale of investments		77	63
Purchase of investments	11	(66)	(63)
<i>Net cash provided by investing activities</i>		74	55
<i>Change in cash and cash equivalents in the reporting period</i>		(185)	503
Cash and cash equivalents at the beginning of the reporting period	13	1,706	1,203
Cash and cash equivalents at the end of the reporting period	13	1,521	1,706

Notes on the accounts

1 Accounting Policies

a) Basis of preparation

These accounts have been prepared for the year to 31 March 2025.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice 2019 applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest thousand pounds.

b) Critical accounting estimates and areas of judgement

Preparation of the accounts requires the Trustee to make significant judgements and estimates. The items in the accounts where these judgements and estimates have been made include:

Estimating amounts to be accrued as legacies

The Trustee has considered all legal correspondence received in the year in order to assess whether a legacy should be recognised in the accounts based on the entitlement of the charity to receive it, the probability of receipt, and the reasonable certainty of the amount which includes making enquiries of the executors of the wills in question.

Assessment of going concern

The Trustee has assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The Trustee has made this assessment in respect to a period of one year from the date of approval of these accounts.

The Trustee of the charity has concluded that there is no material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The Trustee is of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

In making this decision, the Trustee has taken into consideration the risks and uncertainties arising from the Coronavirus pandemic and conclude that the charity can sustain its operations for a period of at least twelve months from date of signing these accounts.

Funds structure

Unrestricted general funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the Charity's charitable objects.

Notes on the accounts (cont'd)

1 Accounting Policies (cont'd)

Funds structure (cont'd)

Restricted funds are those which are to be used in accordance with specific restrictions imposed by the donor or the result of a specific appeal. Where a preference is indicated by a donor as to the application of funds, they are unrestricted and then designated by the Trustee in line with this. The Charity follows the Charity Commission guidance for NHS charities when allocating to funds.

Where the restriction requires the gift to be invested to produce income which may be spent but the capital must be protected, then it is an endowment fund. If the Trustee also has the power to spend the capital in addition to the income, then the fund is an expendable endowment fund.

The Charity has a combination of restricted and unrestricted funds and no endowment or expendable endowment funds.

The Charity has some designated funds which have been set aside out of unrestricted funds for specific purposes.

Income recognition

Income is recognised in the period in which the Charity has entitlement to the income, the amount of income can be measured reliably, and it is probable that the income will be received.

Income comprises donations, grants, legacies and investment income.

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Donations and grants

Donations and grants are recognised when the Charity has confirmation of both the amount and settlement date. In the event of donations or grants pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation or grant is subject to conditions that require a level of performance before the Charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Legacies

Legacies are included in the statement of financial activities when the Charity is entitled to the legacy, it is probable that the legacy will be received, and any conditions attached to the legacy are within the control of the charity.

Notes on the accounts (cont'd)

1 Accounting Policies (cont'd)

Legacies (cont'd)

Entitlement is taken as the earlier of the date on which either: the Charity is aware that probate has been granted, the estate has been finalised, and notification has been made by the executor to the Charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably, and the Charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the Charity or the charity is aware of the granting of probate, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. In the event that the gift is in the form of an asset other than cash, or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title of the asset having been transferred to the Charity.

Taxation

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

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accrual's basis. Expenditure comprises grants and donations, and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

- Expenditure on raising funds is those costs attributable to generating income for the Charity, other than those costs incurred in undertaking charitable activities, and represent fundraising costs together with investment management fees.
- Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the Charity through the provision of its charitable activities. Such costs include charitable grants and donations and support costs in respect to the charitable activity including governance costs.

Charitable grants and donations are made after the Trustee has considered an application for funds. Grants and donations are included in the statement of financial activities when approved for payment.

Charitable expenditure is authorised and allocated for each individual fund rather than allocated across multiple funds.

Notes on the accounts (cont'd)

1 Accounting Policies (cont'd)

Allocation of overheads and support costs

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the Charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment.

Governance costs comprise the costs involving the public accountability of the Charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

All support costs have been allocated to expenditure on charitable activities because any apportionment across the expenditure categories would be immaterial.

Fixed Asset Investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the financial year.

The Charity does not acquire put options, derivatives or other complex financial instruments.

As noted above the main form of financial risk faced by the Charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Gains and losses on investments

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value is acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

At each quarter end 50% of unrealised gains are allocated across the funds and the remainder is recorded as an unrealised gain reserve.

All unrealised losses are allocated across the funds at each quarter end.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Notes on the accounts (cont'd)

1 Accounting Policies (cont'd)

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short-term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the Charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

2 Related party transactions

HHFT receives grants and delivers services on behalf of the Charity. The Charity has reimbursed HHFT for approved expenditure made on behalf of the Charity.

This reimbursement amounted to £1,039,000 (2024 - £1,031,000) and is included within total expenditure in the Statement of Financial Activities.

During the year none of the members of HHFT's Board or their senior staff or parties related to them were beneficiaries of the Charity.

The Charity owed HHFT £256,000 on 31 March 2025 (2024 - £497,000), as shown in note 14.

Neither HHFT nor any member of the Board received honoraria, emoluments or expenses in the year.

HHFT purchased trustee indemnity insurance costing £2,000 during the year (2023/24 - £3,000).

HHFT has provided fundraising and administrative support for the Charity at a cost of £48,000 (2023/24 - £221,323) for the year.

The Hampshire Medical Fund is considered a related party because Dr Ruth Williamson who is the Chief Medical Officer and member of the Trust Board is a Trustee of the Hampshire Medical Fund. No transactions occurred with the Hampshire Medical Fund during the year.

Notes on the accounts (cont'd)

3 Income from donations and legacies

	Unrestricted funds		Restricted funds		Total	
	2024/25	2023/24	2024/25	2023/24	2024/25	2023/24
	£000	£000	£000	£000	£000	£000
Donations from individuals	403	724	2	1	405	725
Corporate donations	13	39	-	-	13	39
Legacies	35	122	-	(5)	35	117
Grants	305	-	-	-	305	-
Total	756	885	2	(4)	758	881

Donations from individuals are gifts from members of the public, relatives of patients and staff.

In 2023/24, a total of £127,000 has been accrued in legacies where the receipt of the legacy is probable and measurable but not yet received and £192,000 accrued in donations from individuals as a donation towards robotic surgery.

In 2024/25, £70,000 out of the £127,000 legacies was received during the year. The remaining £57,000 was received in April 2025. The £192,000 donation towards robotic surgery was received in April 2024.

Notes on the accounts (cont'd)

4 Gross investment income

	Unrestricted funds		Restricted funds		Total	
	2024/25	2023/24	2024/25	2023/24	2024/25	2023/24
	£000	£000	£000	£000	£000	£000
Fixed asset equity and similar investments	38	37	-	-	38	37
Short term investments and deposits and cash on deposit	25	18	-	-	25	18
Total	63	55	-	-	63	55

Notes on the accounts (cont'd)

5 Analysis of expenditure on raising funds

	Unrestricted funds		Restricted funds		Total	
	2024/25	2023/24	2024/25	2023/24	2024/25	2023/24
	£000	£000	£000	£000	£000	£000
Fundraising office	287	191	-	-	287	191
Investment management	8	2	-	-	8	2
Total	295	193	-	-	295	193

Fundraising office costs include a recharge of staff time from HHFT (see note 8).

6 Analysis of expenditure on charitable activities

	Note	Unrestricted funds		Restricted funds		Total	
		2024/25	2023/24	2024/25	2023/24	2024/25	2023/24
		£000	£000	£000	£000	£000	£000
Grant funded activities							
Medical research		2	-	54	-	56	-
Purchase of new equipment		144	82	-	23	144	105
Building and refurbishment		90	69	-	38	90	107
Staff education and welfare	7	227	169	14	(9)	241	160
Patient education and welfare		254	159	3	57	257	216
Total grant funded activities		717	479	71	109	788	588
Support costs		70	72	-	-	70	72
Total		787	551	71	109	858	660

Notes on the accounts (cont'd)

6 Analysis of expenditure on charitable activities (cont'd)

The charity did not undertake any direct charitable activities on its own account during the year. All the charitable expenditure was in the form of grant funding. The Corporate Trustee operates a scheme of delegation, whereby fund holders manage the day-to-day disbursements for their programme in line with the directions set by the Corporate Trustee, and the Charity's procedures.

All support costs have been allocated to general charitable expenditure because any apportionment between the categories of expenditure would be immaterial.

Analysis of support costs

	Total	
	2024/25	2023/24
	£000	£000
Accountancy support	48	48
External audit	13	13
Software maintenance	4	7
Insurance	2	3
Other expenditure	3	1
Total	70	72

Notes on the accounts (cont'd)

7 Analysis of staff related grants

The charity does make grants to employees of HHFT through hardship fund applications. All staff related grants are made to HHFT are to improve the care of NHS patients and staff education and welfare. The total grants made for staff education and welfare are broken down in the table below:

	Total amount paid 2024/25 £000	Total amount paid 2023/24 £000
HHFT employees – hardship fund	2	2
Staff education	73	94
Staff welfare	166	64
Total	241	160

Notes on the accounts (cont'd)

8 Analysis of staff costs and remuneration of key management personnel

The Charity does not directly employ any individuals but is recharged for staff employed by HHFT who have provided services for the Charity. This included the Head of Charity, the fundraising team and a proportion of the costs of other individuals who provided administrative support. The average monthly headcount of staff included in the recharge over the year to 31 March 2025 was 6.5 (2024: 6).

The total amount of £287,000 for the year (2024: £173,000) represents a recharge covering applicable salaries and other employment costs, including employer's national insurance and pension costs which are not separately identifiable. Included in the recharges was one (2024: nil) member of staff who received emoluments in the banding £60,001 - £70,000.

The key management personnel comprise the directors of the Corporate Trustee. As disclosed in note 2, no remuneration was paid to these individuals by the Charity.

9 Auditor's remuneration

The auditor's remuneration of £11,150 net plus VAT (2023/24: £10,750 net plus VAT) related solely to the audit with no other additional work being undertaken (2023/24: £nil).

10 Net gains on investments

	2024/25	2023/24
	£000	£000
Net gain (loss) on revaluation	144	297
Foreign exchange gain (loss)	(12)	(9)
Total	132	288

Notes on the accounts (cont'd)

11 Fixed asset investments

Movement in fixed asset investments

	2024/25	2023/24
	£000	£000
Market value brought forward	4,031	3,734
Add: additions to investments at cost	66	63
Less disposals at carrying value	(115)	(100)
Dividend	38	37
Add net gain (loss) on revaluation	144	297
Market value as at 31 March	4,164	4,031

Fixed asset investments by type

	2024/25	2023/24
	£000	£000
UK Equity Funds	233	255
Overseas Equity Funds	1,428	1,488
Bond Funds	140	171
Hedge Funds	2,053	1,916
Property Funds	54	49
Alternative Investments	142	95
Liquid Assets	113	55
Total	4,164	4,031

Notes on the accounts (cont'd)

12 Analysis of current debtors

Debtors under 1 year

Prepayments and accrued Income

Other debtors

Total

2024/25	2023/24
£000	£000
61	319
15	14
76	333

13 Analysis of cash and cash equivalents

Cash at bank and in hand

Total

2024/25	2023/24
£000	£000
1,521	1,706
1,521	1,706

Notes on the accounts (cont'd)

14 Analysis of liabilities

Creditors falling due within 1 year

Amounts due to related parties

Other creditors

Grants payable

Accruals

Total

2024/25	2023/24
£000	£000
256	497
2	2
819	685
13	15
1,090	1,199

Amounts owed to related parties represent amounts owed to HHFT for costs incurred on behalf of the Charity in furtherance of the Charity's objects.

All liabilities are unsecured.

Notes on the accounts (cont'd)

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

	2024/25 £000	2023/24 £000
Net income / (expenditure) for 2024/25 (as per the statement of financial activities)	(200)	372
Adjustments for:		
• Gains on investments	(144)	(297)
• Dividends and interest from investments	(63)	(55)
• Decrease in debtors	257	282
• (Decrease) / increase in creditors	(109)	146
Net cash (used in) / provided by operating activities	(259)	448

Notes on the accounts (cont'd)

16 Analysis of charitable funds

a) Analysis of restricted fund movements

	Fund balance brought forward 1 April		Income		Expenditure		Fund balance carried forward 31 March	
	2024/25 £000	2023/24 £000	2024/25 £000	2023/24 £000	2024/25 £000	2023/24 £000	2024/25 £000	2023/24 £000
Stroke Serv Development Charitable Fund RHCH	197	234	3	(4)	(5)	(33)	195	197
RHCH Staff Benefit	64	125	-	-	(6)	(61)	58	64
Arthritis Research - Legacy I H Spain	94	94	-	-	(54)	-	40	94
Hospice Equipment and support	31	23	-	-	-	8	31	31
RHCH Patient Benefit	25	36	-	-	(1)	(11)	24	25
BAME Staff Support	26	35	-	-	(5)	(9)	21	26
Covid-19	5	9	-	-	-	(4)	5	5
Healthier Communities New Models of Care	1	1	(1)	-	-	-	-	1
Total	443	557	2	(4)	(71)	(110)	374	443

The purposes of the funds analysed are as follows:

Restricted

Stroke Services – to provide a new ward for stroke patients and to aid in their rehabilitation.

RHCH Staff Benefit – for the benefit of all staff members at Winchester Hospital.

Arthritis Research – Legacy I H Spain – to fund research of arthritis treatments.

Hospice Equipment and support – from NHS funds (via the CCG) to support revenue and equipment in hospices.

RHCH Patient Benefit - for the benefit of all patients at Winchester Hospital.

BAME Staff Support - to increase and improve our support for our BAME staff.

Covid-19 – to enhance the well-being of NHS Staff, volunteers and patients impacted by Covid.

Healthier Communities New Models of Care - project to improve health and wellbeing at 'neighbourhood' level by reducing health inequalities.

Hampshire Hospitals Charity – Annual Report and Accounts
for the year ended 31 March 2025

Notes on the accounts (cont'd)

16 Analysis of charitable funds (cont'd)

b) Analysis of unrestricted and material designated fund movements

	Fund balance brought forward 1 April		Income		Expenditure		Gains and losses		Fund balance carried forward 31 March	
	2024/25 £000	2023/24 £000	2024/25 £000	2023/24 £000	2024/25 £000	2023/24 £000	2024/25 £000	2023/24 £000	2024/25 £000	2023/24 £000
Robotic Surgery Fund	623	423	350	200	-	-	-	-	973	623
Orthopaedic Department General Purposes	511	516	-	1	(4)	(6)	-	-	507	511
Pseudomyxoma/Colorectal Research	351	291	68	77	-	(17)	-	-	419	351
Liver	253	232	2	31	(104)	(10)	-	-	151	253
RHCH Chapel	131	134	-	-	(2)	(3)	-	-	129	131
BDMDS Basingstoke District Medical Dental Society	110	-	-	120	-	(10)	-	-	110	110
Oncology Unit (Previously EH Unit or Wessex)	180	201	2	37	(87)	(58)	-	-	95	180
Ward C2	88	83	22	5	(25)	-	-	-	85	88
Paediatrics RHCH	78	41	10	67	(3)	(30)	-	-	85	78
RHCH Nick Jonas Ward Charitable Fund	48	15	19	38	-	(5)	-	-	67	48
Cardiology Education Fund	55	73	-	1	(1)	(19)	-	-	54	55
Other designated funds	1,105	1,160	92	106	(309)	(161)	-	-	888	1,105
General fund	895	775	254	257	(547)	(425)	132	288	734	895
Total	4,428	3,944	819	940	(1,082)	(744)	132	288	4,297	4,428

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for the year ended 31 March 2025

Notes on the accounts (cont'd)

16 Analysis of charitable funds (cont'd)

b) Analysis of unrestricted and material designated fund movements (cont'd)

Individual unrestricted funds with closing balance over £50,000 have been reported in the table above. All smaller funds are included within other designated and general funds. There are no endowment funds held by the Charity.

The Trustee considers that sufficient resources are held in an appropriate form to enable each fund to be applied in accordance with any restrictions.

The purposes of the funds analysed are as follows:

Designated

Robotic Surgery Fund - provision of robotic surgery at BNH.

Orthopaedic General Purposes Fund – to provide staff and patients amenities within the Orthopaedic Department.

Pseudomyxoma/Colorectal Research – the relief of patients suffering from pseudomyxoma peritonei, colorectal cancer and related diseases. Promotion and understanding of research into causes, treatment and prevention of pseudomyxoma peritonei, colorectal cancer and related diseases and publications in any form of the results of such research. To provide amenities for staff in the pseudomyxoma and colorectal units.

Liver Fund – to fund research and development within the Hepato-Biliary unit.

RHCH Chapel – for the preservation and upkeep of the Chapel at Winchester Hospital.

BDMDS Basingstoke District Medical Dental Society – to support social & sporting activities of the hospital.

Oncology Unit (Formerly Elizabeth Hall Unit) – to provide welfare and amenities for patients and staff and to fund enhancements to the fabric of the unit (Hematology/Oncology).

Notes on the accounts (cont'd)

16 Analysis of charitable funds (cont'd)

c) Analysis of unrestricted and material designated fund movements (cont'd)

Ward C2 – to provide welfare and amenities for patients and staff and to fund enhancements to the fabric of the unit.

Paediatrics RHCH – to support all staff, all patients, equipment, training/research in the Paediatrics unit.

RHCH Nick Jonas Ward Charitable Fund – to support all staff, all patients, equipment, training/research in the Nick Jonas ward.

Cardiology Education Fund – to support education and research within the Cardiology Unit and to provide staff amenities within the unit.

Accounts

Hampshire Hospitals Charity

(Registered Charity number 1060133)

Annual Report and Accounts for the year ended 31 March 2024

Hampshire Hospitals Charity – Annual Report and Accounts for the year ended 31 March 2024

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Hampshire Hospitals Charity – Annual Report and Accounts for the year ended 31 March 2024

Trustee's Report

Foreword

The Trustee presents the Charity's Annual Report and the audited Accounts of the Charity for the year ended 31 March 2024.

These accounts have been prepared by the Trustee under the Charities Act 2011, in the form set out in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Ireland (FRS 102).

Statutory Background

Hampshire Hospitals Charity administers funds for the benefit of patients and staff of the Basingstoke and North Hampshire Hospital (BNHH), the Royal Hampshire County Hospital (RHCH) in Winchester, and the Andover War Memorial Hospital (AWMH).

Throughout these accounts the word Charity refers to the Hampshire Hospitals Charity. HHFT refers to Hampshire Hospitals NHS Foundation Trust. Hampshire Hospitals Charity is registered with the Charity Commission (registration number 1060133).

Trustee

The Charity has a single corporate trustee, HHFT, which administers funds in the interests of beneficiaries. The Trustee meets bi-monthly to monitor progress with managing the Charity's resources, ensuring they are used for the public benefit, and having regard for the guidance issued by the Charity Commission.

Directors of HHFT who held office during the year and up to the date of signing the Annual Report and Accounts were:

Name	Position in Foundation Trust
Steve Erskine	Chairman
Alex Whitfield	Chief Executive Officer
Lara Alloway	Chief Medical Officer (left 13 th August 2023)
Dr Nick Ward	Interim Chief Medical Officer (left 1 st January 2024)
Ruth Williamson	Chief Medical Officer (from 2 nd January 2024)
Steve West	Chief Financial Officer
Julie Dawes	Chief Nurse
Rupert Goodman	Interim Chief People Officer (left 31 st August 2023)
Tim Powell	Chief People Officer (from 4 th September 2023)
Andy Hyett	Chief Operating Officer
Shirlene Oh	Chief Strategy and Population Health Officer
Ruth Williams	Non-Executive Director
Simon Holmes	Non-Executive Director
Jos Creese	Non-Executive Director
Laks Khangura	Non-Executive Director
Stephen Duckworth	Non-Executive Director
Clancy Murphy	Non-Executive Director
John Deverill	Non-Executive Director
Dominic Arthur	Associate Non-Executive Director

Hampshire Hospitals Charity – Annual Report and Accounts for the year ended 31 March 2024

Administration

The principal office for the Charity is:

Finance Department
Basingstoke and North Hampshire Hospital
Aldermaston Road
Basingstoke
RG24 9NA

Professional Advisers and Agents

During the year the Charity employed the following agents:

Bankers

Lloyds Bank plc
2 Winchester Street
Basingstoke
Hampshire
RG21 7EB

Investment Advisors

Sarasin & Partners LLP
Juxon House
100 St Paul's Churchyard
London
EC4M 8BU

Partners Capital LLP
5th Floor
5 Young Street
London W8 5EH

Independent Auditor

Kreston Reeves LLP
9 Donnington Park
85 Birdham Road
Chichester
West Sussex
PO20 7AJ

Hampshire Hospitals Charity – Annual Report and Accounts for the year ended 31 March 2024

Main Purpose of the Charity

The trustees shall hold the trust fund upon trust to apply the income to enhance patient care, improving hospital environment, and by increasing the knowledge and welfare of staff who provide care to those patients, or purposes related to the National Health Service elevating hospital healthcare and wellbeing of our local community.

Structure, Governance and Management

The main Charity, being an unrestricted fund, was established using the model declaration of trust, with special trusts being registered for the restricted funds. All funds that were held on trust at the date of registration were either part of the unrestricted fund or restricted funds held registered under the main Charity. Subsequent donations and gifts received by the Charity that are for the benefit of the original funds have been added to those fund balances.

The Corporate Trustee fulfils its legal duty by ensuring that funds are spent in accordance with the fund objectives by designating funds to benefiting patient care, promoting good health and welfare for both patients and staff, thereby respecting donors' wishes.

The charitable funds are allocated to specialities, wards and departments within HHFT's divisional management structure. These allocations are known as funds and have fund managers appointed to them, who are responsible for ensuring they are correctly managed.

The accounting records and day to day administration of the funds are dealt with by the finance department of HHFT. To keep the administrative costs to a minimum, the Charity relies on HHFT to identify the appropriateness of funding requests, ensuring they are of a charitable nature, the funds are available and if required a VAT zero rating certificate is completed when the order is raised.

Key management personnel consist of the directors of the Corporate Trustee. The directors undergo charity training as part of their induction. No remuneration was paid to these persons by the Charity in the year.

Risk Management

A risk register is maintained by the Corporate Trustee and is regularly reviewed. Risks are prioritised according to their probability and potential impact. The Corporate Trustee has considered the major risks to which the charity is exposed and they have satisfied themselves that systems and procedures are in place to manage and mitigate those risks.

Significant areas of risk continue to be reviewed and are deemed to include:

Governance Risk

Hampshire Hospitals NHS Foundation Trust is the Corporate Trustee of the Charity and its Executive and Non-executive Directors are responsible for the governance of the Charity. Papers are sent out in advance of the regular Trustees meetings for prior consideration, then discussed at the meeting following which decisions taken are minuted and communicated to the fund holders. The Trustee maintains a register of interests and ensures that there are no conflicts of interest with third parties.

The Company Secretary (or delegated assistant) of the Trustee is in attendance at all meetings to ensure that the charity is managed in line with Charity Law guidelines.

Risk to Reputation

The reputation risk that the Charity is not acting in accordance with its donors' wishes is managed by continually checking that all expenditure is in line with the objectives of the individual funds. The fund signatories receive regular reporting of their fund balances and are continually educated on appropriate spending. HHFT Finance review all transactions prior to 3rd party commitment.

Hampshire Hospitals Charity – Annual Report and Accounts for the year ended 31 March 2024

Financial Risk

Monthly accounts are prepared by the finance department of the Corporate Trustee, and a quarterly report is presented to its directors to highlight the performance of the Charity over the previous three months.

The risk that the Charity might suffer a financial loss if the investment portfolio is not appropriately managed is mitigated by the investment sub-committee who meet on a regular basis to review the portfolio risk and fund manager performance. The fund managers produce quarterly reports of performance which are considered by the investment sub-committee.

The risk of loss of opportunity to apply for grants from NHS Charities Together (NHSCT) if the Trust does not respond in a timely manner means that correspondence from NHSCT is regularly reviewed and shared.

If legacies intended for our hospitals do not match the legal title of the Charity there is a risk of delayed or non receipt of funds but if notified merger documents can be provided.

The Charity takes out an annual insurance policy to cover the Trustee Liability.

The Trustee make a regular assessment as to whether the reserves are sufficient to meet their on-going financial obligations.

Partnership Working

Patients and staff of HHFT are the main beneficiaries of the Charity and HHFT is a related party by the virtue of being the Corporate Trustee of the Charity. By working closely with the Trust, the Charity ensures that funds are used to best effect, after taking into account the main activities, objectives, strategies and plans of HHFT over the short, medium and long term.

Annual Review

Hampshire Hospitals Charity receives the majority of its income from donations, legacies and investment income and gains. Trustees of the Charity are extremely grateful to all donors for the funds received over the year as these make a significant difference to the care and treatment provided to the patients of Hampshire Hospitals NHS Foundation Trust.

Total income for the year was £936,000 (2022/23 £915,000) of which donations of £764,000 (2022/23 £561,000), legacies £117,000 (2022/23 £316,000), grants £nil (2022/23 nil), investment income £55,000 (2022/23 £38,000) and income from charitable activities £nil (2022/23 nil).

The Charity's funds continued to support a wide range of activities which greatly enhance the service offered to patients and/or supported the staff of HHFT. Individual purchases were varied but all added to the quality of patient care or the staff experience by supporting developments that are not possible through NHS funding alone. This included, for example, the purchase of leading-edge clinical equipment, providing staff and equipment to enhance patients welfare and providing learning and education to increase staff knowledge.

Total expenditure, including support costs, was £853,000 (2022/23 £1,120,000). Charitable expenditure on direct charitable activity was £588,000 (2022/23 £1,118,000). Fundraising costs were £191,000 (2022/23 £2,000) and investment management costs were £2,300 (2022/23 nil).

A summary of the major items purchased during the year is shown below:

Clinical Equipment £105,000 (2022/23 £191,000)

The Charity purchased many items of clinical equipment which enabled the hospitals' teams to provide leading edge technology for their patients' treatment. The most significant of those purchases included:

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- New cold cap machines (£41,000) for Chemotherapy Unit based in Winchester hospital. This is a device that prevents hair loss as a side effect of chemotherapy. Many patients choose to use the cold cap machines during their cancer treatment.
- Therapy treadmill (£22,000). The national stroke guidelines strongly recommend treadmill gait training for patients unable to mobilise post stroke.
- Billycocoon phototherapy lights (£12,000) for Winchester Neonatal Unit. The device is used to help jaundiced newborns without the need for them to stay in hospital. This phototherapy units are ideal as they allow babies to be mobile while receiving the treatment. Lights are returned to the hospital once the therapy is completed.
- 4 x ATOM phototherapy units (£11,000) to help recover jaundiced babies in Winchester Neonatal Unit.
- 2x RP-10 sample preparation system OSNA (£18,000) mixing device to prepare tissue samples for diagnostic testing to replace two existing homogenisers. The equipment has been requested by The Cellular Pathology Department.

Enhancing Patients and Staff Environments £107,000 (2022/23 £124,000)

The most expensive (£37,000) project has been completed for Hampshire Heart Centre (Cardiology and Cardiology Education Fund). The decommissioned space has been restored to create a welfare area, bereavement room, quiet space as well as utility room. The refurbishment has significantly improved the usage of floorspace for the patients, their families as well as hospital staff.

£26,000 has been spent on modernisation and expansion of Outpatient Waiting Area in paediatric care in RHCH (Northbrook/Sophies Place). This project was essential to ensure that critical services can continue for the physical and mental health and wellbeing of young patients.

Further £34,000 has been spent on improving restaurant areas at both Basingstoke and Winchester. Charitable funds were used to refurbish the servery at Basingstoke, purchase comfortable sofas, low tables, seating, plants as well as equipment (self-serve coffee and ice cream machines). By making these improvements, the restaurants have been able to increase their offerings to both staff and visitors.

Also new windows and blinds have been installed in Sherbourne Blue Room (£6,000). The replacement was essential for this room to create fit for purpose space for interviews, patient discharge meetings and patient education session.

Enhancing Patients' Welfare £216,000 (2022/23 £378,000)

£35,000 has been spent on providing Patient Partner Programme together with £22,000 speciality focused patient voice partner.

The charity also purchased this year motorised wheelchairs for all sites for the value of £36,000.

To ensure the best service to the patients £30,000 annual subscription fee has been paid to UpToDate online service that provides evidence based clinical information and recommendation for health care professionals.

As part of the Healthier Communities New Models of Care £30,000 has been committed to increase the Community Builder (Animator) employed in Andover to 2 days a week resulting in coverage across Andover and Basingstoke. A Community Builder (Animator) is a paid member of staff (usually from a third sector organisation) and is focused on engaging the skills, knowledge and talents of citizens living in a community.

£16,000 is committed to provide a non-core post for psychological support for 12 months at Winchester Hospice to help support patients at end of life and those in receipt of palliative care.

Maintenance of fountain in Hospice Garden for the value of £13,000.

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£11,000 is committed to 1.2 WTE band 6 Clinical Nurse Specialists for 12 months, to enable continued service provision and management of patients for chemotherapy and any other systemic anti-cancer therapy (SACT).

£7,000 was spend on Virtual Reality Therapy kit, as well as on 2 electric patient trolleys.

Supporting our Staff to be Even Better £160,000 (2022/23 £361,000)

Many grateful patients offer donations for the direct benefit of the ward team who have looked after them. These donations are used in two main ways; either to provide additional education to enhance the skills of the team so they can offer even better care to their patients; or to enable team development activities which help improve staff morale and retention both of which are key aspects in delivering high quality healthcare.

A total of £94,000 was used to enable staff to attend educational programmes to expand their skills and knowledge to do their jobs better.

A total of £67,000 was spent or committed on staff welfare this year. This was spent or committed on providing safe spaces for rest and recuperation, facilities that promote and encourage outdoor breaks and activities, improvements to staff rest areas, wellbeing support, reverse mentoring, staff focus week, the annual people's awards, treats for staff, away days, lockers, Christmas treats, bike doctor clinics, hardship payments and fruit boxes.

Our Future Plans

Looking ahead, following this exciting year after supporting dozens of projects that have delivered improved patient care, helped with staff wellbeing and have contributed towards our vision for a happier, healthier Hampshire 2024-2025 will build on these successes. Our team will be looking to increase donations to be able to help and support more staff, more patients and more families.

We'll be hosting large scale, community specific fundraising events, including the second annual Lions Picnic in Winchester, inaugural Colour Run in Andover and inaugural Penguin Walk in Basingstoke to increase awareness of and donations to the charity. We'll be launching specialist business networking events across the region in collaboration with clinicians from the NHS trust to encourage increased business support for Hampshire Hospitals Charity, in the form of gifts in kind, event sponsorship and philanthropic donations.

Throughout our hospitals in Basingstoke, Winchester and Andover we're going to be encouraging more staff to become Charity Champions to be able to increase participation in fundraising and to empower colleagues to talk confidently about the charity with patients and families when they have questions.

Funding will continue to be raised to support some truly inspirational projects in and around areas of research and innovation to save lives, patient support around hardship such as providing family access to onsite accommodation, children's health including enhancing the environment of our Firvale space to better support our younger patients, staff wellbeing such as funding team building activities, and collaboration with external support groups for staff as well as improving staff areas.

A new charity brand including visual style and tone of voice will be developed and launched during 2024/2025 to improve awareness of and provide a distinctive look and personality to Hampshire Hospitals Charity, contributing towards our ambitious vision for a happier, healthier Hampshire.

Grant Making Policy

All staff employed by Hampshire Hospitals NHS Foundation Trust can apply for grants from charitable funds to enhance the care and treatment of patients.

Charitable funds can potentially be used for a wide range of costs, including medical research, professional staff development and medical equipment, which the trust cannot acquire through ordinary sources.

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The directors have discretionary powers to delegate their authority to agree grant applications. Currently, Fund Managers can make decisions on items totalling up to and including £1,000 subject to there being sufficient monies in the fund to cover the total requested.

Requests for grants between £1,000 and £5,000 must be approved by both a Fund Manager and the Chief Executive and reported to the full trust board at their next monthly meeting.

For all grants over £5,000, a paper must be completed which includes detailed information to support the grant application. The paper is submitted to the full trust board for approval, who meet monthly.

Any request to Fund Advisors should be in writing and should include details of the name and number of the fund to be charged, the amount, purpose and benefits of request and should be supported with documentation e.g. invoices/receipts.

Details of Fund Managers currently acting for a particular fund can be obtained upon request.

Fundraising

We are guided throughout our fundraising activity by robust governance and reporting, holding ourselves to the highest standards as required by the Charities Commission and Fundraising Regulator.

Income for the Charity is generated through a variety of routes, including, but not exclusive to, direct donations, Charity organised fundraising activity, legacy giving and investments.

There is a large increase of fundraising costs this year £193,000 (2023: £2,000) due to recruitment of fundraising team with skill set focused on income generation for the full spectrum of fundraising methods. This new function has been created as a response to rising importance, size and needs of the charity and is in line with its strategic goals.

There have been no failures by the charity to comply with the Code of Practice, nor complaints received by the Charity about fundraising activity.

Reserves Policy

The Corporate Trustee has a general legal duty to apply the charitable funds within a reasonable amount of time of receiving them, so with this in mind the Corporate Trustee reviews the funds it holds.

The Charity's reserves and its policy are set out as follows:

	Current Year £'000	Previous Year £'000
Unrestricted Fund Reserves	419	291
Designated Fund Reserves	4,009	3,653
Total	4,428	3,944
Ratio of Reserves to Annual Operating Expenditure	5.21	3.52

The ratio is calculated using the total unrestricted funds over expenditure in the current year. This means that with the current reserves can cover 5.21 times of the charity's yearly expenditure. Trustees review the ratio annually. The ratio has increased this year due to lower levels of charitable funds activities, decrease of 41% compared to previous year.

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The restricted fund balances of £443,000 (2022/23 £556,000) are not part of the reserves policy as the Corporate Trustee has no discretion over these. Restricted funds are carried forward in the current year to comply with our donors' specific requirements.

In the Corporate Trustee's view, the reserves should provide the Charity with adequate financial stability and the means for it to meet its charitable objectives in the medium term i.e. for next 3 to 5 years.

The Corporate Trustee maintains the Charity's reserves at a level which is at least equivalent to two years operational expenditure having regards to the unpredictability of the funding streams, and therefore discounting any legacy income which, by its nature, cannot be relied upon. The Corporate Trustee also maintains sufficient cover for any reasonable investment losses.

The Corporate Trustee reviews the amount of reserves that are required to ensure that they are adequate to fulfil the charity's continuing obligations on a quarterly basis at their finance meeting.

Investments and Performance Management

The Charity complies with the investment powers detailed in its governing document in addition to the powers given to it by the Trustee Act 2000. During the year, the Corporate Trustee invested its charitable funds with Sarasin and Partners LLP and Partners Capital LLP. Investments were valued at £4,009,000 as at 31 March 2024 (2022/23 £3,714,000). There is a further remaining investment held by CCLA Investment Management Limited COIF Charities Investment Fund which was valued at £22,000 as at 31 March 2024 (2022/23 - £20,000).

The investment portfolios held with Partners Capital LLP and Sarasin & Partners LLP have increased in year, as the inflation has settled and economy recovered during the year.

The Charity's current investment policy has a restriction, stated within the mandate, preventing investment in companies whose main business is the processing of tobacco.

The Corporate Trustee performs regular reviews of the performance, structure and financial management arrangements of the funds.

Conclusion

We would like to say a heart-felt thank you to all of the patients, families, carers, staff and the wider community for their continued, generous support. Without this generosity the Charity could not have achieved all of the improvements it has supported during the year.

Hampshire Hospitals Charity – Annual Report and Accounts for the year ended 31 March 2024

Statement of Trustee's Responsibilities

The Trustee is responsible for preparing the Trustee's Annual Report and the accounts 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 accounts for each financial year which give a true and fair view of the state of affairs of the Charity and of the income and expenditure of the Charity for that period.

In preparing these accounts, the Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

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 the Trustee to ensure that the accounts comply with the Charities Act 2011, applicable Charity (Accounts and Reports) Regulations and the provisions of the Charity's trust deed. The Trustee is 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 Trustee is 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 accounts may differ from legislation in other jurisdictions.



04/12/2024

Steve Erskine (Chairman)

Date



04/12/2024

Alex Whitfield (Trustee)

Date

Hampshire Hospitals Charity – Annual Report and Accounts for the year ended 31 March 2024

Independent Auditors' Report to the Trustee of Hampshire Hospitals Charity

Opinion

We have audited the financial statements of Hampshire Hospitals Charity ("the charity") for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes, including a summary of significant accounting policies. 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 2024, 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 twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustee 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 Trustee's Annual Report, other than the financial statements and our auditor's report thereon. The Trustee is responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

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- the information given in the financial statements is inconsistent in any material respect with the Trustee's report; or
- sufficient accounting records have not been kept; 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.

Responsibilities of trustees

As explained more fully in the Trustee's responsibilities statement, the Trustee is responsible for the preparation of the 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 Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Capability of the audit in detecting irregularities, including fraud

Based on our understanding of the Charity and industry, and through discussion with the Trustee and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to health and safety and anti-bribery. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011 and Charities Statement of Recommended Practice (FRS 102) 2019. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue or reduce expenditure and management bias in accounting estimates and judgemental areas of the financial statements. Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations and fraud; and
- Identifying and assessing the design effectiveness of controls that management has in place to prevent and detect fraud; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of

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business; and

- Reading minutes of meetings of those charged with governance; and
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustee.
- Conclude on the appropriateness of the Trustee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation (ie. gives a true and fair view).

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's Trustee, as a body, 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 as a body, for our audit work, for this report, or for the opinions we have formed.



Kreston Reeves LLP

Chartered Accountants
Statutory Auditor
Chichester

Date: 20th December 2024

Kreston Reeves LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

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Statement of Financial Activities for the year ended 31 March 2024

		2024			2023		
	Note	Unrestricted Funds £'000	Restricted Funds £'000	Total £'000	Unrestricted Funds £'000	Restricted Funds £'000	Total £'000
Income from:							
Donations	2	763	1	764	559	2	561
Legacies	2	122	(5)	117	245	71	316
Grants	2	-	-	-	-	-	-
		885	(4)	881	804	73	877
Other trading activities		-	-	-	-	-	-
Investments	7	55	-	55	30	8	38
Total income		940	(4)	936	834	81	915
Expenditure on:							
<i>Raising funds:</i>							
Other trading costs	3	(191)	-	(191)	(2)	-	(2)
Investment management costs	3	(2)	-	(2)	-	-	-
<i>Charitable activities</i>	4	(551)	(109)	(660)	(696)	(422)	(1,118)
				-			-
Total expenditure		(744)	(109)	(853)	(698)	(422)	(1,120)
Gains on investments	6	288	-	288	(75)	14	(61)
Net movement in funds		484	(113)	371	61	(327)	(266)
Fund balances brought forward		3,944	556	4,500	3,883	883	4,766
Fund balances carried forward		4,428	443	4,871	3,944	556	4,500

All results derive from continuing operations.

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

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Balance Sheet as at 31 March 2024

	Note	2024		2023	
		£'000	£'000	£'000	£'000
Fixed Assets					
Investments	6	4,031		3,734	
			4,031		3,734
Current Assets					
Debtors	8	333		616	
Cash at Bank and in Hand	8	1,706		1,203	
		2,038		1,819	
Creditors: Amounts Falling Due Within One Year	9	(1,199)		(1,053)	
Net Current Assets			840		766
Total Assets Less Current Liabilities			4,871		4,500
Total Net Assets			4,871		4,500
Funds of the Charity					
Restricted Income Funds	10		443		556
Designated Income Funds	10		4,017		3,653
General Income Funds	10		411		291
Total Charity Funds			4,871		4,500

The annual accounts on pages 15 to 29 were approved and authorised for issue by the Corporate Trustee and signed on its behalf by Steve Erskine.

Signed:

Date: 4th December 2024

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for the year ended 31 March 2024**

Statement of Cash Flows for the year ended 31 March 2024

	Notes	2024 £'000	2023 £'000
Cash inflow from operating activities:			
Net cash provided by (used in) operating activities	A	448	76
Cash inflow from investing activities:			
Dividends and interest from investments		55	38
Proceeds from the disposal of investments		63	124
Purchase of investments		(63)	(85)
Net cash provided by (used in) investing activities		55	77
Change in cash and cash equivalents in the year		503	153
Cash and cash equivalents at 1 April 2023	B	1,203	1,050
Cash and cash equivalents at 31 March 2024	B	1,706	1,203

Notes to the cash flow statement for the year to 31 March 2024

A Reconciliation of net movement in funds to net cash flow from operating activities

	2024 £'000	2023 £'000
Net movement in funds (as per the statement of financial activities)	372	(266)
Adjustments for:		
(Gains) losses on investments	(288)	61
Dividends and interest from investments	(55)	(37)
Foreign Exchange Gain	(9)	32
(Increase) decrease in debtors	282	(147)
Increase (decrease) in creditors	146	433
Net cash provided by (used in) operating activities	448	76

B Analysis of cash and cash equivalents

	2024 £'000	2023 £'000
Cash at bank and in hand	1,706	1,203
Cash held by investment managers	-	-
Total cash and cash equivalents	1,706	1,203

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Notes to the accounts

1. Accounting Policies

Basis of preparation

These accounts have been prepared for the year to 31 March 2024.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice 2019 applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest thousand pounds.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the Trustee to make significant judgements and estimates. The items in the accounts where these judgements and estimates have been made include:

Estimating amounts to be accrued as legacies

The Trustee has considered all legal correspondence received in the year in order to assess whether a legacy should be recognised in the accounts based on the entitlement of the charity to receive it, the probability of receipt, and the reasonable certainty of the amount which includes making enquiries of the executors of the wills in question.

Assessment of going concern

The Trustee has assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The Trustee has made this assessment in respect to a period of one year from the date of approval of these accounts.

The Trustee of the charity has concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The Trustee is of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

In making this decision, the Trustee has taken into consideration the risks and uncertainties arising from the Coronavirus pandemic and conclude that the charity can sustain its operations for a period of at least twelve months from date of signing these accounts.

Funds structure

Unrestricted general funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the Charity's charitable objects.

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Restricted funds are those which are to be used in accordance with specific restrictions imposed by the donor or the result of a specific appeal. Where a preference is indicated by a donor as to the application of funds, they are unrestricted, and then designated by the Trustee in line with this. The Charity follows the Charity Commission guidance for NHS charities when allocating to funds.

Where the restriction requires the gift to be invested to produce income which may be spent but the capital must be protected, then it is an endowment fund. If the Trustee also has the power to spend the capital in addition to the income, then the fund is an expendable endowment fund.

The Charity has a combination of restricted and unrestricted funds and no endowment or expendable endowment funds.

The Charity has some designated funds which have been set aside out of unrestricted funds for specific purposes.

Income recognition

Income is recognised in the period in which the Charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income comprises donations, grants, legacies and investment income.

Donations and grants

Donations and grants are recognised when the Charity has confirmation of both the amount and settlement date. In the event of donations or grants pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation or grant is subject to conditions that require a level of performance before the Charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Legacies

Legacies are included in the statement of financial activities when the Charity is entitled to the legacy, it is probable that the legacy will be received, and any conditions attached to the legacy are within the control of the charity.

Entitlement is taken as the earlier of the date on which either: the Charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the Charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the Charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the Charity or the charity is aware of the granting of probate, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title of the asset having been transferred to the Charity.

Taxation

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

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Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. Expenditure comprises grants and donations, and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

- Expenditure on raising funds are those costs attributable to generating income for the Charity, other than those costs incurred in undertaking charitable activities, and represent fundraising costs together with investment management fees.
- Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the Charity through the provision of its charitable activities. Such costs include charitable grants and donations and support costs in respect to the charitable activity including governance costs.

Charitable grants and donations are made after the Trustee has considered an application for funds. Grants and donations are included in the statement of financial activities when approved for payment.

Charitable expenditure is authorised and allocated for each individual fund rather than allocated across multiple funds.

Allocation of overheads and support costs

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the Charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment.

Governance costs comprise the costs involving the public accountability of the Charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

All support costs have been allocated to expenditure on charitable activities because any apportionment across the expenditure categories would be immaterial.

Fixed Asset Investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the financial year.

The Charity does not acquire put options, derivatives or other complex financial instruments.

As noted above the main form of financial risk faced by the Charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Gains and losses on investments

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value is acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair

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value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

At each quarter end 50% of unrealised gains are allocated across the funds and the remainder is recorded as an unrealised gain reserve.

All unrealised losses are allocated across the funds at each quarter end.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the Charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

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2. Analysis of Donations, Legacies and Grants

	2024			2023		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	Funds	Funds		Funds	Funds	
	£'000	£'000	£'000	£'000	£'000	£'000
Donations	763	1	764	559	2	561
Legacies	122	(5)	117	244	72	316
	<u>885</u>	<u>(4)</u>	<u>882</u>	<u>803</u>	<u>74</u>	<u>877</u>

A total of £127,000 has been accrued in legacies where the receipt of the legacy is probable and measurable but not yet received. Donations include £192,000 accrued as a donation towards robotic surgery.

No grants were notified or received in the year.

3. Allocation of Support Costs and Overheads

	2024	2023
	Total	Total
	£'000	£'000
Accountancy support	48	48
External audit	13	10
Bank charges	-	1
Software maintenance	7	3
Insurance	3	2
Total support costs	<u>71</u>	<u>64</u>

	2024	2023
	Total	Total
Fundraising costs	191	2
Investment management fee	2	-
Total costs of raising funds	<u>193</u>	<u>2</u>

Support costs and overheads are apportioned across restricted and unrestricted funds. All support costs have been allocated to general charitable expenditure (note 4) because any apportionment between the categories of expenditure would be immaterial.

Fundraising costs include a recharge of staff time from HHFT (see note 13), other fundraising expenses and investment management fees. All costs of raising funds are allocated against unrestricted funds.

4. Analysis of Charitable Expenditure (Grant Support Provided)

The charitable expenditure incurred is for grant support provided, rather than for direct charitable activities undertaken by the Charity. The Charity does not provide grant support to individuals but makes the support solely available to HHFT.

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The Corporate Trustee operates a scheme of delegation, whereby fund holders manage the day to day disbursements for their programme in line with the directions set by the Corporate Trustee, and the Charity's procedures.

The table below shows the categories of programmes that the Charity has supported during the financial year under review.

	2024			2023		
	Unrestricted Funds	Restricted Funds	Total	Unrestricted Funds	Restricted Funds	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Patients' welfare and amenities	159	57	216	182	196	378
Staff welfare and education	169	(9)	160	153	208	361
Purchase of clinical equipment	82	23	105	185	6	191
Enhancing patient environment	69	38	107	124	-	124
Support costs	71	-	71	52	12	64
Other expenditure	1	-	1	-	-	-
	<u>551</u>	<u>109</u>	<u>660</u>	<u>696</u>	<u>422</u>	<u>1,118</u>

5. Auditor's Remuneration

The independent auditor's remuneration was £12,900 (2022/23 - £10,000) relating solely to the statutory audit with no other additional work undertaken.

6. Investments

Movement in Fixed Asset Investments

	31 March 2024 £'000	31 March 2023 £'000
Listed Investments		
Market value at 1 April	3,734	3,867
Additions to investments at cost	63	96
Disposals at book value	(100)	(135)
Net unrealised investment gains/(losses)	<u>334</u>	<u>(94)</u>
Market value at 31 March	<u>4,031</u>	<u>3,734</u>
Carrying value at 31 March	<u>4,031</u>	<u>3,734</u>
Historic cost of investments at 31 March	<u>2,247</u>	<u>1,893</u>

At 31 March 2024, all funds are held by two investment companies who have invested the funds in Common Investment Funds and Overseas Hedge Funds.

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Investments held at 31 March 2024 comprised the following:

	31 March 2024 £'000	31 March 2023 £'000
UK common investment funds	1,406	1,265
Overseas hedge funds	2,625	2,469
	<u>4,031</u>	<u>3,734</u>

7. Total Gross Income from Investments

	Unrestricted Funds £'000	Restricted Funds £'000	2024 Total £'000	2023 Total £'000
Return on investments held:				
UK common investment funds	37	-	37	35
Bank interest	18	-	18	3
	<u>55</u>	<u>-</u>	<u>55</u>	<u>38</u>

8. Analysis of Current Assets

Debtors

	31 March 2024 £'000	31 March 2023 £'000
Amounts falling due within one year:		
Prepayments and accrued income	319	584
Other debtors	14	32
Total debtors	<u>333</u>	<u>616</u>

The Charity has accrued income of £127,000 relating to legacies of which it had been notified during the year and met the criteria for recognition but had not been received as at 31 March 2024 (2023 - £317,000 accrued legacies). A further £192,000 is accrued relating to a donation from a private donor towards the robotic surgery fund which was notified in the year and received in 2024/25 (2023: £177,000 accrued donations). The prior year also included accrued NHS Charities Together grant income of £90,000.

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Cash at Bank and in Hand

	31 March 2024 £'000	31 March 2023 £'000
Cash at bank and in hand	<u>1,706</u>	<u>1,203</u>

Cash in hand represented petty cash of £200 (2023 - £200).

9. Analysis of Liabilities

Creditors

	31 March 2024 £'000	31 March 2023 £'000
Amounts falling due within one year:		
Amounts due to related parties	497	198
Other creditors	2	2
Grants payable	685	843
Accruals	<u>15</u>	<u>10</u>
	<u>1,199</u>	<u>1053</u>

Amounts owed to related parties represent amounts owed to HHFT for costs incurred on behalf of the Charity in furtherance of the Charity's objects.

All liabilities are unsecured.

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10. Analysis of Charitable Funds

	Balance at 1 April 2023 £'000	Income £'000	Expenditure £'000	Transfer between funds	Gains and Losses £'000	Balance at 31 March 2024 £'000
Restricted						
Arthritis Research - Legacy I H Spain	94	-	-	-	-	94
Stroke Serv Development Charitable Fund RHCH	234	(4)	(32)	-	-	197
RHCH Staff Benefit	125	-	(61)	-	-	64
RHCH Patient Benefit	36	-	(11)	-	-	25
Covid-19	9	-	(4)	-	-	5
BAME Staff Support	35	-	(9)	-	-	26
Healthier Communities New Models of Care	1	-	-	-	-	1
Hospice Equipment and support	23	-	8	-	-	32
Total restricted funds	556	(4)	(109)	-	-	443
Unrestricted						
Designated funds						
RHCH Chapel	134	-	(3)	-	-	131
UNREALISED GAIN RESERVE	484	-	-	-	-	484
Paediatrics RHCH	41	67	(30)	-	-	78
Magic Wand Appeal	56	1	(4)	-	-	53
Liver	232	31	(10)	-	-	253
Orthopaedic Department General Purposes	516	1	(6)	-	-	511
Oncology Unit (Previously EH Unit or Wessex)	201	37	(58)	-	-	180
Ward C2	83	5	-	-	-	88
Cardiology Education Fund	73	1	(19)	-	-	55
Pseudomyxoma/Colorectal Research	291	77	(17)	-	-	351
Winchester Hospice Fund	120	16	(9)	-	-	127
ROBOTIC SURGERY FUND	423	200	-	-	-	623
BDMDS Basingstoke District Medical Dental Society	0	120	(10)	-	-	110
Other designated	999	127	(153)	-	-	973
Total designated funds	3,653	683	(319)	-	-	4,017
General Funds	291	257	(425)	-	288	411
Total unrestricted funds	3,944	940	(744)	-	288	4,428
Total Funds	4,500	936	(853)	-	288	4,871

Individual unrestricted funds with closing balance over £50,000 have been reported in the table above. All smaller funds are included within other designated and general funds. There are no endowment funds held by the Charity.

The Trustee considers that sufficient resources are held in an appropriate form to enable each fund to be applied in accordance with any restrictions.

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10. Analysis of Charitable Funds (continued)

	Balance at 1 April 2022 £'000	Income £'000	Expenditure £'000	Transfer between funds	Gains and Losses £'000	Balance at 31 March 2023 £'000
Restricted						
Stroke Services Development Charitable Fund RHCH	242	4	(16)	-	4	234
RHCH Staff Benefit	138	37	(52)	-	2	125
Arthritis Research - Legacy I H Spain	93	1	(2)	-	2	94
Covid-19	154	1	(149)	-	2	8
BAME Staff Support	44	-	(10)	-	1	35
RHCH Patient Benefit	-	36	-	-	-	36
Healthier Communities New Models of Care	30	-	(30)	-	1	1
Hospice Equipment and support	182	1	(162)	-	2	23
Total restricted funds	883	80	(421)	-	14	556
Unrestricted						
Designated funds						
Orthopaedic Department General Purposes	534	8	(36)	-	10	516
Oncology Unit (Previously EH Unit or Wessex)	266	26	(95)	-	4	201
Liver Fund	245	3	(20)	-	4	232
Pseudomyxoma/Colorectal Research	242	82	(38)	-	5	291
Robotic Surgery Fund	220	202	(4)	-	5	423
Winchester Hospice Fund	164	29	(76)	-	3	120
RHCH Chapel	132	1	(2)	-	3	134
Cardiology Education Fund	111	4	(43)	-	1	73
Ward C2	74	10	(3)	-	2	83
Winchester Medical Foundation Charitable Fund	66	1	(41)	-	1	27
Magic Wand Appeal	55	1	(1)	-	1	56
Other designated	1,628	187	(202)	-	(116)	1,497
Total designated funds	3,737	554	(561)	-	(77)	3,653
General Funds	146	279	(136)	-	2	291
Total unrestricted funds	3,883	833	(697)	-	(75)	3,944
Total Funds	4,766	913	(1,118)	-	(61)	4,500

Individual unrestricted funds with closing balance over £50,000 have been reported in the table above. All smaller funds are included within other designated and general funds. There are no endowment funds held by the Charity.

The Trustee considers that sufficient resources are held in an appropriate form to enable each fund to be applied in accordance with any restrictions.

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10. Analysis of Charitable Funds (continued)

The purposes of the funds analysed are as follows:

Restricted

Stroke Services – to provide a new ward for stroke patients and to aid in their rehabilitation.

RHCH Staff Benefit – for the benefit of all staff members at Winchester Hospital.

Arthritis Research – Legacy I H Spain – to fund research of arthritis treatments.

Covid-19 – to enhance the well-being of NHS Staff, volunteers and patients impacted by Covid.

BAME Staff Support - to increase and improve our support for our BAME staff.

RHCH Patient Benefit - for the benefit of all patients at Winchester Hospital.

Healthier Communities New Models of Care - project to improve health and wellbeing at 'neighbourhood' level by reducing health inequalities.

Hospice Equipment and support – from NHS funds (via the CCG) to support revenue and equipment in hospices.

Designated

Orthopaedic General Purposes Fund – to provide staff and patients amenities within the Orthopaedic Department.

Oncology Unit (Formerly Elizabeth Hall Unit) – to provide welfare and amenities for patients and staff and to fund enhancements to the fabric of the unit (Haematology/Oncology).

Liver Fund – to fund research and development within the Hepato-Biliary unit.

Pseudomyxoma/Colorectal Research – the relief of patients suffering from pseudomyxoma peritonei, colorectal cancer and related diseases. Promotion and understanding of research into causes, treatment and prevention of pseudomyxoma peritonei, colorectal cancer and related diseases and publications in any form of the results of such research. To provide amenities for staff in the pseudomyxoma and colorectal units.

Robotic Surgery Fund - provision of robotic surgery at BNH.

Winchester Hospice Fund – to support the development of hospice services for the population of Winchester and surrounding areas, including the development of a hospice building, staffing and staff development.

RHCH Chapel – for the preservation and upkeep of the Chapel at Winchester Hospital.

Cardiology Education Fund – to support education and research within the Cardiology Unit and to provide staff amenities within the unit.

Ward C2 - to provide welfare and amenities for patients and staff and to fund enhancements to the fabric of the unit.

Winchester Medical Foundation Charitable Fund – for the benefit of all staff and patients, equipment and training/research.

Magic Wand Appeal – to design, reconfigure and refurbish the paediatric unit.

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11. Analysis of Net Assets between Funds

Fund balances as at 31 March 2024 are represented by:

	General Funds £'000	Restricted Funds £'000	2024 Total £'000	General Funds £'000	Restricted Funds £'000	2023 Total £'000
Investments	3,861	170	4,031	3,456	278	3,734
Current Assets	1,649	390	2,039	794	1,025	1,819
Creditors: Amounts falling due within one year	(1,082)	(117)	(1,199)	(306)	(747)	(1,053)
	4,428	443	4,871	3,944	556	4,500

12. Related Party Transactions

HHFT receives grants and delivers services on behalf of the Charity. The Charity has reimbursed HHFT for approved expenditure made on behalf of the Charity. This reimbursement amounted to £1,031,000 (2023 - £433,000) and is included within total expenditure in the Statement of Financial Activities. During the year none of the members of HHFT's Board or their senior staff or parties related to them were beneficiaries of the Charity.

The Charity owed HHFT £497,000 at 31 March 2024 (2023 - £198,000), as shown in note 9.

Neither HHFT nor any member of the Board received honoraria, emoluments or expenses in the year.

HHFT purchased trustee indemnity insurance costing £3,000 during the year (2022/23 - £1,700).

HHFT has provided fundraising and administrative support for the Charity at a cost of £221,323 (2022/23 - £48,000) for the year.

The Hampshire Medical Fund is considered a related party because Dr Alloway who is the Chief Medical Officer and member of the Trust Board is a Trustee of the Hampshire Medical Fund. No transactions occurred with the Hampshire Medical Fund during the year.

The Winchester Hospice Fundraising Charity is considered a related party because Dr Alloway who is the Chief Medical Officer and member of the Trust Board is a Trustee of the Winchester Hospice Fundraising Charity. No transactions occurred with the Winchester Hospice during the year.

13. Staff costs

The Charity does not directly employ any individuals but is recharged for staff employed by HHFT who have provided services for the Charity. This included the Head of Charity, the fundraising team and a proportion of the costs of other individuals who provided administrative support. There was no team to recharge in 2023. The average monthly headcount of staff included in the recharge over the year to 31 March 2024 was 6 (2023: nil).

The total amount of £173,000 for the year (2023: £nil) represents a recharge covering applicable salaries and other employment costs, including employer's national insurance and pension costs which are not separately identifiable. None of the recharges related to individual staff emoluments of over £60,000.

The key management personnel comprise the directors of the Corporate Trustee. As disclosed in note 12, no remuneration was paid to these individuals by the Charity.

Hampshire Hospitals Charity

(Registered Charity number 1060133)

Annual Report and Accounts for the year ended 31 March 2024

Hampshire Hospitals Charity – Annual Report and Accounts for the year ended 31 March 2024

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Trustee's Report

Foreword

The Trustee presents the Charity's Annual Report and the audited Accounts of the Charity for the year ended 31 March 2024.

These accounts have been prepared by the Trustee under the Charities Act 2011, in the form set out in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Ireland (FRS 102).

Statutory Background

Hampshire Hospitals Charity administers funds for the benefit of patients and staff of the Basingstoke and North Hampshire Hospital (BNHH), the Royal Hampshire County Hospital (RHCH) in Winchester, and the Andover War Memorial Hospital (AWMH).

Throughout these accounts the word Charity refers to the Hampshire Hospitals Charity. HHFT refers to Hampshire Hospitals NHS Foundation Trust. Hampshire Hospitals Charity is registered with the Charity Commission (registration number 1060133).

Trustee

The Charity has a single corporate trustee, HHFT, which administers funds in the interests of beneficiaries. The Trustee meets bi-monthly to monitor progress with managing the Charity's resources, ensuring they are used for the public benefit, and having regard for the guidance issued by the Charity Commission.

Directors of HHFT who held office during the year and up to the date of signing the Annual Report and Accounts were:

Name	Position in Foundation Trust
Steve Erskine	Chairman
Alex Whitfield	Chief Executive Officer
Lara Alloway	Chief Medical Officer (left 13 th August 2023)
Dr Nick Ward	Interim Chief Medical Officer (left 1 st January 2024)
Ruth Williamson	Chief Medical Officer (from 2 nd January 2024)
Steve West	Chief Financial Officer
Julie Dawes	Chief Nurse
Rupert Goodman	Interim Chief People Officer (left 31 st August 2023)
Tim Powell	Chief People Officer (from 4 th September 2023)
Andy Hyett	Chief Operating Officer
Shirlene Oh	Chief Strategy and Population Health Officer
Ruth Williams	Non-Executive Director
Simon Holmes	Non-Executive Director
Jos Creese	Non-Executive Director
Laks Khangura	Non-Executive Director
Stephen Duckworth	Non-Executive Director
Clancy Murphy	Non-Executive Director
John Deverill	Non-Executive Director
Dominic Arthur	Associate Non-Executive Director

Hampshire Hospitals Charity – Annual Report and Accounts for the year ended 31 March 2024

Administration

The principal office for the Charity is:

Finance Department
Basingstoke and North Hampshire Hospital
Aldermaston Road
Basingstoke
RG24 9NA

Professional Advisers and Agents

During the year the Charity employed the following agents:

Bankers

Lloyds Bank plc
2 Winchester Street
Basingstoke
Hampshire
RG21 7EB

Investment Advisors

Sarasin & Partners LLP
Juxon House
100 St Paul's Churchyard
London
EC4M 8BU

Partners Capital LLP
5th Floor
5 Young Street
London W8 5EH

Independent Auditor

Kreston Reeves LLP
9 Donnington Park
85 Birdham Road
Chichester
West Sussex
PO20 7AJ

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Main Purpose of the Charity

The trustees shall hold the trust fund upon trust to apply the income to enhance patient care, improving hospital environment, and by increasing the knowledge and welfare of staff who provide care to those patients, or purposes related to the National Health Service elevating hospital healthcare and wellbeing of our local community.

Structure, Governance and Management

The main Charity, being an unrestricted fund, was established using the model declaration of trust, with special trusts being registered for the restricted funds. All funds that were held on trust at the date of registration were either part of the unrestricted fund or restricted funds held registered under the main Charity. Subsequent donations and gifts received by the Charity that are for the benefit of the original funds have been added to those fund balances.

The Corporate Trustee fulfils its legal duty by ensuring that funds are spent in accordance with the fund objectives by designating funds to benefiting patient care, promoting good health and welfare for both patients and staff, thereby respecting donors' wishes.

The charitable funds are allocated to specialities, wards and departments within HHFT's divisional management structure. These allocations are known as funds and have fund managers appointed to them, who are responsible for ensuring they are correctly managed.

The accounting records and day to day administration of the funds are dealt with by the finance department of HHFT. To keep the administrative costs to a minimum, the Charity relies on HHFT to identify the appropriateness of funding requests, ensuring they are of a charitable nature, the funds are available and if required a VAT zero rating certificate is completed when the order is raised.

Key management personnel consist of the directors of the Corporate Trustee. The directors undergo charity training as part of their induction. No remuneration was paid to these persons by the Charity in the year.

Risk Management

A risk register is maintained by the Corporate Trustee and is regularly reviewed. Risks are prioritised according to their probability and potential impact. The Corporate Trustee has considered the major risks to which the charity is exposed and they have satisfied themselves that systems and procedures are in place to manage and mitigate those risks.

Significant areas of risk continue to be reviewed and are deemed to include:

Governance Risk

Hampshire Hospitals NHS Foundation Trust is the Corporate Trustee of the Charity and its Executive and Non-executive Directors are responsible for the governance of the Charity. Papers are sent out in advance of the regular Trustees meetings for prior consideration, then discussed at the meeting following which decisions taken are minuted and communicated to the fund holders. The Trustee maintains a register of interests and ensures that there are no conflicts of interest with third parties.

The Company Secretary (or delegated assistant) of the Trustee is in attendance at all meetings to ensure that the charity is managed in line with Charity Law guidelines.

Risk to Reputation

The reputation risk that the Charity is not acting in accordance with its donors' wishes is managed by continually checking that all expenditure is in line with the objectives of the individual funds. The fund signatories receive regular reporting of their fund balances and are continually educated on appropriate spending. HHFT Finance review all transactions prior to 3rd party commitment.

Hampshire Hospitals Charity – Annual Report and Accounts for the year ended 31 March 2024

Financial Risk

Monthly accounts are prepared by the finance department of the Corporate Trustee, and a quarterly report is presented to its directors to highlight the performance of the Charity over the previous three months.

The risk that the Charity might suffer a financial loss if the investment portfolio is not appropriately managed is mitigated by the investment sub-committee who meet on a regular basis to review the portfolio risk and fund manager performance. The fund managers produce quarterly reports of performance which are considered by the investment sub-committee.

The risk of loss of opportunity to apply for grants from NHS Charities Together (NHSCT) if the Trust does not respond in a timely manner means that correspondence from NHSCT is regularly reviewed and shared.

If legacies intended for our hospitals do not match the legal title of the Charity there is a risk of delayed or non receipt of funds but if notified merger documents can be provided.

The Charity takes out an annual insurance policy to cover the Trustee Liability.

The Trustee make a regular assessment as to whether the reserves are sufficient to meet their on-going financial obligations.

Partnership Working

Patients and staff of HHFT are the main beneficiaries of the Charity and HHFT is a related party by the virtue of being the Corporate Trustee of the Charity. By working closely with the Trust, the Charity ensures that funds are used to best effect, after taking into account the main activities, objectives, strategies and plans of HHFT over the short, medium and long term.

Annual Review

Hampshire Hospitals Charity receives the majority of its income from donations, legacies and investment income and gains. Trustees of the Charity are extremely grateful to all donors for the funds received over the year as these make a significant difference to the care and treatment provided to the patients of Hampshire Hospitals NHS Foundation Trust.

Total income for the year was £936,000 (2022/23 £915,000) of which donations of £764,000 (2022/23 £561,000), legacies £117,000 (2022/23 £316,000), grants £nil (2022/23 nil), investment income £55,000 (2022/23 £38,000) and income from charitable activities £nil (2022/23 nil).

The Charity's funds continued to support a wide range of activities which greatly enhance the service offered to patients and/or supported the staff of HHFT. Individual purchases were varied but all added to the quality of patient care or the staff experience by supporting developments that are not possible through NHS funding alone. This included, for example, the purchase of leading-edge clinical equipment, providing staff and equipment to enhance patients welfare and providing learning and education to increase staff knowledge.

Total expenditure, including support costs, was £853,000 (2022/23 £1,120,000). Charitable expenditure on direct charitable activity was £588,000 (2022/23 £1,118,000). Fundraising costs were £191,000 (2022/23 £2,000) and investment management costs were £2,300 (2022/23 nil).

A summary of the major items purchased during the year is shown below:

Clinical Equipment £105,000 (2022/23 £191,000)

The Charity purchased many items of clinical equipment which enabled the hospitals' teams to provide leading edge technology for their patients' treatment. The most significant of those purchases included:

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- New cold cap machines (£41,000) for Chemotherapy Unit based in Winchester hospital. This is a device that prevents hair loss as a side effect of chemotherapy. Many patients choose to use the cold cap machines during their cancer treatment.
- Therapy treadmill (£22,000). The national stroke guidelines strongly recommend treadmill gait training for patients unable to mobilise post stroke.
- Billycocoon phototherapy lights (£12,000) for Winchester Neonatal Unit. The device is used to help jaundiced newborns without the need for them to stay in hospital. This phototherapy units are ideal as they allow babies to be mobile while receiving the treatment. Lights are returned to the hospital once the therapy is completed.
- 4 x ATOM phototherapy units (£11,000) to help recover jaundiced babies in Winchester Neonatal Unit.
- 2x RP-10 sample preparation system OSNA (£18,000) mixing device to prepare tissue samples for diagnostic testing to replace two existing homogenisers. The equipment has been requested by The Cellular Pathology Department.

Enhancing Patients and Staff Environments £107,000 (2022/23 £124,000)

The most expensive (£37,000) project has been completed for Hampshire Heart Centre (Cardiology and Cardiology Education Fund). The decommissioned space has been restored to create a welfare area, bereavement room, quiet space as well as utility room. The refurbishment has significantly improved the usage of floorspace for the patients, their families as well as hospital staff.

£26,000 has been spent on modernisation and expansion of Outpatient Waiting Area in paediatric care in RHCH (Northbrook/Sophies Place). This project was essential to ensure that critical services can continue for the physical and mental health and wellbeing of young patients.

Further £34,000 has been spent on improving restaurant areas at both Basingstoke and Winchester. Charitable funds were used to refurbish the servery at Basingstoke, purchase comfortable sofas, low tables, seating, plants as well as equipment (self-serve coffee and ice cream machines). By making these improvements, the restaurants have been able to increase their offerings to both staff and visitors.

Also new windows and blinds have been installed in Sherbourne Blue Room (£6,000). The replacement was essential for this room to create fit for purpose space for interviews, patient discharge meetings and patient education session.

Enhancing Patients' Welfare £216,000 (2022/23 £378,000)

£35,000 has been spent on providing Patient Partner Programme together with £22,000 speciality focused patient voice partner.

The charity also purchased this year motorised wheelchairs for all sites for the value of £36,000.

To ensure the best service to the patients £30,000 annual subscription fee has been paid to UpToDate online service that provides evidence based clinical information and recommendation for health care professionals.

As part of the Healthier Communities New Models of Care £30,000 has been committed to increase the Community Builder (Animator) employed in Andover to 2 days a week resulting in coverage across Andover and Basingstoke. A Community Builder (Animator) is a paid member of staff (usually from a third sector organisation) and is focused on engaging the skills, knowledge and talents of citizens living in a community.

£16,000 is committed to provide a non-core post for psychological support for 12 months at Winchester Hospice to help support patients at end of life and those in receipt of palliative care.

Maintenance of fountain in Hospice Garden for the value of £13,000.

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£11,000 is committed to 1.2 WTE band 6 Clinical Nurse Specialists for 12 months, to enable continued service provision and management of patients for chemotherapy and any other systemic anti-cancer therapy (SACT).

£7,000 was spend on Virtual Reality Therapy kit, as well as on 2 electric patient trolleys.

Supporting our Staff to be Even Better £160,000 (2022/23 £361,000)

Many grateful patients offer donations for the direct benefit of the ward team who have looked after them. These donations are used in two main ways; either to provide additional education to enhance the skills of the team so they can offer even better care to their patients; or to enable team development activities which help improve staff morale and retention both of which are key aspects in delivering high quality healthcare.

A total of £94,000 was used to enable staff to attend educational programmes to expand their skills and knowledge to do their jobs better.

A total of £67,000 was spent or committed on staff welfare this year. This was spent or committed on providing safe spaces for rest and recuperation, facilities that promote and encourage outdoor breaks and activities, improvements to staff rest areas, wellbeing support, reverse mentoring, staff focus week, the annual people's awards, treats for staff, away days, lockers, Christmas treats, bike doctor clinics, hardship payments and fruit boxes.

Our Future Plans

Looking ahead, following this exciting year after supporting dozens of projects that have delivered improved patient care, helped with staff wellbeing and have contributed towards our vision for a happier, healthier Hampshire 2024-2025 will build on these successes. Our team will be looking to increase donations to be able to help and support more staff, more patients and more families.

We'll be hosting large scale, community specific fundraising events, including the second annual Lions Picnic in Winchester, inaugural Colour Run in Andover and inaugural Penguin Walk in Basingstoke to increase awareness of and donations to the charity. We'll be launching specialist business networking events across the region in collaboration with clinicians from the NHS trust to encourage increased business support for Hampshire Hospitals Charity, in the form of gifts in kind, event sponsorship and philanthropic donations.

Throughout our hospitals in Basingstoke, Winchester and Andover we're going to be encouraging more staff to become Charity Champions to be able to increase participation in fundraising and to empower colleagues to talk confidently about the charity with patients and families when they have questions.

Funding will continue to be raised to support some truly inspirational projects in and around areas of research and innovation to save lives, patient support around hardship such as providing family access to onsite accommodation, children's health including enhancing the environment of our Firvale space to better support our younger patients, staff wellbeing such as funding team building activities, and collaboration with external support groups for staff as well as improving staff areas.

A new charity brand including visual style and tone of voice will be developed and launched during 2024/2025 to improve awareness of and provide a distinctive look and personality to Hampshire Hospitals Charity, contributing towards our ambitious vision for a happier, healthier Hampshire.

Grant Making Policy

All staff employed by Hampshire Hospitals NHS Foundation Trust can apply for grants from charitable funds to enhance the care and treatment of patients.

Charitable funds can potentially be used for a wide range of costs, including medical research, professional staff development and medical equipment, which the trust cannot acquire through ordinary sources.

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The directors have discretionary powers to delegate their authority to agree grant applications. Currently, Fund Managers can make decisions on items totalling up to and including £1,000 subject to there being sufficient monies in the fund to cover the total requested.

Requests for grants between £1,000 and £5,000 must be approved by both a Fund Manager and the Chief Executive and reported to the full trust board at their next monthly meeting.

For all grants over £5,000, a paper must be completed which includes detailed information to support the grant application. The paper is submitted to the full trust board for approval, who meet monthly.

Any request to Fund Advisors should be in writing and should include details of the name and number of the fund to be charged, the amount, purpose and benefits of request and should be supported with documentation e.g. invoices/receipts.

Details of Fund Managers currently acting for a particular fund can be obtained upon request.

Fundraising

We are guided throughout our fundraising activity by robust governance and reporting, holding ourselves to the highest standards as required by the Charities Commission and Fundraising Regulator.

Income for the Charity is generated through a variety of routes, including, but not exclusive to, direct donations, Charity organised fundraising activity, legacy giving and investments.

There is a large increase of fundraising costs this year £193,000 (2023: £2,000) due to recruitment of fundraising team with skill set focused on income generation for the full spectrum of fundraising methods. This new function has been created as a response to rising importance, size and needs of the charity and is in line with its strategic goals.

There have been no failures by the charity to comply with the Code of Practice, nor complaints received by the Charity about fundraising activity.

Reserves Policy

The Corporate Trustee has a general legal duty to apply the charitable funds within a reasonable amount of time of receiving them, so with this in mind the Corporate Trustee reviews the funds it holds.

The Charity's reserves and its policy are set out as follows:

	Current Year £'000	Previous Year £'000
Unrestricted Fund Reserves	419	291
Designated Fund Reserves	4,009	3,653
Total	4,428	3,944
Ratio of Reserves to Annual Operating Expenditure	5.21	3.52

The ratio is calculated using the total unrestricted funds over expenditure in the current year. This means that with the current reserves can cover 5.21 times of the charity's yearly expenditure. Trustees review the ratio annually. The ratio has increased this year due to lower levels of charitable funds activities, decrease of 41% compared to previous year.

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The restricted fund balances of £443,000 (2022/23 £556,000) are not part of the reserves policy as the Corporate Trustee has no discretion over these. Restricted funds are carried forward in the current year to comply with our donors' specific requirements.

In the Corporate Trustee's view, the reserves should provide the Charity with adequate financial stability and the means for it to meet its charitable objectives in the medium term i.e. for next 3 to 5 years.

The Corporate Trustee maintains the Charity's reserves at a level which is at least equivalent to two years operational expenditure having regards to the unpredictability of the funding streams, and therefore discounting any legacy income which, by its nature, cannot be relied upon. The Corporate Trustee also maintains sufficient cover for any reasonable investment losses.

The Corporate Trustee reviews the amount of reserves that are required to ensure that they are adequate to fulfil the charity's continuing obligations on a quarterly basis at their finance meeting.

Investments and Performance Management

The Charity complies with the investment powers detailed in its governing document in addition to the powers given to it by the Trustee Act 2000. During the year, the Corporate Trustee invested its charitable funds with Sarasin and Partners LLP and Partners Capital LLP. Investments were valued at £4,009,000 as at 31 March 2024 (2022/23 £3,714,000). There is a further remaining investment held by CCLA Investment Management Limited COIF Charities Investment Fund which was valued at £22,000 as at 31 March 2024 (2022/23 - £20,000).

The investment portfolios held with Partners Capital LLP and Sarasin & Partners LLP have increased in year, as the inflation has settled and economy recovered during the year.

The Charity's current investment policy has a restriction, stated within the mandate, preventing investment in companies whose main business is the processing of tobacco.

The Corporate Trustee performs regular reviews of the performance, structure and financial management arrangements of the funds.

Conclusion

We would like to say a heart-felt thank you to all of the patients, families, carers, staff and the wider community for their continued, generous support. Without this generosity the Charity could not have achieved all of the improvements it has supported during the year.

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Statement of Trustee's Responsibilities

The Trustee is responsible for preparing the Trustee's Annual Report and the accounts 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 accounts for each financial year which give a true and fair view of the state of affairs of the Charity and of the income and expenditure of the Charity for that period.

In preparing these accounts, the Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

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 the Trustee to ensure that the accounts comply with the Charities Act 2011, applicable Charity (Accounts and Reports) Regulations and the provisions of the Charity's trust deed. The Trustee is 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 Trustee is 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 accounts may differ from legislation in other jurisdictions.



04/12/2024

Steve Erskine (Chairman)

Date



04/12/2024

Alex Whitfield (Trustee)

Date

Hampshire Hospitals Charity – Annual Report and Accounts for the year ended 31 March 2024

Independent Auditors' Report to the Trustee of Hampshire Hospitals Charity

Opinion

We have audited the financial statements of Hampshire Hospitals Charity ("the charity") for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes, including a summary of significant accounting policies. 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 2024, 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 twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustee 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 Trustee's Annual Report, other than the financial statements and our auditor's report thereon. The Trustee is responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

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- the information given in the financial statements is inconsistent in any material respect with the Trustee's report; or
- sufficient accounting records have not been kept; 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.

Responsibilities of trustees

As explained more fully in the Trustee's responsibilities statement, the Trustee is responsible for the preparation of the 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 Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Capability of the audit in detecting irregularities, including fraud

Based on our understanding of the Charity and industry, and through discussion with the Trustee and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to health and safety and anti-bribery. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011 and Charities Statement of Recommended Practice (FRS 102) 2019. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue or reduce expenditure and management bias in accounting estimates and judgemental areas of the financial statements. Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations and fraud; and
- Identifying and assessing the design effectiveness of controls that management has in place to prevent and detect fraud; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of

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business; and

- Reading minutes of meetings of those charged with governance; and
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustee.
- Conclude on the appropriateness of the Trustee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation (ie. gives a true and fair view).

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's Trustee, as a body, 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 as a body, for our audit work, for this report, or for the opinions we have formed.



Kreston Reeves LLP

Chartered Accountants
Statutory Auditor
Chichester

Date: 20th December 2024

Kreston Reeves LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

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Statement of Financial Activities for the year ended 31 March 2024

		2024			2023		
	Note	Unrestricted Funds £'000	Restricted Funds £'000	Total £'000	Unrestricted Funds £'000	Restricted Funds £'000	Total £'000
Income from:							
Donations	2	763	1	764	559	2	561
Legacies	2	122	(5)	117	245	71	316
Grants	2	-	-	-	-	-	-
		885	(4)	881	804	73	877
Other trading activities		-	-	-	-	-	-
Investments	7	55	-	55	30	8	38
Total income		940	(4)	936	834	81	915
Expenditure on:							
<i>Raising funds:</i>							
Other trading costs	3	(191)	-	(191)	(2)	-	(2)
Investment management costs	3	(2)	-	(2)	-	-	-
Charitable activities	4	(551)	(109)	(660)	(696)	(422)	(1,118)
				-			-
Total expenditure		(744)	(109)	(853)	(698)	(422)	(1,120)
Gains on investments	6	288	-	288	(75)	14	(61)
Net movement in funds		484	(113)	371	61	(327)	(266)
Fund balances brought forward		3,944	556	4,500	3,883	883	4,766
Fund balances carried forward		4,428	443	4,871	3,944	556	4,500

All results derive from continuing operations.

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

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Balance Sheet as at 31 March 2024

	Note	2024		2023	
		£'000	£'000	£'000	£'000
Fixed Assets					
Investments	6	4,031		3,734	
			4,031		3,734
Current Assets					
Debtors	8	333		616	
Cash at Bank and in Hand	8	1,706		1,203	
		2,038		1,819	
Creditors: Amounts Falling Due Within One Year	9	(1,199)		(1,053)	
Net Current Assets			840		766
Total Assets Less Current Liabilities			4,871		4,500
Total Net Assets			4,871		4,500
Funds of the Charity					
Restricted Income Funds	10		443		556
Designated Income Funds	10		4,017		3,653
General Income Funds	10		411		291
Total Charity Funds			4,871		4,500

The annual accounts on pages 15 to 29 were approved and authorised for issue by the Corporate Trustee and signed on its behalf by Steve Erskine.

Signed:

Date: 4th December 2024

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for the year ended 31 March 2024**

Statement of Cash Flows for the year ended 31 March 2024

	Notes	2024 £'000	2023 £'000
Cash inflow from operating activities:			
Net cash provided by (used in) operating activities	A	448	76
Cash inflow from investing activities:			
Dividends and interest from investments		55	38
Proceeds from the disposal of investments		63	124
Purchase of investments		(63)	(85)
Net cash provided by (used in) investing activities		55	77
Change in cash and cash equivalents in the year		503	153
Cash and cash equivalents at 1 April 2023	B	1,203	1,050
Cash and cash equivalents at 31 March 2024	B	1,706	1,203

Notes to the cash flow statement for the year to 31 March 2024

A Reconciliation of net movement in funds to net cash flow from operating activities

	2024 £'000	2023 £'000
Net movement in funds (as per the statement of financial activities)	372	(266)
Adjustments for:		
(Gains) losses on investments	(288)	61
Dividends and interest from investments	(55)	(37)
Foreign Exchange Gain	(9)	32
(Increase) decrease in debtors	282	(147)
Increase (decrease) in creditors	146	433
Net cash provided by (used in) operating activities	448	76

B Analysis of cash and cash equivalents

	2024 £'000	2023 £'000
Cash at bank and in hand	1,706	1,203
Cash held by investment managers	-	-
Total cash and cash equivalents	1,706	1,203

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Notes to the accounts

1. Accounting Policies

Basis of preparation

These accounts have been prepared for the year to 31 March 2024.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice 2019 applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest thousand pounds.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the Trustee to make significant judgements and estimates. The items in the accounts where these judgements and estimates have been made include:

Estimating amounts to be accrued as legacies

The Trustee has considered all legal correspondence received in the year in order to assess whether a legacy should be recognised in the accounts based on the entitlement of the charity to receive it, the probability of receipt, and the reasonable certainty of the amount which includes making enquiries of the executors of the wills in question.

Assessment of going concern

The Trustee has assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The Trustee has made this assessment in respect to a period of one year from the date of approval of these accounts.

The Trustee of the charity has concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The Trustee is of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

In making this decision, the Trustee has taken into consideration the risks and uncertainties arising from the Coronavirus pandemic and conclude that the charity can sustain its operations for a period of at least twelve months from date of signing these accounts.

Funds structure

Unrestricted general funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the Charity's charitable objects.

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Restricted funds are those which are to be used in accordance with specific restrictions imposed by the donor or the result of a specific appeal. Where a preference is indicated by a donor as to the application of funds, they are unrestricted, and then designated by the Trustee in line with this. The Charity follows the Charity Commission guidance for NHS charities when allocating to funds.

Where the restriction requires the gift to be invested to produce income which may be spent but the capital must be protected, then it is an endowment fund. If the Trustee also has the power to spend the capital in addition to the income, then the fund is an expendable endowment fund.

The Charity has a combination of restricted and unrestricted funds and no endowment or expendable endowment funds.

The Charity has some designated funds which have been set aside out of unrestricted funds for specific purposes.

Income recognition

Income is recognised in the period in which the Charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income comprises donations, grants, legacies and investment income.

Donations and grants

Donations and grants are recognised when the Charity has confirmation of both the amount and settlement date. In the event of donations or grants pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation or grant is subject to conditions that require a level of performance before the Charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Legacies

Legacies are included in the statement of financial activities when the Charity is entitled to the legacy, it is probable that the legacy will be received, and any conditions attached to the legacy are within the control of the charity.

Entitlement is taken as the earlier of the date on which either: the Charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the Charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the Charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the Charity or the charity is aware of the granting of probate, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title of the asset having been transferred to the Charity.

Taxation

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

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Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. Expenditure comprises grants and donations, and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

- Expenditure on raising funds are those costs attributable to generating income for the Charity, other than those costs incurred in undertaking charitable activities, and represent fundraising costs together with investment management fees.
- Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the Charity through the provision of its charitable activities. Such costs include charitable grants and donations and support costs in respect to the charitable activity including governance costs.

Charitable grants and donations are made after the Trustee has considered an application for funds. Grants and donations are included in the statement of financial activities when approved for payment.

Charitable expenditure is authorised and allocated for each individual fund rather than allocated across multiple funds.

Allocation of overheads and support costs

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the Charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment.

Governance costs comprise the costs involving the public accountability of the Charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

All support costs have been allocated to expenditure on charitable activities because any apportionment across the expenditure categories would be immaterial.

Fixed Asset Investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the financial year.

The Charity does not acquire put options, derivatives or other complex financial instruments.

As noted above the main form of financial risk faced by the Charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Gains and losses on investments

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value is acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair

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value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

At each quarter end 50% of unrealised gains are allocated across the funds and the remainder is recorded as an unrealised gain reserve.

All unrealised losses are allocated across the funds at each quarter end.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the Charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

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2. Analysis of Donations, Legacies and Grants

	2024			2023		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	Funds	Funds		Funds	Funds	
	£'000	£'000	£'000	£'000	£'000	£'000
Donations	763	1	764	559	2	561
Legacies	122	(5)	117	244	72	316
	<u>885</u>	<u>(4)</u>	<u>882</u>	<u>803</u>	<u>74</u>	<u>877</u>

A total of £127,000 has been accrued in legacies where the receipt of the legacy is probable and measurable but not yet received. Donations include £192,000 accrued as a donation towards robotic surgery.

No grants were notified or received in the year.

3. Allocation of Support Costs and Overheads

	2024	2023
	Total	Total
	£'000	£'000
Accountancy support	48	48
External audit	13	10
Bank charges	-	1
Software maintenance	7	3
Insurance	3	2
Total support costs	<u>71</u>	<u>64</u>

	2024	2023
	Total	Total
Fundraising costs	191	2
Investment management fee	2	-
Total costs of raising funds	<u>193</u>	<u>2</u>

Support costs and overheads are apportioned across restricted and unrestricted funds. All support costs have been allocated to general charitable expenditure (note 4) because any apportionment between the categories of expenditure would be immaterial.

Fundraising costs include a recharge of staff time from HHFT (see note 13), other fundraising expenses and investment management fees. All costs of raising funds are allocated against unrestricted funds.

4. Analysis of Charitable Expenditure (Grant Support Provided)

The charitable expenditure incurred is for grant support provided, rather than for direct charitable activities undertaken by the Charity. The Charity does not provide grant support to individuals but makes the support solely available to HHFT.

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The Corporate Trustee operates a scheme of delegation, whereby fund holders manage the day to day disbursements for their programme in line with the directions set by the Corporate Trustee, and the Charity's procedures.

The table below shows the categories of programmes that the Charity has supported during the financial year under review.

	2024			2023		
	Unrestricted Funds	Restricted Funds	Total	Unrestricted Funds	Restricted Funds	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Patients' welfare and amenities	159	57	216	182	196	378
Staff welfare and education	169	(9)	160	153	208	361
Purchase of clinical equipment	82	23	105	185	6	191
Enhancing patient environment	69	38	107	124	-	124
Support costs	71	-	71	52	12	64
Other expenditure	1	-	1	-	-	-
	<u>551</u>	<u>109</u>	<u>660</u>	<u>696</u>	<u>422</u>	<u>1,118</u>

5. Auditor's Remuneration

The independent auditor's remuneration was £12,900 (2022/23 - £10,000) relating solely to the statutory audit with no other additional work undertaken.

6. Investments

Movement in Fixed Asset Investments

	31 March 2024 £'000	31 March 2023 £'000
Listed Investments		
Market value at 1 April	3,734	3,867
Additions to investments at cost	63	96
Disposals at book value	(100)	(135)
Net unrealised investment gains/(losses)	<u>334</u>	<u>(94)</u>
Market value at 31 March	<u>4,031</u>	<u>3,734</u>
Carrying value at 31 March	<u>4,031</u>	<u>3,734</u>
Historic cost of investments at 31 March	<u>2,247</u>	<u>1,893</u>

At 31 March 2024, all funds are held by two investment companies who have invested the funds in Common Investment Funds and Overseas Hedge Funds.

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Investments held at 31 March 2024 comprised the following:

	31 March 2024 £'000	31 March 2023 £'000
UK common investment funds	1,406	1,265
Overseas hedge funds	2,625	2,469
	<u>4,031</u>	<u>3,734</u>

7. Total Gross Income from Investments

	Unrestricted Funds £'000	Restricted Funds £'000	2024 Total £'000	2023 Total £'000
Return on investments held:				
UK common investment funds	37	-	37	35
Bank interest	18	-	18	3
	<u>55</u>	<u>-</u>	<u>55</u>	<u>38</u>

8. Analysis of Current Assets

Debtors

	31 March 2024 £'000	31 March 2023 £'000
Amounts falling due within one year:		
Prepayments and accrued income	319	584
Other debtors	14	32
Total debtors	<u>333</u>	<u>616</u>

The Charity has accrued income of £127,000 relating to legacies of which it had been notified during the year and met the criteria for recognition but had not been received as at 31 March 2024 (2023 - £317,000 accrued legacies). A further £192,000 is accrued relating to a donation from a private donor towards the robotic surgery fund which was notified in the year and received in 2024/25 (2023: £177,000 accrued donations). The prior year also included accrued NHS Charities Together grant income of £90,000.

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Cash at Bank and in Hand

	31 March 2024 £'000	31 March 2023 £'000
Cash at bank and in hand	<u>1,706</u>	<u>1,203</u>

Cash in hand represented petty cash of £200 (2023 - £200).

9. Analysis of Liabilities

Creditors

	31 March 2024 £'000	31 March 2023 £'000
Amounts falling due within one year:		
Amounts due to related parties	497	198
Other creditors	2	2
Grants payable	685	843
Accruals	<u>15</u>	<u>10</u>
	<u>1,199</u>	<u>1053</u>

Amounts owed to related parties represent amounts owed to HHFT for costs incurred on behalf of the Charity in furtherance of the Charity's objects.

All liabilities are unsecured.

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10. Analysis of Charitable Funds

	Balance at 1 April 2023 £'000	Income £'000	Expenditure £'000	Transfer between funds	Gains and Losses £'000	Balance at 31 March 2024 £'000
Restricted						
Arthritis Research - Legacy I H Spain	94	-	-	-	-	94
Stroke Serv Development Charitable Fund RHCH	234	(4)	(32)	-	-	197
RHCH Staff Benefit	125	-	(61)	-	-	64
RHCH Patient Benefit	36	-	(11)	-	-	25
Covid-19	9	-	(4)	-	-	5
BAME Staff Support	35	-	(9)	-	-	26
Healthier Communities New Models of Care	1	-	-	-	-	1
Hospice Equipment and support	23	-	8	-	-	32
Total restricted funds	556	(4)	(109)	-	-	443
Unrestricted						
Designated funds						
RHCH Chapel	134	-	(3)	-	-	131
UNREALISED GAIN RESERVE	484	-	-	-	-	484
Paediatrics RHCH	41	67	(30)	-	-	78
Magic Wand Appeal	56	1	(4)	-	-	53
Liver	232	31	(10)	-	-	253
Orthopaedic Department General Purposes	516	1	(6)	-	-	511
Oncology Unit (Previously EH Unit or Wessex)	201	37	(58)	-	-	180
Ward C2	83	5	-	-	-	88
Cardiology Education Fund	73	1	(19)	-	-	55
Pseudomyxoma/Colorectal Research	291	77	(17)	-	-	351
Winchester Hospice Fund	120	16	(9)	-	-	127
ROBOTIC SURGERY FUND	423	200	-	-	-	623
BDMDs Basingstoke District Medical Dental Society	0	120	(10)	-	-	110
Other designated	999	127	(153)	-	-	973
Total designated funds	3,653	683	(319)	-	-	4,017
General Funds	291	257	(425)	-	288	411
Total unrestricted funds	3,944	940	(744)	-	288	4,428
Total Funds	4,500	936	(853)	-	288	4,871

Individual unrestricted funds with closing balance over £50,000 have been reported in the table above. All smaller funds are included within other designated and general funds. There are no endowment funds held by the Charity.

The Trustee considers that sufficient resources are held in an appropriate form to enable each fund to be applied in accordance with any restrictions.

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10. Analysis of Charitable Funds (continued)

	Balance at 1 April 2022 £'000	Income £'000	Expenditure £'000	Transfer between funds	Gains and Losses £'000	Balance at 31 March 2023 £'000
Restricted						
Stroke Services Development Charitable Fund RHCH	242	4	(16)	-	4	234
RHCH Staff Benefit	138	37	(52)	-	2	125
Arthritis Research - Legacy I H Spain	93	1	(2)	-	2	94
Covid-19	154	1	(149)	-	2	8
BAME Staff Support	44	-	(10)	-	1	35
RHCH Patient Benefit	-	36	-	-	-	36
Healthier Communities New Models of Care	30	-	(30)	-	1	1
Hospice Equipment and support	182	1	(162)	-	2	23
Total restricted funds	883	80	(421)	-	14	556
Unrestricted						
Designated funds						
Orthopaedic Department General Purposes	534	8	(36)	-	10	516
Oncology Unit (Previously EH Unit or Wessex)	266	26	(95)	-	4	201
Liver Fund	245	3	(20)	-	4	232
Pseudomyxoma/Colorectal Research	242	82	(38)	-	5	291
Robotic Surgery Fund	220	202	(4)	-	5	423
Winchester Hospice Fund	164	29	(76)	-	3	120
RHCH Chapel	132	1	(2)	-	3	134
Cardiology Education Fund	111	4	(43)	-	1	73
Ward C2	74	10	(3)	-	2	83
Winchester Medical Foundation Charitable Fund	66	1	(41)	-	1	27
Magic Wand Appeal	55	1	(1)	-	1	56
Other designated	1,628	187	(202)	-	(116)	1,497
Total designated funds	3,737	554	(561)	-	(77)	3,653
General Funds	146	279	(136)	-	2	291
Total unrestricted funds	3,883	833	(697)	-	(75)	3,944
Total Funds	4,766	913	(1,118)	-	(61)	4,500

Individual unrestricted funds with closing balance over £50,000 have been reported in the table above. All smaller funds are included within other designated and general funds. There are no endowment funds held by the Charity.

The Trustee considers that sufficient resources are held in an appropriate form to enable each fund to be applied in accordance with any restrictions.

Hampshire Hospitals Charity – Annual Report and Accounts for the year ended 31 March 2024

10. Analysis of Charitable Funds (continued)

The purposes of the funds analysed are as follows:

Restricted

Stroke Services – to provide a new ward for stroke patients and to aid in their rehabilitation.

RHCH Staff Benefit – for the benefit of all staff members at Winchester Hospital.

Arthritis Research – Legacy I H Spain – to fund research of arthritis treatments.

Covid-19 – to enhance the well-being of NHS Staff, volunteers and patients impacted by Covid.

BAME Staff Support - to increase and improve our support for our BAME staff.

RHCH Patient Benefit - for the benefit of all patients at Winchester Hospital.

Healthier Communities New Models of Care - project to improve health and wellbeing at 'neighbourhood' level by reducing health inequalities.

Hospice Equipment and support – from NHS funds (via the CCG) to support revenue and equipment in hospices.

Designated

Orthopaedic General Purposes Fund – to provide staff and patients amenities within the Orthopaedic Department.

Oncology Unit (Formerly Elizabeth Hall Unit) – to provide welfare and amenities for patients and staff and to fund enhancements to the fabric of the unit (Haematology/Oncology).

Liver Fund – to fund research and development within the Hepato-Biliary unit.

Pseudomyxoma/Colorectal Research – the relief of patients suffering from pseudomyxoma peritonei, colorectal cancer and related diseases. Promotion and understanding of research into causes, treatment and prevention of pseudomyxoma peritonei, colorectal cancer and related diseases and publications in any form of the results of such research. To provide amenities for staff in the pseudomyxoma and colorectal units.

Robotic Surgery Fund - provision of robotic surgery at BNH.

Winchester Hospice Fund – to support the development of hospice services for the population of Winchester and surrounding areas, including the development of a hospice building, staffing and staff development.

RHCH Chapel – for the preservation and upkeep of the Chapel at Winchester Hospital.

Cardiology Education Fund – to support education and research within the Cardiology Unit and to provide staff amenities within the unit.

Ward C2 - to provide welfare and amenities for patients and staff and to fund enhancements to the fabric of the unit.

Winchester Medical Foundation Charitable Fund – for the benefit of all staff and patients, equipment and training/research.

Magic Wand Appeal – to design, reconfigure and refurbish the paediatric unit.

Hampshire Hospitals Charity – Annual Report and Accounts for the year ended 31 March 2024

11. Analysis of Net Assets between Funds

Fund balances as at 31 March 2024 are represented by:

	General Funds £'000	Restricted Funds £'000	2024 Total £'000	General Funds £'000	Restricted Funds £'000	2023 Total £'000
Investments	3,861	170	4,031	3,456	278	3,734
Current Assets	1,649	390	2,039	794	1,025	1,819
Creditors: Amounts falling due within one year	(1,082)	(117)	(1,199)	(306)	(747)	(1,053)
	4,428	443	4,871	3,944	556	4,500

12. Related Party Transactions

HHFT receives grants and delivers services on behalf of the Charity. The Charity has reimbursed HHFT for approved expenditure made on behalf of the Charity. This reimbursement amounted to £1,031,000 (2023 - £433,000) and is included within total expenditure in the Statement of Financial Activities. During the year none of the members of HHFT's Board or their senior staff or parties related to them were beneficiaries of the Charity.

The Charity owed HHFT £497,000 at 31 March 2024 (2023 - £198,000), as shown in note 9.

Neither HHFT nor any member of the Board received honoraria, emoluments or expenses in the year.

HHFT purchased trustee indemnity insurance costing £3,000 during the year (2022/23 - £1,700).

HHFT has provided fundraising and administrative support for the Charity at a cost of £221,323 (2022/23 - £48,000) for the year.

The Hampshire Medical Fund is considered a related party because Dr Alloway who is the Chief Medical Officer and member of the Trust Board is a Trustee of the Hampshire Medical Fund. No transactions occurred with the Hampshire Medical Fund during the year.

The Winchester Hospice Fundraising Charity is considered a related party because Dr Alloway who is the Chief Medical Officer and member of the Trust Board is a Trustee of the Winchester Hospice Fundraising Charity. No transactions occurred with the Winchester Hospice during the year.

13. Staff costs

The Charity does not directly employ any individuals but is recharged for staff employed by HHFT who have provided services for the Charity. This included the Head of Charity, the fundraising team and a proportion of the costs of other individuals who provided administrative support. There was no team to recharge in 2023. The average monthly headcount of staff included in the recharge over the year to 31 March 2024 was 6 (2023: nil).

The total amount of £173,000 for the year (2023: £nil) represents a recharge covering applicable salaries and other employment costs, including employer's national insurance and pension costs which are not separately identifiable. None of the recharges related to individual staff emoluments of over £60,000.

The key management personnel comprise the directors of the Corporate Trustee. As disclosed in note 12, no remuneration was paid to these individuals by the Charity.



Hampshire Hospitals Charity Key Audit Findings

For the year ended

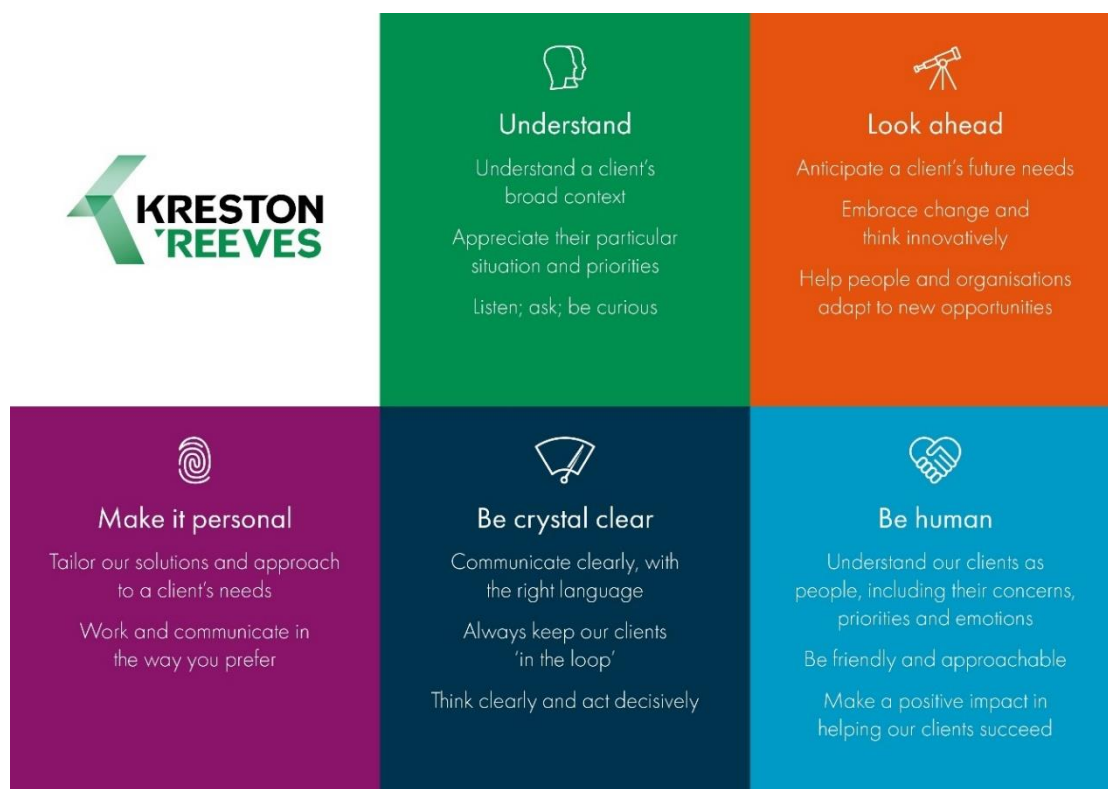
31 March 2024

Our values



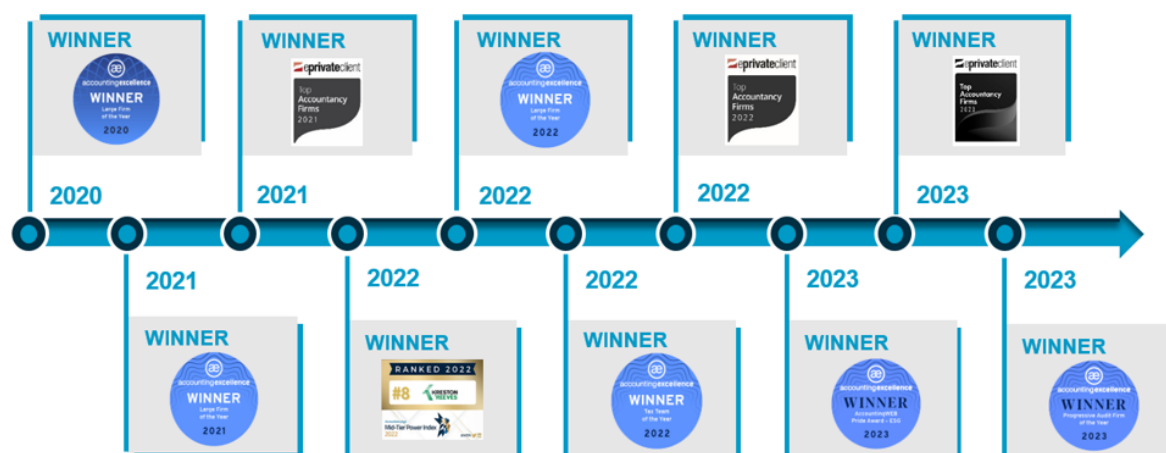
Our values define who we are and how we do things at Kreston Reeves. They reflect our attitudes and behaviours and represent a promise of quality, personal service and commitment to our clients, communities and colleagues.

Collectively and individually we aim to:



Our awards

We are regularly recognised and shortlisted in prestigious national, regional and industry awards. As well as receiving award recognition ourselves, it's important to us to help recognise and award the successes and growth stories of other businesses. We regularly support and sponsor awards such as Kent MegaGrowth and Sussex Top50.



Key Audit Findings For the year ended 31 March 2024

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Key Audit Findings For the year ended 31 March 2024

1. Introduction and audit summary

The purpose of this report is to bring to your attention our findings from the recent audit carried out on Hampshire Hospitals Charity. We appreciate that you will already be aware of the majority of the matters contained in this report through earlier discussions you will have had with the audit team, but we hope that you will find this report a useful summary of those discussions.

We would like to take this opportunity to thank Magda, Elvira and the rest of your team for the assistance they have provided to us during the course of our audit.

Our audit has given us a unique opportunity to understand your activities and processes. We have used this opportunity to provide you a service that is of real positive benefit to you.

During the course of our audit work this year we have performed the following tasks which we hope that you will have found to have been of benefit.

- We have assisted you with the preparation of the charity's financial statements and the trustees' annual report, ensuring that they comply with all statutory requirements and with accounting standards, including the Statement of Recommended Practice "Accounting and Reporting by Charities". In doing so we have ensured that the Charity has taken advantage of any accounting exemptions available to it so as to avoid any unnecessary over-disclosure of the Charity's affairs that are not required to be published in publicly available financial statements.
- In order to be able to assist you with the preparation of the Charity's financial statements we have highlighted to you misstatements in the accounting records discovered by our audit work, and worked with you to ensure that where material these have been corrected. Further information related to misstatements discovered during our audit are set out in section 5 along with Appendices II and III.
- We have reviewed the accounting policies that you have selected to ensure that they are meeting best practice in accounting for the sector in which the charity operates.
- We have advised you of planned changes in legislation that may be of relevance to you in order that you may prepare for their implementation. These are detailed at Section 7 of this report.
- We have reviewed the Charity's systems of accounting and internal control systems and made recommendations where these can be improved. These are detailed at Section 6 of this report.
- We have considered the Charity's governance and compliance with elements of charity law, suggesting improvements that could be made. These are detailed at Section 9 of this report.

Hampshire Hospitals Charity



Key Audit Findings For the year ended 31 March 2024

Should you have any questions regarding any of the issues raised in this report please contact Simon Webber as the partner responsible for the audit of the charity, or any other member of the audit team, who will be happy to provide further explanations as required.

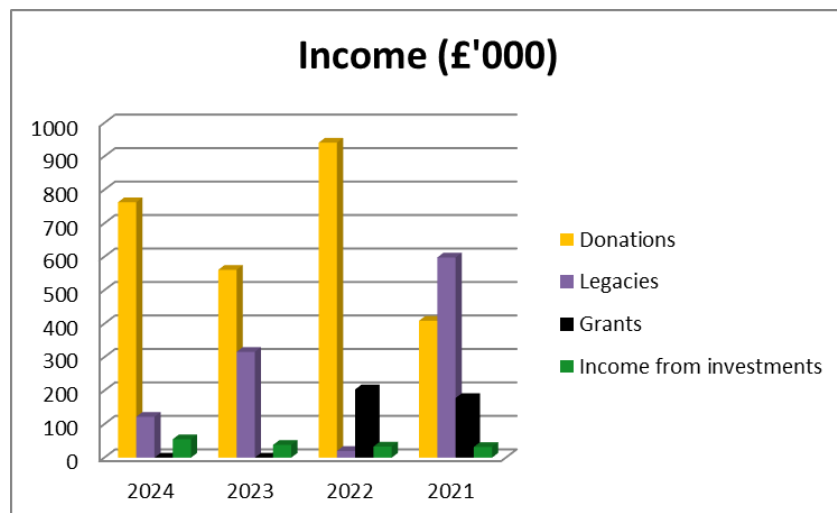
Kreston Reeves LLP

Statutory Auditor
Chartered Accountants

October 2024

Key Audit Findings For the year ended 31 March 2024

2. Commentary on results



The Charity's income has increased slightly in the year by £21K from £915K to £936K.

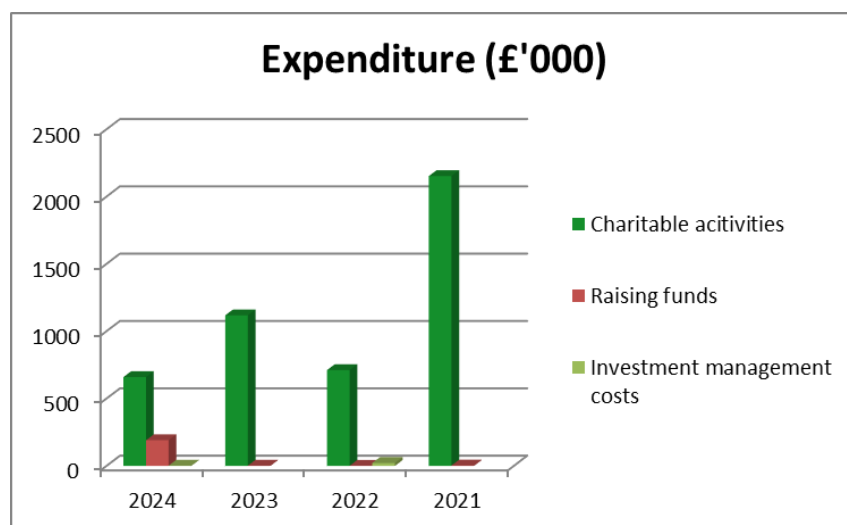
Legacies have fallen significantly from £316K to £117K whilst donations have increased significantly from £561K to £764K. This has resulted in the combined total income from these two streams increasing by £5K from £877K in 2022/23 to £882K in 2023/24, a very small increase.

Legacy income in particular is unpredictable and will fluctuate year on year. The legacy pipeline at the year end was very low with only one significant legacy for £127,000 in accrued income and no other significant bequests notified.

The rise in donations was very strong and reflects the new strategy for the charity to increase its fundraising activity.

There was also a small increase of £25K in income from investments which rose to £55K this year.

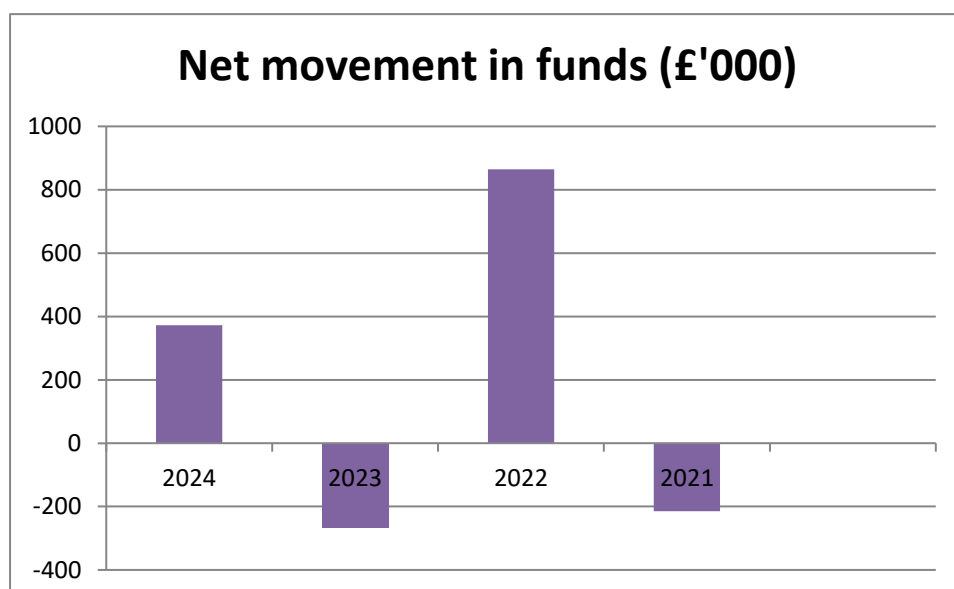
Key Audit Findings For the year ended 31 March 2024



Overall, expenditure has fallen from £1,120K to £852K.

Expenditure on charitable activities at £660K was lower than the prior year spend of £1,118K with grants made across all categories being lower this year. All charitable expenditure categories will fluctuate year on year depending on the grant orders that are received.

Costs of raising funds have significantly increased this year as they now include the recharge of the new Head of Charity and fundraising team from HHFT. These costs are seen as an investment in the new strategy to increase fundraising activity and generate increases across donation and fundraising income streams going forward.



The net movement of funds was a surplus of £372K compared to a deficit in the prior year of £266K. This reflects not only the lower expenditure in the year but also the gains on investments of £288K, compared to the net loss of £61K in the prior year.

Key Audit Findings For the year ended 31 March 2024

3. Audit report

We can confirm that our audit has not revealed any matters which will require modifications to our audit report. Thus at this stage we expect that an unqualified audit opinion will be issued subject to satisfactory resolution of the following:

- Final review of Annual Report and Accounts
- Review of post balance sheet events

Key Audit Findings For the year ended 31 March 2024

4. Key audit matters

Key audit matters are those matters that, in our professional judgement, were of greatest significance in our audit of the financial statements. These include the significant risks of potential material misstatement that we identified during our planning of the audit and had the greatest impact on our overall audit strategy, which we advised you of in the Audit Plan issued to you prior to the commencement of our work.

We can now report to you how our audit addressed these areas of significant risk and the conclusions we formed.

Audit risk identified at the planning stage:	Audit procedures performed:	Assurance gained and issues arising
- Completeness of income - Risk of management override - Fund accounting - Valuation of Investments - Accounting estimates	- Income recognition has been tested via substantive testing using a sample. - Cut off testing has been performed on legacies. - Opening balances and transactions were reviewed for material and unusual items. - We tested a sample of donations and legacies to ensure they were correctly designated or restricted in accordance with the donors' wishes. - We reviewed the reconciliations between the charity and the investment management reports. - For all accounting estimates we considered the level of estimation uncertainty and tested a sample of transactions to ensure the assumptions made are reasonable.	- The results of testing enable us to conclude that income is not subject to material misstatement. - Cut of testing enabled us to conclude that legacy income is not materially misstated, following the reclassification of a donation from legacies (see section 5) - No indication of any issues arising from management override. - Our testing showed that income had been allocated to the correct fund per donor's wishes where we were able to confirm this back to documentation. - We were able to reconcile management's investment balances to third party reports and can confirm that there are no material variances. - Testing completed proved that the balances disclosed within the financial statements are materially correct.

Key Audit Findings For the year ended 31 March 2024

5. Misstatements encountered during the audit

We are required to inform you of any significant misstatements within the financial statements presented for audit that have been discovered during the course of our audit. A number of such misstatements were discovered and following discussions with you and your staff the financial statements have been adjusted accordingly.

Significant misstatements discovered and adjusted for include the following:

- Donation / legacy income classification

A donation was received from Mike Endean and was wrongly classified as a legacy. This has been reclassified as donation income. This does not impact the overall net income position of the charity.

A full summary of adjustments made to the charity's results during the course of the audit, including a reconciliation between your management information and the financial statements, can be found within Appendix II.

You should review these adjustments in order to satisfy yourselves that they have been properly made. Confirmation that you have done so should be communicated to us within the letter of representation.

There were no significant unadjusted misstatements discovered during the course of our audit. This does not include any misstatements discovered during the course of the audit which we consider to be trivial in nature.

Additional disclosures

- Due to the new recharge of staff time in relation to the Head of Charity and fundraising team, we have assisted management in providing the necessary staff costs disclosures required under the Charities SORP where the staff are employed by a related party.

Key Audit Findings For the year ended 31 March 2024

6. The accounting and internal control systems

We can confirm that we have found the charity's accounting and internal control systems to be appropriate to the charity's needs based upon the nature and complexity of your activities and the need for any systems to be cost effective. No matters have come to our attention during our audit to suggest that any serious error has arisen with these systems during the accounting period under review. Thus we believe that the systems can be relied upon to produce financial statements that show a true and fair view.

There is however, one suggestion that we have made regarding the accounting and internal control systems, and this is set out in Appendix IV.

Please note that the purpose of the audit was to enable us to express an opinion on the financial statements. Our audit did include consideration of internal control relevant to the preparation of the financial statements in order to design audit procedures that are appropriate in such circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls. The matters being reported to you are limited to those deficiencies that we have identified during our audit, which was conducted on a test basis, and that we have concluded are of sufficient importance to merit being reported to you, but this does not represent a comprehensive statement of all weaknesses which may exist in the accounting and internal control systems or of all improvements which may be made. We can only address those matters which have come to our attention as a result of the audit procedures which we have performed.

Key Audit Findings For the year ended 31 March 2024

7. Qualitative aspects of the charity's accounting practices and financial reporting

As part of our audit we have considered and reviewed the Charity's accounting policies with UK Generally Accepted Accounting Practice, including the Statement of Recommended Practice *Accounting and Reporting by Charities* ("the SORP"), and we have not encountered any material departures. In our opinion the accounting policies selected are appropriate to the circumstances of the charity.

Future accounting changes

FRS 102 is subject to a periodic review at least every five years, and the latest periodic review was completed in March 2024. The FRC has published amendments to FRS 102, which details a number of changes and amendments focused on updating accounting requirements to reflect changes in International Financial Reporting Standards ('IFRS'), particularly with respect to revenue and leases.

The key changes are:

- A new Section 23 *Revenue*, based on IFRS 15 *Revenue from Contracts with Customers* and its five-step model for revenue recognition
- A new Section 20 *Leases*, based on IFRS 16 *Leases* which brings most leases onto the balance sheet
- Greater clarity for small entities in the UK applying Section 1A regarding which disclosures need to be provided in order to give a true and fair view

The effective date of these changes is for accounting periods beginning on or after 1 January 2026, with early adoption permissible.

We expect that the Statement of Recommended Practice (SORP) for accounting by Charities will be updated for the same changes, and would take effect from the same date.

These amendments represent significant change, and they will need to be considered in advance of their application. We will be happy to discuss with you, the potential impact on your financial statements.

Key Audit Findings For the year ended 31 March 2024

8. Review of prior year issues

A number of significant issues were reported to you following our audit last year on your financial statements for the year ended 31 March 2023. As part of our audit this year we have reviewed these matters to determine what progress has been made with them and whether they continue to be matters of significance.

Opening balances of Investments

Nature of problem

The opening balances for the Partners Capital Investment nominals had not been posted.

Potential consequences

This had resulted in the nominal ledger not agreeing with the investment reports and hence increases the risk that the accounts are misstated.

Recommendation for corrective action

We recommend that opening balances journals are posted at the beginning of each financial year.

2024 audit response

No issue in the current financial year. RESOLVED

Key Audit Findings For the year ended 31 March 2024

9. Other matters relevant to the audit

Charities Act 2022

The updated Charities Act continues to be implemented. The first tranche of changes came into force on 14 June 2023, which included updates to the following guidance:

- Selling, leasing or otherwise disposing of charity land
- Using permanent endowment
- Charity names

The most recent changes came into force on 7 March 2024 and included updates to the following guidance:

- Making changes to governing documents
- Selling, leasing or otherwise disposing of charity land - additional provisions
- Charity mergers
- Other provisions that have enabled the Commission to authorise a trustee to receive payment for work completed for a charity where it decides it would be inequitable for a trustee not to be paid and for the Commission to confirm defective or potentially defective trustee appointments

If any of these areas impact your charity, we recommend familiarising yourself with the updated guidance to ensure that you remain compliant with the latest Act.

Environmental reporting

Currently, non-large charitable companies (per company size limits) are not required to include environmental reporting within their Trustees' reports, however with a new Charities SORP on the horizon, it is anticipated that this requirement will filter down to smaller charities as part of this update.

The current reporting requirements for those charities caught by the environmental reporting requirements include disclosures in respect of greenhouse gas emissions and energy consumption, along with wider explanations on how the charity impacts the environment and what environmental policies the charity has put in place. In anticipation of these potential changes, charities should start taking action to collate this data, introduce appropriate policies and where possible, limit their environmental impact.

Those charities that act sooner will be the best placed to implement any inevitable changes to the reporting requirements.

Key Audit Findings For the year ended 31 March 2024

Charity governance and financial controls

Trustees are legally required to responsibly manage their charity's resources and ensure accountability at all times. Ultimate responsibility falls on their shoulders, so it's crucial to have clear and robust financial controls in place which are designed and implemented to ensure efficiency and effectiveness. They should give the charity's assets the vital protection they need from both internal and external risk factors.

For all charity trustees there is much to learn and stay on top of. Last year, the Charity Commission published its updated guidance for charities, CC8, which is a good starting point for trustees who need a refresher or for new trustees.

Charities need systems and controls which are reviewed regularly and if your charity hasn't yet carried out a financial systems check, then you can download our checklist to help you to get started [here](#).

Key Audit Findings For the year ended 31 March 2024

Appendix I – Other matters required by International Standards on Auditing to be communicated to you

Audit report – further information

Our audit report contains details of the scope of the audit of the financial statements conducted in accordance with legislative requirements and International Standards on Auditing. Further information on the scope of the audit is set out on the website of the Financial Reporting Council and can be found using the following link:

<https://www.frc.org.uk/Our-Work/Audit-and-Actuarial-Regulation/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>

The original audit report will be signed by Simon Webber, being the Senior Statutory Auditor for this assignment, for and on behalf of Kreston Reeves LLP. The financial statements incorporating the original audit report should be retained with the Charity's other permanent documents. Copies of the financial statements that require a signed audit report, including for filing with the Charities Commission, will be signed as Kreston Reeves LLP as the statutory auditor.

Our audit report has been drafted in accordance with International Standards on Auditing and the latest guidance from the Financial Reporting Council and our Institute. This involves the inclusion of a paragraph which clarifies what our responsibilities as auditors are. It does not affect our responsibilities to the charity or yourselves, nor does it mean we would be unwilling to accept responsibility to any third parties, providing that our specific agreement to do so is obtained beforehand.

Independence

We can confirm that we have re-evaluated our firm's independence in connection with the audit and can confirm that we are not aware of any factors affecting our independence or objectivity and thus our ability to continue to act as auditor of the charity.

Letter of representation

Before we can complete our audit we require from you a letter of representation on your headed notepaper. A draft version of such a letter accompanies this Memorandum. The letter will provide us with additional evidence in areas where we have relied upon representations from staff members during the audit. We suggest that this letter is signed by a representative member of the Board of Trustees and that you make your own enquiries of staff to verify that you support the representations that have been made.

Liability

This report has been drafted solely to report to you as trustees matters in relation to our audit. It has not been drafted with any third parties in mind and thus must not be disclosed to a third party, or quoted or referred to, without our written consent. We do not accept responsibility to any third party in respect of our audit or this report.

Hampshire Hospitals Charity



Key Audit Findings For the year ended 31 March 2024

Appendix II - Summary of adjusted misstatements

Number	Date	Name	Account No	Reference	Debit	Credit	Net Income (Loss)
Net Income (Loss) Before Adjustments							371,756
1	31/03/2024	Income	6701			191,875	
1	31/03/2024	Income	6702		191,875		
To reclassify the donation from Mike Endean from legacies to donations					191,875	191,875	371,756
					191,875	191,875	371,756

For further details of the significant adjustments that have been made to the financial statements during the audit see Section 5.

Hampshire Hospitals Charity

Key Audit Findings For the year ended 31 March 2024



Appendix III - Summary of unadjusted misstatements

There were no significant unadjusted misstatements discovered during the audit.

Key Audit Findings For the year ended 31 March 2024

Appendix IV – Summary of recommendations regarding the accounting and internal control system

In order to assist management in using this report, we categorise our recommendations according to their level of importance:

- | | |
|---------------------|--|
| Importance 1 | Major issues for the attention of senior management/potential significant implications for the charity |
| Importance 2 | Other recommendations to be dealt with |
| Importance 3 | Minor points representing best practice |

Recommendation 1

Nature of problem

During our testing of bids recorded on the charitable funds spreadsheet 2024/25, we identified that there were three of these bids which had been accrued into 2023/24.

Whilst the amounts in question were trivial both individually and in aggregate (£679), we would have expected them to have only been accrued if they related to bids approved pre year end and would therefore be included on the 2023/24 charitable funds spreadsheet. It was identified that the two invoices and one hardship application were dated pre year end but only one of the three bid forms were approved pre year end.

Potential consequences

Whilst these items were trivial, recognition of larger bids on invoice before they are approved, could result in an overstatement of accruals and expenditure.

Recommendation for corrective action

We recommend that bids are only accrued when the bid approval date is before the year end and the bid is recorded on the correct charitable funds spreadsheet.

Management response

The charity recognises that the process of receiving and recording approved charitable funds applications is manual and can result in human error. The finance team have introduced additional checks and reviews of the spreadsheet used for recording all approved charitable applications ensuring year end cut off. The charity is also exploring options of implementing automated process for approval of charitable funds applications and accounting of committed funds using a software package. This will allow live tracking of the approval process and ensure accounting entries post application approval.

Hampshire Hospitals Charity

Key Audit Findings

For the year ended 31 March 2024





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Accounts

Hampshire Hospitals Charity

(Registered Charity number 1060133)

Annual Report and Accounts for the year ended 31 March 2023

Hampshire Hospitals Charity – Annual Report and Accounts for the year ended 31 March 2023

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Hampshire Hospitals Charity – Annual Report and Accounts for the year ended 31 March 2023

Trustee's Report

Foreword

The Trustee presents the Charity's Annual Report and the audited Accounts of the Charity for the year ended 31 March 2023.

These accounts have been prepared by the Trustee under the Charities Act 2011, in the form set out in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Ireland (FRS 102).

Statutory Background

Hampshire Hospitals Charity administers funds for the benefit of patients and staff of the Basingstoke and North Hampshire Hospital (BNHH), the Royal Hampshire County Hospital (RHCH) in Winchester, and the Andover War Memorial Hospital (AWMH).

Throughout these accounts the word Charity refers to the Hampshire Hospitals Charity. HHFT refers to Hampshire Hospitals NHS Foundation Trust. Hampshire Hospitals Charity is registered with the Charity Commission (registration number 1060133).

Trustee

The Charity has a single corporate trustee, HHFT, which administers funds in the interests of beneficiaries. The Trustee meets bi-monthly to monitor progress with managing the Charity's resources, ensuring they are used for the public benefit, and having regard for the guidance issued by the Charity Commission.

Directors of HHFT who held office during the year and up to the date of signing the Annual Report and Accounts were:

Name	Position in Foundation Trust
Steve Erskine	Chairman
Alex Whitfield	Chief Executive Officer
Lara Alloway	Chief Medical Officer (left 20 th August 2023)
Dr Nick Ward	Interim Chief Medical Officer (from 1 st August 2023)
Malcolm Ace	Chief Financial Officer (left 7 th August 2022)
Hugh Cronshey	Interim Chief Financial Officer (from 1 st July 2022 until 31 st August 2022)
Steve West	Chief Financial Officer (from 1 st August 2022)
Julie Dawes	Chief Nurse
Kieron Galloway	Chief People Officer (left 31 st March 2023)
Rupert Goodman	Interim Chief People Officer (until 3 rd September 2023)
Tim Powell	Chief People Officer (from 4 th September 2023)
John Haynes	Interim Chief Operating Officer (until 1 st September 2022)
Andy Hyett	Chief Operating Office (from 1 st September 2022)
Shirlene Oh	Chief Strategy and Population Health Officer
Jane Tabor	Non-Executive Director (left 31 st August 2022)
Paul Musson	Non-Executive Director (left 31 st August 2022)
Ruth Williams	Non-Executive Director
Simon Holmes	Non-Executive Director
Jos Creese	Non-Executive Director
Laks Khangura	Non-Executive Director
Stephen Duckworth	Non-Executive Director
Clancy Murphy	Non-Executive Director (from 1 st August 2022)
John Deverill	Non-Executive Director (from 1 st September 2022)
Dominic Arthur	Associate Non-Executive Director (from 1 st September 2022)

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Administration

The principal office for the Charity is:

Finance Department
Basingstoke and North Hampshire Hospital
Aldermaston Road
Basingstoke
RG24 9NA

Professional Advisers and Agents

During the year the Charity employed the following agents:

Bankers

Lloyds Bank plc
2 Winchester Street
Basingstoke
Hampshire
RG21 7EB

Investment Advisors

Sarasin & Partners LLP
Juxon House
100 St Paul's Churchyard
London
EC4M 8BU

Partners Capital LLP
5th Floor
5 Young Street
London W8 5EH

Independent Auditor

Kreston Reeves LLP
9 Donnington Park
85 Birdham Road
Chichester
West Sussex
PO20 7AJ

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Main Purpose of the Funds held on Trust

The main purpose of the Charity is to apply income for any charitable purpose relating to the National Health Service wholly or mainly for the services provided by Hampshire Hospitals NHS Foundation Trust (HHFT).

Structure, Governance and Management

The main Charity, being an unrestricted fund, was established using the model declaration of trust, with special trusts being registered for the restricted funds. All funds that were held on trust at the date of registration were either part of the unrestricted fund or restricted funds held registered under the main Charity. Subsequent donations and gifts received by the Charity that are for the benefit of the original funds have been added to those fund balances.

The Corporate Trustee fulfils its legal duty by ensuring that funds are spent in accordance with the fund objectives by designating funds to benefiting patient care, promoting good health and welfare for both patients and staff, thereby respecting donors' wishes.

The charitable funds are allocated to specialities, wards and departments within HHFT's divisional management structure. These allocations are known as funds and have fund managers appointed to them, who are responsible for ensuring they are correctly managed.

The accounting records and day to day administration of the funds are dealt with by the finance department of HHFT. To keep the administrative costs to a minimum, the Charity relies on HHFT to identify the appropriateness of funding requests, ensuring they are of a charitable nature, the funds are available and if required a VAT zero rating certificate is completed when the order is raised.

Key management personnel consist of the directors of the Corporate Trustee. The directors undergo charity training as part of their induction. No remuneration was paid to these persons by the Charity in the year.

Risk Management

A risk register is maintained by the Corporate Trustee and is regularly reviewed. Risks are prioritised according to their probability and potential impact. The Corporate Trustee has considered the major risks to which the charity is exposed and they have satisfied themselves that systems and procedures are in place to manage and mitigate those risks.

Significant areas of risk continue to be reviewed and are deemed to include:

Governance Risk

Hampshire Hospitals NHS Foundation Trust is the Corporate Trustee of the Charity and its Executive and Non-executive Directors are responsible for the governance of the Charity. Papers are sent out in advance of the regular Trustees meetings for prior consideration, then discussed at the meeting following which decisions taken are minuted and communicated to the fund holders. The Trustee maintains a register of interests and ensures that there are no conflicts of interest with third parties.

The Company Secretary (or delegated assistant) of the Trustee is in attendance at all meetings to ensure that the charity is managed in line with Charity Law guidelines.

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Risk to Reputation

The reputation risk that the Charity is not acting in accordance with its donors' wishes is managed by continually checking that all expenditure is in line with the objectives of the individual funds. The fund signatories receive regular reporting of their fund balances and are continually educated on appropriate spending. HHFT Finance review all transactions prior to 3rd party commitment.

Covid-19 Risk

The risk on the income and expenditure of the Charity due to Covid-19 has been relatively small. The charity's income risk of being affected because of the volatility in the values of listed investments as global stock markets react to the pandemic, is reduced by the increased cash balances. The restrictions introduced to reduce the Covid infection rate in society that restricted community fundraising opportunities have now been lifted and is also a relatively small share of the Charity's annual income. In terms of expenditure, the charity's grant-giving can be reduced if necessary and there are adequate reserves to cover fixed costs. The Trustee continues to keep both income and expenditure under review.

It is not anticipated at the current time that the overall financial position of the Charity will be adversely affected in a significant manner or its financial solvency threatened.

Financial Risk

Monthly accounts are prepared by the finance department of the Corporate Trustee, and a quarterly report is presented to its directors to highlight the performance of the Charity over the previous three months.

The risk that the Charity might suffer a financial loss if the investment portfolio is not appropriately managed is mitigated by the investment sub-committee who meet on a regular basis to review the portfolio risk and fund manager performance. The fund managers produce quarterly reports of performance which are considered by the investment sub-committee.

The risk of loss of opportunity to apply for grants from NHS Charities Together (NHSCT) if the Trust does not respond in a timely manner means that correspondence from NHSCT is regularly reviewed and shared.

If legacies intended for our hospitals do not match the legal title of the Charity there is a risk of delayed or non receipt of funds but if notified merger documents can be provided.

The Charity takes out an annual insurance policy to cover the Trustee Liability.

The Trustee make a regular assessment as to whether the reserves are sufficient to meet their on-going financial obligations.

Partnership Working

Patients and staff of HHFT are the main beneficiaries of the Charity and HHFT is a related party by the virtue of being the Corporate Trustee of the Charity. By working closely with the Trust, the Charity ensures that funds are used to best effect, after taking into account the main activities, objectives, strategies and plans of HHFT over the short, medium and long term.

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Annual Review

Hampshire Hospitals Charity receives the majority of its income from donations, legacies and investment income and gains. Trustees of the Charity are extremely grateful to all donors for the funds received over the year as these make a significant difference to the care and treatment provided to the patients of Hampshire Hospitals NHS Foundation Trust.

Total income for the year was £915,000 (2021/22 - £1,201,000) of which donations of £561,000 (2021/22 - £941,000), legacies £316,000 (2021/22 - £20,000), grants £nil (2021/22 - £204,000), investment income £38,000 (2021/22 - £33,000) and income from charitable activities £nil (2021/22 - £3,000).

The Charity's funds continued to support a wide range of activities which greatly enhance the service offered to patients and/or supported the staff of HHFT. Individual purchases were varied but all added to the quality of patient care or the staff experience by supporting developments that are not possible through NHS funding alone. This included, for example, the purchase of leading-edge clinical equipment, providing staff and equipment to enhance patients welfare and providing learning and education to increase staff knowledge. Due to the Covid-19 pandemic spend on staff welfare continued to increase this year.

Total expenditure, including support costs, was £1,120,000 (2021/22 - £735,000). Charitable expenditure on direct charitable activity was £1,118,000 (2021/22 - £712,000). Fundraising costs £2,000 (2022 - £1,000) and investment management costs £nil (2022 - £22,000).

A summary of the major items purchased during the year is shown below:

Clinical Equipment £191,000 (2021/22 - £252,000)

The Charity purchased many items of clinical equipment which enabled the hospitals' teams to provide leading edge technology for their patients' treatment. The most significant of those purchases included:

- Two new Mindray portable diagnostic ultrasound systems (£40,000) for the nurse led vascular access team to insert timely Peripherally Inserted Central Catheters (PICCs) and Midlines at the patient's bedside at Winchester.
- Contribution to a new echocardiogram machine (£39,000) to reduce the backlog of outpatients waiting for echocardiography tests. The remaining £20,000 has been allocated from the Medicine Division capital funds.
- Giraffe Shuttle and transport Hamilton1 ventilator (£34,000) for the Basingstoke Neonatal Unit to enable babies to be transported whilst receiving both warmth and mechanical ventilation so providing mobile intensive care. The shuttle can also be used to support a small paediatric patient in the paediatric or emergency departments during transfer.
- 2 x cardiac monitors (Fukuda Denshi DS-8100) (£16,000) to provide additional cardiac monitoring equipment at Winchester Same Day Emergency Care (SDEC) so that a larger number of patients can be seen and treated on the same day.
- 2 Prime Zoom Stryker Patient Trolleys (£14,000) to enable the safe transfer of patients along the link corridor with incline from the new Heart Centre to CCU, Cardiology and links to other wards and Emergency Department in Basingstoke.
- 2 headlight systems (£12,000) for the Hepatobiliary unit at Basingstoke to assist with precise removal of tumours whilst keeping as much normal liver tissue behind.

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- A Paediatric Resuscitaire (£10,000) for use on Northbrook Ward and the Emergency Department at Winchester. This is a device which combines all the components needed for effective resuscitation and emergency care of unwell neonates and infants into one compact machine.
- A High-Resolution Manometry (HRM) solid state catheter (£10,000) at Winchester to test patients who are thought to have some form of oesophageal Dysmotility/disorder as a cause of their symptoms.
- 4 Neopuffs (£9,000) for the resuscitation of small children/babies at the Winchester Neonatal Unit.
- A bladder scanner (£6,000) for use on Twyford Ward at Winchester.

Enhancing Patients and Staff Environments £124,000 (2021/22 – £20,000)

The Junior Doctors' mess was relocated from its previous location, which was in a dilapidated building into a newly refurbished location. The Charity received a very generous legacy. The Chief Financial Officer and Chief Medical Officer discussed the legacy with the donor's family and established that they were keen to support the project which would improve the facilities for junior doctors on the Winchester site. They were willing to allocate £50,000 of the legacy to this project. The remaining cost was funded by capital expenditure.

£25,000 was spent on converting underutilised areas at Basingstoke into an office and staff breakroom for the Wessex Ward team. During the covid pandemic this ward was moved off site and due to infection prevention and control measures were not able to return to their original space and had to share space with another ward when they returned in 2021.

£25,000 was spent on modernising the fracture clinic treatment room at Basingstoke.

A further £16,000 was spent this year on Winchester Hospice mainly on the maintenance of the water fountain in the Psalm 23 garden which was donated to the Hospice after its showing at the Chelsea flower show. There were also some worktops and storage added to the kitchen and washing machine area.

Enhancing Patients' Welfare £378,000 (2021/22 - £99,000)

£152,000 has been spent on providing community nursing to a pilot care in the community project in Winchester and Basingstoke. Also occupational therapy support has been provided to The Countess of Brecknock Hospice.

£62,000 is committed to recruit 1.2 WTE band 6 Clinical Nurse Specialists for 12 months, to enable continued service provision and management of patients for chemotherapy and any other systemic anti-cancer therapy (SACT).

£49,000 is committed to provide a non core post for psychological support for 12 months at Winchester Hospice to help support patients at end of life and those in receipt of palliative care.

As part of the Healthier Communities New Models of Care £30,000 has been committed to increase the Community Builder (Animator) employed in Andover to 2 days a week resulting in coverage across Andover and Basingstoke. A Community Builder (Animator) is a paid member of staff (usually from a third sector organisation) and is focused on engaging the skills, knowledge and talents of citizens living in a community.

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£16,000 has been spent on new equipment for ward C2 at Basingstoke to support patient recovery. This includes new chairs that recline supporting patients who struggle to sit upright after their extensive surgery and a sofa, armchair, coffee table and television for the patient social and relaxation area.

£12,000 has been spent on a 3 year subscription for the ReachDeck Toolkit. ReachDeck enables the Trust website to achieve a high level of accessible user-determined adaptation. It takes our public online accessibility from acceptable compliance to outstanding patient experience.

Supporting our Staff to be Even Better £361,000 (2021/22 - £279,000)

Many grateful patients offer donations for the direct benefit of the ward team who have looked after them. These donations are used in two main ways; either to provide additional education to enhance the skills of the team so they can offer even better care to their patients; or to enable team development activities which help improve staff morale and retention both of which are key aspects in delivering high quality healthcare.

A total of £69,000 was used to enable staff to attend educational programmes to expand their skills and knowledge to do their jobs better.

£26,000 was committed to The Green Ward programme. This ten-week programme provides external support to develop a carbon reduction project within 4-6 wards/departments, using the SusQi methodology.

£7,000 was committed to purchase 2 adapted E Whiteboards 1 at Basingstoke and 1 at Winchester to be used in the education and training of junior doctors.

£3,000 was spent on My Internal Medicine App to cohort relevant information for the medical team, including junior doctors on call.

A total of £257,000 was spent or committed on staff welfare this year. This was spent or committed on providing safe spaces for rest and recuperation, facilities that promote and encourage outdoor breaks and activities, improvements to staff rest areas, wellbeing support, reverse mentoring, staff focus week, the annual people's awards, treats for staff, away days, lockers, Christmas treats, bike doctor clinics, hardship payments and fruit boxes.

Our Future Plans

Like the rest of the NHS, HHFT is facing significant change and the Charity recognises that its future plans should reflect this changing landscape. The vision for HHFT includes re-developing services and the environment for services in the general hospitals in Basingstoke and Winchester, as well as seeking ways to deliver some services even closer to home.

The Charity's vision therefore is to support this exciting strategy through funding new technology, enhancing service development and facilitating staff to deliver the highest quality treatment and care.

Future grant support provided will focus on supporting the wider NHS and voluntary community and enhancing the well-being of NHS Staff, volunteers and patients.

A private donor is supporting a new hybrid robotic solution for laparoscopic (keyhole) surgeries. HHFT will become one of the two proposed start up sites in the UK. The donor is covering the costs of the project over five years at a cost of £1,000,000. Over the last two years the donor has donated a total of £420,000 into the 'Robotic Surgery Fund'.

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In August 2022 a Staff Hardship fund was set up. The fund signatories are the Chief People Officer, Lead Chaplain and Staff Side Vice-Chair. The objectives of the fund are 'to support staff who find themselves in significant, unexpected, financial hardship'. Staff wishing to access the fund send in their application to the panel (the fund signatories) and the panel make a decision. The maximum grant per staff member is £250 and payments are made directly from the charity bank account to the staff member. £20,000 has been transferred from the General Fund into the fund. The total payments made in the year were £2,000.

Grant Making Policy

All staff employed by Hampshire Hospitals NHS Foundation Trust can apply for grants from charitable funds to enhance the care and treatment of patients.

Charitable funds can potentially be used for a wide range of costs, including medical research, professional staff development and medical equipment, which the trust cannot acquire through ordinary sources.

The directors have discretionary powers to delegate their authority to agree grant applications. Currently, Fund Managers can make decisions on items totalling up to and including £1,000 subject to there being sufficient monies in the fund to cover the total requested.

Requests for grants between £1,000 and £5,000 must be approved by both a Fund Manager and the Chief Executive and reported to the full trust board at their next monthly meeting.

For all grants over £5,000, a paper must be completed which includes detailed information to support the grant application. The paper is submitted to the full trust board for approval, who meet monthly.

Any request to Fund Advisors should be in writing and should include details of the name and number of the fund to be charged, the amount, purpose and benefits of request and should be supported with documentation e.g. invoices/receipts.

Details of Fund Managers currently acting for a particular fund can be obtained upon request.

Fundraising

The Charity has voluntarily subscribed to the Code of Practice set out by the Fundraising Regulator.

The Charity does not carry out significant fundraising activities.

There have been no failures by the charity to comply with the Code of Practice, nor complaints received by the Charity about fundraising activity.

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Reserves Policy

The Corporate Trustee has a general legal duty to apply the charitable funds within a reasonable amount of time of receiving them, so with this in mind the Corporate Trustee reviews the funds it holds.

The Charity's reserves and its policy are set out as follows:

	Current	
	Current Year £'000	Previous Year £'000
Unrestricted Fund Reserves	291	146
Designated Fund Reserves	3,653	3,737
Total	3,944	3,883
Ratio of Reserves to Annual Operating Expenditure	3.52	5.29

The comparison of the operating expenditure and the balance is an annual calculation as the Trustees consider it annually. The ratio has decreased year on year due to receiving less income and increased expenditure.

The restricted fund balances of £556,000 (2021/22 £883,000) are not part of the reserves policy as the Corporate Trustee has no discretion over these. Restricted funds are carried forward in the current year to comply with our donors' specific requirements.

In the Corporate Trustee's view, the reserves should provide the Charity with adequate financial stability and the means for it to meet its charitable objectives in the medium term i.e. for next 3 to 5 years.

The Corporate Trustee maintains the Charity's reserves at a level which is at least equivalent to two years operational expenditure having regards to the unpredictability of the funding streams, and therefore discounting any legacy income which, by its nature, cannot be relied upon. The Corporate Trustee also maintains sufficient cover for any reasonable investment losses.

The Corporate Trustee reviews the amount of reserves that are required to ensure that they are adequate to fulfil the charity's continuing obligations on a quarterly basis at their finance meeting.

Investments and Performance Management

The Charity complies with the investment powers detailed in its governing document in addition to the powers given to it by the Trustee Act 2000. During the year, the Corporate Trustee invested its charitable funds with Sarasin and Partners LLP and Partners Capital LLP. Investments were valued at £3,714,000 as at 31 March 2022 (2021/22 - £3,846,000). There is a further remaining investment held by CCLA Investment Management Limited COIF Charities Investment Fund which was valued at £20,000 as at 31 March 2022 (2021/22 - £21,000).

The investment portfolios held with Partners Capital LLP and Sarasin & Partners LLP reduced in value following world events such as the war in Ukraine. At 31st March 2023 the investment portfolio had fallen in value by £133,000 as set out in table 6.

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The Charity's current investment policy has a restriction, stated within the mandate, preventing investment in companies whose main business is the processing of tobacco.

The Corporate Trustee performs regular reviews of the performance, structure and financial management arrangements of the funds.

Conclusion

We would like to say a heart-felt thank you to all of the patients, families, carers, staff and the wider community for their continued, generous support. Without this generosity the Charity could not have achieved all of the improvements it has supported during the year.

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Statement of Trustee's Responsibilities

The Trustee is responsible for preparing the Trustee's Annual Report and the accounts 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 accounts for each financial year which give a true and fair view of the state of affairs of the Charity and of the income and expenditure of the Charity for that period.

In preparing these accounts, the Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

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 the Trustee to ensure that the accounts comply with the Charities Act 2011, applicable Charity (Accounts and Reports) Regulations and the provisions of the Charity's trust deed. The Trustee is 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 Trustee is 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 accounts may differ from legislation in other jurisdictions.


Steve Erskine (Chairman)

30/11/2023
Date.....


Alex Whitfield (Trustee)

30/11/2023
Date.....

Hampshire Hospitals Charity – Annual Report and Accounts for the year ended 31 March 2023

Independent Auditors’ Report to the Trustee of Hampshire Hospitals Charity

Opinion

We have audited the financial statements of Hampshire Hospitals Charity (“the charity”) for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes, including a summary of significant accounting policies. 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 2023, 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 twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustee 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 Trustee’s Annual Report, other than the financial statements and our auditor’s report thereon. The Trustee is responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

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Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 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 Trustee's report; or
- sufficient accounting records have not been kept; 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.

Responsibilities of trustees

As explained more fully in the Trustee's responsibilities statement, the Trustee is responsible for the preparation of the 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 Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Capability of the audit in detecting irregularities, including fraud

Based on our understanding of the Charity and industry, and through discussion with the Trustee and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to health and safety and anti-bribery. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011 and Charities Statement of Recommended Practice (FRS 102) 2019. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue or reduce expenditure and management bias in accounting estimates and judgemental areas of the financial statements. Audit procedures performed by the engagement team included:

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- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations and fraud; and
- Identifying and assessing the design effectiveness of controls that management has in place to prevent and detect fraud; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Reading minutes of meetings of those charged with governance; and
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustee.
- Conclude on the appropriateness of the Trustee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation (ie. gives a true and fair view).

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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Use of our report

This report is made solely to the charity's Trustee, as a body, 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 as a body, for our audit work, for this report, or for the opinions we have formed.



Kreston Reeves LLP

Chartered Accountants
Statutory Auditor
Chichester

Date: *31 January 2024*

Kreston Reeves LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

**Hampshire Hospitals Charity – Annual Report and Accounts
for the year ended 31 March 2023**

Statement of Financial Activities for the year ended 31 March 2023

		2023			2022		
	Note	Unrestricted Funds £'000	Restricted Funds £'000	Total £'000	Unrestricted Funds £'000	Restricted Funds £'000	Total £'000
Income from:							
Donations	2	559	2	561	935	6	941
Legacies	2	245	71	316	20	-	20
Grants	2	-	-	-	-	204	204
		804	73	877	955	210	1,165
Other trading activities		-	-	-	3	-	3
Investments	7	30	8	38	26	7	33
Total income		834	81	915	984	217	1,201
Expenditure on:							
<i>Raising funds:</i>							
Other trading costs	3	(2)	-	(2)	-	(1)	(1)
Investment management costs	3	-	-	-	(18)	(4)	(22)
<i>Charitable activities</i>	4	(696)	(422)	(1,118)	(513)	(199)	(712)
				-			
Total expenditure		(698)	(422)	(1,120)	(531)	(204)	(735)
Gains on investments	6	(75)	14	(61)	170	228	398
Net movement in funds		61	(327)	(266)	623	241	864
Fund balances brought forward		3,883	883	4,766	3,260	642	3,902
Fund balances carried forward		3,944	556	4,500	3,883	883	4,766

All results derive from continuing operations.

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

Hampshire Hospitals Charity – Annual Report and Accounts for the year ended 31 March 2023

Balance Sheet as at 31 March 2023

	Note	2023		2022	
		£'000	£'000	£'000	£'000
Fixed Assets					
Investments	6	3,734		3,867	
			3,734		3,867
Current Assets					
Debtors	8	616		469	
Cash at Bank and in Hand	8	1,203		1,050	
		1,819		1,519	
Creditors: Amounts Falling Due Within One Year	9	(1,053)		(620)	
Net Current Assets			766		899
Total Assets Less Current Liabilities			4,500		4,766
Total Net Assets			4,500		4,766
Funds of the Charity					
Restricted Income Funds	10		556		883
Designated Income Funds	10		3,653		3,737
General Income Funds	10		291		146
Total Charity Funds			4,500		4,766

The annual accounts on pages 18 to 32 were approved and authorised for issue by the Corporate Trustee and signed on its behalf by Steve Erskine.

Signed: 

Date: 30/11/2023

**Hampshire Hospitals Charity – Annual Report and Accounts
for the year ended 31 March 2023**

Statement of Cash Flows for the year ended 31 March 2023

	Notes	2023 £'000	2022 £'000
Cash inflow from operating activities:			
Net cash provided by (used in) operating activities	A	76	221
Cash inflow from investing activities:			
Dividends and interest from investments		38	33
Proceeds from the disposal of investments		124	297
Purchase of investments		(85)	(269)
Net cash provided by (used in) investing activities		77	61
Change in cash and cash equivalents in the year		153	282
Cash and cash equivalents at 1 April 2022	B	1,050	768
Cash and cash equivalents at 31 March 2023	B	1,203	1,050

Notes to the cash flow statement for the year to 31 March 2022

Reconciliation of net movement in funds to net cash flow from operating activities

	2023 £'000	2022 £'000
Net movement in funds (as per the statement of financial activities)	(266)	864
Adjustments for:		
(Gains) losses on investments	61	(398)
Dividends and interest from investments	(37)	(33)
Foreign Exchange Gain	32	-
(Increase) decrease in debtors	(147)	(146)
Increase (decrease) in creditors	433	(66)
Net cash provided by (used in) operating activities	76	221

Analysis of cash and cash equivalents

	2023 £'000	2022 £'000
Cash at bank and in hand	1,203	1,050
Cash held by investment managers	-	-
Total cash and cash equivalents	1,203	1,050

Hampshire Hospitals Charity – Annual Report and Accounts for the year ended 31 March 2023

Notes to the accounts

1. Accounting Policies

Basis of preparation

These accounts have been prepared for the year to 31 March 2023.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice 2019 applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest thousand pounds.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the Trustee to make significant judgements and estimates. The items in the accounts where these judgements and estimates have been made include:

Estimating amounts to be accrued as legacies

The Trustee has considered all legal correspondence received in the year in order to assess whether a legacy should be recognised in the accounts based on the entitlement of the charity to receive it, the probability of receipt, and the reasonable certainty of the amount which includes making enquiries of the executors of the wills in question.

Assessment of going concern

The Trustee has assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The Trustee has made this assessment in respect to a period of one year from the date of approval of these accounts.

The Trustee of the charity has concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The Trustee is of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

In making this decision, the Trustee has taken into consideration the risks and uncertainties arising from the Coronavirus pandemic and conclude that the charity can sustain its operations for a period of at least twelve months from date of signing these accounts.

Hampshire Hospitals Charity – Annual Report and Accounts for the year ended 31 March 2023

Funds structure

Unrestricted general funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the Charity's charitable objects.

Restricted funds are those which are to be used in accordance with specific restrictions imposed by the donor or the result of a specific appeal. Where a preference is indicated by a donor as to the application of funds, they are unrestricted, and then designated by the Trustee in line with this. The Charity follows the Charity Commission guidance for NHS charities when allocating to funds.

Where the restriction requires the gift to be invested to produce income which may be spent but the capital must be protected, then it is an endowment fund. If the Trustee also has the power to spend the capital in addition to the income, then the fund is an expendable endowment fund.

The Charity has a combination of restricted and unrestricted funds and no endowment or expendable endowment funds.

The Charity has some designated funds which have been set aside out of unrestricted funds for specific purposes.

Income recognition

Income is recognised in the period in which the Charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income comprises donations, grants, legacies and investment income.

Donations and grants

Donations and grants are recognised when the Charity has confirmation of both the amount and settlement date. In the event of donations or grants pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation or grant is subject to conditions that require a level of performance before the Charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Legacies

Legacies are included in the statement of financial activities when the Charity is entitled to the legacy, it is probable that the legacy will be received, and any conditions attached to the legacy are within the control of the charity.

Entitlement is taken as the earlier of the date on which either: the Charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the Charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the Charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the Charity or the charity is aware of the granting of probate, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title of the asset having been transferred to the Charity.

Hampshire Hospitals Charity – Annual Report and Accounts for the year ended 31 March 2023

Taxation

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

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. Expenditure comprises grants and donations, and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

- ◆ Expenditure on raising funds are those costs attributable to generating income for the Charity, other than those costs incurred in undertaking charitable activities, and represent fundraising costs together with investment management fees.
- ◆ Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the Charity through the provision of its charitable activities. Such costs include charitable grants and donations and support costs in respect to the charitable activity including governance costs.

Charitable grants and donations are made after the Trustee has considered an application for funds. Grants and donations are included in the statement of financial activities when approved for payment.

Charitable expenditure is authorised and allocated for each individual fund rather than allocated across multiple funds.

Allocation of overheads and support costs

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the Charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment.

Governance costs comprise the costs involving the public accountability of the Charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

All support costs have been allocated to expenditure on charitable activities because any apportionment across the expenditure categories would be immaterial.

Fixed Asset Investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the financial year.

Hampshire Hospitals Charity – Annual Report and Accounts for the year ended 31 March 2023

The Charity does not acquire put options, derivatives or other complex financial instruments.

As noted above the main form of financial risk faced by the Charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Gains and losses on investments

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value is acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

At each quarter end 50% of unrealised gains are allocated across the funds and the remainder is recorded as an unrealised gain reserve.

All unrealised losses are allocated across the funds at each quarter end.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the Charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Hampshire Hospitals Charity – Annual Report and Accounts for the year ended 31 March 2023

2. Analysis of Donations, Legacies and Grants

	2023			2022		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	Funds	Funds		Funds	Funds	
	£'000	£'000	£'000	£'000	£'000	£'000
Donations	559	2	561	935	6	941
Legacies	244	72	316	20	-	20
Grants receivable	-	-	-	-	204	204
	803	74	877	955	210	1,165

A total of £259,000 has been included in legacies where the receipt of the legacy is probable but not yet received.

No grants were notified or received in the year.

	2023		2022	
	Restricted	Total	Restricted	Total
	Funds		Funds	
	£'000	£'000	£'000	£'000
NHS Charities Together stage 3 Covid-19 recovery grant	-	-	154	154
Southampton Hospitals Charity/NHS Charities Together	-	-	50	50
	-	-	204	204

3. Allocation of Support Costs and Overheads

	2023	2022
	Total	Total
	£'000	£'000
Accountancy support	48	48
External audit	10	10
Bank charges	1	1
Software maintenance	3	2
Insurance	2	1
Total support costs	64	62

	2023	2022
	Total	Total
Fundraising costs	2	1
Investment management fee	-	22
	2	23

Support costs and overheads are apportioned across restricted and unrestricted funds. All support costs have been allocated to charitable expenditure (note 4) because any apportionment between the categories of expenditure would be immaterial.

Hampshire Hospitals Charity – Annual Report and Accounts for the year ended 31 March 2023

4. Analysis of Charitable Expenditure (Grant Support Provided)

The charitable expenditure incurred is for grant support provided, rather than for direct charitable activities undertaken by the Charity. The Charity does not provide grant support to individuals but makes the support solely available to HHFT.

The Corporate Trustee operates a scheme of delegation, whereby fund holders manage the day to day disbursements for their programme in line with the directions set by the Corporate Trustee, and the Charity's procedures.

The table below shows the categories of programmes that the Charity has supported during the financial year under review.

	Unrestricted Funds £'000	Restricted Funds £'000	Total £'000	Unrestricted Funds £'000	Restricted Funds £'000	Total £'000
Patients' welfare and amenities	182	196	378	40	59	99
Staff welfare and education	153	208	361	150	129	279
Purchase of clinical equipment	185	6	191	252	-	252
Enhancing patient environment	124	-	124	-	20	20
Research	-	-	-	-	-	-
Support costs	52	12	64	47	15	62
	<u>696</u>	<u>422</u>	<u>1,118</u>	<u>489</u>	<u>223</u>	<u>712</u>

5. Auditor's Remuneration

The independent auditor's remuneration was £10,000 (2021/22 - £10,000) relating solely to the statutory audit with no other additional work undertaken.

6. Investments

Movement in Fixed Asset Investments

	31 March 2023 £'000	31 March 2022 £'000
Listed Investments		
Market value at 1 April	3,867	3,497
Additions to investments at cost	96	269
Disposals at book value	(135)	(297)
Net unrealised investment gains/(losses)	(94)	398
Market value at 31 March	<u>3,734</u>	<u>3,867</u>
Carrying value at 31 March	<u>3,734</u>	<u>3,867</u>
Historic cost of investments at 31 March	<u>1,893</u>	<u>2,470</u>

At 31 March 2023, all funds are held by two investment companies who have invested the funds in Common Investment Funds and Overseas Hedge Funds.

Hampshire Hospitals Charity – Annual Report and Accounts for the year ended 31 March 2023

Investments held at 31 March 2023 comprised the following:

	31 March 2023 £'000	31 March 2022 £'000
UK common investment funds	1,265	1,307
Overseas hedge funds	2,469	2,560
	<u>3,734</u>	<u>3,867</u>

7. Total Gross Income from Investments

	Unrestricted Funds £'000	Restricted Funds £'000	2023 Total £'000
Return on investments held:			
UK common investment funds	28	7	35
Bank interest	2	1	3
	<u>30</u>	<u>8</u>	<u>38</u>

	Unrestricted Funds £'000	Restricted Funds £'000	2022 Total £'000
Return on investments held:			
UK common investment funds	27	6	33
	<u>27</u>	<u>6</u>	<u>33</u>

8. Analysis of Current Assets

Debtors

	31 March 2023 £'000	31 March 2022 £'000
Amounts falling due within one year:		
Prepayments and accrued income	584	419
Other debtors	32	50
Total debtors	<u>616</u>	<u>469</u>

The Charity has accrued income of £259,000 relating to legacies of which it had been notified during the year but had not been received at 31 March 2023 (2022 - £2,000). £58,000 is an accrual relating to a legacy notified in 2020/21 the majority of the legacy has been paid but this amount is outstanding awaiting HMRC to agree the Inheritance Tax position for the estate. £90,000 is accrued for second instalments of grants from NHS Charities Together which have been received in 2023/24. £177,000 is accrued for a donation from a private donor to the Robotic Fund which was notified this financial but received in 2023/24.

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Cash at Bank and in Hand

	31 March 2023 £'000	31 March 2022 £'000
Cash at bank and in hand	<u>1,203</u>	<u>1,050</u>

Cash in hand represented petty cash of £200 (2022 - £200).

9. Analysis of Liabilities

Creditors

	31 March 2023 £'000	31 March 2022 £'000
Amounts falling due within one year:		
Amounts due to related parties	198	77
Other creditors	2	3
Grants payable	843	528
Accruals	<u>10</u>	<u>12</u>
	<u>1053</u>	<u>620</u>

Amounts owed to related parties represent amounts owed to HHFT for costs incurred on behalf of the Charity in furtherance of the Charity's objects.

All liabilities are unsecured.

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10. Analysis of Charitable Funds

	Balance at 1 April 2022 £'000	Income £'000	Expenditure £'000	Transfer between funds	Gains and Losses £'000	Balance at 31 March 2023 £'000
Restricted						
Stroke Services Development Charitable Fund RHCH	242	4	(16)	-	4	234
RHCH Staff Benefit	138	37	(52)	-	2	125
Arthritis Research - Legacy I H Spain	93	1	(2)	-	2	94
Covid-19	154	1	(149)	-	2	8
BAME Staff Support	44	-	(10)	-	1	35
RHCH Patient Benefit	-	36	-	-	-	36
Healthier Communities New Models of Care	30	-	(30)	-	1	1
Hospice Equipment and support	182	1	(162)	-	2	23
Total restricted funds	883	80	(421)	-	14	556
Unrestricted						
Designated funds						
Orthopaedic Department General Purposes	534	8	(36)	-	10	516
Oncology Unit (Previously EH Unit or Wessex)	266	26	(95)	-	4	201
Liver Fund	245	3	(20)	-	4	232
Pseudomyxoma/Colorectal Research	242	82	(38)	-	5	291
Robotic Surgery Fund	220	202	(4)	-	5	423
Winchester Hospice Fund	164	29	(76)	-	3	120
RHCH Chapel	132	1	(2)	-	3	134
Cardiology Education Fund	111	4	(43)	-	1	73
Ward C2	74	10	(3)	-	2	83
Winchester Medical Foundation Charitable Fund	66	1	(41)	-	1	27
Magic Wand Appeal	55	1	(1)	-	1	56
Other designated	1,628	187	(202)	-	(116)	1,497
Total designated funds	3,737	554	(561)	-	(77)	3,653
General Funds	146	279	(136)	-	2	291
Total unrestricted funds	3,883	833	(697)	-	(75)	3,944
Total Funds	4,766	913	(1,118)	-	(61)	4,500

Individual unrestricted funds have been included in the analysis of charitable funds if one of the opening balance, income for the year, expenditure during the year or the closing balance exceeded £50,000. All smaller funds are included within other designated or are general funds. There are no endowment funds held by the Charity.

The Trustee considers that sufficient resources are held in an appropriate form to enable each fund to be applied in accordance with any restrictions.

Hampshire Hospitals Charity – Annual Report and Accounts for the year ended 31 March 2023

10. Analysis of Charitable Funds (continued)

	Balance at 1 April 2021 £'000	Income £'000	Expenditure £'000		Gains and Losses £'000	Balance at 31 March 2022 £'000
Restricted						
Stroke Services Development Charitable Fund RHCH	233	5	(13)	-	17	242
RHCH Staff Benefit	200	2	(78)	-	14	138
Arthritis Research - Legacy I H Spain	88	1	(2)	-	6	93
Covid-19	77	158	(85)	-	4	154
BAME Staff Support	44	1	(4)	-	3	44
RHCH Patient Benefit	-	-	-	-	-	-
Winchester Hospice Fund Restricted	-	-	-	-	-	-
Healthier Communities New Models of Care	-	50	(20)	-	-	30
Hospice Equipment and support	-	182	-	-	-	182
Total restricted funds	642	399	(202)		44	883
Unrestricted						
Designated funds						
Orthopaedic Department General Purposes	544	6	(53)	-	37	534
Oncology Unit (Previously EH Unit or Wessex)	222	32	(4)	-	16	266
Liver Fund	163	75	(5)	-	12	245
Pseudomyxoma/Colorectal Research	205	34	(11)	-	14	242
Robotic Surgery Fund	-	220	-	-	-	220
Winchester Hospice Fund	58	42	(15)	73	6	164
RHCH Chapel	132	1	(10)	-	9	132
Cardiology Education Fund	106	1	(3)	-	7	111
Ward C2	60	12	(2)	-	4	74
Winchester Medical Foundation Charitable Fund	64	1	(2)	-	3	66
Magic Wand Appeal - Restated	46	6	(1)	-	4	55
Paediatric Wards NHH	51	6	(17)	-	3	43
Neonatal RHCH	37	27	(59)	-	2	7
Coronary Care Unit	75	1	(73)	-	2	5
Other designated - Restated	1,411	127	(199)	2	232	1,573
Total designated funds	3,174	591	(454)	75	351	3,737
General Funds	86	211	(79)	(75)	3	146
Total unrestricted funds	3,260	802	(533)	-	354	3,883
Total Funds	3,902	1,201	(735)	-	398	4,766

Individual unrestricted funds have been included in the analysis of charitable funds if one of the opening balance, income for the year, expenditure during the year or the closing balance exceeded £50,000. All smaller funds are included within other designated or are general funds. There are no endowment funds held by the Charity.

The Trustee considers that sufficient resources are held in an appropriate form to enable each fund to be applied in accordance with any restrictions.

Hampshire Hospitals Charity – Annual Report and Accounts for the year ended 31 March 2023

10. Analysis of Charitable Funds (continued)

The purposes of the funds analysed are as follows:

Restricted

Stroke Services – to provide a new ward for stroke patients and to aid in their rehabilitation.

RHCH Staff Benefit – for the benefit of all staff members at Winchester Hospital.

Arthritis Research – Legacy I H Spain – to fund research of arthritis treatments.

Covid-19 – to enhance the well-being of NHS Staff, volunteers and patients impacted by Covid.

BAME Staff Support - to increase and improve our support for our BAME staff.

RHCH Patient Benefit - for the benefit of all patients at Winchester Hospital.

Healthier Communities New Models of Care - project to improve health and wellbeing at 'neighbourhood' level by reducing health inequalities.

Hospice Equipment and support – from NHS funds (via the CCG) to support revenue and equipment in hospices.

Designated

Orthopaedic General Purposes Fund – to provide staff and patients amenities within the Orthopaedic Department.

Oncology Unit (Formerly Elizabeth Hall Unit) – to provide welfare and amenities for patients and staff and to fund enhancements to the fabric of the unit (Haematology/Oncology).

Liver Fund – to fund research and development within the Hepato-Biliary unit.

Pseudomyxoma/Colorectal Research – the relief of patients suffering from pseudomyxoma peritonei, colorectal cancer and related diseases. Promotion and understanding of research into causes, treatment and prevention of pseudomyxoma peritonei, colorectal cancer and related diseases and publications in any form of the results of such research. To provide amenities for staff in the pseudomyxoma and colorectal units.

Robotic Surgery Fund - provision of robotic surgery at BNH.

Winchester Hospice Fund – to support the development of hospice services for the population of Winchester and surrounding areas, including the development of a hospice building, staffing and staff development.

RHCH Chapel – for the preservation and upkeep of the Chapel at Winchester Hospital.

Cardiology Education Fund – to support education and research within the Cardiology Unit and to provide staff amenities within the unit.

Ward C2 - to provide welfare and amenities for patients and staff and to fund enhancements to the fabric of the unit.

Winchester Medical Foundation Charitable Fund – for the benefit of all staff and patients, equipment and training/research.

Magic Wand Appeal – to design, reconfigure and refurbish the paediatric unit.

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11. Analysis of Net Assets between Funds

Fund balances as at 31 March 2023 are represented by:

	General Funds	Restricted Funds	2023 Total	General Funds	Restricted Funds	2022 Total
	£'000	£'000	£'000	£'000	£'000	£'000
Investments	3,456	278	3,734	3,488	379	3,867
Current Assets	794	1,025	1,819	567	952	1,519
Creditors: Amounts falling due within one year	(306)	(747)	(1,053)	(171)	(449)	(620)
	<u>3,944</u>	<u>556</u>	<u>4,500</u>	<u>3,884</u>	<u>882</u>	<u>4,766</u>

12. Related Party Transactions

HHFT receives grants and delivers services on behalf of the Charity. The Charity has reimbursed HHFT for approved expenditure made on behalf of the Charity. This reimbursement amounted to £433,000 (2022 - £808,000) and is included within total expenditure in the Statement of Financial Activities. During the year none of the members of HHFT's Board or their senior staff or parties related to them were beneficiaries of the Charity.

The Charity owed HHFT £198,000 at 31 March 2023 (2022 - £77,000), as shown in note 9.

Neither HHFT nor any member of the Board received honoraria, emoluments or expenses in the year.

HHFT purchased trustee indemnity insurance costing £1,700 during the year (2021/22 - £1,300).

HHFT has provided administrative support for the Charity at a cost of £48,000 (2021/22 - £48,000) for the year.

The Hampshire Medical Fund is considered a related party because Dr Alloway who is the Chief Medical Officer and member of the Trust Board is a Trustee of the Hampshire Medical Fund.

The Winchester Hospice Fundraising Charity is considered a related party because Dr Alloway who is the Chief Medical Officer and member of the Trust Board is a Trustee of the Winchester Hospice Fundraising Charity. In 2021/22 Winchester Hospice Fundraising Charity contributed £1,231,000 towards the building of Burrell House Hospice which was a joint project between the charities and was completed in 2021/22.

Wessex NHS Procurement Ltd is a joint venture between Hampshire Hospitals NHS Foundation Trust and University Hospitals Southampton NHS Foundation Trust and is considered a related party because Malcolm Ace who was the Chief Financial Officer (left 7th August 2022) and member of the Trust Board and Jane Tabor who was a Non-Executive Director of the Trust Board (left 31st August 2022) are both Directors of Wessex NHS Procurement Ltd. Wessex NHS Procurement Ltd donated £nil to the Charity in 2022 (2021/22 - £14,800).

13. Staff costs

The Charity does not directly employ any individuals, but is recharged a proportion of the costs, of certain individuals employed by HHFT. The key management personnel comprise the directors of the Corporate Trustee. As disclosed above, no remuneration was paid to these individuals by the Charity.

Accounts

Hampshire Hospitals Charity

(Registered Charity number 1060133)

Annual Report and Accounts for the year ended 31 March 2022

Hampshire Hospitals Charity – Annual Report and Accounts for the year ended 31 March 2022

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Trustee's Report

Foreword

The Trustee presents the Charity's Annual Report and the audited Accounts of the Charity for the year ended 31 March 2022.

These accounts have been prepared by the Trustee under the Charities Act 2011, in the form set out in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Statutory Background

Hampshire Hospitals Charity administers funds for the benefit of patients and staff of the Basingstoke and North Hampshire Hospital (BNHH), the Royal Hampshire County Hospital (RHCH) in Winchester, and the Andover War Memorial Hospital (AWMH).

Throughout these accounts the word Charity refers to the Hampshire Hospitals Charity. HHFT refers to Hampshire Hospitals NHS Foundation Trust. Hampshire Hospitals Charity is registered with the Charity Commission (registration number 1060133).

Trustee

The Charity has a single corporate trustee, HHFT, which administers funds in the interests of beneficiaries. The Trustee meets monthly to monitor progress with managing the Charity's resources, ensuring they are used for the public benefit, and having regard for the guidance issued by the Charity Commission.

Directors of HHFT who held office during the year and up to the date of signing the Annual Report and Accounts were:

Name	Position in Foundation Trust
Steve Erskine	Chairman
Alex Whitfield	Chief Executive Officer
Lara Alloway	Chief Medical Officer
Malcolm Ace	Chief Financial Officer (left 7 th August 2022)
Hugh Cronshey	Interim Chief Financial Officer (from 1 st July 2022)
Steve West	Chief Financial Officer (from 1 st August 2022)
Julie Dawes	Chief Nurse
Julie Maskery	Chief Operating Officer (left 1 st January 2022)
John Haynes	Interim Chief Operating Officer (from 1 st January 2022)
Kieron Galloway	Chief People Officer
Shirlene Oh	Chief Strategy and Population Health Officer
Gary McRae	Non-Executive Director (left 30 th November 2021)
Stephen Duckworth	Non-Executive Director (from 1 st November 2021)
Jane Tabor	Non-Executive Director
Paul Musson	Non-Executive Director
Ruth Williams	Non-Executive Director
Simon Holmes	Non-Executive Director
Jos Creese	Non-Executive Director
Laks Khangura	Non-Executive Director

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Administration

The principal office for the Charity is:

Finance Department
Basingstoke and North Hampshire Hospital
Aldermaston Road
Basingstoke
RG24 9NA

Professional Advisers and Agents

During the year the Charity employed the following agents:

Bankers

Lloyds Bank plc
2 Winchester Street
Basingstoke
Hampshire
RG21 7EB

Investment Advisors

Sarasin & Partners LLP
Juxon House
100 St Paul's Churchyard
London
EC4M 8BU

Partners Capital LLP
5th Floor
5 Young Street
London W8 5EH

Independent Auditor

Kreston Reeves LLP
9 Donnington Park
85 Birdham Road
Chichester
West Sussex
PO20 7AJ

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Main Purpose of the Funds held on Trust

The main purpose of the Charity is to apply income for any charitable purpose relating to the National Health Service wholly or mainly for the services provided by Hampshire Hospitals NHS Foundation Trust (HHFT).

Structure, Governance and Management

The main Charity, being an unrestricted fund, was established using the model declaration of trust, with special trusts being registered for the restricted funds. All funds that were held on trust at the date of registration were either part of the unrestricted fund or restricted funds held registered under the main Charity. Subsequent donations and gifts received by the Charity that are for the benefit of the original funds have been added to those fund balances.

The Corporate Trustee fulfils its legal duty by ensuring that funds are spent in accordance with the fund objectives by designating funds to benefiting patient care, promoting good health and welfare for both patients and staff, thereby respecting donors' wishes.

The charitable funds are allocated to specialities, wards and departments within HHFT's divisional management structure. These allocations are known as funds and have fund managers appointed to them, who are responsible for ensuring they are correctly managed.

The accounting records and day to day administration of the funds are dealt with by the finance department of HHFT. To keep the administrative costs to a minimum, the Charity relies on HHFT to identify the appropriateness of funding requests, ensuring they are of a charitable nature, the funds are available and if required a VAT zero rating certificate is completed when the order is raised.

Key management personnel consist of the directors of the Corporate Trustee. The directors undergo charity training as part of their induction. No remuneration was paid to these persons by the Charity in the year.

Risk Management

A risk register is maintained by the Corporate Trustee and is regularly reviewed. Risks are prioritised according to their probability and potential impact. The Corporate Trustee has considered the major risks to which the charity is exposed and they have satisfied themselves that systems and procedures are in place to manage and mitigate those risks.

Significant areas of risk continue to be reviewed and are deemed to include:

Governance Risk

Hampshire Hospitals NHS Foundation Trust is the Corporate Trustee of the Charity and its Executive and Non-executive Directors are responsible for the governance of the Charity. Papers are sent out in advance of the regular Trustees meetings for prior consideration, then discussed at the meeting following which decisions taken are minuted and communicated to the fund holders. The Trustee maintains a register of interests and ensures that there are no conflicts of interest with third parties.

The Company Secretary (or delegated assistant) of the Trustee is in attendance at all meetings to ensure that the charity is managed in line with Charity Law guidelines.

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Risk to Reputation

The reputation risk that the Charity is not acting in accordance with its donors' wishes is managed by continually checking that all expenditure is in line with the objectives of the individual funds. The fund signatories receive regular reporting of their fund balances and are continually educated on appropriate spending. HHFT Finance review all transactions prior to 3rd party commitment.

Covid-19 Risk

The risk on the income and expenditure of the Charity due to Covid-19 has been relatively small. The charity's income risk of being affected because of the volatility in the values of listed investments as global stock markets react to the pandemic, is reduced by the increased cash balances. The restrictions introduced to reduce the Covid infection rate in society that restricted community fundraising opportunities have now been lifted and is also a relatively small share of the Charity's annual income. In terms of expenditure, the charity's grant-giving can be reduced if necessary and there are adequate reserves to cover fixed costs. The Trustee continues to keep both income and expenditure under review.

It is not anticipated at the current time that the overall financial position of the Charity will be adversely affected in a significant manner or its financial solvency threatened.

Financial Risk

Monthly accounts are prepared by the finance department of the Corporate Trustee, and a quarterly report is presented to its directors to highlight the performance of the Charity over the previous three months.

The risk that the Charity might suffer a financial loss if the investment portfolio is not appropriately managed is mitigated by the investment sub-committee who meet on a regular basis to review the portfolio risk and fund manager performance. The fund managers produce quarterly reports of performance which are considered by the investment sub-committee.

The risk of loss of opportunity to apply for grants from NHS Charities Together (NHSCT) if the Trust does not respond in a timely manner means that correspondence from NHSCT is regularly reviewed and shared.

If legacies intended for our hospitals do not match the legal title of the Charity there is a risk of delayed or non receipt of funds but if notified merger documents can be provided.

The Charity takes out an annual insurance policy to cover the Trustee Liability.

The Trustee make a regular assessment as to whether the reserves are sufficient to meet their on-going financial obligations.

Partnership Working

Patients and staff of HHFT are the main beneficiaries of the Charity and HHFT is a related party by the virtue of being the Corporate Trustee of the Charity. By working closely with the Trust, the Charity ensures that funds are used to best effect, after taking into account the main activities, objectives, strategies and plans of HHFT over the short, medium and long term.

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Annual Review

Hampshire Hospitals Charity receives the majority of its income from donations, legacies and investment income and gains. Trustees of the Charity are extremely grateful to all donors for the funds received over the year as these make a significant difference to the care and treatment provided to the patients of Hampshire Hospitals NHS Foundation Trust.

Total income for the year was £1,201,000 (2020/21 - £1,217,000) of which £941,000 was from donations, £20,000 was from legacies, £204,000 from grants, £33,000 from investment income and £3,000 from charitable activities.

The Charity's funds continued to support a wide range of activities which greatly enhance the service offered to patients and/or supported the staff of HHFT. Individual purchases were varied but all added to the quality of patient care or the staff experience by supporting developments that are not possible through NHS funding alone. This included, for example, the purchase of leading-edge clinical equipment and enhancing patients welfare. Due to the Covid-19 pandemic spend on staff welfare continued to increase this year.

Total expenditure, including support costs, was £735,000 (2020/21 - £2,156,000). Charitable expenditure on direct charitable activity was £712,000 (2020/21 - £2,153,000). Fundraising costs was £1,000 (2021 - £3,000) and investment management costs was £22,000 (2021 - £0).

A summary of the major items purchased during the year is shown below:

Clinical Equipment £252,000 (2020/21 - £458,000)

The Charity purchased many pieces of clinical equipment which enabled the hospitals' teams to provide leading edge technology for their patients' treatment. The most significant of those purchases included:

- Replacement of 3 echocardiogram machines (£130,000). To mitigate the current risk of machines failing and to provide a more robust service. The new machines produce increased images, speed and accuracy.
- Neonatal ventilator for the Winchester Neonatal Unit (£32,000). Ventilation of a new-born has changed over time and so an up to date ventilator was purchased to carry out effective volume-controlled ventilation and to record data on each baby.
- Giraffe Omnibed Carestation for the Basingstoke Neonatal Unit (£25,000). The Giraffe OmniBed combines the features of both an incubator and a radiant warmer for new-born babies. The family of a term baby who was cared for in the neonatal unit raised £15,000 in his memory and donated this towards the purchase of the Giraffe Omnibed.
- 3 Neoblu blankets phototherapy for the Winchester Neonatal Unit have been committed (£12,000). Jaundice is one of the most common conditions that can affect new-borns. Treatment is in the form of phototherapy light therapy. All phototherapy treatment is given in hospital. There is currently no service in this trust available to offer this treatment at home. New Life charity have donated the sum of £12,000 to purchase these blankets which will allow the Trust to begin to offer an outreach service of home phototherapy.

Enhancing Patients' Environment £20,000 (2020/21 – £1,279,000)

A further £12,000 was spent this year on the project of converting of Burrell House into Winchester Hospice.

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£6,000 was spent on the refurbishment and upgrade of the family waiting area and deceased patient viewing facility in the RHCH Mortuary.

Enhancing Patients' Welfare £99,000 (2020/21 - £91,000)

£35,000 is committed to support the development and implementation of a Patient Partner Programme. Patient Partners bring unique perspectives and insights to the work of HHFT, through their lived experience as a patient/carer/relative or as a member of a community with particular health and care needs. The funding will be used to recruit to a patient partner role to co-produce and co-lead the implementation of the HHFT patient partner programme and participate in prioritised engagement and involvement activities.

£22,000 is committed to replace 32 missing and unserviceable wheelchairs across all 3 sites to meet patient and visitor requirements.

£20,000 has been committed to fund 2 part time Community Animators. Community Animators support local communities to define their challenges, develop solutions and then implement community activities that promote health and wellbeing. This is part of the Healthier Communities New Models of Care project.

Supporting our Staff to be Even Better £279,000 (2020/21 - £224,000)

Many grateful patients offer donations for the direct benefit of the ward team who have looked after them. These donations are used in two main ways; either to provide additional education to enhance the skills of the team so they can offer even better care to their patients; or to enable team development activities which help improve staff morale and retention both of which are key aspects in delivering high quality healthcare.

A total of £39,000 was used to enable staff to attend educational programmes to expand their skills and knowledge to do their jobs better.

£5,000 was spent on 2 new booths in the Hampshire healthcare library that offer comfortable seating for our staff for both private study or small group work. This will enhance the ability of our staff to complete their studies/research/projects in a dedicated space.

A total of £235,000 was spent or committed on staff welfare this year. This was spent on equipment and installation of an Orthopaedic Consultant Hub on D floor, supporting staff to thrive in teams, trauma risk management for staff, a Chaplain to provide staff support, Critical Care B staff rest facilities, a biodiversity action plan, free meals for staff, outside igloos/marquees for staff to take their breaks, celebrate and thank you gifts to staff for 10 years' service, staff focus week, reverse mentoring programme, Christmas treats, fruit boxes, body worn cameras for security and parking attendants, weekly yoga sessions for staff wellbeing and hot drinks for frontline staff.

Our Future Plans

Like the rest of the NHS, HHFT is facing significant change and the Charity recognises that its future plans should reflect this changing landscape. The vision for HHFT includes re-developing services and the environment for services in the general hospitals in Basingstoke and Winchester, as well as seeking ways to deliver some services even closer to home.

The Charity's vision therefore is to support this exciting strategy through funding new technology, enhancing service development and facilitating staff to deliver the highest quality treatment and care.

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Future grant support provided will focus on supporting the wider NHS and voluntary community dealing with COVID-19 and enhancing the well-being of NHS Staff, volunteers and patients impacted by Covid-19, as part of our Trust's Covid-19 response.

At the April 2021 meeting the Board of Trustees approved in principle a staffing structure and a fundraising strategy named as the HHFT Charity Team. Unfortunately due to operational pressures this has not happened yet.

A private donor has offered to support a new hybrid robotic solution for laparoscopic (keyhole) surgeries. HFT would become one of the two proposed start up sites in the UK. The donor is prepared to cover the costs and support the project over five years at a cost of £1,000,000. A new sub fund has been set up 'Robotic Surgery Fund' and the donor has made the first donation of £220,000 to the fund.

NHS CHARITIES TOGETHER

Stage 2 Strategic integrated community and social care pathway Grants

In October 2021 Hampshire Hospitals Charity on behalf of Southampton Hospitals Charity and NHS Charities Together was awarded a grant of £50,000 to support the Healthier Communities New Models of Care project. The aim of the project is to improve health and wellbeing at neighbourhood level by reducing health inequalities.

The project covers a 24-month period and the payments will be received in the following instalments:

- Instalment One - £12,500 paid October 2021
- Instalment Two - £12,500 paid May 2022
- Instalment Three - £12,500 due September 2022
- Instalment Four - £12,500 due March 2023

A new sub fund, Healthier Communities New Models of Care has been set up in the Charity to record the income and expenditure. Instalments two, three and four have been accrued in 2021/22.

Stage 3 Covid-19 Recovery Grants

Following a successful application for stage 3 Covid-19 Recovery Grants the Charity was awarded £154,000 on 28th March. This is to be paid in 2 instalments as follows:

- £77,000 paid July 2022.
- £77,000 released 6 months into the project.

The £154,000 has been accrued in 2021/22.

This grant will be used to support the longer-term health and well-being of our staff. The proposals that this grant will fund are for the development of "Wild Breaks", facilities that promote and encourage outdoor breaks and activities and "Our space and time" which are facilities that support rest and recuperation for staff.

Covid-19 grants received from NHS Charities Together are treated as restricted income and are to be spent on enhancing the well-being of NHS Staff, volunteers and patients impacted by Covid-19.

Grant Making Policy

All staff employed by Hampshire Hospitals NHS Foundation Trust can apply for grants from charitable funds to enhance the care and treatment of patients.

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Charitable funds can potentially be used for a wide range of costs, including medical research, professional staff development and medical equipment, which the trust cannot acquire through ordinary sources.

The directors have discretionary powers to delegate their authority to agree grant applications. Currently, Fund Managers can make decisions on items totalling up to and including £1,000 subject to there being sufficient monies in the fund to cover the total requested.

Requests for grants between £1,000 and £5,000 must be approved by both a Fund Manager and the Chief Executive and reported to the full trust board at their next monthly meeting.

For all grants over £5,000, a paper must be completed which includes detailed information to support the grant application. The paper is submitted to the full trust board for approval, who meet monthly.

Any request to Fund Advisors should be in writing and should include details of the name and number of the fund to be charged, the amount, purpose and benefits of request and should be supported with documentation e.g. invoices/receipts.

Details of Fund Managers currently acting for a particular fund can be obtained upon request.

Fundraising

The Charity has voluntarily subscribed to the Code of Practice set out by the Fundraising Regulator.

The Charity does not carry out significant fundraising activities.

There have been no failures by the charity to comply with the Code of Practice, nor complaints received by the Charity about fundraising activity.

Reserves Policy

The Corporate Trustee has a general legal duty to apply the charitable funds within a reasonable amount of time of receiving them, so with this in mind the Corporate Trustee reviews the funds it holds.

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The Charity's reserves and its policy are set out as follows:

	Current Year £'000	Previous Year £'000
Unrestricted Fund Reserves	146	86
Designated Fund Reserves	3,737	3,174
Total	3,883	3,260
Ratio of Reserves to Annual Operating Expenditure	5.29	1.51

The comparison of the operating expenditure and the balance is an annual calculation as the Trustees consider it annually. The ratio has increased due to the reduced spend on buildings as the Winchester Hospice project is now complete.

The restricted fund balances of £883,000 (2020/21 £642,000) are not part of the reserves policy as the Corporate Trustee has no discretion over these. Restricted funds are carried forward in the current year to comply with our donors' specific requirements.

In the Corporate Trustee's view, the reserves should provide the Charity with adequate financial stability and the means for it to meet its charitable objectives in the medium term i.e. for next 3 to 5 years. This year saw the completion of the Winchester Hospice, funded by the Winchester Hospice Fundraising Charity and Hampshire Hospital Charity, and the Hospice opened to patients in September 2021.

The Corporate Trustee maintains the Charity's reserves at a level which is at least equivalent to two years operational expenditure having regards to the unpredictability of the funding streams, and therefore discounting any legacy income which, by its nature, cannot be relied upon. The Corporate Trustee also maintains sufficient cover for any reasonable investment losses.

The Corporate Trustee reviews the amount of reserves that are required to ensure that they are adequate to fulfil the charity's continuing obligations on a quarterly basis at their finance meeting.

Investments and Performance Management

The Charity complies with the investment powers detailed in its governing document in addition to the powers given to it by the Trustee Act 2000. During the year, the Corporate Trustee invested its charitable funds with Sarasin and Partners LLP and Partners Capital LLP. Investments were valued at £3,846,000 as at 31 March 2022 (2020/21 - £3,478,000). There is a further remaining investment held by CCLA Investment Management Limited COIF Charities Investment Fund which was valued at £21,000 as at 31 March 2022 (2020/21 - £19,000).

The performance of the funds has been very satisfactory and fund values have increased by £370,000 as set out in table 6.

The Charity have rebalanced fund holdings by moving £200,000 from Partners Capital to Sarasin & Partners. £100,000 was paid and credited to the Sarasin portfolio in June 2021. The remaining £100,000 paid and credited to the Sarasin portfolio in July 2021. The source of the funds are charitable gifts to the Hampshire Hospitals Charity for the furtherance of the charitable aims of the charity.

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The Charity's current investment policy has a restriction, stated within the mandate, preventing investment in companies whose main business is the processing of tobacco.

The Corporate Trustee performs regular reviews of the performance, structure and financial management arrangements of the funds.

Conclusion

We would like to say a heart-felt thank you to all of the patients, families, carers, staff and the wider community for their continued, generous support. Without this generosity the Charity could not have achieved all of the improvements it has supported during the year.

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Statement of Trustee's Responsibilities

The Trustee is responsible for preparing the Trustee's Annual Report and the accounts 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 accounts for each financial year which give a true and fair view of the state of affairs of the Charity and of the income and expenditure of the Charity for that period.

In preparing these accounts, the Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

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 the Trustee to ensure that the accounts comply with the Charities Act 2011, applicable Charity (Accounts and Reports) Regulations and the provisions of the Charity's trust deed. The Trustee is 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 Trustee is 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 accounts may differ from legislation in other jurisdictions.


Steve Erskine (Chairman)

Date: 29/09/2022


Alex Whitfield (Trustee)

Date: 29/09/2022

Hampshire Hospitals Charity – Annual Report and Accounts for the year ended 31 March 2022

Independent Auditors’ Report to the Trustee of Hampshire Hospitals Charity

Opinion

We have audited the financial statements of Hampshire Hospitals Charity (“the charity”) for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes, including a summary of significant accounting policies. 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 2022, 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 twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustee 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 Trustee’s Annual Report, other than the financial statements and our auditor’s report thereon. The Trustee is responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in

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the financial statements themselves. 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

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 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 Trustee's report; or
- sufficient accounting records have not been kept; 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.

Responsibilities of trustees

As explained more fully in the Trustee's responsibilities statement, the Trustee is responsible for the preparation of the 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 Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Capability of the audit in detecting irregularities, including fraud

Based on our understanding of the Charity and industry, and through discussion with the Trustee and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to health and safety and anti-bribery. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011 and Charities Statement of Recommended Practice (FRS 102) 2019. We communicated identified laws and regulations

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throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue or reduce expenditure and management bias in accounting estimates and judgemental areas of the financial statements. Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations and fraud; and
- Identifying and assessing the design effectiveness of controls that management has in place to prevent and detect fraud; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Reading minutes of meetings of those charged with governance; and
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustee.
- Conclude on the appropriateness of the Trustee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including

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the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation (ie. gives a true and fair view).

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's Trustee, as a body, 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 as a body, for our audit work, for this report, or for the opinions we have formed.



Kreston Reeves LLP
Chartered Accountants
Statutory Auditor
Chichester

Date: 11 November 2022

Kreston Reeves LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

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Statement of Financial Activities for the year ended 31 March 2022

		2022			2021		
	Note	Unrestricted Funds £'000	Restricted Funds £'000	Total £'000	Unrestricted Funds £'000	Restricted Funds £'000	Total £'000
Income from:							
Donations	2	935	6	941	312	97	409
Legacies	2	20	-	20	335	263	598
Grants	2	-	204	204	-	178	178
		955	210	1,165	647	538	1,185
Other trading activities		3	-	3	-	-	-
Investments	7	26	7	33	26	6	32
Total income		984	217	1,201	673	544	1,217
Expenditure on:							
<i>Raising funds:</i>							
Other trading costs	3	-	(1)	(1)	(3)	-	(3)
Investment management costs	3	(18)	(4)	(22)	-	-	-
<i>Charitable activities</i>	4	(513)	(199)	(712)	(1,639)	(514)	(2,153)
				-			-
Total expenditure		(531)	(204)	(735)	(1,642)	(514)	(2,156)
Gains on investments	6	170	228	398	658	66	724
Net movement in funds		623	241	864	(311)	96	(215)
Fund balances brought forward		3,260	642	3,902	3,571	546	4,117
Fund balances carried forward		3,883	883	4,766	3,260	642	3,902

All results derive from continuing operations.

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

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Balance Sheet as at 31 March 2022

	Note	2022		2021	
		£'000	£'000	£'000	£'000
Fixed Assets					
Investments	6	3,867		3,497	
			3,867		3,497
Current Assets					
Debtors	8	469		323	
Cash at Bank and in Hand	8	1,050		768	
		1,519		1,091	
Creditors: Amounts Falling Due Within One Year	9	(620)		(686)	
Net Current Assets			899		405
Total Assets Less Current Liabilities			4,766		3,902
Total Net Assets			4,766		3,902
Funds of the Charity					
Restricted Income Funds	10		883		642
Designated Income Funds	10		3,737		3,174
General Income Funds	10		146		86
Total Charity Funds			4,766		3,902

The annual accounts on pages 19 to 34 were approved by the Corporate Trustee and signed on its behalf by Steve Erskine.

Signed: 

Date: 29/09/2022

**Hampshire Hospitals Charity – Annual Report and Accounts
for the year ended 31 March 2022**

Statement of Cash Flows for the year ended 31 March 2022

	Notes	2022 £'000	2021 £'000
Cash inflow from operating activities:			
Net cash provided by (used in) operating activities	A	221	(1,376)
Cash inflow from investing activities:			
Dividends and interest from investments		33	32
Proceeds from the disposal of investments		297	751
Purchase of investments		(269)	(84)
Net cash provided by (used in) investing activities		61	699
Change in cash and cash equivalents in the year		282	(677)
Cash and cash equivalents at 1 April 2021	B	768	1,445
Cash and cash equivalents at 31 March 2022	B	1,050	768

Notes to the cash flow statement for the year to 31 March 2022

Reconciliation of net movement in funds to net cash flow from operating activities

	2022 £'000	2021 £'000
Net movement in funds (as per the statement of financial activities)	864	(215)
Adjustments for:		
(Gains) losses on investments	(398)	(724)
Dividends and interest from investments	(33)	(32)
(Increase) decrease in debtors	(146)	(314)
Increase (decrease) in creditors	(66)	(91)
Net cash provided by (used in) operating activities	221	(1,376)

Analysis of cash and cash equivalents

	2022 £'000	2021 £'000
Cash at bank and in hand	1,050	268
Cash held by investment managers	-	500
Total cash and cash equivalents	1,050	768

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Notes to the accounts

1. Accounting Policies

Basis of preparation

These accounts have been prepared for the year to 31 March 2022.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice 2019 applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest thousand pounds.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the Trustee to make significant judgements and estimates. The items in the accounts where these judgements and estimates have been made include:

Estimating amounts to be accrued as legacies

The Trustee has considered all legal correspondence received in the year in order to assess whether a legacy should be recognised in the accounts based on the entitlement of the charity to receive it, the probability of receipt, and the reasonable certainty of the amount which includes making enquiries of the executors of the wills in question.

Assessment of going concern

The Trustee has assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The Trustee has made this assessment in respect to a period of one year from the date of approval of these accounts.

The Trustee of the charity has concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The Trustee is of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

In making this decision, the Trustee has taken into consideration the risks and uncertainties arising from the Coronavirus pandemic and conclude that the charity can sustain its operations for a period of at least twelve months from date of signing these accounts.

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Funds structure

Unrestricted general funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the Charity's charitable objects.

Restricted funds are those which are to be used in accordance with specific restrictions imposed by the donor or the result of a specific appeal. Where a preference is indicated by a donor as to the application of funds, they are unrestricted, and then designated by the Trustee in line with this. The Charity follows the Charity Commission guidance for NHS charities when allocating to funds.

Where the restriction requires the gift to be invested to produce income which may be spent but the capital must be protected, then it is an endowment fund. If the Trustee also has the power to spend the capital in addition to the income, then the fund is an expendable endowment fund.

The Charity has a combination of restricted and unrestricted funds and no endowment or expendable endowment funds.

The Charity has some designated funds which have been set aside out of unrestricted funds for specific purposes.

Income recognition

Income is recognised in the period in which the Charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income comprises donations, grants, legacies and investment income.

Donations and grants

Donations and grants are recognised when the Charity has confirmation of both the amount and settlement date. In the event of donations or grants pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation or grant is subject to conditions that require a level of performance before the Charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Legacies

Legacies are included in the statement of financial activities when the Charity is entitled to the legacy, it is probable that the legacy will be received, and any conditions attached to the legacy are within the control of the charity.

Entitlement is taken as the earlier of the date on which either: the Charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the Charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the Charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the Charity or the charity is aware of the granting of probate, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock

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exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title of the asset having being transferred to the Charity.

Taxation

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

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. Expenditure comprises grants and donations, and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

- ◆ Expenditure on raising funds are those costs attributable to generating income for the Charity, other than those costs incurred in undertaking charitable activities, and represent fundraising costs together with investment management fees.
- ◆ Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the Charity through the provision of its charitable activities. Such costs include charitable grants and donations and support costs in respect to the charitable activity including governance costs.

Charitable grants and donations are made after the Trustee has considered an application for funds. Grants and donations are included in the statement of financial activities when approved for payment.

Charitable expenditure is authorised and allocated for each individual fund rather than allocated across multiple funds.

Allocation of overheads and support costs

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the Charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment.

Governance costs comprise the costs involving the public accountability of the Charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

All support costs have been allocated to expenditure on charitable activities because any apportionment across the expenditure categories would be immaterial.

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Fixed Asset Investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the financial year.

The Charity does not acquire put options, derivatives or other complex financial instruments.

As noted above the main form of financial risk faced by the Charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Gains and losses on investments

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value is acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

At each quarter end 50% of unrealised gains are allocated across the funds and the remainder is recorded as an unrealised gain reserve.

All unrealised losses are allocated across the funds at each quarter end.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the Charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

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2. Analysis of Donations, Legacies and Grants

	2022			2021		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	Funds	Funds		Funds	Funds	
	£'000	£'000	£'000	£'000	£'000	£'000
Donations	935	6	941	312	97	409
Legacies	20	-	20	335	263	598
Grants receivable	-	204	204	-	178	178
	955	210	1,165	647	538	1,185

A total of £2,000 has been included in legacies where the receipt of the legacy is probable but not yet received.

2021/22, the charity received grants from the NHS Charities Together stage 3 Covid-19 recovery grant and the Healthier Communities New Models of Care project which is a joint project with Southampton Hospitals Charity.

	2022		2021	
	Restricted	Total	Restricted	Total
	Funds		Funds	
	£'000	£'000	£'000	£'000
NHSCT stage 1 grant 1st payment	-	-	32	32
NHSCT stage 1 grant 2nd payment	-	-	46	46
NHSCT BAME grant	-	-	50	50
NHSCT second wave funding	-	-	50	50
NHSCT stage 3 Covid-19 recovery grant	154	154	-	-
Southampton Hospitals Charity/NHSCT	50	50	-	-
	204	204	178	178

3. Allocation of Support Costs and Overheads

	2022	2021
	Total	Total
	£'000	£'000
Accountancy support	48	49
External audit	10	9
Bank charges	1	1
Software maintenance	2	3
Insurance	1	-
Support costs	62	62

	2022	2021
	Total	Total
Fundraising costs	1	3
Investment management fee	22	-
	23	3

Support costs and overheads are apportioned across restricted and unrestricted funds. All support costs have been allocated to charitable expenditure (note 4) because any apportionment between the categories of expenditure would be immaterial.

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4. Analysis of Charitable Expenditure (Grant Support Provided)

The charitable expenditure incurred is for grant support provided, rather than for direct charitable activities undertaken by the Charity. The Charity does not provide grant support to individuals, but makes the support solely available to HHFT.

The Corporate Trustee operates a scheme of delegation, whereby fund holders manage the day to day disbursements for their programme in line with the directions set by the Corporate Trustee, and the Charity's procedures.

The table below shows the categories of programmes that the Charity has supported during the financial year under review.

	2022			2021		
	Unrestricted Funds	Restricted Funds	Total	Unrestricted Funds	Restricted Funds	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Patients' welfare and amenities	40	59	99	39	52	91
Staff welfare and education	150	129	279	54	170	224
Purchase of clinical equipment	252	-	252	458	-	458
Enhancing patient environment	-	20	20	998	281	1,279
Research	-	-	-	39	-	39
Support costs	47	15	62	51	11	62
	<u>489</u>	<u>223</u>	<u>712</u>	<u>1,639</u>	<u>514</u>	<u>2,153</u>

5. Auditor's Remuneration

The independent auditor's remuneration was £10,000 (2020/21 - £9,600) relating solely to the statutory audit with no other additional work undertaken.

6. Investments

Movement in Fixed Asset Investments

	31 March 2022 £'000	31 March 2021 £'000
Listed Investments		
Market value at 1 April	3,497	3,440
Additions to investments at cost	269	84
Disposals at book value	(297)	(751)
Net unrealised investment gains/(losses)	<u>398</u>	<u>724</u>
Market value at 31 March	<u>3,867</u>	<u>3,497</u>
Carrying value at 31 March	<u>3,867</u>	<u>3,497</u>
Historic cost of investments at 31 March	<u>2,470</u>	<u>2,727</u>

At 31 March 2022, all funds are held by two investment companies who have invested the funds in Common Investment Funds and Overseas Hedge Funds.

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Investments held at 31 March comprised the following:

	31 March 2022 £'000	31 March 2021 £'000
UK common investment funds	1,307	1,042
Overseas hedge funds	2,560	2,455
	<u>3,867</u>	<u>3,497</u>

7. Total Gross Income from Investments

	Unrestricted Funds £'000	Restricted Funds £'000	2022 Total £'000
Return on investments held:			
UK common investment funds	27	6	33
	<u>27</u>	<u>6</u>	<u>33</u>

	Unrestricted Funds £'000	Restricted Funds £'000	2021 Total £'000
Return on investments held:			
UK common investment funds	25	6	31
Bank interest	1	-	1
	<u>26</u>	<u>6</u>	<u>32</u>

8. Analysis of Current Assets

Debtors

	31 March 2022 £'000	31 March 2021 £'000
Amounts falling due within one year:		
Prepayments and accrued income	419	314
Other debtors	50	9
Total debtors	<u>469</u>	<u>323</u>

The Charity had accrued income of £2,000 relating to legacies of which it had been notified during the year but had not been received at 31 March 2022 (2021 - £314,000).

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Cash at Bank and in Hand

	31 March 2022 £'000	31 March 2021 £'000
Cash at bank and in hand	<u>1,050</u>	<u>768</u>

Cash in hand represented petty cash of £200 (2021 - £200).

9. Analysis of Liabilities

Creditors

	31 March 2022 £'000	31 March 2021 £'000
Amounts falling due within one year:		
Amounts due to related parties	77	191
Other creditors	3	3
Grants payable	528	483
Accruals	<u>12</u>	<u>9</u>
	<u>620</u>	<u>686</u>

Amounts owed to related parties represent amounts owed to HHFT for costs incurred on behalf of the Charity in furtherance of the Charity's objects.

All liabilities are unsecured.

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10. Analysis of Charitable Funds

	Balance at 1 April 2021 £'000	Income £'000	Expenditure £'000	Transfer between funds	Gains and Losses £'000	Balance at 31 March 2022 £'000
Restricted						
Stroke Services Development Charitable Fund RHCH	233	5	(13)	-	17	242
RHCH Staff Benefit	200	2	(78)	-	14	138
Arthritis Research - Legacy I H Spain	88	1	(2)	-	6	93
Covid-19	77	158	(85)	-	4	154
BAME Staff Support	44	1	(4)	-	3	44
Healthier Communities New Models of Care	-	50	(20)	-	-	30
Hospice Equipment and support	-	182	-	-	-	182
Total restricted funds	642	399	(202)	-	44	883
Unrestricted						
Designated funds						
Orthopaedic Department General Purposes	544	6	(53)	-	37	534
Oncology Unit (Previously EH Unit or Wessex)	222	32	(4)	-	16	266
Liver Fund	163	75	(5)	-	12	245
Pseudomyxoma/Colorectal Research	205	34	(11)	-	14	242
Robotic Surgery Fund	-	220	-	-	-	220
Winchester Hospice Fund	58	42	(15)	73	6	164
RHCH Chapel	132	1	(10)	-	9	132
Cardiology Education Fund	106	1	(3)	-	7	111
Ward C2	60	12	(2)	-	4	74
Winchester Medical Foundation Charitable Fund	64	1	(2)	-	3	66
Magic Wand Appeal	46					46
Paediatric Wards NHH	51	6	(17)	-	3	43
Neonatal RHCH	37	27	(59)	-	2	7
Coronary Care Unit	75	1	(73)	-	2	5
Other designated	1,411	133	(200)	2	236	1,582
Total designated funds	3,174	591	(454)	75	351	3,737
General Funds	86	211	(79)	(75)	3	146
Total unrestricted funds	3,260	802	(533)	-	354	3,883
Total Funds	3,902	1,201	(735)	-	398	4,766

Individual unrestricted funds have been included in the analysis of charitable funds if one of the opening balance, income for the year, expenditure during the year or the closing balance exceeded £50,000. All smaller funds are included within other designated or are general funds. There are no endowment funds held by the Charity.

The Trustee considers that sufficient resources are held in an appropriate form to enable each fund to be applied in accordance with any restrictions.

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10. Analysis of Charitable Funds (continued)

	Balance at 1 April 2020 £'000	Income £'000	Expenditure £'000		Gains and Losses £'000	Balance at 31 March 2021 £'000
Restricted						
Stroke Services Development Charitable Fund RHCH	24	267	(67)	-	9	233
Winchester Hospice Fund	263	2	(283)	-	18	-
RHCH Staff Benefit	178	7	(3)	-	18	200
Arthritis Research - Legacy I H Spain	81	1	(2)	-	8	88
Covid-19	-	217	(150)	-	10	77
BAME Staff Support	-	50	(9)	-	3	44
Total restricted funds	546	544	(514)		66	642
Unrestricted						
Designated funds						
Orthopaedic Department General Purposes	480	4	14	-	46	544
Oncology Unit (Previously EH Unit or Wessex)	146	84	(25)	-	17	222
Pseudomyxoma/Colorectal Research	173	47	(31)	-	16	205
Liver Fund	157	4	(14)	-	16	163
RHCH Chapel	125	2	(6)	-	11	132
Cardiology Education Fund	99	1	(4)	-	10	106
Coronary Care Unit	71	2	(5)	-	7	75
Winchester Medical Foundation Charitable Fund	317	-	(275)	-	22	64
Ward C2	51	4	(1)	-	6	60
Winchester Hospice Fund	777	152	(902)	-	31	58
Paediatric Wards NHH	77	3	(37)	-	8	51
Magic Wand Appeal	52	1	(12)	-	5	46
Clinical Haematology	71	1	(51)	-	6	27
Other designated	933	125	(83)	-	446	1,421
Total designated funds	3,529	430	(1,432)		647	3,174
General Funds	42	243	(210)	-	11	86
Total unrestricted funds	3,571	673	(1,642)	-	658	3,260
Total Funds	4,117	1,217	(2,156)	-	724	3,902

Individual unrestricted funds have been included in the analysis of charitable funds if one of the opening balance, income for the year, expenditure during the year or the closing balance exceeded £50,000. All smaller funds are included within other designated or are general funds. There are no endowment funds held by the Charity.

The Trustee considers that sufficient resources are held in an appropriate form to enable each fund to be applied in accordance with any restrictions.

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10. Analysis of Charitable Funds (continued)

The purposes of the funds analysed are as follows:

Restricted

Stroke Services – to provide a new ward for stroke patients and to aid in their rehabilitation.

RHCH Staff Benefit – for the benefit of all staff members at Winchester Hospital.

Arthritis Research – Legacy I H Spain – to fund research of arthritis treatments.

Covid-19 – to enhance the well-being of NHS Staff, volunteers and patients impacted by Covid.

BAME Staff Support - to increase and improve our support for our BAME staff.

Healthier Communities New Models of Care - project to improve health and wellbeing at 'neighbourhood' level by reducing health inequalities.

Hospice Equipment and support – from NHS funds (via the CCG) to support revenue and equipment in hospices.

Designated

Orthopaedic General Purposes Fund – to provide staff and patients amenities within the Orthopaedic Department.

Oncology Unit (Formerly Elizabeth Hall Unit) – to provide welfare and amenities for patients and staff and to fund enhancements to the fabric of the unit (Haematology/Oncology).

Liver Fund – to fund research and development within the Hepato-Biliary unit.

Pseudomyxoma/Colorectal Research – the relief of patients suffering from pseudomyxoma peritonei, colorectal cancer and related diseases. Promotion and understanding of research into causes, treatment and prevention of pseudomyxoma peritonei, colorectal cancer and related diseases and publications in any form of the results of such research. To provide amenities for staff in the pseudomyxoma and colorectal units.

Robotic Surgery Fund - provision of robotic surgery at BNH.

Winchester Hospice Fund – to support the development of hospice services for the population of Winchester and surrounding areas, including the development of a hospice building, staffing and staff development.

RHCH Chapel – for the preservation and upkeep of the Chapel at Winchester Hospital.

Cardiology Education Fund – to support education and research within the Cardiology Unit and to provide staff amenities within the unit.

Ward C2 - to provide welfare and amenities for patients and staff and to fund enhancements to the fabric of the unit.

Winchester Medical Foundation Charitable Fund – for the benefit of all staff and patients, equipment and training/research.

Magic Wand Appeal – to design, reconfigure and refurbish the paediatric unit.

Paediatric Wards NHH – to provide welfare and amenities for patients and staff and to fund enhancements to the fabric of the unit.

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Neonatal RHCH - to provide welfare and amenities for patients and staff and to fund enhancements to the fabric of the unit.

Coronary Care Unit– to provide welfare and amenities for patients and staff and to fund enhancements to the fabric of the unit.

11. Analysis of Net Assets between Funds

Fund balances as at 31 March 2022 are represented by:

	General Funds	Restricted Funds	2022 Total	General Funds	Restricted Funds	2021 Total
	£'000	£'000	£'000	£'000	£'000	£'000
Investments	3,488	379	3,867	3,337	160	3,497
Current Assets	567	952	1,519	350	741	1,091
Creditors: Amounts falling due within one year	(171)	(449)	(620)	(427)	(259)	(686)
	<u>3,884</u>	<u>882</u>	<u>4,766</u>	<u>3,260</u>	<u>642</u>	<u>3,902</u>

12. Related Party Transactions

HHFT receives grants and delivers services on behalf of the Charity. The Charity has reimbursed HHFT for approved expenditure made on behalf of the Charity. This reimbursement amounted to £808,000 (2021 - £2,228,000) and is included within total expenditure in the Statement of Financial Activities. During the year none of the members of HHFT's Board or their senior staff or parties related to them were beneficiaries of the Charity.

The Charity owed HHFT £77,000 at 31 March 2022 (2021 - £191,000), as shown in note 9.

Neither HHFT nor any member of the Board received honoraria, emoluments or expenses in the year.

HHFT purchased trustee indemnity insurance costing £1,300 during the year (2021 - £896).

HHFT has provided administrative support for the Charity at a cost of £48,000 (2021 - £49,000) for the year.

The Hampshire Medical Fund is considered a related party because Dr Alloway who is the Chief Medical Officer and member of the Trust Board is a Trustee of the Hampshire Medical Fund. Hampshire Medical Fund contributed £0 to joint projects with the Charity (2021 - £343,000)

The Winchester Hospice Fundraising Charity is considered a related party because Dr Alloway who is the Chief Medical Officer and member of the Trust Board is a Trustee of the Winchester Hospice Fundraising Charity. Winchester Hospice Fundraising Charity contributed £1,231,000 (2021 - £910,000) towards the building of Burrell House Hospice which is a joint project between the charities.

Wessex NHS Procurement Ltd is a joint venture between Hampshire Hospitals NHS Foundation Trust and University Hospitals Southampton NHS Foundation Trust and is considered a related party because Malcolm Ace who is the Chief Financial Officer (leaving 7th August) and member of the Trust Board and Jane Tabor who is a Non Executive Director of the Trust Board are both Directors of Wessex NHS Procurement Ltd. Wessex NHS Procurement Ltd donated £14,800 to the Charity in 2022.

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13. Staff costs

The Charity does not directly employ any individuals, but is recharged a proportion of the costs, of certain individuals employed by HHFT. The key management personnel comprise the directors of the Corporate Trustee. As disclosed above, no remuneration was paid to these individuals by the Charity.

14. Post Balance Sheet Events

After the balance sheet date, the investment portfolios held with Partners Capital LLP and Sarasin & Partners LLP reduced in value following world events such as the war in Ukraine. At the 30th June 2022, the investment portfolio had fallen in value by £91,000 (2.35%). As stated in the Trustees' Annual Report, the Charity continues to take a long-term view of its investments and seeks to avoid short-term measures that would limit its longer-term impact solely because of the market movements. As a result, the Charity is taking the necessary steps to ensure that its finances are effectively managed.

Accounts

Hampshire Hospitals Charity

(Registered Charity number 1060133)

Annual Report and Accounts for the year ended 31 March 2021

Hampshire Hospitals Charity – Annual Report and Accounts for the year ended 31 March 2021

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Trustee's Report

Foreword

The Trustee presents the Charity's Annual Report and the audited Accounts of the Charity for the year ended 31 March 2021.

These accounts have been prepared by the Trustee under the Charities Act 2011, in the form set out in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Statutory Background

Hampshire Hospitals Charity administers funds for the benefit of patients and staff of the Basingstoke and North Hampshire Hospital (BNHH), the Royal Hampshire County Hospital (RHCH) in Winchester, and the Andover War Memorial Hospital (AWMH).

Throughout these accounts the word Charity refers to the Hampshire Hospitals Charity. HHFT refers to Hampshire Hospitals NHS Foundation Trust. Hampshire Hospitals Charity is registered with the Charity Commission (registration number 1060133).

Trustee

The Charity has a single corporate trustee, HHFT, which administers funds in the interests of beneficiaries. The Trustee meets monthly to monitor progress with managing the Charity's resources, ensuring they are used for the public benefit, and having regard for the guidance issued by the Charity Commission.

Directors of HHFT who held office during the year and up to the date of signing the Annual Report and Accounts were:

Name	Position in Foundation Trust
Steve Erskine	Chairman
Alex Whitfield	Chief Executive Officer
Lara Alloway	Chief Medical Officer
Malcolm Ace	Chief Financial Officer
Julie Dawes	Chief Nurse
Julie Maskery	Chief Operating Officer
Kieron Galloway	Chief People Officer (from July 2021)
Shirlene Oh	Director of Strategy (from 1 st November 2020)
Gary McRae	Non-Executive Director
Jane Tabor	Non-Executive Director
Paul Musson	Non-Executive Director
Ruth Williams	Non-Executive Director
Simon Holmes	Non-Executive Director
Jos Creese	Non-Executive Director
Laks Khangura	Non-Executive Director

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Administration

The principal office for the Charity is:

Finance Department
Basingstoke and North Hampshire Hospital
Aldermaston Road
Basingstoke
RG24 9NA

Professional Advisers and Agents

During the year the Charity employed the following agents:

Bankers

Lloyds Bank plc
2 Winchester Street
Basingstoke
Hampshire
RG21 7EB

Investment Advisers

Sarasin & Partners LLP
Juxon House
100 St Paul's Churchyard
London
EC4M 8BU

Partners Capital LLP
5th Floor
5 Young Street
London W8 5EH

Independent Auditor

Kreston Reeves LLP
9 Donnington Park
85 Birdham Road
Chichester
West Sussex
PO20 7AJ

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Main Purpose of the Funds held on Trust

The main purpose of the Charity is to apply income for any charitable purpose relating to the National Health Service wholly or mainly for the services provided by Hampshire Hospitals NHS Foundation Trust (HHFT).

Structure, Governance and Management

The main Charity, being an unrestricted fund, was established using the model declaration of trust, with special trusts being registered for the restricted funds. All funds that were held on trust at the date of registration were either part of the unrestricted fund or restricted funds held registered under the main Charity. Subsequent donations and gifts received by the Charity that are for the benefit of the original funds have been added to those fund balances.

The Corporate Trustee fulfils its legal duty by ensuring that funds are spent in accordance with the fund objectives by designating funds to benefiting patient care, promoting good health and welfare for both patients and staff, thereby respecting donors' wishes.

The charitable funds are allocated to specialities, wards and departments within HHFT's divisional management structure. These allocations are known as funds and have fund managers appointed to them, who are responsible for ensuring they are correctly managed.

The accounting records and day to day administration of the funds are dealt with by the finance department of HHFT. To keep the administrative costs to a minimum, the Charity relies on HHFT to identify the appropriateness of funding requests, ensuring they are of a charitable nature, the funds are available and if required a VAT zero rating certificate is completed when the order is raised.

Key management personnel consist of the directors of the Corporate Trustee. The directors undergo charity training as part of their induction. No remuneration was paid to these persons by the Charity in the year.

Risk Management

A risk register is maintained by the Corporate Trustee and is regularly reviewed. Risks are prioritised according to their probability and potential impact. The Corporate Trustee has considered the major risks to which the charity is exposed and they have satisfied themselves that systems and procedures are in place to manage and mitigate those risks.

Significant areas of risk continue to be reviewed and are deemed to include:

Governance Risk

Hampshire Hospitals NHS Foundation Trust is the Corporate Trustee of the Charity and its Executive and Non-executive Directors are responsible for the governance of the Charity. Papers are sent out in advance of the regular Trustees meetings for prior consideration, then discussed at the meeting following which decisions taken are minuted and communicated to the fund holders. The Trustee maintains a register of interests and ensures that there are no conflicts of interest with third parties.

The Company Secretary (or delegated assistant) of the Trustee is in attendance at all meetings to ensure that the charity is managed in line with Charity Law guidelines.

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Risk to Reputation

The reputation risk that the Charity is not acting in accordance with its donors' wishes is managed by continually checking that all expenditure is in line with the objectives of the individual funds. The fund signatories receive regular reporting of their fund balances and are continually educated on appropriate spending. HHFT Finance review all transactions prior to 3rd party commitment.

Covid-19 Risk

The risk on the income and expenditure of the Charity due to Covid-19 has been relatively small. The charity's income risk of being affected because of the volatility in the values of listed investments as global stock markets react to the pandemic, is reduced by the increased cash balances due to the grants received in year, including from NHS Charities Together (NHSCT) and the decision to maintain a relatively liquid balance of funds to meet the financing needs of the Winchester Hospice project. The restrictions introduced to reduce the Covid infection rate in society have restricted community fundraising opportunities, but this is a relatively small share of the Charity's annual income. In terms of expenditure, the charity's grant-giving can be reduced if necessary and there are adequate reserves to cover fixed costs. The Trustee continues to keep both income and expenditure under review.

It is not anticipated at the current time that the overall financial position of the Charity will be adversely affected in a significant manner or its financial solvency threatened.

Financial Risk

Monthly accounts are prepared by the finance department of the Corporate Trustee, and a quarterly report is presented to its directors to highlight the performance of the Charity over the previous three months.

The risk that the Charity might suffer a financial loss if the investment portfolio is not appropriately managed is mitigated by the investment sub-committee who meet on a regular basis to review the portfolio risk and fund manager performance. The fund managers produce quarterly reports of performance which are considered by the investment sub-committee.

The risk of loss of opportunity to apply for grants from NHSCT if the Trust does not respond in a timely manner means that correspondence from NHSCT is regularly reviewed and shared.

If Covid-19 continues to restrict social gatherings this could impact on community fundraising however the roll out of the vaccine gives greater hope of return to social interaction.

If the Winchester Hospice project overspends there is a risk of excess funding will be needed within Charity accounts, this is mitigated by change control on the project and regular liaison with Winchester Hospice Fundraising Charity. This risk has significantly reduced over the year as the project nears completion.

If legacies intended for our hospitals do not match the legal title of the Charity there is a risk of delayed or non receipt of funds but if notified merger documents can be provided.

The Charity takes out an annual insurance policy to cover the Trustee Liability.

The Trustees make a regular assessment as to whether the reserves are sufficient to meet their on-going financial obligations.

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Partnership Working

Patients and staff of HHFT are the main beneficiaries of the Charity and HHFT is a related party by the virtue of being the Corporate Trustee of the Charity. By working closely with the Trust, the Charity ensures that funds are used to best effect, after taking into account the main activities, objectives, strategies and plans of HHFT over the short, medium and long term.

Annual Review

Hampshire Hospitals Charity receives the majority of its income from donations, legacies and investment income and gains. Trustees of the Charity are extremely grateful to all donors for the funds received over the year as these make a significant difference to the care and treatment provided to the patients of Hampshire Hospitals NHS Foundation Trust.

Total income for the year was £1,217,000 (2019/20 - £547,000) of which £409,000 was from donations, £598,000 was from legacies, £178,000 from grants and £32,000 was from investment income.

The Charity's funds continued to support a wide range of activities which greatly enhance the service offered to patients and/or supported the staff of HHFT. Individual purchases were varied but all added to the quality of patient care or the staff experience by supporting developments that are not possible through NHS funding alone. This included, for example, the purchase of leading-edge clinical equipment and improvements to the environment in which patients are treated. Due to the Covid-19 pandemic spend on staff welfare increased this year.

Total expenditure, including support costs, was £2,156,000 (2019/20 - £1,052,000). Charitable expenditure on direct charitable activity was £2,153,000 (2019/20 - £1,002,000).

A summary of the major items purchased during the year is shown below:

Clinical Equipment £458,000 (2019/20 - £163,000)

The Charity purchased many pieces of clinical equipment which enabled the hospitals' teams to provide leading edge technology for their patients' treatment. The most significant of those purchases included:

- Replacement of the gamma camera (nuclear medicine service) (£195,000) with a modern SPECT-CT scanner. This significantly improves patient care, avoids some patients travelling to Southampton for care and increases the resilience of the Southampton-HHFT network. The total cost of the scanner was £470,000, Hampshire Medical Fund charity contributed the additional £275,000.
- 100 x Surface Go2s to support new Emergency Department system (£140,000) has been committed. Moving ED on to hand-held tablets will support focused bedside management, improve infection control and provide stronger patient data governance using new paperless system.
- Digital pathology slide scanner and slide management software solution (£68,000) has been committed. This will retain specialist diagnostic knowledge and increase hematopathology service resilience and will enable outsourcing of bone marrow trephine reporting. The total cost of the scanner was £136,000, Hampshire Medical Fund contributed the additional £68,000.

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Enhancing Patients' Environment £1,279,000 (2019/20 – £409,000)

Several patient areas were refurbished as a result of funding through the charity. This included spending £1,346,000 on the project of converting of Burrell House into Winchester Hospice and £29,000 on refurbishing Ward D1. An accrual of £98,000 for the reconfiguration and refurbishment of the Orthopaedic elective ward was released in year as phases 2 and 3 were not undertaken. If the department come back with proposals for Phases 2 and 3, a new application will be required to be submitted to the trustees.

Enhancing Patients' Welfare £91,000 (2019/20 - £205,000)

£51,000 is committed to a 1 year secondment from University Hospitals Southampton Foundation Trust for a Stroke Nurse Specialist. The purpose of this role is to improve the hyper-acute stroke patient journey from the Emergency Department through to the hyper-acute stroke service.

£47,000 is committed for an 18 month post of a Paediatric Diabetes Educator. The purpose of this role is to work alongside the paediatric diabetes nursing and medical teams in providing education about diabetes to children, young people and their families, with a particular role in supporting the increasing number of young people who are using digital technology to assist in the management of their diabetes.

£10,000 is committed to purchase 8 Richmond Recliner Chairs. Reclining chairs are used to encourage patients to move from their beds and sit more comfortably.

An accrual for £28,000 for a Clinical Fellow Radiology post was released in year as the post was not required.

Supporting our Staff to be Even Better £224,000 (2019/20 - £118,000)

Many grateful patients offer donations for the direct benefit of the ward team who have looked after them. These donations are used in two main ways; either to provide additional education to enhance the skills of the team so they can offer even better care to their patients; or to enable team development activities which help improve staff morale and retention both of which are key aspects in delivering high quality healthcare.

A total of £26,000 was used to enable staff to attend educational programmes to expand their skills and knowledge to do their jobs better.

A total of £197,000 was spent on staff welfare this year. This was spent on staff free meals, a thank you metal water bottle for every staff member, staff wellness centres, outdoor furniture, providing a marquee for staff to use for breaks which allowed social distancing, Christmas cards, pens and pin badges for every staff member and weekly yoga sessions for staff wellbeing. The funding for these expenditures was mostly provided by direct grants from NHSCT.

Research £39,000 (2019/20 - £40,000)

£39,000 was committed (£15,000 spent in year) to a pilot project to understand the ecosystem of Pseudomyxoma Peritonei at single cell resolution. Basingstoke and North Hampshire Hospital is one of the largest peritoneal malignancy centres in the world undertaking over 300 cytoreductive surgeries with Hyperthermic Intraperitoneal Chemotherapy (HIPEC) per year.

Covid-19 Gifts

The Trust was overwhelmed during the first lockdown with the generosity of gifts from the general public, either donated to the Trust as a whole or to specific departments. Whilst there was no formal relaxation of the policy it was very difficult to keep up with the flow of donations due to the sheer

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volume of the gifts. NHSE guidance on donations during the pandemic was issued and the Company Secretariat provided written guidance to the central team co-ordinating donations on what they needed to do. A separate register of 'Covid donations' was set up and maintained, which was then reviewed periodically by both the Company Secretary and Chief Executive. These gifts included food, toiletries, beauty products, flowers, masks, gloves, Easter eggs, coffee, tea, newspapers and soft drinks. These donations were not material and were immediately distributed to and consumed by staff and patients, they have not been included in the accounts although disclosure has been made in the annual report.

Our Future Plans

Like the rest of the NHS, HHFT is facing significant change and the Charity recognises that its future plans should reflect this changing landscape. The vision for HHFT includes re-developing services and the environment for services in the general hospitals in Basingstoke and Winchester, as well as seeking ways to deliver some services even closer to home.

The Charity's vision therefore is to support this exciting strategy through funding new technology, enhancing service development and facilitating staff to deliver the highest quality treatment and care.

Future grant support provided will focus on supporting the wider NHS and voluntary community dealing with COVID-19 and enhancing the well-being of NHS Staff, volunteers and patients impacted by COVID-19, as part of our Trust's COVID-19 response.

At the April 2021 meeting the Board of Trustees approved in principle a staffing structure and a fundraising strategy named as the HHFT Charity Team. The ambition, and purpose, of the HHFT Charity Team will be to increase awareness of, and raise funds for, Hampshire Hospitals Charity, Winchester Hospice Fundraising Charity, and Ark Cancer Centre Charity. In relation to Hampshire Hospitals Charity, the goal is that the return on investment in the fundraising team will deliver tangible results in terms of enhanced welfare and amenities for patients and staff, and improvements to the general fabric of the Hampshire Hospitals NHS Foundation Trust environment.

NHS CHARITIES TOGETHER

In April 2020 Hampshire Hospitals Charity became a member of NHS Charities Together (NHSCT) and in 2020/2021 HHC received grants totalling £178,000.

• Stage 1 grant 1 st payment received in April 2020	£32,000
• Stage 1 grant 2 nd payment received in May 2020	£46,000
• BAME grant received August 2020	£50,000
• Second wave funding payment received in December 2020	£50,000

The stage 1 and second wave funding has been spent on free meals for staff, staff wellness centres, staff wellbeing initiatives, metal drinking bottles for staff, hire of a marquee for staff to take breaks, purchase of outdoor furniture to enable social distancing, staff Christmas cards, pin badges, pens, lockers and weekly yoga sessions for staff.

The BAME grant has been spent or committed on a reverse mentoring programme, a HHFT Inclusivity Conference, a second cohort of the reverse mentoring programme, guest speakers/workshops for Black History Month, a BAME Champions Group, leadership programme for our BAME staff and 'Civility in the workplace' training.

Stage 2 Strategic integrated community and social care pathway Grants

In May 2021 NHS CT paused the Stage 2 grant applications to enable time for the Grants Team to review Stage 2 and provide clearer guidance and support to members. These grants are to support

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community partnerships in recognition of the impact of COVID-19 on the wider community. The guidance will be issued in June and the submission deadlines are between July 2021 and January 2022.

Stage 2 community partnership grant allocations are based on population figures for ICS/STP “footprints” in England, Health Boards in Wales and Scotland and ICP areas in Northern Ireland.

Grants received from NHS Charities Together are treated as restricted income and should be spent on enhancing the well-being of NHS Staff, volunteers and patients impacted by COVID-19.

Grant Making Policy

All staff employed by Hampshire Hospitals NHS Foundation Trust can apply for grants from charitable funds to enhance the care and treatment of patients.

Charitable funds can potentially be used for a wide range of costs, including medical research, professional staff development and medical equipment, which the trust cannot acquire through ordinary sources.

The directors have discretionary powers to delegate their authority to agree grant applications. Currently, Fund Managers can make decisions on items totalling up to and including £1,000 subject to there being sufficient monies in the fund to cover the total requested.

Requests for grants between £1,000 and £5,000 must be approved by both a Fund Manager and the Chief Executive and reported to the full trust board at their next monthly meeting.

For all grants over £5,000, a paper must be completed which includes detailed information to support the grant application. The paper is submitted to the full trust board for approval, who meet monthly.

Any request to Fund Advisors should be in writing and should include details of the name and number of the fund to be charged, the amount, purpose and benefits of request and should be supported with documentation e.g. invoices/receipts.

Details of Fund Managers currently acting for a particular fund can be obtained upon request.

Fundraising

The Charity has voluntarily subscribed to the Code of Practice set out by the Fundraising Regulator.

The Charity does not carry out significant fundraising activities.

There have been no failures by the charity to comply with the Code of Practice, nor complaints received by the Charity about fundraising activity.

Reserves Policy

The Corporate Trustee has a general legal duty to apply the charitable funds within a reasonable amount of time of receiving them, so with this in mind the Corporate Trustee reviews the funds it holds.

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The Charity's reserves and its policy are set out as follows:

	Current Year £'000	Previous Year Restated £'000
Unrestricted Fund Reserves	86	42
Designated Fund Reserves	3,174	3,529
Total	3,260	3,571
Ratio of Reserves to Annual Operating Expenditure	1.51	3.39

Historically the reserves have been calculated using the average annual operating expenditure. The comparison of the operating expenditure and the balance has now been changed to an annual calculation as the Trustees consider it annually. The ratio has decreased due to the spend on the Winchester Hospice and more efforts to spend generally. The prior year has been restated.

The restricted fund balances of £642,000 (2019/20 £546,000) are not part of the reserves policy as the Corporate Trustee has no discretion over these. Restricted funds are carried forward in the current year to comply with our donors' specific requirements.

In the Corporate Trustee's view, the reserves should provide the Charity with adequate financial stability and the means for it to meet its charitable objectives in the medium term i.e. for next 3 to 5 years. The Corporate Trustee was made aware that the expenditure in 2020/21 was likely to be more than 1/3 of the opening balance of funds because of the high level of spending on the Winchester Hospice.

The Corporate Trustee maintains the Charity's reserves at a level which is at least equivalent to two years operational expenditure having regards to the unpredictability of the funding streams, and therefore discounting any legacy income which, by its nature, cannot be relied upon. The Corporate Trustee also maintains sufficient cover for any reasonable investment losses.

The Corporate Trustee reviews the amount of reserves that are required to ensure that they are adequate to fulfil the charity's continuing obligations on a quarterly basis at their finance meeting.

Investments and Performance Management

The Charity complies with the investment powers detailed in its governing document in addition to the powers given to it by the Trustee Act 2000. During the year, the Corporate Trustee invested its charitable funds with Sarasin and Partners LLP and Partners Capital LLP. Investments were valued at £3,478,000 as at 31 March 2021 (2019/20 - £3,424,000). There is a further remaining investment held by CCLA Investment Management Limited COIF Charities Investment Fund which was valued at £19,000 as at 31 March 2021 (2019/20 - £16,000).

The performance of the funds has been very satisfactory and fund values have been maintained despite cash withdrawals over the year.

The Charity's current investment policy has a restriction, stated within the mandate, preventing investment in companies whose main business is the processing of tobacco.

The Corporate Trustee performs regular reviews of the performance, structure and financial management arrangements of the funds.

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Conclusion

We would like to say a heart-felt thank you to all of the patients, families, carers, staff and the wider community for their continued, generous support. Without this generosity the Charity could not have achieved all of the improvements it has supported during the year.

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Statement of Trustee's Responsibilities

The Trustee is responsible for preparing the Trustee's Annual Report and the accounts 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 accounts for each financial year which give a true and fair view of the state of affairs of the Charity and of the income and expenditure of the Charity for that period.

In preparing these accounts, the Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

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 the Trustee to ensure that the accounts comply with the Charities Act 2011, applicable Charity (Accounts and Reports) Regulations and the provisions of the Charity's trust deed. The Trustee is 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 Trustee is 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 accounts may differ from legislation in other jurisdictions.

Chairman Stavros

Date 5/10/2021

Trustee Alex Mitchell Date 5/10/21

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Independent Auditor's Report

Independent auditor's report to the Trustee of Hampshire Hospitals Charity

Opinion

We have audited the financial statements of Hampshire Hospitals Charity ("the charity") for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes, including a summary of significant accounting policies. 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 twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustee 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 Trustee's Annual Report, other than the financial statements and our auditor's report thereon. The Trustee is responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in

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the financial statements themselves. 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

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 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 Trustee's report; or
- sufficient accounting records have not been kept; 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.

Responsibilities of trustees

As explained more fully in the Trustee's responsibilities statement, the Trustee is responsible for the preparation of the 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 Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Capability of the audit in detecting irregularities, including fraud

Based on our understanding of the Charity and industry, and through discussion with the Trustee and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to health and safety and anti-bribery. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011 and Charities Statement of

Hampshire Hospitals Charity – Annual Report and Accounts for the year ended 31 March 2021

Recommended Practice (FRS 102) 2019. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue or reduce expenditure and management bias in accounting estimates and judgemental areas of the financial statements. Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations and fraud; and
- Identifying and assessing the design effectiveness of controls that management has in place to prevent and detect fraud; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Reading minutes of meetings of those charged with governance; and
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustee.

Conclude on the appropriateness of the Trustee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Charity to cease to continue as a going concern.

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Independent Auditor's Report (continued)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation (ie. gives a true and fair view).

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's Trustee, as a body, 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 as a body, for our audit work, for this report, or for the opinions we have formed.



Kreston Reeves LLP
Chartered Accountants
Statutory Auditor
Chichester

Date: 14th October 2021

Kreston Reeves LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

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Statement of Financial Activities for the year ended 31 March 2021

		2021			2020		
	Note	Unrestricted Funds £'000	Restricted Funds £'000	Total £'000	Unrestricted Funds £'000	Restricted Funds £'000	Total £'000
Income from:							
Donations	2	312	97	409	482	2	484
Legacies	2	335	263	598	9	-	9
Grants	2	-	178	178	-	-	-
		647	538	1,185	491	2	493
Investments	7	26	6	32	48	6	54
Total income		673	544	1,217	539	8	547
Expenditure on:							
<i>Raising funds:</i>							
Other trading costs		(3)	-	(3)	(44)	-	(44)
Investment management costs		-	-	-	(5)	(1)	(6)
Charitable activities	4	(1,639)	(514)	(2,153)	(975)	(27)	(1,002)
		-	-	-	-	-	-
Total expenditure		(1,642)	(514)	(2,156)	(1,024)	(28)	(1,052)
Gains on investments	6	658	66	724	(18)	21	3
Net movement in funds		(311)	96	(215)	(503)	1	(502)
Fund balances brought forward		3,571	546	4,117	4,074	545	4,619
Fund balances carried forward		3,260	642	3,902	3,571	546	4,117

All results derive from continuing operations.

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

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for the year ended 31 March 2021**

Balance Sheet as at 31 March 2021

	Note	2021		2020	
		£'000	£'000	£'000	£'000
Fixed Assets					
Investments	6	3,497		3,440	
			3,497		3,440
Current Assets					
Debtors	8	323		9	
Cash at Bank and in Hand	8	768		1,445	
		1,091		1,454	
Creditors: Amounts Falling Due Within One Year	9	(686)		(777)	
Net Current Assets			405		677
Total Assets Less Current Liabilities			3,902		4,117
Total Net Assets			3,902		4,117
Funds of the Charity					
Restricted Income Funds	10		642		546
Designated Income Funds	10		3,174		3,529
General Income Funds	10		86		42
Total Charity Funds			3,902		4,117

The annual accounts on pages 18 to 32 were approved by the Corporate Trustee and signed on its behalf by Steve Erskine.

Signed: 

Date: 5/10/2021

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Statement of Cash Flows for the year ended 31 March 2021

	Notes	2021 £'000	2020 £'000
Cash inflow from operating activities:			
Net cash provided by (used in) operating activities	A	(1,376)	(70)
Cash inflow from investing activities:			
Dividends and interest from investments		32	54
Proceeds from the disposal of investments		751	793
Purchase of investments		(84)	(87)
Net cash provided by (used in) investing activities		699	760
Change in cash and cash equivalents in the year		(677)	690
Cash and cash equivalents at 1 April 2020	B	1,445	755
Cash and cash equivalents at 31 March 2021	B	768	1,445

Notes to the cash flow statement for the year to 31 March 2021

A Reconciliation of net movement in funds to net cash flow from operating activities

	2021 £'000	2020 £'000
Net movement in funds (as per the statement of financial activities)	(215)	(502)
Adjustments for:		
(Gains) losses on investments	(724)	(3)
Dividends and interest from investments	(32)	(54)
(Increase) decrease in debtors	(314)	306
Increase (decrease) in creditors	(91)	183
Net cash provided by (used in) operating activities	(1,376)	(70)

B Analysis of cash and cash equivalents

	2021 £'000	2020 £'000
Cash at bank and in hand	268	1,445
Cash held by investment managers	500	-
Total cash and cash equivalents	768	1,445

Hampshire Hospitals Charity – Annual Report and Accounts for the year ended 31 March 2021

Notes to the accounts

1. Accounting Policies

Basis of preparation

These accounts have been prepared for the year to 31 March 2021.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice 2019 applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest thousand pounds.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the Trustee to make significant judgements and estimates. The items in the accounts where these judgements and estimates have been made include:

Estimating amounts to be accrued as legacies

The Trustee has considered all legal correspondence received in the year in order to assess whether a legacy should be recognised in the accounts based on the entitlement of the charity to receive it, the probability of receipt, and the reasonable certainty of the amount which includes making enquiries of the executors of the wills in question.

Assessment of going concern

The Trustee has assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The Trustee has made this assessment in respect to a period of one year from the date of approval of these accounts.

The Trustee of the charity has concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The Trustee is of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

In making this decision, the Trustee has taken into consideration the risks and uncertainties arising from the Coronavirus pandemic and conclude that the charity can sustain its operations for a period of at least twelve months from date of signing these accounts.

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Funds structure

Unrestricted general funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the Charity's charitable objects.

Restricted funds are those which are to be used in accordance with specific restrictions imposed by the donor or the result of a specific appeal. Where a preference is indicated by a donor as to the application of funds, they are unrestricted, and then designated by the Trustee in line with this. The Charity follows the Charity Commission guidance for NHS charities when allocating to funds.

Where the restriction requires the gift to be invested to produce income which may be spent but the capital must be protected, then it is an endowment fund. If the Trustee also has the power to spend the capital in addition to the income, then the fund is an expendable endowment fund.

The Charity has a combination of restricted and unrestricted funds and no endowment or expendable endowment funds.

The Charity has some designated funds which have been set aside out of unrestricted funds for specific purposes.

Income recognition

Income is recognised in the period in which the Charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income comprises donations, grants, legacies and investment income.

Donations and grants

Donations and grants are recognised when the Charity has confirmation of both the amount and settlement date. In the event of donations or grants pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation or grant is subject to conditions that require a level of performance before the Charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Legacies

Legacies are included in the statement of financial activities when the Charity is entitled to the legacy, it is probable that the legacy will be received, and any conditions attached to the legacy are within the control of the charity.

Entitlement is taken as the earlier of the date on which either: the Charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the Charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the Charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the Charity or the charity is aware of the granting of probate, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title of the asset having being transferred to the Charity.

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Taxation

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

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. Expenditure comprises grants and donations, and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

- ◆ Expenditure on raising funds are those costs attributable to generating income for the Charity, other than those costs incurred in undertaking charitable activities, and represent fundraising costs together with investment management fees.
- ◆ Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the Charity through the provision of its charitable activities. Such costs include charitable grants and donations and support costs in respect to the charitable activity including governance costs.

Charitable grants and donations are made after the Trustee has considered an application for funds. Grants and donations are included in the statement of financial activities when approved for payment.

Charitable expenditure is authorised and allocated for each individual fund rather than allocated across multiple funds.

Allocation of overheads and support costs

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the Charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment.

Governance costs comprise the costs involving the public accountability of the Charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

All support costs have been allocated to expenditure on charitable activities because any apportionment across the expenditure categories would be immaterial.

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Fixed Asset Investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the financial year.

The Charity does not acquire put options, derivatives or other complex financial instruments.

As noted above the main form of financial risk faced by the Charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Gains and losses on investments

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value is acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

At each quarter end 50% of unrealised gains are allocated across the funds and the remainder is recorded as an unrealised gain reserve.

All unrealised losses are allocated across the funds at each quarter end.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the Charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

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2. Analysis of Donations, Legacies and Grants

	2021			2020		
	Unrestricted Funds	Restricted Funds	Total	Unrestricted Funds	Restricted Funds	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Donations	312	97	409	482	2	484
Legacies	335	263	598	9	-	9
Grants receivable	-	178	178	-	-	-
	647	538	1,185	491	2	493

A total of £314,000 has been included in legacies where the receipt of the legacy is probable but not yet received.

2020/21, the charity received grants from the NHS Charities Together Covid-19 emergency appeal.

	2021			2020		
	Unrestricted Funds	Restricted Funds	Total	Unrestricted Funds	Restricted Funds	Total
	£'000	£'000	£'000	£'000	£'000	£'000
NHSCT stage 1 grant 1st payment	-	32	32	-	-	-
NHSCT stage 1 grant 2nd payment	-	46	46	-	-	-
NHSCT BAME grant	-	50	50	-	-	-
NHSCT second wave funding	-	50	50	-	-	-
	-	178	178	-	-	-

3. Allocation of Support Costs and Overheads

	2021	2020
	Total	Total
	£'000	£'000
Accountancy support	49	48
External audit	9	12
Bank charges	1	2
Software maintenance	3	4
	62	66

Support costs and overheads are apportioned across restricted and unrestricted funds. All support costs have been allocated to charitable expenditure (note 4) because any apportionment between the categories of expenditure would be immaterial.

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4. Analysis of Charitable Expenditure (Grant Support Provided)

The charitable expenditure incurred is for grant support provided, rather than for direct charitable activities undertaken by the Charity. The Charity does not provide grant support to individuals, but makes the support solely available to HHFT.

The Corporate Trustee operates a scheme of delegation, whereby fund holders manage the day to day disbursements for their programme in line with the directions set by the Corporate Trustee, and the Charity's procedures.

The table below shows the categories of programmes that the Charity has supported during the financial year under review.

	2021			2020		
	Unrestricted Funds	Restricted Funds	Total	Unrestricted Funds	Restricted Funds	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Patients' welfare and amenities	39	52	91	205	-	205
Staff welfare and education	54	170	224	113	5	118
Purchase of clinical equipment	458	-	458	148	15	163
Enhancing patient environment	998	281	1,279	409	-	409
Patient education	-	-	-	1	-	1
Research	39	-	39	40	-	40
Support costs	51	11	62	59	7	66
	<u>1,639</u>	<u>514</u>	<u>2,153</u>	<u>975</u>	<u>27</u>	<u>1,002</u>

5. Auditor's Remuneration

The independent auditor's remuneration was £9,600 (2019/20 - £12,000) relating solely to the statutory audit with no other additional work undertaken.

6. Investments

Movement in Fixed Asset Investments

	31 March 2021 £'000	31 March 2020 £'000
Listed Investments		
Market value at 1 April	3,440	4,143
Additions to investments at cost	84	87
Disposals at book value	(751)	(720)
Net unrealised investment gains/(losses)	724	(70)
Market value at 31 March	<u>3,497</u>	<u>3,440</u>
Cash held by investment managers for re-investment	<u>-</u>	<u>-</u>
Carrying value at 31 March	<u>3,497</u>	<u>3,440</u>
 Historic cost of investments at 31 March	 <u>2,854</u>	 <u>2,727</u>

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At 31 March 2021, all funds are held by two investment companies who have invested the funds in Common Investment Funds and Overseas Hedge Funds.

Investments held at 31 March comprised the following:

	31 March 2021 £'000	31 March 2020 £'000
UK common investment funds	1,042	825
Overseas hedge funds	2,455	2,615
	<u>3,497</u>	<u>3,440</u>

7. Total Gross Income from Investments

	Unrestricted Funds £'000	Restricted Funds £'000	2021 Total £'000
Return on investments held:			
UK common investment funds	25	6	31
Overseas hedge funds	-	-	-
Bank interest	1	-	1
	<u>26</u>	<u>6</u>	<u>32</u>

	Unrestricted Funds £'000	Restricted Funds £'000	2020 Total £'000
Return on investments held:			
UK common investment funds	27	4	31
Overseas hedge funds	14	2	16
Bank interest	7	-	7
	<u>48</u>	<u>6</u>	<u>54</u>

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8. Analysis of Current Assets

Debtors

	31 March 2021 £'000	31 March 2020 £'000
Amounts falling due within one year:		
Prepayments and accrued income	314	3
Other debtors	9	6
Total debtors	<u>323</u>	<u>9</u>

The Charity had accrued income of £314,000 relating to legacies of which it had been notified during the year but had not been received at 31 March 2021 (2020 - £250).

Cash at Bank and in Hand

	31 March 2021 £'000	31 March 2020 £'000
Cash at bank and in hand	<u>768</u>	<u>1,445</u>

Cash in hand represented petty cash of £200 (2020 - £200).

9. Analysis of Liabilities

Creditors

	31 March 2021 £'000	31 March 2020 £'000
Amounts falling due within one year:		
Amounts due to related parties	191	3
Other creditors	3	2
Grants payable	483	760
Accruals	9	12
	<u>686</u>	<u>777</u>

Amounts owed to related parties represent amounts owed to HHFT for costs incurred on behalf of the Charity in furtherance of the Charity's objects.

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All liabilities are unsecured.

10. Analysis of Charitable Funds

	Balance at 1 April 2020 £'000	Income £'000	Expenditure £'000	Gains and Losses £'000	Balance at 31 March 2021 £'000
Restricted					
Stroke Services Development Charitable Fund RHCH	24	267	(67)	9	233
Winchester Hospice Fund	263	2	(283)	18	-
RHCH Staff Benefit	178	7	(3)	18	200
Arthritis Research - Legacy I H Spain	81	1	(2)	8	88
Covid-19	-	217	(150)	10	77
BAME Staff Support	-	50	(9)	3	44
RHCH Patient Benefit	-	-	-	-	-
Total restricted funds	546	544	(514)	66	642
Unrestricted					
Designated funds					
Magic Wand Appeal	52	1	(12)	5	46
Orthopaedic Department General Purposes	480	4	14	46	544
RHCH Chapel	125	2	(6)	11	132
Pseudomyxoma/Colorectal Research	173	47	(31)	16	205
Clinical Haematology	71	1	(51)	6	27
Liver Fund	157	4	(14)	16	163
Oncology Unit (Previously EH Unit or Wessex)	146	84	(25)	17	222
Ward C2	51	4	(1)	6	60
Cardiology Education Fund	99	1	(4)	10	106
Paediatric Wards NHH	77	3	(37)	8	51
Coronary Care Unit	71	2	(5)	7	75
Winchester Medical Foundation Charitable Fund	317	-	(275)	22	64
Winchester Hospice Fund	777	152	(902)	31	58
Other designated	933	125	(83)	446	1,421
Total designated funds	3,529	430	(1,432)	647	3,174
General Funds	42	243	(210)	11	86
Total unrestricted funds	3,571	673	(1,642)	658	3,260
Total Funds	4,117	1,217	(2,156)	724	3,902

Individual unrestricted funds have been included in the analysis of charitable funds if one of the opening balance, income for the year, expenditure during the year or the closing balance exceeded £50,000. All smaller funds are included within other designated or general funds. There are no endowment funds held by the Charity.

The Trustee considers that sufficient resources are held in an appropriate form to enable each fund to be applied in accordance with any restrictions.

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10. Analysis of Charitable Funds (continued)

	Balance at 1 April 2019 £'000	Income £'000	Expenditure £'000	Gains and Losses £'000	Balance at 31 March 2020 £'000
Restricted					
Stroke Services Development Charitable Fund RHCH	31	2	(9)	-	24
Winchester Hospice Fund	250	3	(4)	14	263
RHCH Staff Benefit	177	2	(6)	5	178
Arthritis Research - Legacy I H Spain	79	1	(1)	2	81
RHCH Patient Benefit	8	-	(8)	-	-
Total restricted funds	545	8	(28)	21	546
Unrestricted					
Designated funds					
Magic Wand Appeal	71	2	(23)	2	52
Orthopaedic Department General Purposes	524	7	(64)	13	480
RHCH Chapel	136	3	(16)	2	125
Pseudomyxoma/Colorectal Research	156	25	(12)	4	173
Clinical Haematology	87	21	(39)	2	71
Liver Fund	178	21	(47)	5	157
Oncology Unit (Previously EH Unit or Wessex)	133	17	(9)	5	146
Ward C2	31	22	(3)	1	51
Cardiology Education Fund	130	2	(36)	3	99
Paediatric Wards NHH	91	8	(24)	2	77
Coronary Care Unit	75	3	(9)	2	71
Winchester Medical Foundation Charitable Fund	654	21	(375)	17	317
Winchester Hospice Fund	615	196	(54)	20	777
Other designated	1,131	175	(276)	(97)	933
Total designated funds	4,012	523	(987)	(19)	3,529
General Funds	62	16	(37)	1	42
Total unrestricted funds	4,074	539	(1,024)	(18)	3,571
Total Funds	4,619	547	(1,052)	3	4,117

Individual unrestricted funds have been included in the analysis of charitable funds if one of the opening balance, income for the year, expenditure during the year or the closing balance exceeded £50,000. All smaller funds are included within other designated or general funds. There are no endowment funds held by the Charity.

The Trustee considers that sufficient resources are held in an appropriate form to enable each fund to be applied in accordance with any restrictions.

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10. Analysis of Charitable Funds (continued)

The purposes of the funds analysed are as follows:

Restricted

Stroke Services – to provide a new ward for stroke patients and to aid in their rehabilitation.

RHCH Staff Benefit – for the benefit of all staff members at Winchester Hospital.

Arthritis Research – Legacy I H Spain – to fund research of arthritis treatments.

Covid-19 – to enhance the well-being of NHS Staff, volunteers and patients impacted by COVID-19.

BAME Staff Support - To increase and improve our support for our BAME staff.

Designated

Magic Wand Appeal – to design, reconfigure and refurbish the paediatric unit.

Orthopaedic General Purposes Fund – to provide staff and patients amenities within the Orthopaedic Department.

RHCH Chapel – for the preservation and upkeep of the Chapel at Winchester Hospital.

Pseudomyxoma/Colorectal Research – the relief of patients suffering from pseudomyxoma peritonei, colorectal cancer and related diseases. Promotion and understanding of research into causes, treatment and prevention of pseudomyxoma peritonei, colorectal cancer and related diseases and publications in any form of the results of such research. To provide amenities for staff in the pseudomyxoma and colorectal units.

Clinical Haematology Fund – to enhance the clinical haematology service including the provision of equipment for patients, study leave and books for staff.

Liver Fund – to fund research and development within the Hepato-Biliary unit.

Oncology Unit (Formerly Elizabeth Hall Unit) – to provide welfare and amenities for patients and staff and to fund enhancements to the fabric of the unit (Haematology/Oncology).

Ward C2 - to provide welfare and amenities for patients and staff and to fund enhancements to the fabric of the unit.

Cardiology Education Fund – to support education and research within the Cardiology Unit and to provide staff amenities within the unit.

Paediatric Wards NHH – to provide welfare and amenities for patients and staff and to fund enhancements to the fabric of the unit.

Coronary Care Unit– to provide welfare and amenities for patients and staff and to fund enhancements to the fabric of the unit.

Winchester Medical Foundation Charitable Fund – for the benefit of all staff and patients, equipment and training/research.

Winchester Hospice Fund – to support the development of hospice services for the population of Winchester and surrounding areas, including the development of a hospice building, staffing and staff development.

Hampshire Hospitals NHS Foundation Trust – For the welfare of patients and staff and general fabric of the Hampshire Hospitals NHS Foundation Trust.

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11. Analysis of Net Assets between Funds

Fund balances as at 31 March 2021 are represented by:

	General Funds	Restricted Funds	2021 Total	General Funds	Restricted Funds	2020 Total
	£'000	£'000	£'000	£'000	£'000	£'000
Investments	3,337	160	3,497	3,073	367	3,440
Current Assets	350	741	1,091	1,242	212	1,454
Creditors: Amounts falling due within one year	(427)	(259)	(686)	(744)	(33)	(777)
	<u>3,260</u>	<u>642</u>	<u>3,902</u>	<u>3,571</u>	<u>546</u>	<u>4,117</u>

12. Related Party Transactions

HHFT receives grants and delivers services on behalf of the Charity. The Charity has reimbursed HHFT for approved expenditure made on behalf of the Charity. This reimbursement amounted to £2,228,000 (2020 - £790,000) and is included within total expenditure in the Statement of Financial Activities. During the year none of the members of HHFT's Board or their senior staff or parties related to them were beneficiaries of the Charity.

The Charity owed HHFT £191,000 at 31 March 2021 (2020 - £3,000), as shown in note 9.

Neither HHFT nor any member of the Board received honoraria, emoluments or expenses in the year.

HHFT purchased trustee indemnity insurance costing £896 during the year (2020 - £896).

HHFT has provided administrative support and accommodation for the Charity at a cost of £49,000 (2020 - £48,000) for the year.

The Hampshire Medical Fund is considered a related party because Dr Alloway who is the Chief Medical Officer and member of the Trust Board is a Trustee of the Hampshire Medical Fund. Hampshire Medical Fund contributed £343,000 to joint projects with the Charity.

The Winchester Hospice Fundraising Charity is considered a related party because Dr Alloway who is the Chief Medical Officer and member of the Trust Board is a Trustee of the Winchester Hospice Fundraising Charity. Winchester Hospice Fundraising Charity contributed £910,000 towards the building of Burrell House Hospice which is a joint project between the charities.

13. Staff costs

The Charity does not directly employ any individuals, but is recharged a proportion of the costs, of certain individuals employed by HHFT. The key management personnel comprise the directors of the Corporate Trustee. As disclosed above, no remuneration was paid to these individuals by the Charity.

14. Post Balance Sheet events

At the May 2021 Trustees meeting it was decided that the Charity would invest a further £200,000 with Sarasin & Partners. The source of the funds are charitable gifts to the Hampshire Hospitals Charity for the furtherance of the charitable aims of the charity. The Charity have rebalanced the fund holdings, and previously these gifts had been invested with Partners Capital. £100,000 was paid and credited to the portfolio on the 3rd June 2021. The remaining £100,000 was paid in July 2021.