



# Annual Report and Accounts 2020 – 2021

Bradford Hospitals Charity  
Daisy Bank  
Duckworth Lane  
Bradford  
West Yorkshire  
BD9 6RJ

Bradford Hospitals Charity is the official NHS charity for Bradford Teaching Hospitals NHS Foundation Trust

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The Trustee Report below aims to provide sufficient information to understand the Charity, its purpose, and how it has performed during the year.

## 1. Chair and Executive Directors' Foreword

On behalf of the Trustee of Bradford Hospitals Charity ("the Charity"), we are pleased to present the Charity's Annual Report and Accounts for the year ended 31 March 2021.

This document provides an overview for stakeholders and interested parties of what the Charity has achieved during 2020/21. This Annual Report, including the Trustee Report and Accounts has been prepared in accordance with accounting policies set out in the notes of the accounts and complies with the Charity's governing document, the Charities Act 2011 and the Statement of Recommended Practice ("SORP") "Accounting and Reporting by Charities" ("FRS 102").

The Charity is committed to enhancing the care and treatment of patients and improving the health of local people. The Charity works with Bradford Teaching Hospitals NHS Foundation Trust ("the Trust") to improve health and healthcare across the Bradford City Region. We are proud that the general public trust us to invest in projects that are over and above the responsibility of the NHS and exchequer.

Without doubt, 2020 has been the toughest year in the history of the Trust and, indeed, the wider NHS. Staff at the Trust have experienced the relentless challenges of the COVID-19 pandemic first-hand. But, in the face of adversity and at times sadness, we have also witnessed incredible compassion, strength and unity from our colleagues, our partners, and our communities. Bradford had a consistently high number of COVID patients in hospital throughout the year: there was no down-time for staff. But we consistently kept at the job of caring for our patients while still looking forward and transforming services.

During the pandemic, the support we have had from local people and communities – in both donations of money and in kind - has been overwhelmingly generous and much appreciated. Our pandemic NHS Hospital Heroes appeal has resulted in money being invested in staff support and wellbeing to assist staff through the crisis, equipment to speed up and enhance diagnoses and treatment, as well as items and equipment to support patients affected by COVID-19, including food, drink and self-care items. We have also received grants from the national appeal managed by NHS Charities Together. These grants are restricted to be used to support NHS staff and, as a consequence, NHS patients. As a member of NHS Charities Together, we have been very grateful to receive these grants from their national emergency appeal.

Our Rays a Smile for Radiology appeal has seen money used to refurbish our radiology department, to create a more child-friendly environment, which is improving diagnostic processes. Our Neonatal Appeal has seen money invested in improving facilities for families visiting their babies in our neonatal unit. Funds have been invested across the board to support patients, their families and our staff through the purchase of equipment, training, research and projects which go over and above what the NHS provides.

## 2. Review of activities

### 2.1. Review of the year

During the year, funds were used to enhance service provision for the benefit of both patients and staff affected by Covid. The Charity received a large number of very generous donations from many parts of the community and as a result of this generosity; the Charity purchased a number of items of equipment for the wards and departments to support staff and patients, including:

- UpToDate software - a subscription-based resource designed to provide physicians access to current clinical information
- Sonosite Ultrasound – allows the structures under the skin to be seen which allows quicker placement of lines with reduced complications
- Sara Combilizer chair - is a stretcher chair/tilt table to start early sitting out/weight-bearing/regaining orthostatic tolerance in patients who have been paralysed / sedated for a period of time
- 20 Samsung tablets and 160 phone chargers to allow patients and staff to keep in contact with their loved ones
- Self-care items including hand creams, face creams, lip balms
- White goods including microwaves, fridges, kettles
- Comfy furniture for staff rooms

## 2.2. Our Strategic Objectives

The Charity has as its sole objective to use its funds:

***For any charitable purpose or purposes relating to the NHS wholly or mainly for the services provided by Bradford Teaching Hospitals NHS Foundation Trust***

The Corporate Trustee considers that this objective does not unreasonably restrict access to charitable benefits within the scope of the Declaration of Trust. The Corporate Trustee of the Charity seeks to achieve this objective, giving consideration to general guidance by two main routes. Firstly, the Corporate Trustee works to identify significant projects to which it can contribute or which it can wholly fund. It actively enhances the refurbishment of wards and clinical areas from basic specifications to higher quality. Secondly, staff throughout the organisation identify small but valuable differences where the fund monies can deliver benefits to patients and staff, such as attendance at extra training courses or conferences.

## 2.3. Activities for public benefit

Thanks to the continued generosity of our supporters, the Charity has continued to develop at a rapid pace and during 2020/21 the Charity has been able to spend £841,559 (£520,849 in 2020) across all areas of care, in the following ways:

	£000
Medical equipment	98
Staff education and welfare	416
Patient welfare	209
Other activities	17
Raising funds	<u>101</u>
	<b>841</b>

## 2.4. Fundraising

The Charity is registered with the Fundraising Regulator and abides by their codes of conduct and their fundraising promise, which ensures that our fundraising is legal, open, honest and respectful. The Charity has a fundraising team that is compliant with the recognised standards of fundraising as well as those required under charity law and wider law. Controls are in place to ensure any fundraising is within the Fundraising Code of Practice. It is inevitable that fundraisers will come into contact with people who may be in a vulnerable circumstance, or need additional support to make an informed decision. If a fundraiser reasonably believes that an individual is unable to make a decision then they will not accept a donation from that person. The fundraising team use a checklist to help identify signs that an individual may be in a vulnerable circumstance.

The fundraising team have a policy where they get to know their donors by sending out relevant and often personalised communications. They also give individuals clear information and opportunities to change how, when and if they want to hear from the Charity, and follow the General Data Protection Regulation (GDPR) principles. The Charity has not used any professional fundraisers and has not received any complaints. The Charity raises funds to enhance the care and treatment of local patients and those who care for them.

Fundraising record-keeping and monitoring is coordinated through the Harlequin CRM system. The Charity does not engage commercial third parties to provide a fundraising service on behalf of the Charity.

This financial year has proved a challenge for many charities due to the Covid 19 pandemic. A year of fundraising events had been pre-planned and fundraisers recruited, including mass participation events. All of these events were postponed to ensure the safety of the participants. In response to the pandemic, we launched our emergency NHS Hospital Heroes Appeal and focused our fundraising efforts to this appeal. Guided by NHS Charities Together, the appeal was launched by Dr Max Mclean, the Trust's Chairman, appealing to the local community for emergency donations to help support both the NHS staff and patients. The Charity, alongside the Trust, coordinated safe systems to receive gifts in kind including toiletries, food and refreshments, and to receive donations for the appeal. Emergency governance ensured that these were quickly translated into direct support to frontline staff as this was the greatest need. All gifts in kind donated to the Charity during the year have been utilised by the Trust for patients and staff, during the same period.

NHS Charities Together also launched its own emergency national appeal which included fundraising support from the wonderful Captain Sir Tom Moore. At the start of the pandemic, emergency grants were disseminated to member NHS charities to convert into emergency support. This helped boost staff morale at a very difficult time. After the first wave, we were then invited by NHS Charities Together to apply for further grants which included second wave funding and additional funding which addressed our BAME community. This financial year, we have received £182,600 in grants from NHS Charities Together. The NHS Hospital Heroes Appeal has been and continues to be the focus for the Charity as we remain in the pandemic.

Resilience and adaptability have been demonstrated by the Charity. The outpouring of love and support from the community translated into virtual fundraising, i.e. backyard marathons, 5-5-5 challenges and Facebook raffles to name but a few. The creativity from the supporters was inspirational. Stewardship of these fundraisers and our supporters has been paramount as we understand great stewardship and support translates into sustainable support for our Charity. Online giving and banking have been instrumental in ensuring funds raised have been received by the Charity quickly, easily and efficiently.

In memory fundraising and tribute pages also saw a significant increase during the year, with funerals being restricted, family and friends wanting to remember someone special and fundraising in their memory. Online tools such as Much Loved have seen a significant increase and NHS charities including ours have benefitted. Bereavement has been difficult for so many including our NHS staff.

As the festive season approached, the Charity launched its very first snowflake campaign. The business community was quick to respond, as were the Charity's corporate partners, in sponsoring snowflakes for the NHS Hospital Heroes Appeal. The snowflakes also allowed the Charity to showcase some extra-ordinary donations throughout the year, such as James Tordoff and Chris Nichol from the Hell or High Water team, who took part in the Talisker Whiskey Challenge, rowing 3,000 nautical miles across the Atlantic. Their snowflake reflected the first significant donation of £27,000 to the BIG Neonatal Appeal.

As it seems that the pandemic may be coming under control, the Fundraising team will be reviewing their plans, but will continue to provide opportunities for people to engage with the Charity and actively promote the Charity to raise funds and awareness.

### 3. Financial Review

#### 3.1. Summary

The net assets of the Charity as at 31 March 2021 were £2,390,192 (compared to £2,019,253 in 2020).

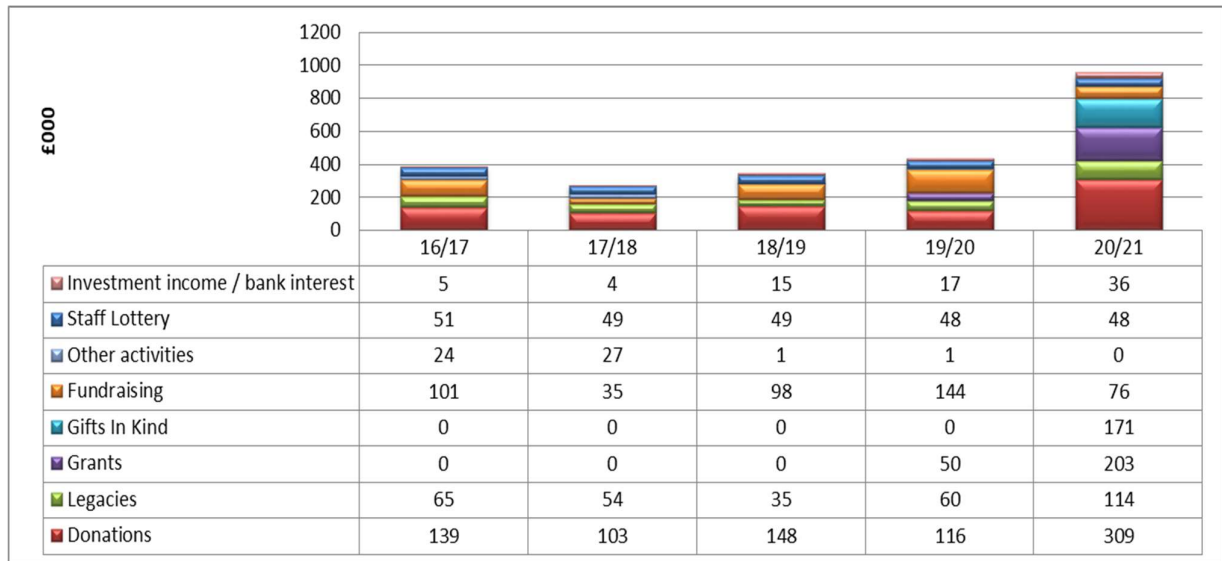
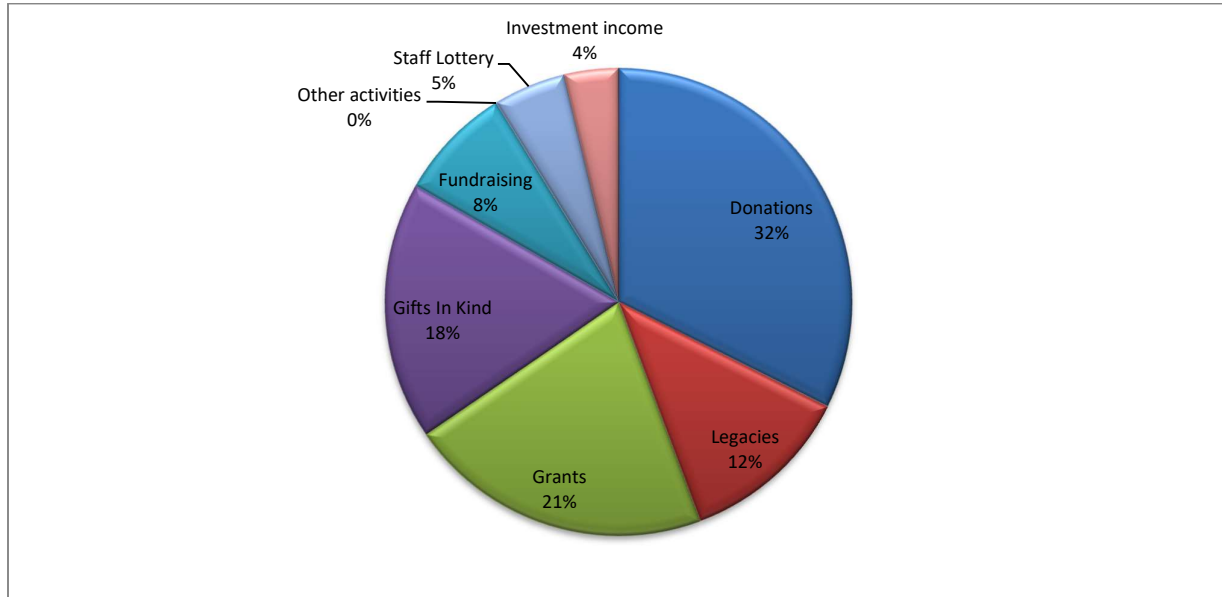
During the year, income (excluding unrealised and realised investment losses) was £957,001, an increase of £521,077 on the previous year, £435,924. Total expenditure for the year was £841,559, which represents an increase of £320,688 on the previous year, £520,871. This resulted in an excess of income over expenditure of £115,442 which, together with realised and unrealised gains from the investment portfolio totalling £255,498, has led to an overall increase in net assets of £370,940. The Charity will only fund items when it has cash available. It also has funds in reserves to cover operating costs.

The Charity continues to rely on donations, legacies and investment income as the main sources of income. This year, has seen two new sources of income for the Charity; grants, primarily from NHS Charities and Gifts in Kind, due to Covid. Fundraising income reduced considerably due to many events being cancelled. The Charity continues to invest in the growth of the Charity to secure long term sustainable income.

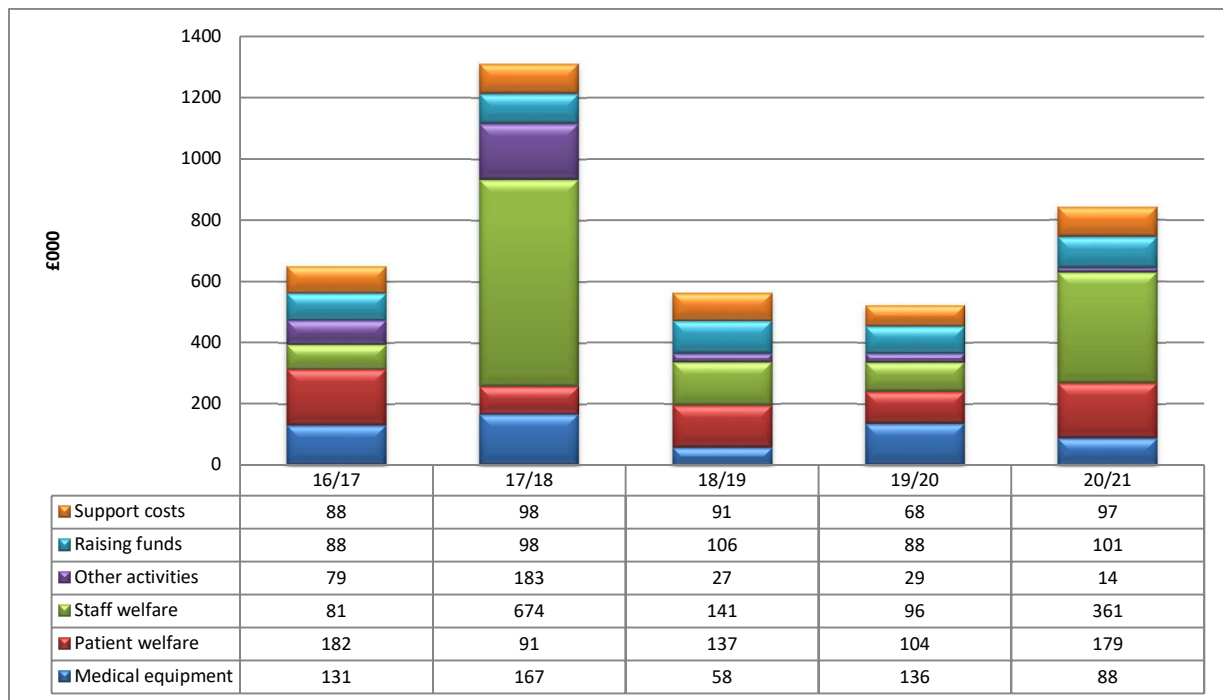
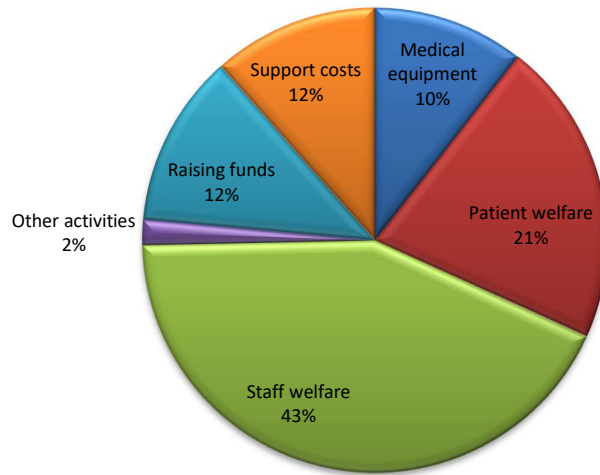
The Charity uses Rathbones Investment Management to manage its investments and also holds an investment with The Charles and Elsie Sykes Trust. For this financial year, there has been an unrealised gain on investments of £255,498 (£167,179 unrealised loss in 2020).

The Charity is continuing to encourage spend in year by asking departments to identify projects to utilise the designated funds held. The Charity aims to maximise public benefit by ensuring individual funds are spent in line with the purpose of the fund. Expenditure is limited to total donations received and is spent on needs when opportunity arises. The Corporate Trustee considers that there are no material uncertainties that could cast doubt over the Charity's ability to continue as a going concern.

### 3.2. Sources of Income for the Charity 2020/21 (£000)



### 3.3. How funds were spent 2020/21 (£000)



Staff Welfare 17/18 - this figure includes an amount of £500k that was used to support the Electronic Patient Records (EPR) training costs.



## 4. Structure, governance and management

### 4.1. Corporate Trustee

The Trust is the Corporate Trustee of the Charity and is governed by the law applicable to NHS Trusts, principally the Trustee Act 2000 and the Charities Act 1993 as amended by the Charities Act 2011. The Trust Board of Directors has devolved responsibility for the on-going management of funds to Bradford Hospitals Charity Committee, which administers the funds on behalf of the Corporate Trustee. No trustee remuneration was paid in the year by the Charity.

Members of the Trust Board of Directors are not individual Trustees under Charity Law but act as agents of the Corporate Trustee. The Board of Directors approves which members become the agents of the Corporate Trustee and are introduced to the Charity through Board standing orders / Executive Leads.

The following members of the Board of Directors served on behalf of the Corporate Trustee during the year:

Maxwell Mclean (Chairperson)  
Mel Pickup (Chief Executive)  
John Holden (Director of Strategy & Integration / Deputy Chief Executive)  
Karen Dawber (Chief Nurse)  
Matthew Horner (Director of Finance)  
Trudy Feaster-Gee (Non-Executive Director until 31 December 2020)  
Julie Lawreniuk (Non-Executive Director)  
Mohammed Hussain (Non-Executive Director)  
Altaf Sadique (Non-Executive Director) from 01 December 2020  
Karen Walker (Non-Executive Director) from 04 January 2021

The Charity General (unrestricted) Fund was established using the model Declaration of Trust, and all funds held on trust as at the date of registration (April 1997) were either part of this unrestricted fund or registered as separate designated funds within the Charity. Subsequent donations and gifts received by the Charity that are attributable to the original funds are added to those fund balances within the existing Charity. The Corporate Trustee fulfils its legal duty by ensuring that funds are spent in accordance with the objectives of each fund, and by designating funds the Corporate Trustee respects the wishes of our generous donors to benefit patient care and advance the good health and welfare of patients, carers and staff.

### 4.2. Charity Operational Committee

The Charity Operational Committee meets every two months and is a Committee of the Charity. Its purpose is to give additional assurance to the Bradford Hospitals Charity Committee that the Trust's charitable activities are within the law and regulations set by the Charity Commissioners for England and Wales and to ensure compliance with the charity's own governing document. It does not remove from the Bradford Hospital Charity Committee the overall responsibility for this area but provides a forum for a more detailed consideration of charitable matters and allows for direct contact with the Charity Commissioners where necessary.

Membership:

**Chair:**

Director of Strategy & Integration / Deputy Chief Executive

**Members:**

Associate Director of Corporate Governance / Board Secretary (Deputy Chair)  
Deputy Finance Director  
Assistant Director of Finance  
Head of Fundraising

Charity PR and Communications Officer  
AHP Representative  
Nurse Representative  
Doctor Representative  
Manager Representative  
HR Representative  
Risk and Governance Representative  
Estates and Facilities Representative

#### **4.3. Structure of funds**

The primary issue to be considered in any expenditure decision is whether the expenditure is within the scope of the objects of the Charity. Charitable purposes within the NHS translate to prevention or relief of sickness, disease or human suffering of patients served by the NHS. This does not preclude expenditure on staff as long as the benefit to staff translates demonstrably to relief of sickness of NHS patients.

The Charity has a decision making and approval process whereby an expenditure form needs to be completed. The expenditure form is structured in sections covering the key principles that fund holders need to consider and includes the requirement for the appropriate authorised signatories.

The Charity has started an exercise to rationalise the existing trust funds into four main funds - Sunshine, Children & Young People, Cancer and Dementia & Elderly. A fifth fund ('Other') has also been set up for funds that are related to governance and admin. Over the next three years, the intention is to merge the existing trust funds into one of the four new funds.

##### **The General Fund**

This comprises of gifts received by the Charity where no particular preference as to their expenditure has been expressed by donors.

##### **Designated (earmarked) Funds**

Under the new structure, this will be the Children & Young People, Cancer, and Dementia & Elderly. These usually contain donations where the donor expressed a preference to benefit a particular department or activity of the Trust at the time of making the donation. This preference can also include benefit to staff welfare, thereby enhancing both patient care and public benefit.

Whilst the donor's preference is not binding on the Corporate Trustee, the designated funds reflect these preferences. The designated funds are overseen by fund holders who can make recommendations on how to spend the money within their designated area. Fund holders' recommendations are generally accepted, and these funds can be spent at any time.

The funds available for spending are allocated to specialties within the Trust's clinical management structure.

##### **Restricted Funds**

This comprises of gifts received by the Charity where a specific instruction as to their expenditure has been expressed by donors. These funds must only be used in accordance with specific restrictions imposed by the donor. At present, the Charity has one restricted fund, which was primarily established for the grants received from NHS Charities Together.

## Endowment Funds

The Charity has "Capital in Perpetuity" (CIP) funds, which consist of five expendable endowment funds and one permanent endowment fund (which cannot be spent). These funds provide investment income.

## 4.4. Public benefit

The Corporate Trustee conducts its activities with regard to the Charity Commission guidance on Public Benefit in section 4 of the Charities Act 2011.

The key principles of public benefit are:

- there must be identifiable benefit(s); and
- benefit must be to the public or to a section of the public.

The Corporate Trustee seeks to meet these principles in a number of ways. It has established a system of expenditure approval that ensures proper consideration is given to what the benefits of its activities are and who will benefit. The Corporate Trustee considers that, because its activities are patient focussed and contribute to the health of NHS patients, it clearly provides public benefit. In providing public benefit the Corporate Trustee is careful to ensure that its activities do not unreasonably restrict access to charitable benefit within the scope of Declaration of Trust, or cause any detriment or harm. Charitable funds may be used to partially fund staff welfare and professional education / training, where this is in addition to the provision ordinarily afforded by the NHS. As professional education / training can also be a personal benefit, care has been taken to establish that this is incidental to the patient benefit. These requests demonstrate a direct link between professional education / training and the benefit for Bradford patients. To minimise risk and restrict harm, medical equipment purchases are made through the Trust's procurement processes, which help to ensure compliance with legislation, including Health and Safety and Equality and Diversity.

Staff appointments are subject to the Trust's policies and procedures to reflect good practice in recruitment and retention. The members of the Board of Directors receive a comprehensive induction upon their appointment to the Trust; this includes relevant information regarding the Charity and the Charitable Fund Committee. Specific training regarding the duties of trustees has been paused during the pandemic, but is being planned to take place again during 2022/23.

## 4.5. Governance

The Charity is constituted by trustees incorporated as a body and is governed by a Declaration of Trust of 25 March 1997. This is the formal document which sets out information on what the Charity is set up to do (objects), how the Charity will do this (powers) and administrative provisions.

Acting for the Corporate Trustee, the Bradford Hospitals' Charity Committee is responsible for the overall management of the Charity and is required to:

- control, manage and monitor the use of the Charity's resources;
- provide support, guidance and encouragement for all its income raising activities whilst managing and monitoring the receipt of all income;
- ensure that "best practice" is followed in the conduct of all its affairs fulfilling all of its legal responsibilities;
- ensure that the approved investment policy approved by the Board of Directors as Corporate Trustee is adhered to and that performance is continually reviewed and ethical considerations are applied; and
- keep the Board of Directors fully informed on the activity, performance and risks of the Charity.

These are all included in the Bradford Hospitals' Charity Committee's terms of reference. The accounting records and the day-to-day administration of the Charity are dealt with by the finance department of the Trust. These costs are re-charged to the Charity. The Charity has policies on expenditure, investments and reserves as well as guidelines for fund holders.

#### 4.6. Day to day management of the Charity

The Director of Finance, Matthew Horner, under a scheme of delegated authority approved by the Corporate Trustee, has day to day responsibility for the management of the Charity. Matthew Horner can personally approve, on behalf of the Corporate Trustee, all expenditure over £500, with an upper limit of £10,000, using his delegated authority. For expenditure from £10,000 to £50,000, approval must be obtained from the Chief Executive of the Trust. For any expenditure over £50,000, approval needs to be obtained from the Chairperson of the Trust. For any expenditure over £100,000, approval needs to be obtained from the Corporate Trustee.

Michael Quinlan, Deputy Director of Finance / Charity Secretary, acted as the principal officer overseeing the day to day financial management and accounting for the Charity during the year.

##### Principal office

Bradford Hospitals' Charity  
Daisy Bank  
Duckworth Lane  
Bradford  
West Yorkshire  
BD9 6RJ

##### Principal professional advisers:

###### External Audit

Deloitte LLP  
1 City Square  
Leeds  
LS1 2AL

###### Investment Advisors

Rathbone Investment Management  
Port of Liverpool building  
Pier Head  
Liverpool  
L3 1NW

###### Bankers

HSBC  
47 Market Street  
Bradford  
BD1 1LW

#### 4.7. Board of Directors

The Charity has a Corporate Trustee, the Trust. The members of the Trust Board of Directors who served during the financial year and up to the date of signing of the financial statements were as follows:

##### Executive directors:

Name	Role	Appointed	To
Professor Mel Pickup	Chief Executive	01/11/2019	Present
Mr Sajid Azeb	Chief Operating Officer	12/10/2020	Present
Ms Pat Campbell*	Director of Human Resources	01/12/2008	Present
Ms Karen Dawber	Chief Nurse	29/08/2016	Present
Ms Cindy Fedell*	Chief Digital and Information Officer	13/09/2013	30/09/2020
Dr Bryan Gill	Chief Medical Officer	05/05/2015	31/12/2020

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Mr John Holden	<ul style="list-style-type: none"> <li>• Director of Strategy and Integration</li> <li>• Interim Chief Executive</li> <li>• Director of Strategy and Integration/Deputy Chief Executive</li> </ul>	22/08/2016 01/04/2019 01/05/2018	01/05/2018 31/10/2019 Present
Mark Holloway*	Director of Estates and Facilities	12/11/2020	Present
Mr Matthew Horner	<ul style="list-style-type: none"> <li>• Acting Director of Finance</li> <li>• Director of Finance</li> </ul>	01/11/2011 01/08/2012	01/08/2012 Present
Dr Paul Rice*	Chief Digital and Information Officer (BTHFT and Airedale NHS FT)	01/01/2021	Present
Ms Sandra Shannon	<ul style="list-style-type: none"> <li>• Acting Chief Operating Officer</li> <li>• Chief Operating Officer</li> <li>• Chief Operating Officer/Deputy Chief Executive</li> </ul>	08/01/2018 01/04/2018 01/05/2018	31/03/2018 01/05/2018 31/10/2020
Dr Ray Smith	Chief Medical Officer	01/01/2021	Present
<i>*Non-voting executive director</i>			

Non - executive directors:

Name	Role	Term start	Term end
Dr Maxwell Mclean	Chairman	01/05/2019	30/04/2022
Ms Trudy Feaster-Gee	Non-Executive Director	01/01/2018	31/12/2020
Mr Mohammed Hussain	Non-Executive Director	01/09/2019	01/08/2022
Ms Julie Lawreniuk	Non-Executive Director	01/09/2019	31/08/2022
Mr Jon Prashar	Non-Executive Director	01/02/2018	31/01/2024
Mr Altaf Sadique	Non-Executive Director	01/12/2020	31/11/2023
Mr Barrie Senior	Non-Executive Director	01/12/2017	30/11/2023
Professor Laura Stroud	Non-Executive Director	23/10/2017	22/10/2020
Ms Selina Ullah	Non-Executive Director	01/09/2015	31/08/2021
Ms Karen Walker	Non-Executive Director	04/01/2021	31/12/2023

#### Reference and administrative details

The Charity, registered charity number 1061753, was entered on the Central Register of Charities on 09 April 1997. The name of the charity changed from 'Bradford Teaching Hospitals NHS Foundation Trust Charitable Fund' in August 2014 to 'Bradford Hospitals Charity', with no change being made to the objectives of the Charity.

The Charity consists of 164 funds as at 31 March 2021 (2020: 163), and the notes to the accounts distinguish the types of fund held and disclose separately all material funds (funds with balances over £50,000). The funds received by the Charity are accepted, held and administered as funds and property held on trust for purposes relating to the Health Service in accordance with the National Health Service Act 1977 and the National Health Service and Community Care Act 1990, and these funds are held on trust by the Corporate Trustee.

#### 4.8. Investments policy and performance

The Charity uses Rathbone Investment Management to invest the funds of the Charity. The assets of the Charity must be invested in accordance with the declaration of Trust and are governed by the Trustee Act 2000. The investment policy addresses the needs of the Charity and its beneficiaries in the short, medium and long term by aiming to balance both capital growth and income generation. The Charity has an investment policy which is reviewed annually.

The overall objectives are to generate sufficient income and capital growth to enable the Charity to carry out its purposes consistently year on year with due and proper consideration for future needs and the maintenance of and, if possible, enhancement of the value of the invested funds while they are retained. The Charity recognises that every investment carries risk. Equally, not investing at all carries the risk of lost asset value in real terms, and the consequent reputational risk of poor stewardship.

The Charity has considered the seven types of risk identified by the Charity Commission in its guidance Charities and investment matters: a guide for trustees (CC14), namely:

- Capital risk – loss of capital and volatility
- Liquidity risk
- Market risk (e.g. inflation; interest rate; exchange rate; regulatory risks)
- Valuation risk
- Counterparty risk
- Tax risk
- Environmental, social and governance

The Charity has decided that to mitigate risk it will have a diversified portfolio of investments, both in asset class and individual investment, and will be invested such that the overall risk profile of the funds is 'medium' with the specific investment strategy to be agreed with the Investment Manager.

The Charity permits investments in the following assets:

- Listed UK equities
- International equities quoted on a recognised stock exchange
- Government gilts
- Corporate bonds
- Interest bearing cash deposits in UK banks or building societies
- Cash

Ethical considerations are included which in general terms seek to obtain the best financial return from the Charity's investments consistently and with commercial prudence. The Charity will not invest directly in companies which are primarily involved in the production of alcohol, tobacco or armaments. The Investment Manager is encouraged to monitor the collective investments held, in so far as is practicable, such that any indirect exposure in these areas is minimised. In the year to 31<sup>st</sup> March 2021, the investment portfolio of the Charity produced a total return (the combination of capital growth and income) of +24.0%. This compares to the benchmark (MSCI PIMFA Income Index) total return of +19.7%. The portfolio performance was better than benchmark due to the inclusion of high performance individual investments and the make-up of the portfolio which was weighted towards overseas equities and diversifiers (a range of asset types), which performed better than fixed income investments. This strong performance was achieved despite significant market volatility seen as a result of Covid disruptions and rising concerns about inflation. While challenges remain, the outlook is cautiously optimistic.

The Charity has a capital in perpetuity fund (Elsie Sykes CIP fund) that is held for investment, with income generated to be used for charitable purposes, as specified in the endowment terms. This is currently invested with the Charles and Elsie Sykes Trust and was valued at £226,463 as at 31 March 2021.

#### **4.9. Reserves policy**

The Charity has a reserves policy requiring reserves to be maintained at a level equivalent to the cost of maintaining the Charity team for one year. In addition to the unrestricted and designated funds held in reserves, the Trustee has the power, if it so wishes, to spend any of the expendable endowment. However the expendable endowment is used to generate income, supplementing the income from donations and legacies. The Trustee will therefore only spend the expendable endowment on an exceptional basis.

It is not anticipated that the Charity will deploy funding towards any projects before donations have been received which mitigates the risk of any planned commitments, or designations, that cannot be met by future income alone. In other words commitment is made by the Charity after funding has been identified / receipted.

#### **4.10. Risk management**

The Corporate Trustee has considered any major risks to which the Charity is exposed. The Corporate Trustee aims to mitigate the risk that income will fall by engaging with the fundraising department. Systems and processes have been reviewed and no major risks were identified. This department works with the Charity and engages with the local community to raise funds. The Corporate Trustee has agreed to invest in a fundraising strategy, with a long term ambition to engage with the public and to further enhance the environment of the Trust.

The investment portfolio is well diversified to help protect the Charity against any fall in value of a particular market. The Investment Manager holds a discretionary mandate which enables them to make investment and divestment decisions on the Charity's behalf. The Charity works closely with the Investment Manager to ensure that the investment policy is reviewed regularly.

The investment strategy is to protect the long term value of the portfolio in absolute terms and in terms of purchasing power once the impact of inflation is taken into account. To achieve this, the Investment Managers have inevitably invested a substantial amount of the portfolio in equities, both in the UK and overseas.

Any investment gains and losses, although reflected in the Charity's accounts are not, realised as such unless and until the investments concerned are actually sold.

#### **4.11. Partnership working and networks**

The Trust is the main beneficiary of the Charity and is a related party by virtue of being the Corporate Trustee of the Charity. Effective partnership with the Trust ensures that the funds are used to best effect. When deciding upon the most beneficial way to use the Charity funds, the Corporate Trustee has regard to the main activities, objectives, strategies and plans of the Trust.

### **5. Future plans**

The Charity's priorities are those set out in the Trust's mission statement: 'to provide the highest quality healthcare at all times'. The vision for the Trust that describes its ambition and where it wants to be as an organisation in five years' time is 'to be an outstanding provider of healthcare, research and education, and a great place to work'. Meeting this mission and vision will maximise the impact of the Charity and its benefits to the beneficiaries of the Charity who are primarily the NHS patients of Bradford, through three core values:

- We care;
- We value people; and
- We are one team.

In order to enhance and improve the current levels of care for NHS patients throughout the Trust, the Charity has planned expenditure in a number of areas. The Charity will also continue to enhance the refurbishment of wards and clinical areas from basic specification to higher quality.

The Fundraising department will also look to expand its fundraising activities towards achieving its goal of raising additional funds over the next five years. The Charity is continuing to encourage spend in year by asking departments to identify projects to utilise the designated funds held. The Charity aims to maximise

public benefit by ensuring individual funds are spent in line with the purpose of the fund. Expenditure is limited to total donations received and is spent on needs when opportunity arises.

## 6. Financial Statements for the year ended 31 March 2021

The accounts of the funds held on trust by the Trustee appointed as stated below:

### 6.1. Foreword

The Trustee present their report and the audited financial statements of the Charity for the year ended 31 March 2021. The Trustee has adopted the provisions of the Statement of Recommended Practice ("SORP") "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the Charity.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the Charity governing document, the Charities Act 2011 and 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 UK and Republic of Ireland published on 16 July 2014, updated with the second edition released in October 2019.

### 6.2. Statement of Trustee responsibilities in respect of the Trustee annual report and the financial statements

The Trustee is responsible for preparing the Trustee Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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

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

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

The Trustee is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable it to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust Deed. It 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.



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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 financial statements may differ from legislation in other jurisdictions.

By order of the Trustee

Signed:



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-----24.01.22-----

Chairperson of the Corporate Trustee

Date



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-----24.01.2022-----

Chief Executive of the Corporate Trustee

Date

### **6.3. Independent Auditor's Report to the Trustees of Bradford Hospitals Charity**

#### **Report on the audit of the financial statements**

##### **Opinion**

In our opinion the financial statements of Bradford Hospitals' Charity (the 'charity'):

- 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 including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the Charities Act 2011.

We have audited the financial statements which comprise:

- the Statement of Financial Activities;
- the Balance Sheet;
- the Statement of Cash Flows; and
- the related notes 1 to 23.

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).

##### **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 Financial Reporting Council's (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 trustees' 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 trustees with respect to going concern are described in the relevant sections of this report.

##### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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.

#### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine 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 trustees are 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 trustees either intend 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 the Act and relevant regulations made or having effect thereunder.

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.

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

#### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

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.

We considered the nature of the charity's industry and its control environment, and reviewed the charity's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the charity operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included Charities Act; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the charity's ability to operate or to avoid a material penalty. These included Charity Commission regulations

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the completeness of revenue recognition especially in relation to recognition of legacy income. We assessed a sample of legacy agreements and probate evidence, to determine whether this has been recognised appropriately.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance and reviewing correspondence with Charity Commission.

#### **Report on other legal and regulatory requirements**

##### **Matters on which we are required to report by exception**

Under the Charities (Accounts and Reports) Regulations 2008 we are required to report in respect of the following matters if, in our opinion:

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

We have nothing to report in respect of these matters.

##### **Use of our report**

This report is made solely to the charity's trustees, 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 trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



**Deloitte LLP**  
Statutory Auditor  
Leeds, United Kingdom  
25 January 2022

#### 6.4. Statement of financial activities for the year ended 31 March 2021

	Notes	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Endowment funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
<b>Income and Endowments from:</b>						
Donations and legacies	4	431	366	0	797	226
Other trading activities	5	100	24	0	124	193
Investment income	7	36	0	0	36	17
<b>Total income and endowments</b>		<b>567</b>	<b>390</b>	<b>0</b>	<b>957</b>	<b>436</b>
<b>Expenditure on:</b>						
Raising funds	8	(75)	(26)	0	(101)	(88)
Charitable activities	9					
Medical equipment		(15)	(83)	0	(98)	(161)
Staff education & welfare		(270)	(146)	0	(416)	(114)
Patient welfare		(164)	(45)	0	(209)	(124)
Other expenditure		(15)	(2)	0	(17)	(34)
Charitable activities total		(464)	(276)	0	(740)	(433)
<b>Total expenditure</b>		<b>(539)</b>	<b>(302)</b>	<b>0</b>	<b>(841)</b>	<b>(521)</b>
Net gains/(losses) on investments	16	215	0	40	255	(167)
<b>Net Income / (Expenditure)</b>		<b>243</b>	<b>88</b>	<b>40</b>	<b>371</b>	<b>(252)</b>
<b>Net movement in funds</b>		<b>243</b>	<b>88</b>	<b>40</b>	<b>371</b>	<b>(252)</b>
<b>Reconciliation of funds</b>						
Total funds brought forward	22	1,770	0	249	2,019	2,271
<b>Total funds carried forward</b>		<b>2,013</b>	<b>88</b>	<b>289</b>	<b>2,390</b>	<b>2,019</b>

The statement of financial activities includes all gains and losses recognised during the year.

The notes on pages 23 to 36 form part of these accounts and the comparative Statement of financial activities on page 26.

## 6.5. Balance Sheet as at 31 March 2021

	Note	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Endowment funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
<b>Fixed assets</b>						
Investments	16	1,231	0	226	1,457	1,212
<b>Total fixed assets</b>		<b>1,231</b>	<b>0</b>	<b>226</b>	<b>1,457</b>	<b>1,212</b>
<b>Current assets</b>						
Debtors	17	118	11	0	129	88
Cash and cash equivalents	18	766	80	63	909	1,061
<b>Total current assets</b>		<b>884</b>	<b>91</b>	<b>63</b>	<b>1,038</b>	<b>1,149</b>
<b>Liabilities :-</b>						
Creditors due within one year	19	(102)	(3)	0	(105)	(342)
<b>Net current assets</b>		<b>782</b>	<b>88</b>	<b>63</b>	<b>933</b>	<b>807</b>
<b>Total assets less current liabilities</b>		<b>2,013</b>	<b>88</b>	<b>289</b>	<b>2,390</b>	<b>2,019</b>
<b>Total net assets</b>		<b>2,013</b>	<b>88</b>	<b>289</b>	<b>2,390</b>	<b>2,019</b>
<b>The funds of the Charity:</b>	22					
Unrestricted funds		325	0	0	325	434
Restricted funds		0	88	0	88	0
Designated funds		1,688	0	0	1,688	1,336
Endowment funds		0	0	289	289	249
<b>Total Charity funds</b>		<b>2,013</b>	<b>88</b>	<b>289</b>	<b>2,390</b>	<b>2,019</b>

These accounts together with notes on pages 23 to 36 were approved and authorised for issue by the Corporate Trustee on:

*M. Horne*

Director of Finance

24.01.22

Date

## 6.6. Statement of Cash Flows for the year ending 31 March 2021

	Note	Total funds 2021 £000	Total funds 2020 £000
<b>Cash flows from operating activities:</b>			
<b><i>Net cash used in operating activities</i></b>	<b>20</b>	<b>(134)</b>	<b>(130)</b>
<b>Cash flows from investing activities:</b>			
Dividends and interest from investments	7	36	17
Proceeds from sales of investments	16	240	0
Purchase of investments	16	(293)	(1,384)
<b><i>Net cash provided by / (used in) investing activities</i></b>		<b>(18)</b>	<b>(1,367)</b>
<b><i>Change in cash and cash equivalents in the reporting period</i></b>		<b>(152)</b>	<b>(1,497)</b>
Cash and cash equivalents at the beginning of the reporting period	18	1,061	2,558
<b><i>Cash and cash equivalents at the end of the reporting period</i></b>	<b>18</b>	<b>909</b>	<b>1,061</b>

## Notes to the accounts

### 1.0 Accounting policies

#### a. Basis of preparation of the financial statements

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) issued in October 2019 and the Charities Act 2011 and UK Generally Accepted Practice. The Charity constitutes a public benefit entity as defined by FRS102.

The significant accounting policies are set out below.

#### b. Accounting convention

The financial statements are prepared under the historic cost convention, except for investments which are held on a revaluation basis. The Corporate Trustee has a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future as it does not intend to liquidate the Charity or to cease its operations. The Corporate Trustee considers that there are no material uncertainties that could cast doubt over the Charity's ability to continue as a going concern. A robust reserve policy, strengthened by the fact the Charity has no material long term commitments, and having internal governance to ensure the Charity is only spending funds that are available, allows the Corporate Trustee to consider the Charity to be a going concern.

#### c. Income

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

Where there are terms or conditions attached to income, particularly grants, then these terms or conditions must be met before the income is recognised as the entitlement condition will not be satisfied until that point. Where terms or conditions have not been met or uncertainty exists as to whether they can be met then the relevant income is not recognised in the year but deferred and shown on the balance sheet as deferred income.

#### d. Accounting for legacies

Legacies are accounted for as income either upon receipt or where the receipt of the legacy is probable. Receipt is probable when:

- Confirmation has been received from the representatives of the estate(s) that probate has been granted;
- The executors have established that there are sufficient assets in the estate to pay the legacy; and
- All conditions attached to the legacy have been fulfilled or are within the charity's control.

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

#### e. Investment income

Dividends are included in the Statement of Financial Activities when they are declared and at an amount which includes the tax credit recoverable from Her Majesty's Revenue and Customs.



**f. Recognition of liabilities**

Liabilities are recognised on the accruals basis in accordance with generally accepted accounting practice.

**g. Expenditure**

Expenditure is accounted for on the accruals basis and has been classified under appropriate headings.

Expenditure is recognised when the following criteria are met:

- There is a present legal or constructive obligation resulting from a past event
- It is more likely than not that a transfer of benefits (usually a cash payment) will be required in settlement
- The amount of the obligation can be measured or estimated reliably.

Irrecoverable VAT is charged against the appropriate heading for the expenditure on which it was incurred.

**h. Commitments**

Expenditure is recognised as a commitment liability where a recipient has a reasonable expectation that they will receive the assets or services in lieu of a grant.

**i. Fundraising costs**

Fundraising costs are those costs attributable to generating income for the Charity and are distinct from costs incurred in undertaking charitable activities.

**j. Allocation of support costs**

Support costs are those costs which do not relate directly to a single activity. These include some staff costs, costs of administration and internal and external audit costs. Support costs have been apportioned between fundraising costs and charitable activities on an appropriate basis. The analysis of support costs and the bases of apportionment applied are shown in note 12.

**k. Charitable activities**

Costs of charitable activities comprise all costs incurred in the pursuit of the charitable objects of the charity. These costs, where not wholly attributable, are apportioned between the categories of charitable expenditure in addition to the direct costs. The total costs of each category of charitable expenditure include an apportionment of support costs as shown in note 9.

**l. Realised and unrealised gains and losses**

Realised gains and losses are included in the accounts at the date on which a contractual obligation is entered into.

Unrealised gains and losses are computed by reference to the market value of the investments at the balance sheet date as compared to the brought forward cost or valuation, and gains and losses arising on similar categories of investments are netted off.

**m. Investments held by the Charity**

Investments are stated at mid-market value at the balance sheet date. Investments in non-puttable ordinary shares (where shares are publicly traded or their fair value is reliably measurable) are measured at fair value through the Statement of Financial Activities. Where fair value cannot be measured reliably, investments are measured at cost less impairment. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

**n. Taxation**

As a registered charity, the Charity is exempt from income and corporation tax to the extent that its income and gains are applicable to charitable purposes only.

**o. Funds structure policy**

The Charity maintains a General (unrestricted) Fund, which comprises monies which are expendable at the discretion of the Corporate Trustee in the furtherance of the objects of the Charity. These monies may be held in order to finance both working capital and capital investment.

Designated Funds are that part of the Charity's unrestricted funds in respect of which a preference has been expressed by donors that they be used for particular purposes. The Corporate Trustee has the power to re-designate such funds within unrestricted funds.

Endowment Funds are funds which are to be used in accordance with specific restrictions imposed by the donor in the sense that the restriction requires the gift to be invested to produce income. Where the Corporate Trustee has the power to spend the capital, these are expendable endowments. The Charity has five expendable endowments and one permanent endowment, which are disclosed in note 22.

Restricted Funds are funds to be used in a specific way or for a specific purpose. They are considered as a contract between the donor and the Charity.

There is no formal policy of transfer between funds other than that described above.

The cost charged by the Trust to the Charity includes an apportioned amount of the cost of employer's pension contributions.

**p. Debtors**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**q. Creditors**

Creditors are amounts owed by the charity. They are measured at the amount that the charity expects to have to pay to settle the debt. Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due. Amounts which are owed in more than a year are shown as long term creditors.

**r. Cash and cash equivalents**

Cash at bank and in hand is held to meet the day to day running costs of the charity as they fall due.

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**s. Critical accounting judgements and key sources of estimation uncertainty**

In the application of the Charity's accounting policies, which are described in note 1, the Corporate Trustee is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The Corporate Trustee does not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure.

**t. Gifts in kind**

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

## 2.0 Prior year comparatives by type of fund

The primary statements provide prior year comparatives in total; this note provides prior period comparatives for the Statement of Financial Activities and the Balance Sheet for each of the three types of fund that the Charity manages.

### 2.1 Unrestricted funds – Statement of Financial Activities for the year ended 31 March 2021

	Notes	2021 £000	2020 £000
<b>Income and Endowments from:</b>			
Donations and legacies	4	431	226
Other trading activities	5	100	193
Income from investments	7	36	17
<b>Total income and endowments</b>		<b>567</b>	<b>436</b>
<b>Expenditure on:</b>			
Raising funds	8	(75)	(88)
<b>Charitable activities</b>	9		
Medical equipment		(15)	(161)
Staff education & welfare		(270)	(114)
Patient welfare		(164)	(124)
Other activities		(15)	(34)
		(464)	(433)
<b>Total expenditure</b>		<b>(539)</b>	<b>(521)</b>
Net gains/(losses) on investments	16	215	(125)
<b>Net income</b>		<b>243</b>	<b>(210)</b>
<b>Net movement in funds</b>		<b>243</b>	<b>(210)</b>
<b>Reconciliation of funds</b>			
Total funds brought forward	22	1,770	1,980
<b>Total funds carried forward</b>		<b>2,013</b>	<b>1,770</b>

**Unrestricted funds – Balance Sheet as at 31 March 2021**

	Notes	As at 31 March 2021 £000	As at 31 March 2020 £000
<b>The assets and liabilities of the Charity :</b>			
<b>Fixed Assets</b>			
Investments	16	1,231	1,212
<b>Total fixed assets</b>		<b>1,231</b>	<b>1,212</b>
<b>Current assets</b>			
Debtors	17	118	88
Cash and cash equivalents	18	766	812
<b>Total current assets</b>		<b>884</b>	<b>900</b>
<b>Liabilities :-</b>			
Creditors due within one year	19	(102)	(342)
<b>Net current assets</b>		<b>782</b>	<b>558</b>
<b>Total assets less current liabilities</b>		<b>2,013</b>	<b>1,770</b>
<b>Total net assets</b>	22	<b>2,013</b>	<b>1,770</b>
<b>Total assets for unrestricted funds</b>		<b>2,013</b>	<b>1,770</b>

**2.2 Restricted funds – Statement of Financial Activities for the year ended 31 March 2021**

	Notes	2021 £000	2020 £000
<b>Income and Endowments from:</b>			
Donations and legacies	4	366	0
Other trading activities	5	24	0
Income from investments	7	0	0
<b>Total income and endowments</b>		<b>390</b>	<b>0</b>
<b>Expenditure on:</b>			
Raising funds	8	(26)	0
<b>Charitable activities</b>	9		
Medical equipment		(82)	0
Staff education & welfare		(146)	0
Patient welfare		(45)	0
Other activities		(3)	0
		(276)	0
<b>Total expenditure</b>		<b>(302)</b>	<b>0</b>
Net gains/(losses) on investments	16	0	0
<b>Net income</b>		<b>88</b>	<b>0</b>
<b>Net movement in funds</b>		<b>88</b>	<b>0</b>
<b>Reconciliation of funds</b>			
Total funds brought forward	22	0	0
<b>Total funds carried forward</b>		<b>88</b>	<b>0</b>

### Restricted funds – Balance Sheet as at 31 March 2021

	Notes	As at 31 March 2021 £000	As at 31 March 2020 £000
<b>The assets and liabilities of the Charity :</b>			
<b>Fixed Assets</b>			
Investments	16	0	0
<b>Total fixed assets</b>		<b>0</b>	<b>0</b>
<b>Current assets</b>			
Debtors	17	11	0
Cash and cash equivalents	18	80	0
<b>Total current assets</b>		<b>91</b>	<b>0</b>
<b>Liabilities :-</b>			
Creditors due within one year	19	(3)	0
<b>Net current assets</b>		<b>88</b>	<b>0</b>
<b>Total assets less current liabilities</b>		<b>88</b>	<b>0</b>
<b>Total net assets</b>	22	<b>88</b>	<b>0</b>
<b>Total assets for restricted funds</b>		<b>88</b>	<b>0</b>

### 2.3 Expendable Endowment funds – Statement of Financial Activities for the year ended 31 March 2021

The Charity has five expendable endowment funds (capital in perpetuity funds (CIP)), with a combined balance of £62,290 and one permanent endowment fund, with a balance of £226,463, that have been brought forward from previous years. During 2020-21, any income has been recognised within the investment income.

The permanent endowment fund has been invested with the Charles and Elsie Sykes Trust.

## 3.0 Related party transactions

The Trust (which succeeded Bradford Teaching Hospitals NHS Trust on 1 April 2004) is the Corporate Trustee of the Charity and is governed by the law applicable to Trusts, principally the Trustee Act 2000 and the Charities Act 1993 as amended by the Charities Act 2011. The Trust Board of Directors has devolved responsibility for the on-going management of funds to the Bradford Hospitals' Charity Committee, which administers the funds on behalf of the Corporate Trustee. No trustee remuneration was paid in the year by the Charity from the Trust. None of the trustees or members of the Trust or parties related to them has undertaken any transactions with the Charity or received any benefit from the Charity in payment or kind.

Related party expenditure transactions relate to items such as salary recharges and internal audit fees with the Trust.

### Payables

The following amounts were owed by the Charity to the Trust as at 31 March

2021 £000	2020 £000
66	181
<b>66</b>	<b>181</b>

## Expenditure

	2021 £000	2020 £000
Value of transactions during the year with the Trust	323	216
	<b>323</b>	<b>216</b>

## 4.0 Income from donations and legacies

	Unrestricted funds £000	Restricted funds £000	Total 2021 £000	Total 2020 £000
Donations from individuals	130	179	309	116
Legacies	114	0	114	60
Gifts in Kind	171	0	171	0
Grants	16	187	203	50
<b>Total</b>	<b>431</b>	<b>366</b>	<b>797</b>	<b>226</b>

Donations from individuals are from members of the public, patients and relatives of patients and staff. £182,600 of the total grants received came from NHS Charities Together. Donations of gifts in kind have been valued at their market value. All of these donations have been distributed during the year.

## 5.0 Analysis of income from other trading activities

	Unrestricted funds £000	Restricted funds £000	Total 2021 £000	Total 2020 £000
Staff lottery	48	0	48	48
Fundraising	52	24	76	144
Other activities	0	0	0	1
<b>Total</b>	<b>100</b>	<b>24</b>	<b>124</b>	<b>193</b>

## 6.0 Role of volunteers

The Charity does not have any general volunteers, but it does have approximately 100 fund holders. The fund holders are Trust staff members who manage how the Charity's designated funds should be spent, as part of their day to day duties. These funds are designated (or earmarked) to be spent for a particular purpose or in a particular ward or department. Each fund holder has delegated powers to approve spend for the designated funds that they manage, subject to the scheme of delegation as approved by the Corporate trustee.

## 7.0 Gross investment income

The Charity earned interest and investment income of £35,856 (2020: £16,709).

## 8.0 Analysis of expenditure on raising funds

	Unrestricted funds £000	Restricted funds £000	Total 2021 £000	Total 2020 £000
Fundraising costs	3	0	3	22
Support costs	72	26	98	66
<b>Total</b>	<b>75</b>	<b>26</b>	<b>101</b>	<b>88</b>

## 9.0 Analysis of charitable expenditure

The Charity did not make any grant funding to third parties. All of the charitable expenditure incurred was directly with third parties or reimbursed expenditure.

Unrestricted funds	Direct charitable activities	Support costs	Total 2021	Direct charitable activities	Support costs	Total 2020
	£000	£000	£000	£000	£000	£000
Medical equipment	13	2	15	136	25	161
Staff education & welfare	228	42	270	96	18	114
Patient welfare	139	25	164	104	20	124
Other activities	12	3	15	29	5	34
	<b>392</b>	<b>72</b>	<b>464</b>	<b>365</b>	<b>68</b>	<b>433</b>

Restricted funds	Direct charitable activities	Support costs	Total 2021	Direct charitable activities	Support costs	Total 2020
	£000	£000	£000	£000	£000	£000
Medical equipment	74	7	83	0	0	0
Staff education & welfare	133	13	146	0	0	0
Patient welfare	41	4	45	0	0	0
Other activities	1	1	2	0	0	0
	<b>251</b>	<b>25</b>	<b>276</b>	<b>0</b>	<b>0</b>	<b>0</b>

## 10.0 Analysis of grants

The Charity did not make any grants to individuals or other institutions.

## 11.0 Movements in funding commitments and liabilities

	Current liabilities	Non-current liabilities	Total 2021	Total 2020
	£000	£000	£000	£000
Opening balance as at 01 April	342	0	342	365
Additional commitments made during the year	841	0	841	521
Amounts paid during the year	(1,078)	0	(1,078)	(544)
Closing balance as at 31 March	<b>105</b>	<b>0</b>	<b>105</b>	<b>342</b>

The Charity has expenditure that has been approved but not yet delivered or services not yet provided. Most expenditure is paid out in the same financial year. As the charity has control over the expenditure, there is little uncertainty around these payments.



## 12.0 Allocation of support costs and overheads

	Raising funds £000	Charitable activities £000	2021 Total £000	2020 Total £000	Basis
Internal audit	(1)	(1)	(2)	2	Direct allocation
External audit	3	4	7	7	Direct allocation
Other	6	7	13	3	Direct allocation
<b>Governance</b>	<b>8</b>	<b>10</b>	<b>18</b>	<b>12</b>	
Salaries	86	85	171	116	Hours
Computer expenses	4	2	6	6	Direct allocation
<b>Total</b>	<b>98</b>	<b>97</b>	<b>195</b>	<b>134</b>	

	Unrestricted funds £000	Restricted funds £000	Endowment funds £000	2021 Total £000	2020 Total £000
Raising funds	72	26	0	98	66
Charitable activities	72	25	0	97	68
	<b>144</b>	<b>51</b>	<b>0</b>	<b>195</b>	<b>134</b>

## 13.0 Trustees' remuneration, benefits and expenses

The Corporate Trustee receives no remuneration for the work it undertakes as trustee and claims no expenses from the Charity.

## 14.0 Analysis of staff costs and remuneration of key management personnel

Key management personnel is a term used by FRS 102 for those persons having authority and responsibility for planning, directing and controlling the activities of the charity, directly or indirectly, including any director (whether executive or otherwise) of the charity. This definition includes trustees and those members of staff who are the senior management personnel to whom the trustees have delegated significant authority or responsibility in the day-to-day running of the charity.

	2021 £000	2020 £000
Salaries and wages	138	130
National insurance costs	13	12
Employer's pension contribution	20	18
Less previous year's over accrual	0	(44)
<b>Total</b>	<b>171</b>	<b>116</b>

The Charity does not employ members of staff. The administration and fundraising are carried out by staff from the Trust and recharged to the Charity as a single cost. No employees had emoluments in excess of £60,000 (2020: £nil).

## 15.0 Auditor's remuneration

The auditor's remuneration of £6,946 inclusive of vat (2020: £6,946) related solely to the audit with no other additional work being undertaken.

## 16.0 Fixed asset investments

### Investments held with Rathbones Investment Management:

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
Market value at 01 April	1,026	0
Add: additions at cost	293	1,156
Less: disposals at carrying value and in year gain / (loss) on disposals	(228)	(5)
Add: net gain / (loss) on disposals	12	0
Add: net gain / (loss) on revaluation	215	(125)
Less : Movements in broker held bank accounts	(87)	0
<b>Market value at 31 March of unrestricted investments</b>	<b>1,231</b>	<b>1,026</b>

### Fixed asset investment by type

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
Fixed Interest	173	154
UK Equities	281	218
Overseas Equities	392	268
Alternatives	244	132
<b>Total listed investments</b>	<b>1,090</b>	<b>772</b>
Cash	141	254
<b>Market value at 31 March of unrestricted investments</b>	<b>1,231</b>	<b>1,026</b>

### Investments held with the Charles and Elsie Sykes Trust:

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
Market value at 01 April	186	0
Add: additions at cost	0	228
Add net gain (loss) on revaluation	40	(42)
<b>Market value at 31 March of the permanent endowment fund</b>	<b>226</b>	<b>186</b>

### Fixed asset investment by type

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
Equities	180	139
Bonds	33	34
Real Estate	5	6
Alternatives	5	5
<b>Total listed investments</b>	<b>223</b>	<b>184</b>
Cash	3	2
<b>Market value at 31 March of the permanent endowment fund</b>	<b>226</b>	<b>186</b>

### Total value of investments held at 31 March

<b>1,457</b>	<b>1,212</b>
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## 17.0 Analysis of current debtors

	2021	2020
	£000	£000
Prepayments and accrued income	118	46
NHS Debtor	11	42
<b>Total</b>	<b>129</b>	<b>88</b>

## 18.0 Analysis of cash and cash equivalents

	2021	2020
	£000	£000
Cash in hand	909	1,061
<b>Total</b>	<b>909</b>	<b>1,061</b>

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

## 19.0 Analysis of liabilities

	2021	2020
	£000	£000
<b>Creditors due within 1 year</b>		
NHS Creditor	76	187
Accruals	1	35
Other creditors	26	97
Commitments	2	23
<b>Total</b>	<b>105</b>	<b>342</b>

The Charity has no creditors falling due after more than 1 year and has no contingent liabilities. An amount of £65,810 is owed to the Trust.

## 20.0 Reconciliation of net expenditure to net cash flow from operating activities

	2021	2020
	£000	£000
<b>Net income(as per the statement of financial activities)</b>	371	(252)
<b>Adjustments for:</b>		
Interest from Investments	(36)	(17)
Loss / (profit) on the sale of fixed assets	65	5
(Gains) / losses on investments	(255)	167
(Increase)/decrease in debtors	(42)	(9)
Increase/(decrease) in creditors	(237)	(24)
<b>Net cash used in operating activities</b>	<b>(134)</b>	<b>(130)</b>

## 21.0 Transfers between funds

There has been no transfer of funds between restricted and unrestricted funds.

## 22.0 Analysis of charitable funds

### a) Analysis of unrestricted and material designated fund movements

	2021 Balance b/f £000	2021 Income £000	2021 Expenditure £000	2021 Gains and losses £000	2021 Fund c/f £000
General Fund	409	25	(110)	0	324
Bradford Cardiac	118	10	(25)	0	103
Rays A Smile	53	2	(50)	0	5
Born In Bradford	55	0	(5)	0	50
Ward 15 Legacy	77	0	(8)	0	69
Other designated funds	1,058	530	(341)	215	1,462
<b>Total</b>	<b>1,770</b>	<b>567</b>	<b>(539)</b>	<b>215</b>	<b>2,013</b>

	2020 Balance b/f £000	2020 Income £000	2020 Expenditure £000	2020 Gains and losses £000	2020 Fund c/f £000
General Fund	205	305	(101)	0	409
Bradford Cardiac	88	45	(15)	0	118
Rays A Smile	10	67	(24)	0	53
Born In Bradford	60	0	(5)	0	55
Ward 15 Legacy	106	0	(29)	0	77
Other designated funds	1,511	19	(347)	(125)	1,058
<b>Total</b>	<b>1,980</b>	<b>436</b>	<b>(521)</b>	<b>(125)</b>	<b>1,770</b>

An exercise to reduce the number of trust funds to four main funds will be taking place over the next three years.

### b) Analysis of restricted fund movements

	2021 Balance b/f £000	2021 Income £000	2021 Expenditure £000	2021 Gains and losses £000	2021 Fund c/f £000
Covid Fund	0	390	(302)	0	88
<b>Total</b>	<b>0</b>	<b>390</b>	<b>(302)</b>	<b>0</b>	<b>88</b>

### c) Analysis of endowment fund movements

	2021 Balance b/f £000	2021 Income £000	2021 Expenditure £000	2021 Gains and losses £000	2021 Fund c/f £000
Bradford Teaching Hospitals NHS Trust CIP	54	0	0	0	54
Elsie Sykes Permanent Endowment Fund	186	0	0	40	226
Orthopaedic CIP	7	0	0	0	7
Paediatric CIP and 2 other CIPs	2	0	0	0	2
<b>Total</b>	<b>249</b>	<b>0</b>	<b>0</b>	<b>40</b>	<b>289</b>

In 2019/20, the permanent endowment fund was invested with the Charles and Elsie Sykes Trust. The funds are held by the Charles and Elsie Sykes Trustees on trust for the Charity. The £40,246 relates to an unrealised gain based on share values as at 31 March 2021.

	2020 Balance b/f £000	2020 Income £000	2020 Expenditure £000	2020 Gains and losses £000	2020 Fund c/f £000
Bradford Teaching Hospitals NHS Trust CIP	54	0	0	0	54
Elsie Sykes Permanent Endowment Fund	228	0	0	(42)	186
Orthopaedic CIP	7	0	0	0	7
Paediatric CIP and 2 other CIPs	2	0	0	0	2
<b>Total</b>	<b>291</b>	<b>0</b>	<b>0</b>	<b>(42)</b>	<b>249</b>

## 23.0 The Charity as a subsidiary

The Trust is the main beneficiary of the Charity and is a related party by virtue of being the Corporate Trustee of the Charity. For accounting purposes, this means that the Charity is deemed to be a subsidiary of the Trust as it is 'controlled' by another entity through the trusteeship arrangements.

All Trusts are required to have a constitution, containing detailed information about how that Trust will operate. The purpose of the Trust is set out in its Constitution as follows:

The principal purpose of the Trust is the provision of goods and services for the purposes of the health service in England.

The Trust may provide goods and services for any purposes related to:

- the provision of services provided to individuals for or in connection with the prevention, diagnosis or treatment of illness, and
- the promotion and protection of public health.

The Trust accounts are available to the public online at the following web address:

<https://www.bradfordhospitals.nhs.uk>

They are also available by request from the Trust Secretary, using the details below:

Trust Secretary  
Trust Headquarters  
Bradford Royal Infirmary  
Bradford, BD9 6RJ