



# Annual Report and Accounts 2021 – 2022

Bradford Hospitals Charity  
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Bradford  
West Yorkshire  
BD9 6RJ

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

Bradford Hospitals' Charity - 1061753  
Annual Report and Accounts for the year ended 31 March 2022

**Table of Contents**

1. Chairman and Board Members Foreword .....	2
2. Review of activities .....	2
2.1. Review of the year .....	2
2.2. Our Strategic Objectives .....	3
2.3. Activities for public benefit .....	3
2.4. Fundraising .....	3
3. Financial Review .....	5
3.1. Summary .....	5
3.2. Sources of Income for the Charity 2021/22 (£000) .....	6
3.3. How funds were spent 2021/22 (£000) .....	7
4. Structure, governance and management .....	8
4.1. Corporate Trustee .....	8
4.2. Charity Operational Committee .....	8
4.3. Structure of funds .....	9
4.4. Public benefit .....	10
4.5. Governance .....	10
4.6. Day to day management of the Charity .....	11
4.7. Board of Directors .....	12
4.8. Investments policy and performance .....	13
4.9. Reserves policy .....	14
4.10. Risk management .....	14
4.11. Partnership working and networks .....	15
5. Future plans .....	15
6. Financial Statements for the year ended 31 March 2022 .....	15
6.1. Foreword .....	15
6.2. Statement of Trustee responsibilities in respect of the Trustee annual report and financial statements ...	16
6.3. Independent Examiner's Report to the Trustees of Bradford Hospitals Charity .....	17
6.4. Statement of financial activities for the year ended 31 March 2022 .....	18
6.5. Balance Sheet as at 31 March 2022 .....	19
6.6. Statement of Cash Flows for the year ending 31 March 2022 .....	20
Notes to the accounts .....	21

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

## 1. Chairman and Board Members 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 2022.

This document provides an overview for stakeholders and interested parties of what the Charity has achieved during 2021/22. 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 Trust Deed) 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.

It's been an incredibly challenging two years for us all and what a journey we have been on, both as a nation and in our local community. Last year saw huge respect for our NHS, as they fought their way through the unprecedented times to evolve and change as needed to cope with the ongoing Covid-19 challenges. The funds raised through the Covid trust fund, have enabled our health service to go above and beyond what would otherwise be possible.

We fund projects that improve services for patients, and we help staff both practically and emotionally so they can continue their life saving work. One such example of staff support was the installation of cycle hubs at both St Luke's Hospital and Bradford Royal Infirmary. Many of our staff live locally and are acutely aware of the need to look after their own health and well-being and being greener in their choice of transport. The Charity has provided safe, secure undercover bicycle storage for staff. The Charity has also invested in entertainment items such as TV's, toys, books, and games for patients young and old.

I would like to thank the amazing individuals and corporate supporters who have enabled this to happen. You have made a huge difference to patients and staff at the Trust.

## 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. 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:

- Cycle compounds for staff at both the Bradford Royal Infirmary and St Luke's sites to improve and increase wellbeing and to encourage cycling
- Diabetes virtual training software for school staff to provide quality care to children with diabetes which will lead to improved clinical outcomes
- Privacy blinds in theatres, with child friendly images to help soothe children once they are out of theatres

- Televisions for patients receiving chemotherapy to help them to relax and improve their overall experience
- Art and craft materials to distract young people whilst in hospital by engaging them in fun activities

## 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 and during 2021/22 the Charity has been able to spend £548,600 (£841,559 in 2021) across all areas of care, in the following ways:

	£000
Medical equipment	34
Staff education and welfare	221
Patient welfare	134
Other activities	37
Raising funds	<u>122</u>
	<b>548</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 raises funds to enhance the care and treatment of local patients and those who care for them. The Charity has not used any professional fundraisers and has not received any complaints. Fundraising record-keeping and monitoring is coordinated through the Harlequin CRM system.

This financial year has remained a challenge for many charities due to the continuing restrictions of the Covid 19 pandemic. The ripple effect for fundraising continues. However, we were able to guide our supporters with Covid-safe ways of fundraising and many took part in outside challenge events.

With many events rolling over from 2020, we had hoped this year would see the return of some of our planned events. However, this was not to be for many events including outside mass participation events. Volunteers, crucial to the running of many of these events for charities, including NHS charities have been reticent to return with many being classed as vulnerable. We worked closely with NHS Charities Together who continued to support us in weekly updates and webinars.

In spring, our fundraisers took part in virtual events from running daily in a chosen month, to walking the Coast to Coast. In June we produced a fundraising film of our 'Rays a Smile' Appeal to celebrate our fundraising and highlighting the positive impact this project has had for the radiology teams at both BRI and St Luke's Hospitals.

In June, just ahead of the 'NHS Big Tea' (a national campaign run by NHS Charities Together) we raised a 'cuppa' with our corporate partners Bradford City Football Club to promote this. We received £6k from the Freemasons in response to this, enabling us to hand out small hampers of tea and biscuits to all staff departments. We also hosted tea events in our charity gazebos at both St Luke's and BRI.

The summer saw an array of fundraisers wanting to support both our NHS staff and to continue to support for our Big Neonatal Appeal too. From ENDURE24 to a Dragon's Boat Race and on to a very successful Yorkshire 3 Peaks in September 2021, our staff went over and above to take part to raise funds. In August 2021, our 2<sup>nd</sup> printed 'Charity Chatter' newsletter was circulated to our signed-up supporters and stakeholders.

By autumn, we were promoting our 'Sparkle for Axl' annual campaign and Festive Lights campaign too. Lighting up our hospitals and showing our NHS staff we continue to support them has been an important message for both our staff and our local community.

We also engaged the services of a third-party consultant for our Big Neonatal Appeal, and to provide guidance on how we could continue to develop the Charity. This produced a positive feasibility study and the beginnings of a pathway for this appeal to be successful and for the Charity to grow.

Continued stewardship of these fundraisers and our supporters has been paramount for the fundraising team as we know great stewardship and support translates into sustainable support for our Charity. We have continued to develop and apply effective and efficient ways of giving. In addition to this, we also received in excess of 2,000 'Gifts in Kind' for our children and long staff patients staying in hospital over Christmas via Amazon wish lists and toy appeals.

The Fundraising team continues to provide opportunities for people to engage with the Charity and donate. They ensure that all donors receive appropriate thanks and gratitude for their donations and actively promote the Charity to raise funds and awareness in a number of different ways including:

- Organising fundraising events and taking part in larger scale challenge events organised by external companies
- Community activities and collections including our bi-monthly e-newsletter sent to our engaged supporters
- Promoting legacies and 'in memory' donations
- Applying for grants from trusts and foundations
- Working with local businesses and managing corporate partnerships

### 3. Financial Review

#### 3.1. Summary

The net assets of the Charity as at 31 March 2022 were £2,217,902 (compared to £2,390,192 in 2021).

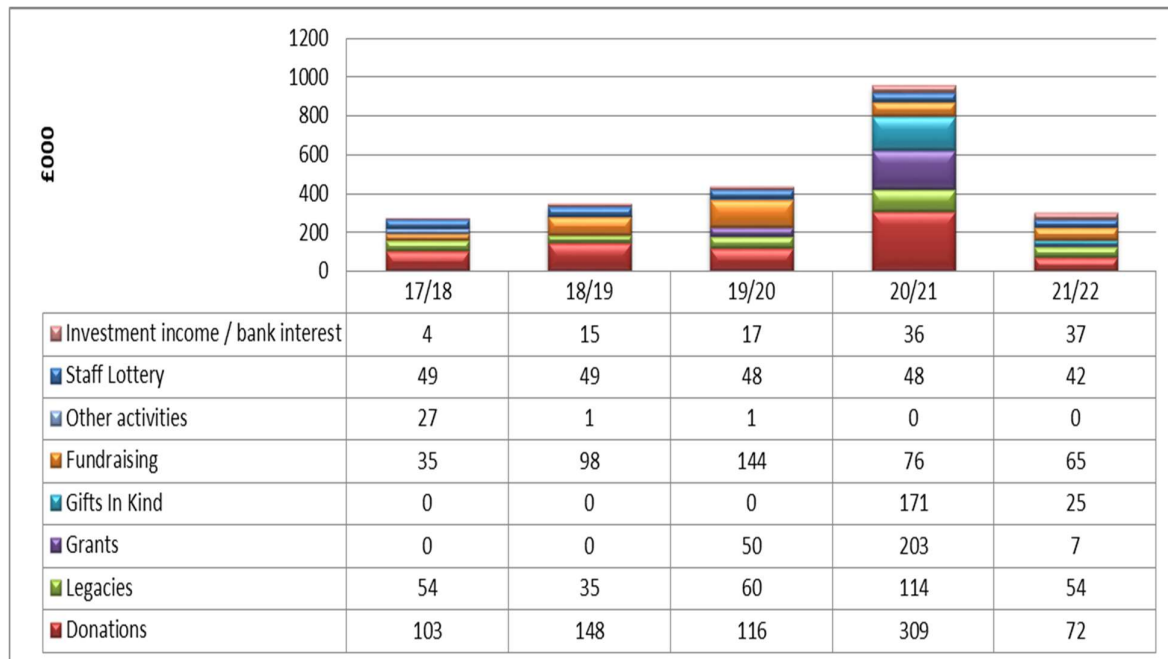
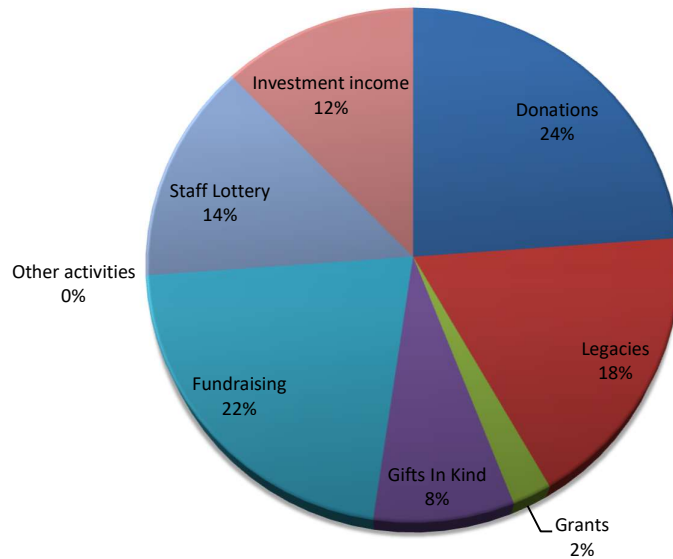
During the year, income (excluding unrealised and realised investment losses) was £302,245, a decrease of £654,756 on the previous year, £957,001. Total expenditure for the year was £548,600, which represents a decrease of £292,959 on the previous year, £841,559. This resulted in an excess of expenditure over income of £246,355 which, together with realised and unrealised gains from the investment portfolio totalling £74,064, has led to an overall decrease in net assets of £172,291. When the Covid 19 pandemic started in 2021, the Charity saw an increase in support due to the improved public good will associated with the NHS. This led to significant fundraising by NHS Charities Together which was distributed as grants. As the pandemic subsides and the cost-of-living crisis starts to take effect, the Charity has seen reduced levels of income generation. 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. Fundraising income reduced considerably due to restrictions being placed with Covid, but events are now being re-scheduled, and income is slowly coming back into the Charity from fundraising. The Charity continues to invest in its growth to secure long term sustainable income.

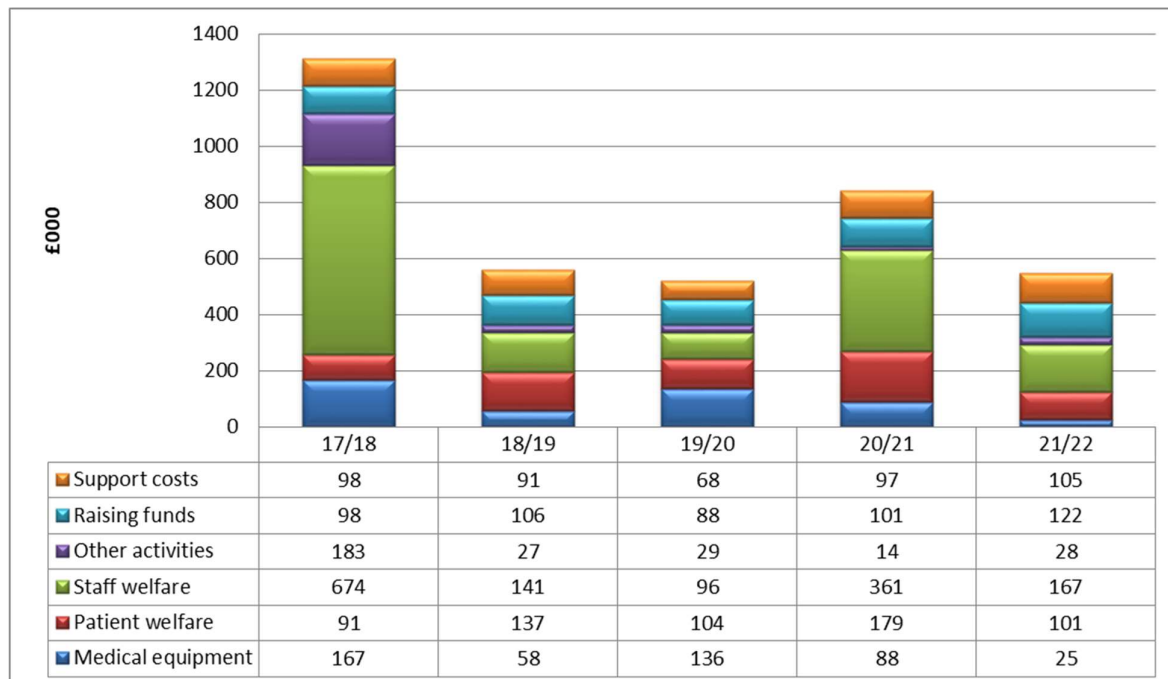
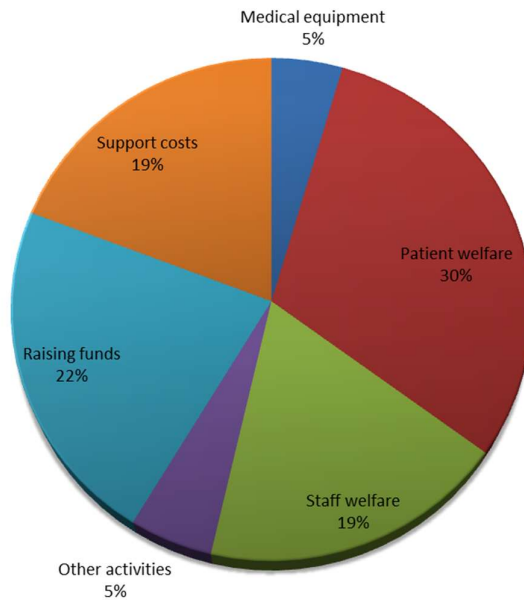
The Charity uses Rathbones Investment Management to manage its investments and also holds an investment with The Charles and Elsie Sykes Trust. For this financial year, there has been an unrealised gain on investments of £74,064 (£255,498 unrealised gain in 2021). The equity market performed strongly in 2020/21 on the back of Vaccine development. 2021/22 remained largely a Covid story but focused on the recovery trajectory.

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 for a period of at least twelve months from the date of signing the accounts.

### 3.2. Sources of Income for the Charity 2021/22 (£000)



### 3.3. How funds were spent 2021/22 (£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 2011. The Trust Board of Directors has devolved responsibility for the on-going management of funds to the Charitable Fund Committee ("the 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)  
Altaf Sadique (Non-Executive Director and Deputy Chair)  
Mel Pickup (Chief Executive)  
John Holden (Director of Strategy & Integration / Deputy Chief Executive)  
Karen Dawber (Chief Nurse)  
Matthew Horner (Director of Finance)  
Julie Lawreniuk (Non-Executive Director)  
Mohammed Hussain (Non-Executive Director)  
Karen Walker (Non-Executive Director)

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 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 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 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 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 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 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 Strategy & Integration / Deputy Chief Executive, John Holden, has day to day responsibility for the management of the Charity.

Matthew Horner, Director of Finance, is the Executive Director with overall responsibility for financial management and accounting for the Charity during the year. 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, 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:**

###### **Independent Examiner**

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 / Deputy Chief Executive	12/10/2020	Present
Ms Pat Campbell*	Director of Human Resources	01/12/2008	Present
Ms Karen Dawber	Chief Nurse	29/08/2016	Present
Mr John Holden	Director of Strategy and Integration	22/08/2016	01/05/2018
	Interim Chief Executive	01/04/2019	31/10/2019
	Director of Strategy and Integration / Deputy Chief Executive	01/05/2018	Present
Mr Mark Holloway*	Director of Estates and Facilities	12/11/2020	Present
Mr Matthew Horner	Acting Director of Finance	01/11/2011	01/08/2012
	Director of Finance	01/08/2012	Present
Dr Paul Rice*	Chief Digital and Information Officer	01/01/2021	Present
Dr Ray Smith	Chief Medical Officer	01/01/2021	Present
*Non-voting Executive Director			

Non - executive directors:

Name	Role	Term start	Term end
Dr Maxwell Mclean	Chairman	01/05/2019	30/04/2025
Professor Janet Hirst	Non-Executive Director	13/09/2021	12/09/2024
Mr Mohammed Hussain	Non-Executive Director	01/09/2019	01/08/2022
Ms Julie Lawreniuk	Non-Executive Director	01/09/2019	31/08/2022
Ms Sughra Nazir	Non-Executive Director	20/01/2022	19/01/2025
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
Ms Selina Ullah	Non-Executive Director	01/09/2015	31/08/2021
Ms Karen Walker	Non-Executive Director	01/01/2021	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 160 funds as at 31 March 2022 (2021: 164), and the notes to the accounts distinguish the types of funds 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 our 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

The Charity has appointed professional investment managers to oversee its investments. In addition to managing the Charities portfolio of investments, they provide the Charity with advice on specialist areas including market risk. The Charity does not pay tax on investment income as it is applied to a charitable purpose. The investment managers also ensure the Charity's portfolio reflects environmental, social and governance concerns such as ceasing investments with Russian companies since the start of the war in Ukraine.

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. Our 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 31st March 2022, the investment portfolio of the Charity produced a total return (the combination of capital growth and income) of +7.2%. This compares to the benchmark (MSCI PIMFA Income Index) total return of +6.1%. This performance is due to a combination of asset allocation positioning and individual stock selection. The portfolio performance was ahead of the benchmark principally due to a strong return from UK Equities and Diversifiers, with strong performance from a number of

individual investments in these segments of the portfolio, in particular. In addition, the underweight Fixed Income position contributed positively. The final quarter of the year saw the Russian invasion of Ukraine which concerned financial markets and this along with inflation remains the primary challenges for the coming year. Our investment manager will continue to actively manage the portfolio in response to the changing landscape. 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 £239,316 as at 31 March 2022.

#### **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. The Charity has total funds of £2,218,000 of which, £78,000 is restricted and not available to fund general purposes, and £302,000 which is held in the permanent endowment funds and are excluded from reserves. The Charity holds £1,838,000 of designated funds as its reserves. This is equivalent to approximately 3 years of expenditure. As at 31 March 2022, there are no material designated funds or commitments, with expenditure of approximately £550,000 forecast in the forthcoming 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. The Fundraising department works with the Charity and engages with the local community to raise funds through a programme of events and encouraging donations. The Charity seeks to generate income from multiple sources to help mitigate shortfalls in any one area. This includes a programme of fundraising activity, fundraising appeals, legacies and, applying for grants.

Income generated fell from £957,000 in 2020/21 to £302,000 in 2021/22. The £655,000 reduction in income was due to the impact of the covid 19 pandemic which led to additional donations, grants and gifts in kind being received in 2020/21. The reduction in income is not considered to be a long-term risk to the Charity as income generated in 2021/22 is consistent with levels seen before the covid 19 pandemic.

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 2022**

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 independently examined financial statements of the Charity for the year ended 31 March 2022. 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.

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:



Chairperson of the Corporate Trustee

14<sup>th</sup> December 2022

Date



Chief Executive of the Corporate Trustee

14<sup>th</sup> December 2022

Date

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

I report to the trustees on my examination of the accounts of Bradford Hospital Charity for the year ended 31<sup>st</sup> March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows, and the related notes 1 to 23.

This report is made solely to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011 and regulations made under section 154 of that Act. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my work, for this report, or for the opinions I have formed.

#### Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the 2011 Act"). You are satisfied that your charity is not required by charity law to be audited and have chosen instead to have an independent examination.

I report in respect of my examination of your charity's accounts as carried out under section 145 of the 2011 Act. In carrying out my examination I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### Independent examiner's statement

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of Institute of Chartered Accountant in England & Wales which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the 2011 Act: or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



**Paul Hewitson FCA**  
for and on behalf of Deloitte LLP  
Leeds, UK  
19 December 2022

#### 6.4. Statement of financial activities for the year ended 31 March 2022

	Notes	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Endowment funds 2022 £000	Total funds 2022 £000	Total funds 2021 £000
<b>Income from:</b>						
Donations and legacies	4	139	19	0	158	797
Other trading activities	5	100	7	0	107	124
Investment income	7	37	0	0	37	36
<b>Total</b>		<b>276</b>	<b>26</b>	<b>0</b>	<b>302</b>	<b>957</b>
<b>Expenditure on:</b>						
Raising funds	8	(116)	(6)	0	(122)	(101)
Charitable activities	9					
Medical equipment		(34)	0	0	(34)	(98)
Staff education & welfare		(203)	(18)	0	(221)	(416)
Patient welfare		(122)	(12)	0	(134)	(209)
Other expenditure		(37)	0	0	(37)	(17)
<b>Charitable activities total</b>		<b>(396)</b>	<b>(30)</b>	<b>0</b>	<b>(427)</b>	<b>(740)</b>
<b>Total</b>		<b>(512)</b>	<b>(36)</b>	<b>0</b>	<b>(548)</b>	<b>(841)</b>
Net gains on investments	16	61	0	13	74	255
<b>Net (Expenditure) / Income</b>		<b>(175)</b>	<b>(10)</b>	<b>13</b>	<b>(172)</b>	<b>371</b>
<b>Net movement in funds</b>		<b>(175)</b>	<b>(10)</b>	<b>13</b>	<b>(172)</b>	<b>371</b>
<b>Reconciliation of funds</b>						
Total funds brought forward	22	2,013	88	289	2,390	2,019
<b>Total funds carried forward</b>		<b>1,838</b>	<b>78</b>	<b>302</b>	<b>2,218</b>	<b>2,390</b>

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

The notes on pages 21 to 36 form part of these accounts and the comparative Statement of financial activities on page 25.

## 6.5. Balance Sheet as at 31 March 2022

	Note	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Endowment funds 2022 £000	Total funds 2022 £000	Total funds 2021 £000
<b>Fixed assets</b>						
Investments	16	1,281	0	239	1,520	1,457
<b>Total fixed assets</b>		<b>1,281</b>	<b>0</b>	<b>239</b>	<b>1,520</b>	<b>1,457</b>
<b>Current assets</b>						
Debtors	17	66	0	0	66	129
Cash and cash equivalents	18	553	78	63	694	909
<b>Total current assets</b>		<b>619</b>	<b>78</b>	<b>63</b>	<b>760</b>	<b>1,038</b>
<b>Liabilities</b>						
Creditors due within one year	19	(62)	0	0	(62)	(105)
<b>Net current assets</b>		<b>557</b>	<b>78</b>	<b>63</b>	<b>698</b>	<b>933</b>
<b>Total assets less current liabilities</b>		<b>1,838</b>	<b>78</b>	<b>302</b>	<b>2,218</b>	<b>2,390</b>
<b>Total net assets</b>		<b>1,838</b>	<b>78</b>	<b>302</b>	<b>2,218</b>	<b>2,390</b>
<b>The funds of the Charity:</b>	22					
Unrestricted funds		152	0	0	152	325
Restricted funds		0	78	0	78	88
Designated funds		1,686	0	0	1,686	1,688
Endowment funds		0	0	302	302	289
<b>Total Charity funds</b>		<b>1,838</b>	<b>78</b>	<b>302</b>	<b>2,218</b>	<b>2,390</b>

These accounts together with notes on pages 21 to 36 were approved and authorised for issue by the Corporate Trustee on:



Director of Finance

14<sup>th</sup> December 2022

Date

## 6.6. Statement of Cash Flows for the year ending 31 March 2022

	Note	Total funds 2022 £000	Total funds 2021 £000
<b>Cash flows from operating activities:</b>			
<b><i>Net cash used in operating activities</i></b>	<b>20</b>	<b>(201)</b>	<b>(134)</b>
<b>Cash flows from investing activities:</b>			
Dividends and interest from investments	7	37	36
Proceeds from sales of investments	16	135	240
Purchase of investments	16	(186)	(293)
<b><i>Net cash (used in) investing activities</i></b>		<b>(14)</b>	<b>(18)</b>
<b><i>Change in cash and cash equivalents in the reporting period</i></b>		<b>(215)</b>	<b>(152)</b>
Cash and cash equivalents at the beginning of the reporting period	18	909	1,061
<b><i>Cash and cash equivalents at the end of the reporting period</i></b>	<b>18</b>	<b>694</b>	<b>909</b>

The Charity had no cash equivalents as at 31 March 2022 (2021: None)

## 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 for a period of at least twelve months from the date of signing the accounts. 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 HM Revenue and Customs.

**f. Recognition of liabilities**

Liabilities are recognised on the accrual's 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 audit and external independent examination (audit) costs. Support costs have been apportioned between fundraising costs and charitable activities on an appropriate basis. The analysis of support costs and the basis 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. Fund's 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.

**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. 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 2022

	Notes	2022 £000	2021 £000
<b>Income from:</b>			
Donations and legacies	4	139	431
Other trading activities	5	100	100
Investments	7	37	36
<b>Total</b>		<b>276</b>	<b>567</b>
<b>Expenditure on:</b>			
Raising funds	8	(116)	(75)
<b>Charitable activities</b>	9		
Medical equipment		(34)	(15)
Staff education & welfare		(203)	(270)
Patient welfare		(122)	(164)
Other activities		(37)	(15)
		(396)	(464)
<b>Total</b>		<b>(512)</b>	<b>(539)</b>
Net gains on investments	16	61	215
<b>Net (expenditure) / income</b>		<b>(175)</b>	<b>243</b>
<b>Net movement in funds</b>		<b>(175)</b>	<b>243</b>
<b>Reconciliation of funds</b>			
Total funds brought forward	22	2,013	1,770
<b>Total funds carried forward</b>		<b>1,838</b>	<b>2,013</b>

**Unrestricted funds – Balance Sheet as at 31 March 2022**

	Notes	As at 31 March 2022 £000	As at 31 March 2021 £000
<b>The assets and liabilities of the Charity:</b>			
<b>Fixed Assets</b>			
Investments	16	1,281	1,231
<b>Total fixed assets</b>		<b>1,281</b>	<b>1,231</b>
<b>Current assets</b>			
Debtors	17	66	118
Cash and cash equivalents	18	553	766
<b>Total current assets</b>		<b>619</b>	<b>884</b>
<b>Liabilities: -</b>			
Creditors due within one year	19	(62)	(102)
<b>Net current assets</b>		<b>557</b>	<b>782</b>
<b>Total assets less current liabilities</b>		<b>1,838</b>	<b>2,013</b>
<b>Total net assets</b>	22	<b>1,838</b>	<b>2,013</b>
<b>Total assets for unrestricted funds</b>		<b>1,838</b>	<b>2,013</b>

**2.2 Restricted funds – Statement of Financial Activities for the year ended 31 March 2022**

	Notes	2022 £000	2021 £000
<b>Income from:</b>			
Donations and legacies	4	19	366
Other trading activities	5	7	24
Income from investments	7	0	0
<b>Total</b>		<b>26</b>	<b>390</b>
<b>Expenditure on:</b>			
Raising funds	8	(6)	(26)
<b>Charitable activities</b>	9		
Medical equipment		(0)	(82)
Staff education & welfare		(18)	(146)
Patient welfare		(12)	(45)
Other activities		0	(3)
		(36)	(276)
<b>Total</b>		<b>(10)</b>	<b>(302)</b>
Net gains/(losses) on investments	16	0	0
<b>Net (expenditure) / income</b>		<b>(10)</b>	<b>88</b>
<b>Net movement in funds</b>		<b>(10)</b>	<b>88</b>
<b>Reconciliation of funds</b>			

Total funds brought forward	22	88	0
<b>Total funds carried forward</b>		<b>78</b>	<b>88</b>

#### Restricted funds – Balance Sheet as at 31 March 2022

	Notes	As at 31 March 2022 £000	As at 31 March 2021 £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	0	11
Cash and cash equivalents	18	78	80
<b>Total current assets</b>		<b>78</b>	<b>91</b>
<b>Liabilities: -</b>			
Creditors due within one year	19	0	(3)
<b>Net current assets</b>		<b>78</b>	<b>88</b>
<b>Total assets less current liabilities</b>		<b>78</b>	<b>88</b>
<b>Total net assets</b>	22	<b>78</b>	<b>88</b>
<b>Total assets for restricted funds</b>		<b>78</b>	<b>88</b>

#### 2.3 Expendable Endowment funds – Statement of Financial Activities for the year ended 31 March 2022

The Charity has five expendable endowment funds (capital in perpetuity funds (CIP)), with a combined balance of £62,290 (2021: £62,290) and one permanent endowment fund, with a balance of £239,316 (2021: £226,463), that have been brought forward from previous years. During 2021-22, any income received 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 2011. The Trust Board of Directors has devolved responsibility for the on-going management of funds to the 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

2022 £000	2021 £000
13	66
<b>13</b>	<b>66</b>

## Expenditure

Value of transactions during the year with the Trust

2022 £000	2021 £000
284	323
<b>284</b>	<b>323</b>

## 4.0 Income from donations and legacies

	Unrestricted funds £000	Restricted funds £000	Total 2022 £000	Total 2021 £000
Donations from individuals	59	13	72	309
Legacies	54	0	54	114
Gifts in Kind	25	0	25	171
Grants	1	6	7	203
<b>Total</b>	<b>139</b>	<b>19</b>	<b>158</b>	<b>797</b>

Donations from individuals are from members of the public, patients and relatives of patients and staff. Donations of gifts in kind have been valued at their market value. All these donations have been distributed during the year.

## 5.0 Analysis of income from other trading activities

	Unrestricted funds £000	Restricted funds £000	Total 2022 £000	Total 2021 £000
Staff lottery	42	0	42	48
Fundraising	58	7	65	76
<b>Total</b>	<b>100</b>	<b>7</b>	<b>107</b>	<b>124</b>

The staff lottery is operating within the guidelines set out by the Gambling Commission.

## 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 £36,841 (2021: £35,856).

## 8.0 Analysis of expenditure on raising funds

	Unrestricted funds	Restricted funds	Total 2022	Total 2021
	£000	£000	£000	£000
Fundraising costs	18	0	18	3
Support costs	98	6	104	98
<b>Total</b>	<b>116</b>	<b>6</b>	<b>122</b>	<b>101</b>

## 9.0 Analysis of charitable expenditure

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

Unrestricted funds	Direct charitable activities	Support costs	Total 2022	Direct charitable activities	Support costs	Total 2021
	£000	£000	£000	£000	£000	£000
Medical equipment	25	9	34	13	2	15
Staff education & welfare	152	51	203	228	42	270
Patient welfare	91	31	122	139	25	164
Other activities	28	9	37	12	3	15
	<b>296</b>	<b>100</b>	<b>396</b>	<b>392</b>	<b>72</b>	<b>464</b>

Restricted funds	Direct charitable activities	Support costs	Total 2022	Direct charitable activities	Support costs	Total 2021
	£000	£000	£000	£000	£000	£000
Medical equipment	0	0	0	74	7	83
Staff education & welfare	15	3	18	133	13	146
Patient welfare	10	2	12	41	4	45
Other activities	0	0	0	1	1	2
	<b>25</b>	<b>5</b>	<b>30</b>	<b>251</b>	<b>25</b>	<b>276</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 2022	Total 2021
	£000	£000	£000	£000
Opening balance as at 01 April	105	0	105	342
Additional commitments made during the year	549	0	549	841
Amounts paid during the year	(592)	0	(592)	(1,078)
Closing balance as at 31 March	<b>62</b>	<b>0</b>	<b>62</b>	<b>105</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	Charitable activities	2022 Total	Raising funds	Charitable activities	2021 Total	Basis
	£000	£000	£000	£000	£000	£000	
Internal audit	0	0	0	(1)	(1)	(2)*	Salaries
External audit	6	8	14	3	4	7	Salaries
Other	6	8	14	6	7	13	Salaries
<b>Governance</b>	<b>12</b>	<b>16</b>	<b>28</b>	<b>8</b>	<b>10</b>	<b>18</b>	
Salaries	88	88	175	86	85	171	Hours
Computer expenses	4	2	6	4	2	6	Salaries
<b>Total</b>	<b>104</b>	<b>105</b>	<b>209</b>	<b>98</b>	<b>97</b>	<b>195</b>	

\*Relates to the reversal of an over accrual in 2021

Salaries: this is proportionate to staff salaries where costs are related to the employed staff

	Unrestricted funds	Restricted funds	Endowment funds	2022 Total
	£000	£000	£000	£000
Raising funds	98	6	0	104
Charitable activities	100	5	0	105
	<b>198</b>	<b>11</b>	<b>0</b>	<b>209</b>

	Unrestricted funds	Restricted funds	Endowment funds	2021 Total
	£000	£000	£000	£000
Raising funds	72	26	0	98

Charitable activities	72	25	0	97
	<b>144</b>	<b>51</b>	<b>0</b>	<b>195</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.

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Salaries and wages	142	138
National insurance costs	13	13
Employer's pension contribution	20	20
<b>Total</b>	<b>175</b>	<b>171</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 (2021: £nil).

### 15.0 Independent Examiner's remuneration

The independent examiner's remuneration of £6,772 (2021: £6,778) related solely to the independent examination with no other additional work being undertaken. In 2021, the Charity had an audit of its accounts.

### 16.0 Fixed asset investments

#### Investments held with Rathbones Investment Management:

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Market value at 01 April	1,231	0
Add: additions at cost	187	293
Less: disposals at carrying value and in year gain / (loss) on disposals	(125)	(228)
Add: net gain / (loss) on revaluation	61	215
Add: net gain / (loss) on disposals	11	12
Less: Movements in broker held bank accounts	(84)	(87)
<b>Market value at 31 March of unrestricted investments</b>	<b>1,281</b>	<b>1,231</b>



#### Fixed asset investment by type

	2022	2021
	£000	£000
Fixed Interest	174	173
UK Equities	296	281
Overseas Equities	407	392
Alternatives	348	244
<b>Total listed investments</b>	<b>1,225</b>	<b>1,090</b>
Cash	56	141
<b>Market value at 31 March of unrestricted investments</b>	<b>1,281</b>	<b>1,231</b>

The historic cost of investments held with Rathbones Investment Management is £1,150,000 (2021: £1,150,000).

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

	2022	2021
	£000	£000
Market value at 01 April	226	186
Add: additions at cost	0	0
Add net gain (loss) on revaluation	13	40
<b>Market value at 31 March of the permanent endowment fund</b>	<b>239</b>	<b>226</b>

#### Fixed asset investment by type

	2022	2021
	£000	£000
Equities	175	180
Bonds	32	33
Real Estate	6	5
Alternatives	5	5
<b>Total listed investments</b>	<b>218</b>	<b>223</b>
Cash	21	3
<b>Market value at 31 March of the permanent endowment fund</b>	<b>239</b>	<b>226</b>

#### Total value of investments held at 31 March

	<b>1,520</b>	<b>1,457</b>
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The historic cost of investments held with Charles and Elsie Sykes Trust is £228,365 (2021 £228,365).

Included in the above figures, are investment management charges of £11,563 (2021: £10,198).

## 17.0 Analysis of current debtors

	2022	2021
	£000	£000
Prepayments and accrued income	66	118
NHS Debtor	0	11
<b>Total</b>	<b>66</b>	<b>129</b>

As at 31 March 2022, the Charity had been notified of a residuary legacy. No amount has been accrued for this but is estimated to be £172,000.

## 18.0 Analysis of cash and cash equivalents

	2022 £000	2021 £000
Cash in hand	694	909
<b>Total</b>	<b>694</b>	<b>909</b>

No cash or cash equivalents were held in non-cash investments or outside of the UK. The Charity had no cash equivalents as at 31 March 2022 (2021: None)

## 19.0 Analysis of liabilities

	2022 £000	2021 £000
<b>Creditors due within 1 year</b>		
NHS Creditor	16	76
Accruals	0	1
Other creditors	46	26
Commitments	0	2
<b>Total</b>	<b>62</b>	<b>105</b>

The Charity has no creditors falling due after more than 1 year and has no contingent liabilities. An amount of £12,962 is owed to the Trust.

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

	2022 £000	2021 £000
<b>Net (expenditure) / income (as per the statement of financial activities)</b>	(172)	371
<b>Adjustments for:</b>		
Interest from Investments	(37)	(36)
Loss on the sale of fixed assets	62	65
(Gains) on investments	(74)	(255)
Decrease / (increase) in debtors	63	(42)
(Decrease) in creditors	(43)	(237)
<b>Net cash used in operating activities</b>	<b>(201)</b>	<b>(134)</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

	<b>2022</b>	<b>2022</b>	<b>2022</b>	<b>2022</b>	<b>2022</b>
	<b>Balance b/f</b>	<b>Income</b>	<b>Expenditure</b>	<b>Gains and</b>	<b>Fund c/f</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>losses</b>	<b>£000</b>
				<b>£000</b>	
General Fund	324	1	(174)	0	151
Bradford Cardiac	103	166	(35)	0	234
Rays A Smile	5	3	(2)	0	6
Born In Bradford	50	0	(6)	0	44
Ward 15 Legacy	69	0	(8)	0	61
Sunshine Fund	94	10	(25)	0	79
ICU Fund	68	6	(8)	0	66
The HJ Gajdecki Fund	70	0	0	0	70
NNU Appeal	72	28	(22)	0	78
Other designated funds	1,158	62	(232)	61	1,049
<b>Total</b>	<b>2,013</b>	<b>276</b>	<b>(512)</b>	<b>61</b>	<b>1,838</b>

	<b>2021</b>	<b>2021</b>	<b>2021</b>	<b>2021</b>	<b>2021</b>
	<b>Balance b/f</b>	<b>Income</b>	<b>Expenditure</b>	<b>Gains and</b>	<b>Fund c/f</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>losses</b>	<b>£000</b>
				<b>£000</b>	
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>

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

	<b>2022</b>	<b>2022</b>	<b>2022</b>	<b>2022</b>	<b>2022</b>
	<b>Balance b/f</b>	<b>Income</b>	<b>Expenditure</b>	<b>Gains and</b>	<b>Fund c/f</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>losses</b>	<b>£000</b>
				<b>£000</b>	
Covid Fund	88	26	(36)	0	78
<b>Total</b>	<b>88</b>	<b>26</b>	<b>(36)</b>	<b>0</b>	<b>78</b>

**c) Analysis of endowment fund movements**

	2022 Balance b/f £000	2022 Income £000	2022 Expenditure £000	2022 Gains and losses £000	2022 Fund c/f £000
Bradford Teaching Hospitals NHS Trust CIP	54	0	0	0	54
Elsie Sykes Permanent Endowment Fund	226	0	0	13	239
Orthopaedic CIP	7	0	0	0	7
Paediatric CIP and 2 other CIPs	2	0	0	0	2
<b>Total</b>	<b>289</b>	<b>0</b>	<b>0</b>	<b>13</b>	<b>302</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 £12,853 relates to an unrealised gain based on share values as at 31 March 2022.

	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>

## 23.0 The Charity as a subsidiary

The Trust, its patient's and its staff are the main beneficiaries of the Charity. The Trust 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