



**GATESHEAD HEALTH NHS FOUNDATION TRUST  
CHARITABLE FUND**

**Trustees' Report and Financial Statements  
31<sup>st</sup> March 2021**

Registered Charity No: 1086145

Address: Queen Elizabeth Hospital  
Sheriff Hill  
Gateshead  
Tyne & Wear  
NE9 6SX  
Telephone: 0191 4820000

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## **TRUSTEES' REPORT**

Gateshead Health NHS Foundation Trust acts as the corporate trustee for Gateshead Health NHS Foundation Trust Charitable Fund. The Funds are administered by a Committee known as the Charitable Funds Committee which meets quarterly with other meetings convened as and when necessary. Members of the Trust Board are remunerated by the NHS trust and Committee members receive no remuneration or expenses from the Charity.

Membership of the Trust Board throughout 2020/2021 was as follows:

Alison Marshall	Chair
Shaun Bowron	Vice Chair and Senior Independent Director (to September 2020)
Ruth Bonnington	Non-Executive Director
Martin Gannon*	Non-Executive Director
Paul Hopkinson*	Chair of Charitable Funds Committee and Non-Executive Director
Andrew Moffat CBE	Non-Executive Director
Hilary Parker	Non-Executive Director
John Robinson DL	Non-Executive Director (to September 2020)
Mike Robson*	Non-Executive Director and Senior Independent Director (from November 2020)
Mojgan Sani	Associate Non-Executive Director
David Shilton	Non-Executive Director
Yvonne Ormston MBE	Chief Executive
Jo Baxter*	Chief Operating Officer (from June 2020)
Andrew Beeby*	Medical Director
Jacqueline Bilcliff	Group Director of Finance & Deputy Chief Executive

Lisa Crichton-Jones

Executive Director People and OD (from  
October 2020)

Hilary Lloyd

Executive Director of Nursing, Midwifery &  
Quality (to February 2021)

\*Member of Charitable Funds Committee

All policies and procedures of the Trust apply to the charity.

**BANKERS:** Lloyds Bank PLC  
West Street  
Gateshead  
NE8 1DP

**AUDITOR:** Ernst & Young LLP  
Apex Plaza  
Forbury Road  
Reading  
RG1 1YE

**INVESTMENT  
ADVISORS:** CCLA  
Senator House  
85 Queen Victoria Street  
London  
EC4V 4ET

## **Structure, Governance and Management of the Charitable Funds**

Gateshead Health NHS Foundation Trust Charitable Fund was formed on 1<sup>st</sup> April 2001 following the merger of Gateshead Hospitals NHS Trust charitable fund (1055236) and Gateshead Healthcare NHS Trust charitable fund (1061808). It was then named Gateshead Health NHS Trust charitable fund up to 4<sup>th</sup> April 2005 when the name changed to mirror the Foundation Trust status gained by the Trust. A Declaration of Trust was signed on 5<sup>th</sup> March 1997 giving the Trustee overall responsibility for the production of the Annual Report and Financial Statements in accordance with applicable law and regulations.

Following NHS organisational changes on 1<sup>st</sup> April 2002 some of the services operated by Gateshead Health NHS Trust transferred to Gateshead Primary Care Trust and South of Tyne and Wearside Mental Health Trust. The charity still holds some of the associated funds but as they represent less than £10,000 it is not recommended that a separate charity is created to administer these funds. Income is not received for these funds therefore once the current balances have been spent the funds will close. This is in line with the objectives of the charity.

The Corporate Trustee is Gateshead Health NHS Foundation Trust and the executive directors and the non-executive directors of the Trust Board share responsibility to ensure that the Foundation Trust fulfils its duties as Corporate Trustee in respect of the management of the charitable funds.

The Board of Gateshead Health NHS Foundation Trust on behalf of the corporate trustee has delegated the responsibility to manage the charitable funds to the charitable funds committee. The Group Director of Finance is responsible for the day to day management and control of the administration of the charitable funds. The Group Director of Finance has particular responsibility for ensuring that the spending is in accordance with the objectives of the charity.

The charitable funds committee is in place to oversee the work and to advise or direct the Group Director of Finance. In addition the committee reviews the performance of the investments and ensures the investment of the funds is ethical and compatible with the objective of improving health.

Within the charity are a number of earmarked (designated) funds relating to particular wards and departments. The charity manages spending through departmental fund managers. Charitable Fund Signatories can authorise expenditure up to £2,500; expenditure over £2,500 is taken to the Charitable Funds Sub Group with any expenditure above £10,000 considered by the Charitable Funds Committee for approval.

## **Public Benefit Statement**

The Trustee has had regard to charity commission guidance on public benefit.

All our charitable activities focus on the advancement of health and the saving of lives.

Our main activities aim to provide support by enhancing patients' stays, supporting staff and providing support for medical research projects. Further details can be found within the 'Strategic Objectives and Activities' section of this report.

The main activities undertaken this year can be found in the 'Review of the Finances, Activities, Achievements and Performance of the Charitable Funds' section in this report.

## **Strategic Objectives and Activities**

The Charity's objectives are as follows:-

The Trustee shall hold the trust fund upon trust to apply the income, and at their discretion, so far as may be permissible, the capital for any charitable purpose or purposes relating to the National Health Service wholly or mainly for the service provided by Gateshead Health NHS Foundation Trust.

The Charity is funded by donations and/or legacies received from patients, their relatives, staff, the general public and other external organisations. The overall strategy of the Charity is to provide support by the following means:-

### *Patients Expenditure -*

- Purchase equipment and provision of goods or services to enhance a patient's stay.

### *Staff Expenditure -*

- Support for training and development.
- Improving staff facilities and services.

### *Capital Equipment -*

- Equipment in addition to that normally provided by the Trust.

### *Medical Research –*

- To provide support for medical research projects.

## **Relationships with Related Parties/External Bodies**

Gateshead Health NHS Charitable Fund works closely with Gateshead Health NHS Foundation Trust. Nearly all of the expenditure is to provide services and facilities to this organisation or members of its staff.

Close links are also maintained with the Women's Cancer Detection Society and the Royal Voluntary Service. The Charitable fund acknowledges these links in the overall provision of charitable support to the related health provision of our patients.

## **Review of the Finances, Activities, Achievements and Performance of the Charitable Funds**

The Charity started the year with net assets valued at £1,064,259 (2020: £1,149,965). The year has been active with total expenditure of £332,293 (2019: £442,422). Income received of £469,642 (2020: £274,612) is an increase of £195,030 on the previous financial year.

The Charity was successful in securing £280,000 in grants from NHS Charities Together:

Stage 1 – Covid-19 Urgent Response Grants £120,000. These grants were awarded to support staff and patients through the Covid-19 Pandemic. A number of initiatives were financed from this award including issuing staff meal vouchers, the provision of care boxes and other wellbeing support.

Stage 1 – BAME and Hidden Communities Grant £50,000. This grant was awarded to support BAME and Hidden Communities who have been disproportionately affected by Covid. Three main areas were supported in various projects within our Jewish, BAME and Disabled community.

Stage 3 – Recovery Grant £110,000. This award was made to target some of the legacy associated with the initial Covid wave and the preparedness for a second wave. This was utilised by appointing specialist support staff on 12 month fixed term contracts to support staff health and wellbeing.

Favourable market conditions have resulted in an unrealised gain on investments of £149,436 (2020: £16,270 loss). The committee on behalf of the Charity continues to closely monitor the investments along with advisors from CCLA Investment Management.

An overall net increase in charitable funds of £286,785 (2020: reduction of £184,080) has been recorded.

Funds were spent on a:

- Freezer; and a
- Giraffe Warmer Equipment (infant bed warmer for use in ICU)

Additionally funds were also spent on:

- Staff training
- Other medical equipment and fixtures and fittings

Many smaller items were also purchased all of which contributed greatly to the welfare of patients and staff.

Administration fees in the year have increased to £62,008 (2020: £53,602).

We were privileged to receive legacies throughout the year totalling £13,931 (2020: £19,508). Many people helped to raise funds by carrying out various sponsored events e.g. runs, walks, coffee mornings etc. and many people gave direct donations often in memory of a loved one.

The Charity is indebted to the generosity of patients, their families and carers, well wishers and friends who have donated so generously to the work of the charity. The Charity ended the year with total net assets of £1,351,044 (2020: £1,064,259).

## **Reserves Policy**

A formal Reserves policy was established in December 2014 and is reviewed annually by the Charitable Funds committee.

The Trustee through the Charitable funds committee regularly reviews and actively monitors the level of uncommitted reserves, with a stipulated minimum balance of £250,000.



## **Investment Policy**

The Trustee maintains a cautious investment policy. The investments in funds managed by CCLA Investment Management Limited gives a conservative balance between equity, cash and property.

Funds are invested to provide access for the short, medium and long term needs of the Charity. The investments aim to be socially and ethically responsible in line with the objectives and ethos of the National Health Service.

## **Principal Risks and Uncertainties**

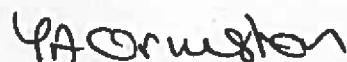
Only one major risk has been identified by the Trustee i.e. that the value of the investments will fall due to the current economic climate of the country. We recognise this risk and mitigate where possible by the Trustee regularly monitoring the performance of the investment funds. The Trustee will also seek to benchmark investment performance to ensure appropriate rates of return are secured.

## **Plans for future periods**

The Trustee does not expect any changes in the objectives of the charity in the forthcoming year.

The Charity does not currently actively fundraise and relies upon the generosity of patients, their relatives and other donors who are familiar with or have experienced the care of Gateshead Health NHS Foundation Trust.

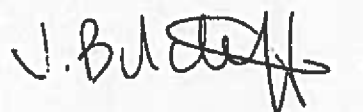
Signed



Group Chief Executive

Date 17/02/2022

Signed



Group Director of  
Finance

Date 17/02/2022

## **Statement of the Corporate Trustee's responsibilities in respect of the Trustee's annual report and the financial statements**

Under the trust deed and charity law, the Corporate Trustee is responsible for preparing the Trustee's Annual Report and the financial statements in accordance with applicable law and regulations. The trustee has elected to prepare the financial statements in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK*.

The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the excess of expenditure over income for that period.

In preparing these financial statements, generally accepted accounting practice entails that the trustee:

- selects suitable accounting policies and then apply them consistently;
- makes judgements and estimates that are reasonable and prudent;
- states whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- states whether the financial statements comply with the trust deed, subject to any material departures disclosed and explained in the financial statements; and
- prepares the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustee is required to act in accordance with the trust deed of the charity, within the framework of trust law. It is responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the trustee to ensure that, where any statements of accounts are prepared by them under section 132(1) of the Charities Act 2011, those statements of accounts comply with the requirements of regulations under that provision. The trustee has general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

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

# **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF GATESHEAD HEALTH NHS FOUNDATION TRUST CHARITABLE FUND**

## **Opinion**

We have audited the financial statements of Gateshead Health NHS Foundation Trust Charitable Fund for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement Cash Flows and the related notes 1 to 13, including as summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is 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".

In our opinion the financial statements:

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

## **Basis for opinion**

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the 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 36 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. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the trustee's ability to continue as a going concern.

## **Other information**

The other information comprises the information included in the Trustee's Report and Financial Statements, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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 the other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

- ▶ the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; 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.

## **Responsibilities of trustees**

As explained more fully in the Statement of the Corporate Trustee's responsibilities set out on page 8, 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 management either intends to liquidate the charity or to cease operations, or has 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.

### ***Explanation as to what extent 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 irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks applicable to the charity and determined that the most significant are the Charities Act 2011 and Financial Reporting Standards FRS 102.
- We understood how Gateshead Health NHS Foundation Trust Charitable Fund is complying with those frameworks by understanding the incentive, opportunities and motives for non-compliance, including inquiring of management and those charged with governance and obtaining and reviewing documentation relating to the procedures in place to identify, evaluate and comply with laws and regulations, and whether they are aware of instances of non-compliance. We corroborated this through our review of the charity's board minutes and through enquiry of employees to verify charity policies and other information. Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures had a focus on compliance with the accounting framework through obtaining sufficient audit evidence in line with the level of risk identified and with relevant legislation.

- We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur by understanding the potential incentives and pressures for management to manipulate the financial statements, and performed procedures to understand the areas in which this was most likely to arise. Based on our risk assessment procedures, we identified manipulation of reported financial performance (through inappropriate recognition of revenue) and management override of control to be our fraud risks.
- Our fraud risk on revenue recognition was specifically focused on inappropriate recognition of income from legacies. We used a lower testing threshold when selecting our sample and tested each item to supporting documentation to confirm whether it had been appropriately recognised in the financial statements.
- To address our fraud risk of management override of controls, we tested all individually material transactions to identify any significant unusual transactions or transactions outside the normal course of business.

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

### **Use of our report**

This report is made solely to the 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 auditors' 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.

*Ernst & Young LLP*

**Ernst & Young LLP**

**Statutory Auditor**

**Reading**

17th **February 2022**

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

**Gateshead Health NHS Foundation Trust Charitable Fund**  
**Annual Accounts 2020/21**

**Statement of Financial Activities for the year ended 31 March 2021**

	Note	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Endowment Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
<b>Income from</b>						
Donations		148,362	0	0	148,362	225,237
Legacies		13,931	0	0	13,931	19,508
Income from Investments	3	22,128	3,413	1,808	27,349	29,867
Grants		0	280,000	0	280,000	-
<b>Total income</b>		<b>184,421</b>	<b>283,413</b>	<b>1,808</b>	<b>469,642</b>	<b>274,612</b>
<b>Expenditure on</b>						
<i>Charitable activities:</i>						
Patients' welfare and amenities		119,722	8,839	0	128,561	157,808
Staff welfare and amenities		9,687	171,036	0	180,723	36,494
Medical research		0	0	0	0	10,647
Contributions to the Foundation Trust	5	23,009	0	0	23,009	237,473
<b>Total expenditure</b>	4	<b>152,418</b>	<b>179,875</b>	<b>0</b>	<b>332,293</b>	<b>442,422</b>
Net gains/(losses) on investments	7	120,789	18,633	10,014	149,436	(16,270)
<b>Net Income/(Expenditure)</b>		<b>152,792</b>	<b>122,171</b>	<b>11,822</b>	<b>286,785</b>	<b>(184,080)</b>
Transfers between funds	10	1,808	0	(1,808)	0	-
<b>Net movement in funds</b>		<b>154,600</b>	<b>122,171</b>	<b>10,014</b>	<b>286,785</b>	<b>(184,080)</b>
<i>Reconciliation of Funds:</i>						
Total funds brought forward	10	862,866	161,686	49,707	1,064,259	1,248,339
<b>Total funds carried forward</b>	10	<b>1,017,466</b>	<b>273,857</b>	<b>59,721</b>	<b>1,351,044</b>	<b>1,064,259</b>



**Gateshead Health NHS Foundation Trust Charitable Fund**  
**Annual Accounts 2020/21**

**Balance Sheet as at 31 March 2021**

	Notes	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Endowment Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
<b>Fixed Assets</b>						
Investments	7	621,366	466,390	69,721	1,146,498	999,903
<b>Total Fixed Assets</b>		<b>621,366</b>	<b>466,390</b>	<b>69,721</b>	<b>1,146,498</b>	<b>999,903</b>
<b>Current Assets</b>						
Debtors	8	6,169	-	-	6,169	16,110
Cash at bank and in hand		562,639	(191,633)	-	361,007	103,161
<b>Total Current Assets</b>		<b>568,799</b>	<b>(191,633)</b>	<b>-</b>	<b>367,167</b>	<b>119,271</b>
Creditors: Amounts falling due within one year	9	(162,679)	-	-	(162,679)	(24,916)
<b>Net Current Assets/ (Liabilities)</b>		<b>395,111</b>	<b>(191,633)</b>	<b>-</b>	<b>204,578</b>	<b>94,355</b>
<b>Total Net Assets</b>	11	<b>1,017,466</b>	<b>273,957</b>	<b>69,721</b>	<b>1,351,044</b>	<b>1,094,259</b>
<b>Funds of the Charity</b>						
Unrestricted Income Funds	10	1,017,466	-	-	1,017,466	892,686
Restricted Funds	10	-	273,957	-	273,957	161,686
Endowment Funds	10	-	-	69,721	69,721	49,707
<b>Total Funds</b>		<b>1,017,466</b>	<b>273,957</b>	<b>69,721</b>	<b>1,351,044</b>	<b>1,094,259</b>

The notes at pages 17 to 26 form part of these financial statements.

Approved by the Corporate Trustees and signed on their behalf by:

Signed: 

Name: Jacqueline Bickell

Designation: Group Director of Finance/Trustee

Date: 17/2/2022

Charity Registration Number: 1088146

**Gateshead Health NHS Foundation Trust Charitable Fund**  
**Annual Accounts 2020/21**

**Cash Flow Statement for year ended 31st March 2021**

Notes

	2021 £	2020 £
<b>Cash flows from Operating Activities</b>		
Net increase/(decrease) in Funds	286,785	(184,080)
Adjustments for:		
Unrealised (Gains)/Losses on Investments	(149,436)	16,270
Investment Income	(27,349)	(29,866)
Decrease/(Increase) in Debtors	9,960	3,943
Increase/(Decrease) in Creditors	137,764	(31,789)
<b>Net Cash flows from Operating Activities</b>	<b>257,714</b>	<b>(225,522)</b>
<b>Cash Flows from Investing Activities</b>		
Proceeds from the sale of investments	-	150,088
Interest Received	222	995
<b>Net Cash Flows from Investing Activities</b>	<b>222</b>	<b>151,083</b>
<b>Net Increase/(Decrease) In Cash and Cash Equivalents</b>	<b>257,936</b>	<b>(74,439)</b>
Cash and Cash Equivalents at beginning of year	103,161	177,600
<b>Cash and Cash Equivalents at end of year</b>	<b>361,097</b>	<b>103,161</b>

## Gateshead Health NHS Foundation Trust Charitable Fund

### Annual Accounts 2020/21

#### Notes to the Accounts

#### Accounting Policies

##### 1.1 Basis of Preparation

The financial statements have been prepared under the historic cost convention, with the exception of investments which are included at fair value.

The accounts (financial statements) have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK (FRS 102) and the Charities Act 2015.

##### 1.2 Going Concern

These accounts have been prepared on a going concern basis. The Trustee is required to make an assessment as at the balance sheet date as to whether the Charity remains a going concern. The Trustee has agreed to a minimum balance of £250,000 of funds held and, as at 31 March 2021, the Charity holds funds in excess of this after known commitments. The Trustee has therefore a reasonable expectation that the charity has adequate resources to continue for at least 36 months from the date of approval of these statements and that there are no known material uncertainties. For these reasons the Trustee continues to adopt the going concern basis in preparing these accounts.

##### 1.3 Structure of funds

Where there is a legal restriction on the purpose to which a fund may be put, the fund is classified as either a restricted fund or an endowment fund.

Restricted funds are those where the donor has provided for the donation to be spent in the furtherance of a particular charitable purpose. Gateshead Health NHS Foundation Trust's Charitable Funds restricted funds tend to result from legacy bequests.

The Charity has four endowment funds, which have been held on trust for a considerable length of time. These funds are managed by the Trustee on a total return basis.

Those funds which are neither endowment nor restricted funds are classified as unrestricted funds. These are sub analysed between designated funds which reflect non binding wishes of donors to benefit a certain area of the hospital and unrestricted which represents the Charity's reserves and includes the general fund.

##### 1.4 Income

All income is included in full in the Statement of Financial Activities as soon as the following three factors can be met:

- i) entitlement - arises when a particular resource is receivable or the Charity's right becomes legally enforceable;
- ii) probable - when it is probable that the income will be received; and
- iii) measurement - when the monetary value of the income can be measured with sufficient reliability.

##### 1.5 Income from Legacies

Legacies are accounted for as income either upon receipt or where the receipt of the legacy becomes probable. This will be once confirmation has been received from the representatives of the estates that payment of the legacy will be made or property transferred and once all conditions attached to the legacy have been fulfilled and the amount of income is known with reasonable certainty.

##### 1.6 Income from Endowment Funds

The income received from the investment of endowment funds are wholly unrestricted but have been earmarked in accordance with the donor's stated wishes.

**Gateshead Health NHS Foundation Trust Charitable Fund**  
**Annual Accounts 2020/21**

**1.7 Expenditure and irrecoverable VAT**

**a) Expenditure**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. All expenditure is recognised once there is a legal or constructive obligation committing the Charity to the expenditure. Irrecoverable VAT is charged against the category of the resources expended for which it was incurred.

**b) Charitable activities**

Costs of charitable activities comprise all costs identified as wholly incurred in the pursuit of the charitable objects of the Charity. Support costs are allocated in proportion to the funding provided for each activity.

**c) Governance costs**

Governance costs comprise all costs associated with the governance arrangements of the Charity. Included within this category are any costs relating to the public accountability of the Charity, its compliance with legislation and good practice, and strategic activity, as opposed to day to day management of the Charity's activities.

**1.8 Investments**

Investment fixed assets are shown at bid-market price as at the balance sheet date. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

**1.9 Realised gains and losses**

All gains and losses are taken to the Statement of Financial Activities as they arise. Unrealised gains and losses are calculated as the difference between market value at the year end and opening market value (or date of purchase if later).

**Gateshead Health NHS Foundation Trust Charitable Fund**  
**Annual Accounts 2020/21**

**2a Unrestricted Funds**

**Statement of Financial Activity for Year Ended 31st March 2021**

	2021 £	2020 £
<b>Income from</b>		
Donations	148,362	225,237
Legacies	13,931	19,508
Income from Investments	22,128	23,885
<b>Total Income</b>	<u>184,421</u>	<u>268,630</u>
<b>Expenditure on</b>		
<i>Charitable activities:</i>		
Patients' welfare and amenities	119,722	122,969
Staff welfare and amenities	9,687	30,527
Medical research	-	10,647
Contributions to the Foundation Trust	23,009	106,786
<b>Total expenditure</b>	<u>152,418</u>	<u>270,929</u>
Net gains/(losses) on investments	120,789	(12,423)
<b>Net Income/(Expenditure)</b>	152,792	(14,722)
Transfers between funds	1,808	1,773
<b>Net movement in funds</b>	<u>154,600</u>	<u>(12,949)</u>
<i>Reconciliation of Funds:</i>		
Total funds brought forward	862,866	875,815
<b>Total funds carried forward</b>	<u>1,017,466</u>	<u>862,866</u>

**Balance Sheet as at 31st March 2021**

	2021 £	2020 £
<b>Fixed Assets</b>		
Investments	621,355	479,193
<b>Total Fixed Assets</b>	<u>621,355</u>	<u>479,193</u>
<b>Current Assets</b>		
Debtors	6,160	16,110
Cash at bank and in hand	552,630	392,478
<b>Total Current Assets</b>	<u>558,789</u>	<u>408,588</u>
Creditors: Amounts falling due	(162,679)	(24,915)
<b>Net Current Assets</b>	<u>396,111</u>	<u>383,673</u>
<b>Total Net Assets</b>	<u>1,017,465</u>	<u>862,866</u>
<b>Funds of the Charity</b>		
Unrestricted Income Funds	1,017,466	862,866
<b>Total Funds</b>	<u>1,017,466</u>	<u>862,866</u>

**Gateshead Health NHS Foundation Trust Charitable Fund**  
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**2b Restricted Funds**

**Statement of Financial Activity for Year Ended 31st March 2021**

	2021 £	2020 £
<b>Income from</b>		
Donations	-	-
Legacies	-	-
Income from Investments	3,413	4,209
Grants	<u>280,000</u>	<u>-</u>
<b>Total income</b>	<u>283,413</u>	<u>4,209</u>
<b>Expenditure on</b>		
<i>Charitable activities:</i>		
Patients' welfare and amenities	8,839	34,839
Staff welfare and amenities	171,036	5,967
Medical research	-	-
Contributions to the Foundation Trust	-	130,687
<b>Total expenditure</b>	<u>179,875</u>	<u>171,494</u>
Net gains/(losses) on investments	18,633	(2,189)
<b>Net Income/(Expenditure)</b>	122,171	(169,474)
Transfers between funds	-	-
<b>Net movement in funds</b>	<u>122,171</u>	<u>(169,474)</u>
<i>Reconciliation of Funds:</i>		
Total funds brought forward	151,685	321,159
<b>Total funds carried forward</b>	<u>273,856</u>	<u>151,685</u>

**Balance Sheet as at 31st March 2021**

	2021 £	2020 £
<b>Fixed Assets</b>		
Investments	<u>465,390</u>	<u>441,003</u>
<b>Total Fixed Assets</b>	<u>465,390</u>	<u>441,003</u>
<b>Current Assets</b>		
Debtors	-	-
Cash at bank and in hand	<u>(191,533)</u>	<u>(289,317)</u>
<b>Total (Liabilities)</b>	<u>(191,533)</u>	<u>(289,317)</u>
Creditors: Amounts falling due within one year	-	-
<b>Net Current Assets</b>	<u>(191,533)</u>	<u>(289,317)</u>
<b>Total Net Assets</b>	<u>273,857</u>	<u>151,686</u>
<b>Funds of the Charity</b>		
Restricted Income Funds	273,857	151,686
<b>Total Funds</b>	<u>273,857</u>	<u>151,686</u>

**Gateshead Health NHS Foundation Trust Charitable Fund**  
**Annual Accounts 2020/21**

**2c Endowment Funds**

**Statement of Financial Activity for Year Ended 31st March 2021**

	2021 £	2020 £
<b>Income from</b>		
Donations	-	-
Legacies	-	-
Income from Investments	<u>1,808</u>	<u>1,773</u>
<b>Total Income</b>	<u>1,808</u>	<u>1,773</u>
<b>Expenditure on</b>		
<i>Charitable activities:</i>		
Patients' welfare and amenities	-	-
Staff welfare and amenities	-	-
Medical research	-	-
Contributions to the Foundation Trust	-	-
<b>Total expenditure</b>	<u>-</u>	<u>-</u>
 Net gains/(losses) on investments	 10,014	 (1,658)
 <b>Net Income/(Expenditure)</b>	 11,822	 115
 Transfers between funds	 <u>(1,808)</u>	 <u>(1,773)</u>
<b>Net movement in funds</b>	<b>10,014</b>	<b>(1,658)</b>
<i>Reconciliation of Funds:</i>		
Total funds brought forward	49,707	51,365
 <b>Total funds carried forward</b>	 <u>59,721</u>	 <u>49,707</u>

**Balance Sheet as at 31st March 2021**

	2021 £	2020 £
<b>Fixed Assets</b>		
Investments	<u>59,721</u>	<u>49,707</u>
<b>Total Fixed Assets</b>	<u>59,721</u>	<u>49,707</u>
<b>Current Assets</b>		
Debtors	-	-
Cash at bank and in hand	-	-
<b>Total Current Assets</b>	<u>-</u>	<u>-</u>
 Creditors: Amounts falling due within one year	 -	 -
 <b>Net Current Assets/ (Liabilities)</b>	 <u>-</u>	 <u>-</u>
 <b>Total Net Assets</b>	 <u>59,721</u>	 <u>49,707</u>
<b>Funds of the Charity</b>		
Endowment Income Funds	59,721	49,707
 <b>Total Funds</b>	 <u>59,721</u>	 <u>49,707</u>

**Gateshead Health NHS Foundation Trust Charitable Fund**  
**Annual Accounts 2020/21**

**3. Investment Income**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Endowment funds 2021 £	Total 2021 £	Total Funds 2020 £
Dividends received	21,936	3,383	1,808	27,127	28,872
Interest on cash deposit	192	30	-	222	995
	<u>22,128</u>	<u>3,413</u>	<u>1,808</u>	<u>27,349</u>	<u>29,867</u>

**4. Charitable Activities**

	Funding Provided for Activity 2021 £	Support Costs 2021 £	Total 2021 £	Total 2020 £
Patients Welfare & Amenities	77,985	50,576	128,561	157,809
Staff Welfare & Amenities	169,291	11,432	180,723	36,493
Medical Research	-	-	-	10,647
Conts. to the Foundation Trust	23,009	-	23,009	237,473
	<u>270,285</u>	<u>62,008</u>	<u>332,293</u>	<u>442,423</u>

**5. Contributions to the Foundation Trust**

	2021 £	2020 £
Donated assets	<u>23,009</u>	<u>237,473</u>

**6. Allocation of Support Costs and Overheads**

The breakdown of management and administration costs and how these have been allocated between Charitable Activities and Governance Costs is shown in the table below:

	Charitable activities 2021 £	Governance costs 2021 £	Total 2021 £	Total 2020 £
Staff Costs	51,721	-	51,721	43,683
Internal Audit Fee	-	2,320	2,320	2,320
External audit fee	-	4,077	4,077	3,900
Website & branding	1,912	-	1,912	1,912
Just Giving fees	418	-	418	684
Subscriptions	1,125	-	1,125	1,000
Office Expenses	435	-	435	103
	<u>55,611</u>	<u>6,397</u>	<u>62,008</u>	<u>53,602</u>

The Charity does not directly employ any members of staff. The services used by the Charity are provided by employees of Gateshead Health NHS Foundation Trust. The cost of providing these services is recharged to the Charity by the Foundation Trust.



# Gateshead Health NHS Foundation Trust Charitable Fund

## Annual Accounts 2020/21

### 7. Investments - Fixed Assets

	As at 31 March 2020	Additions	Disposals	Change in Market Value	As at 31 March 2021
	£	£	£	£	£
COIF Charities Ethical Investment Fund	692,056	-	-	139,422	831,478
COIF Charities Deposit Fund	118,141	27,127	-	-	145,268
Lloyds Call Notice Deposit	110,000	-	-	-	110,000
TS Moffitt Endowment	3,252	-	-	655	3,907
EJ Worley Endowment	18,820	-	-	3,792	22,612
AAI Jackson Endowment	26,244	-	-	5,287	31,531
Gateshead Patient Welfare Fund Endowment	1,390	-	-	280	1,670
	<u>969,903</u>	<u>27,127</u>	<u>-</u>	<u>149,436</u>	<u>1,148,466</u>

All investments are held in the UK. Additions relate to recycled investment income.

Investments are allocated between funds as follows:

	As at 31 March 2020	Additions	Disposals	Change in Market Value	As at 31 March 2021
	£	£	£	£	£
Unrestricted	479,193	21,373	-	120,789	621,355
Restricted	441,003	5,754	-	18,633	465,390
Endowment	49,707	-	-	10,014	59,721
	<u>969,903</u>	<u>27,127</u>	<u>-</u>	<u>149,436</u>	<u>1,148,466</u>

The significance of financial instruments to the ongoing financial sustainability of Gateshead Health NHS Foundation Trust Charitable Fund is considered in the risk analysis section of the trustees' annual report. The risks are managed by investing in diversified funds which are administered by specialist fund managers. Trustees also regularly monitor the performance of investment funds.

**Gateshead Health NHS Foundation Trust Charitable Fund**  
**Annual Accounts 2020/21**

<b>Analysis of Debtors</b>	<b>8</b>		<b>2021</b>	<b>2020</b>
		Amounts falling due within one year:	£	£
		Amounts due from Gateshead Health NHS Foundation Trust	-	-
		Prepayments	2,050	4,498
		Other debtors	4,110	11,612
		<b>Total debtors falling due within one year</b>	<b>6,160</b>	<b>16,110</b>

<b>Analysis of Creditors</b>	<b>9</b>		<b>2021</b>	<b>2020</b>
		Amounts falling due within one year:	£	£
		Trade creditors	33,489	-
		Amounts due to Gateshead Health NHS Foundation Trust	129,190	24,915
		Other creditors	-	-
		<b>Total creditors falling due within one year</b>	<b>162,679</b>	<b>24,915</b>

**Gateshead Health NHS Foundation Trust Charitable Fund**

**Annual Accounts 2020/21**

**10. Movement in funds**

	As at 1 April 2020 £	Income £	Expenditure £	Investment Gain £	Transfers (see note below) £	As at 31 March 2021 £
<b>Unrestricted funds</b>						
General Trustwide	81,468	52,503	(25,778)	14,812	219	123,024
Other unrestricted funds	214	-	-	-	-	214
<b>Designated funds:</b>						
Diabetic Fund	367	9	(23)	48	1	402
Palliative Care	180,518	49,975	(21,797)	28,188	422	237,308
MRI Staff & Patients	26,492	633	(1,551)	3,454	52	29,080
Pharmacy	3,556	1,212	(273)	607	9	5,111
Biochemistry	27,446	2,646	(1,720)	3,832	57	32,261
Obs & Gynae	19,681	535	(1,156)	2,574	39	21,873
Anaesthesia	21,924	473	(3,208)	2,592	39	21,819
Diagnostic Imaging	79,692	3,226	(4,743)	10,559	158	88,892
Other designated funds	421,508	73,209	(92,168)	54,323	812	457,684
	<u>862,868</u>	<u>184,421</u>	<u>(182,418)</u>	<u>120,789</u>	<u>1,808</u>	<u>1,017,468</u>
<b>Restricted funds:</b>						
NHS Charities Together	-	280,000	(162,719)	-	-	117,281
Cancer Research	43,372	917	(7,247)	5,003	-	42,045
Jubilee Day (Legacy)	16,939	404	(992)	2,209	-	18,560
Cardiology	11,624	233	(2,473)	1,267	-	10,651
Kidney Services	18,562	444	(1,088)	2,421	-	20,339
Paediatrics	16,184	388	(1,026)	2,099	-	17,643
Critical Care	2,017	48	(118)	263	-	2,210
Breast Cancer Research	33,162	750	(3,637)	4,089	-	34,364
Other restricted funds	9,826	231	(575)	1,282	-	10,784
	<u>181,688</u>	<u>283,413</u>	<u>(179,875)</u>	<u>18,633</u>	<u>-</u>	<u>273,867</u>
<b>Endowment funds:</b>						
TS Moffitt Endowment	3,252	118	-	655	(118)	3,907
EJ Worley Endowment	18,820	685	-	3,782	(685)	22,612
AAJ Jackson Endowment	28,244	955	-	5,287	(955)	31,531
Gateshead Patient Welfare Fund Endowment	1,391	50	-	280	(50)	1,671
	<u>49,707</u>	<u>1,808</u>	<u>-</u>	<u>10,014</u>	<u>(1,808)</u>	<u>69,721</u>
<b>Total funds</b>	<u><b>1,064,259</b></u>	<u><b>469,642</b></u>	<u><b>(332,293)</b></u>	<u><b>149,436</b></u>	<u><b>-</b></u>	<u><b>1,381,044</b></u>

**Transfers**

The transfer of £1,808 (2020: £1,773) relates to endowment investment income being released to unrestricted funds.

**Gateshead Health NHS Foundation Trust Charitable Fund**  
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**11. Analysis of net assets between funds**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Endowment funds 2021 £	Total 2021 £
Fixed assets	621,355	465,390	59,721	1,146,466
Current assets	558,789	(191,533)	-	367,257
Current liabilities	(162,679)	-	-	(162,679)
	<b>1,017,465</b>	<b>273,857</b>	<b>59,721</b>	<b>1,351,044</b>

**12. Related Party Transactions**

The Charity is connected to Gateshead Health NHS Foundation Trust, it being the sole corporate trustee of the Charity. The Board of the Directors of the Foundation Trust therefore have direct control of the Charity through their control of the Foundation Trust. The Charity's objectives are to apply income and capital for any charitable purpose relating to the services provided by the Foundation Trust and therefore all resources expended relate to the Foundation Trust in this way.

	2020-21		2019-20	
	Turnover of Connected Organisation £000	Net Surplus/ (Loss) for the Connected Organisation £000	Turnover of Connected Organisation £000	Net Surplus/ (Loss) for the Connected Organisation £000
Gateshead Health NHS Foundation Trust Consolidated Results	350,992	474	300,888	(350)

The Corporate Trustee is considered to be the key management of the Charity

During the year the Charity provided support of £9,000 to FACT. Paul Hopkinson is a director of FACT and disclosed this declaration of interest prior to any discussion or confirmation of support payments.

During the year transactions of £2,312.78 took place between the Charity and QEF, the Trust's subsidiary.

No other Trustee or members of the management staff or parties related to them has undertaken any material transactions with the Charity.

Neither the Corporate Trustee or management personnel claimed remuneration or benefits from the Charity during the year.

**13. Financial Instruments**

The carrying amounts of financial assets and liabilities include:

	2021 £	2020 £
Assets measured at fair value through profit and loss	1,146,466	969,903
Assets measured at amortised cost	365,207	114,864
Liabilities measured at amortised cost	(162,679)	(24,915)