



GATESHEAD HEALTH NHS FOUNDATION TRUST
CHARITABLE FUND

Trustees' Report and Financial Statements
31st March 2022

Registered Charity No: 1086145

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

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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 2021/2022 was as follows:

| | |
|---------------------------|--|
| Ms Alison Marshall | Chair |
| Mr Mike Robson* | Vice Chair, Senior Independent Director and Chair of the Charitable Funds Committee |
| Mrs Yvonne Ormston MBE | Chief Executive |
| Councillor Martin Gannon* | Non Executive Director |
| Mrs Hilary Parker* | Non Executive Director |
| Mr Andrew Moffat | Non Executive Director |
| Dr. Ruth Bonnington | Non Executive Director |
| Mrs Anna Stabler | Non Executive Director (from July 2021) |
| Mrs Maggie Pavlou | Non Executive Director (from October 2021) |
| Mr Paul Hopkinson | Non Executive Director (to June 2021) |
| Mr David Shilton | Non Executive Director (to September 2021) |
| Mr Andrew Beeby* | Medical Director |
| Ms Jacqueline Bilcliff | Executive Group Director of Finance & Digital; Acting Chief Executive (May 2021 to December 2021); Deputy Chief Executive (substantive from February 2022) |
| Mrs K Mackenzie | Acting Group Director of Finance (May 2021 to December 2021) |
| Ms Joanne Baxter | Chief Operating Officer; Acting Chief Nurse (April to September 2021) |
| Mrs Lisa Crichton-Jones | Executive Director of People and Organisational Development |

Mrs Gillian Findley

Chief Nurse (from August 2021)

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

BANKERS: Lloyds Bank PLC
West Street
Gateshead
NE8 1DP

AUDITOR: Robson-Laidler Accountants Limited
Fernwood House
Fernwood Road
Newcastle Upon Tyne
NE2 1TJ

**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 1st 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 4th April 2005 when the name changed to mirror the Foundation Trust status gained by the Trust. A Declaration of Trust was signed on 5th 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 1st 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 Director of Strategy and Transformation is responsible for the day to day management and control of the administration of the charitable funds. The Director of Strategy and Transformation 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 Director of Strategy and Transformation. 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 RVS: 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 £1,351,044 (2021: £1,064,259). The year has been active with total expenditure of £171,828 (2021: £332,293). Income received of £1,090,348 (2021: £469,642) is an increase of £620,706 on the previous financial year.

The charity benefited from £667,533 (2021: £13,931) of legacy income in the year, an increase of £653,602 and an increase in donations of £238,088 to £386,450 (2021: £148,362). Grant income fell by £271,300 to £8,700.

Favourable market conditions have resulted in an unrealised gain on investments of £75,631 (2021: £149,436 gain). 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 £994,151 (2021: increase of £286,785) has been recorded.

Funds were 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 £66,301 (2021:£62,008).

As stated above, we were privileged to receive legacies throughout the year totalling £667,533 (2021: £13,931). Many people helped to raise funds by carrying out various sponsored events e.g. parachute jumps, 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 £2,345,195 (2021: £1,351,044).

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. This risk is mitigated by the Trustee regularly monitoring the performance of the investment funds.

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

Yvonne Crumston

Group Chief Executive

Date: 25th January 2023

Signed

[Signature]

**Group Director of
Finance & Digital**

Date: 25th January 2023

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 2022 which comprise the Statement of Financial Activities, the Balance Sheet, Cash Flow Statement and the related notes 1 to 13, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (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 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report 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 at least 12 months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of 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 in respect of the Trustee's annual report and the financial statements 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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

The risk of material misstatement due to error or fraud has been assessed in conjunction with how internal controls may mitigate such risk. These controls are reviewed as part of the audit by performing systems walkthroughs to ensure they are operating effectively. Other substantive testing is also performed on all material balances and therefore any instances of non-compliance should be identified or considered as insignificant.

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.

m moran

Michael T Moran BA FCA (senior Statutory Auditor) for and on behalf of Robson Laidler Accountants Limited

Statutory Auditor

Fernwood House

Fernwood Road

Jesmond

Newcastle Upon Tyne

NE2 1TJ

30 January 2023

Robson-Laidler 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 2021/22

Statement of Financial Activities for the year ended 31 March 2022

| | Note | Unrestricted Funds 2022 £ | Restricted Funds 2022 £ | Endowment Funds 2022 £ | Total Funds 2022 £ | Total Funds 2021 £ |
|--|------|------------------------------------|----------------------------------|---------------------------------|-----------------------------|-----------------------------|
| Income from | | | | | | |
| Donations | | 386,277 | 173 | 0 | 386,450 | 148,362 |
| Legacies | | 667,633 | 0 | 0 | 667,633 | 13,931 |
| Income from investments | 3 | 23,984 | 1,866 | 1,845 | 27,695 | 27,349 |
| Grants | | 8,700 | 0 | 0 | 8,700 | 280,000 |
| Total income | | 1,086,484 | 2,039 | 1,845 | 1,090,348 | 469,642 |
| Expenditure on | | | | | | |
| <i>Charitable activities:</i> | | | | | | |
| Patients' welfare and amenities | | 151,086 | 1,414 | 0 | 152,500 | 128,561 |
| Staff welfare and amenities | | 24,047 | (4,719) | 0 | 19,328 | 180,723 |
| Medical research | | 0 | 0 | 0 | 0 | - |
| Contributions to the Foundation Trust | 5 | 0 | 0 | 0 | 0 | 23,009 |
| Total expenditure | 4 | 175,133 | (3,305) | 0 | 171,828 | 332,293 |
| Net gains/(losses) on investments | 7 | 66,465 | 5,098 | 5,068 | 76,631 | 148,436 |
| Net income/(Expenditure) | | 976,796 | 10,442 | 6,913 | 994,151 | 286,785 |
| Transfers between funds | 10 | 1,845 | 0 | (1,845) | 0 | - |
| Net movement in funds | | 978,641 | 10,442 | 5,068 | 994,151 | 286,785 |
| <i>Reconciliation of Funds:</i> | | | | | | |
| Total funds brought forward | 10 | 1,017,468 | 273,857 | 59,721 | 1,351,044 | 1,084,259 |
| Total funds carried forward | 10 | 1,996,107 | 284,299 | 64,789 | 2,345,195 | 1,351,044 |

Gateshead Health NHS Foundation Trust Charitable Fund
Annual Accounts 2021/22

Balance Sheet as at 31 March 2022

| | Notes | Unrestricted Funds 2022 £ | Restricted Funds 2022 £ | Endowment Funds 2022 £ | Total Funds 2022 £ | Total Funds 2021 £ |
|--|-------|------------------------------------|----------------------------------|---------------------------------|-----------------------------|-----------------------------|
| Fixed Assets | | | | | | |
| Investments | 7 | 710,986 | 473,930 | 64,789 | 1,249,705 | 1,146,466 |
| Total Fixed Assets | | 710,986 | 473,930 | 64,789 | 1,249,705 | 1,146,466 |
| Current Assets | | | | | | |
| Debtors | 8 | 14,034 | - | - | 14,034 | 6,160 |
| Cash at bank and in hand | | 1,346,893 | (130,068) | - | 1,216,815 | 361,097 |
| Total Current Assets | | 1,360,917 | (130,068) | - | 1,230,849 | 367,257 |
| Creditors: Amounts falling due within one year | 9 | (75,796) | (59,563) | - | (135,359) | (162,679) |
| Net Current Assets/ (Liabilities) | | 1,285,121 | (189,631) | - | 1,095,490 | 204,578 |
| Total Net Assets | 11 | 1,996,107 | 284,299 | 64,789 | 2,345,195 | 1,351,044 |
| Funds of the Charity | | | | | | |
| Unrestricted Income Funds | 10 | 1,996,107 | - | - | 1,996,107 | 1,017,466 |
| Restricted Funds | 10 | - | 284,299 | - | 284,299 | 273,857 |
| Endowment Funds | 10 | - | - | 64,789 | 64,789 | 59,721 |
| Total Funds | | 1,996,107 | 284,299 | 64,789 | 2,345,195 | 1,351,044 |

The notes at pages 16 to 25 form part of these financial statements.

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

Signed: 

Name Kris Mackenzie

Designation: Group Director of Finance & Digital/Trustee

Date: 25th January 2023

Charity Registration Number: 1086145

Gateshead Health NHS Foundation Trust Charitable Fund
Annual Accounts 2021/22

Cash Flow Statement for year ended 31st March 2022

Notes

| | 2022 £ | 2021 £ |
|---|-------------------------|-----------------------|
| Cash flows from Operating Activities | | |
| Net Increase/(decrease) in Funds | 994,151 | 286,785 |
| Adjustments for: | | |
| Unrealised (Gains)/Losses on Investments | (75,631) | (148,436) |
| Investment Income | (27,665) | (27,349) |
| Decrease/(Increase) in Debtors | (7,874) | 9,950 |
| Increase/(Decrease) in Creditors | (27,320) | 137,784 |
| Net Cash flows from Operating Activities | <u>855,661</u> | <u>257,714</u> |
| Cash Flows from Investing Activities | | |
| Proceeds from the sale of Investments | - | - |
| Interest Received | <u>57</u> | <u>222</u> |
| Net Cash Flows from Investing Activities | <u>57</u> | <u>222</u> |
| Net Increase/(Decrease) in Cash and Cash Equivalents | <u>855,718</u> | <u>257,936</u> |
| Cash and Cash Equivalents at beginning of year | <u>361,097</u> | <u>103,161</u> |
| Cash and Cash Equivalents at end of year | <u><u>1,216,815</u></u> | <u><u>361,097</u></u> |

Gateshead Health NHS Foundation Trust Charitable Fund
Annual Accounts 2021/22

Accounting Policies

Notes to the Accounts

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 2022, 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 12 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 2021/22

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 2021/22

2a Unrestricted Funds

Statement of Financial Activity for Year Ended 31st March 2022

| | 2022 £ | 2021 £ |
|--|------------------|------------------|
| Income from | | |
| Donations | 386,277 | 148,362 |
| Legacies | 667,533 | 13,931 |
| Income from Investments | 23,984 | 22,128 |
| Grants | 8,700 | |
| Total Income | <u>1,086,484</u> | <u>184,421</u> |
| Expenditure on | | |
| <i>Charitable activities:</i> | | |
| Patients' welfare and amenities | 151,086 | 119,722 |
| Staff welfare and amenities | 24,047 | 9,887 |
| Medical research | - | - |
| Contributions to the Foundation Trust | - | 23,009 |
| Total expenditure | <u>175,133</u> | <u>152,418</u> |
| Net gains/(losses) on investments | 65,466 | 120,789 |
| Net Income/(Expenditure) | 876,796 | 152,782 |
| Transfers between funds | 1,845 | 1,808 |
| Net movement in funds | <u>978,641</u> | <u>154,600</u> |
| <i>Reconciliation of Funds:</i> | | |
| Total funds brought forward | 1,017,468 | 882,868 |
| Total funds carried forward | <u>1,996,107</u> | <u>1,017,468</u> |

Balance Sheet as at 31st March 2022

| | 2022 £ | 2021 £ |
|---------------------------------------|------------------|------------------|
| Fixed Assets | | |
| Investments | 710,986 | 621,355 |
| Total Fixed Assets | <u>710,986</u> | <u>621,355</u> |
| Current Assets | | |
| Debtors | 14,034 | 6,160 |
| Cash at bank and in hand | 1,346,883 | 552,630 |
| Total Current Assets | <u>1,360,917</u> | <u>558,790</u> |
| Creditors: Amounts falling due | (75,796) | (182,679) |
| Net Current Assets | <u>1,285,121</u> | <u>396,111</u> |
| Total Net Assets | <u>1,996,107</u> | <u>1,017,468</u> |
| Funds of the Charity | | |
| Unrestricted Income Funds | 1,996,107 | 1,017,468 |
| Total Funds | <u>1,996,107</u> | <u>1,017,468</u> |

Gateshead Health NHS Foundation Trust Charitable Fund
Annual Accounts 2021/22

2b Restricted Funds

Statement of Financial Activity for Year Ended 31st March 2022

| | 2022 £ | 2021 £ |
|--|----------------|----------------|
| Income from | | |
| Donations | 173 | - |
| Legacies | - | - |
| Income from investments | 1,866 | 3,413 |
| Grants | - | 280,000 |
| Total Income | <u>2,039</u> | <u>283,413</u> |
| Expenditure on | | |
| <i>Charitable activities:</i> | | |
| Patients' welfare and amenities | 1,414 | 8,839 |
| Staff welfare and amenities | (4,719) | 171,036 |
| Medical research | - | - |
| Contributions to the Foundation Trust | - | - |
| Total expenditure | <u>(3,305)</u> | <u>179,875</u> |
| Net gains/(losses) on investments | 5,098 | 18,633 |
| Net Income/(Expenditure) | 10,442 | 122,171 |
| Transfers between funds | - | - |
| Net movement in funds | <u>10,442</u> | <u>122,171</u> |
| <i>Reconciliation of Funds:</i> | | |
| Total funds brought forward | 273,857 | 151,685 |
| Total funds carried forward | <u>284,299</u> | <u>273,856</u> |

Balance Sheet as at 31st March 2022

| | 2022 £ | 2021 £ |
|---|------------------|------------------|
| Fixed Assets | | |
| Investments | 473,930 | 465,390 |
| Total Fixed Assets | <u>473,930</u> | <u>465,390</u> |
| Current Assets | | |
| Debtors | - | - |
| Cash at bank and in hand | (130,068) | (191,533) |
| Total (Liabilities) | <u>(130,068)</u> | <u>(191,533)</u> |
| Creditors: Amounts falling due within one year | (59,563) | - |
| Net Current Assets | <u>(189,631)</u> | <u>(191,533)</u> |
| Total Net Assets | <u>284,299</u> | <u>273,857</u> |
| Funds of the Charity | | |
| Restricted Income Funds | 284,299 | 273,857 |
| Total Funds | <u>284,299</u> | <u>273,857</u> |

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2c Endowment Funds

Statement of Financial Activity for Year Ended 31st March 2022

| | 2022 £ | 2021 £ |
|---------------------------------------|---------------|---------------|
| Income from | | |
| Donations | - | - |
| Legacies | - | - |
| Income from investments | 1,845 | 1,808 |
| Total Income | 1,845 | 1,808 |
| Expenditure on | | |
| Charitable activities: | | |
| Patients' welfare and amenities | - | - |
| Staff welfare and amenities | - | - |
| Medical research | - | - |
| Contributions to the Foundation Trust | - | - |
| Total expenditure | - | - |
| Net gains/(losses) on investments | 5,068 | 10,014 |
| Net Income/(Expenditure) | 6,913 | 11,822 |
| Transfers between funds | (1,845) | (1,808) |
| Net movement in funds | 5,068 | 10,014 |
| Reconciliation of Funds: | | |
| Total funds brought forward | 59,721 | 49,707 |
| Total funds carried forward | 64,789 | 59,721 |

Balance Sheet as at 31st March 2022

| | 2022 £ | 2021 £ |
|--|---------------|---------------|
| Fixed Assets | | |
| Investments | 64,789 | 59,721 |
| Total Fixed Assets | 64,789 | 59,721 |
| Current Assets | | |
| Debtors | - | - |
| Cash at bank and in hand | - | - |
| Total Current Assets | - | - |
| Creditors: Amounts falling due within one year | - | - |
| Net Current Assets/(Liabilities) | - | - |
| Total Net Assets | 64,789 | 59,721 |
| Funds of the Charity | | |
| Endowment Income Funds | 64,789 | 59,721 |
| Total Funds | 64,789 | 59,721 |

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3. Investment Income

| | Unrestricted funds 2022 £ | Restricted funds 2022 £ | Endowment funds 2022 £ | Total 2022 £ | Total Funds 2021 £ |
|--------------------------|---------------------------------|-------------------------------|------------------------------|--------------------|--------------------------|
| Dividends received | 23,801 | 1,882 | 1,848 | 27,531 | 27,127 |
| Interest on cash deposit | 53 | 4 | - | 57 | 222 |
| | <u>23,854</u> | <u>1,886</u> | <u>1,848</u> | <u>27,588</u> | <u>27,349</u> |

4. Charitable Activities

| | Funding Provided for Activity 2022 £ | Support Costs 2022 £ | Total 2022 £ | Total 2021 £ |
|--------------------------------|---|----------------------------|--------------------|--------------------|
| Patients Welfare & Amenities | 101,408 | 51,094 | 152,502 | 128,581 |
| Staff Welfare & Amenities | 4,120 | 15,208 | 19,328 | 180,723 |
| Medical Research | - | - | - | - |
| Conts. to the Foundation Trust | - | - | - | 23,008 |
| | <u>105,528</u> | <u>66,302</u> | <u>171,830</u> | <u>332,293</u> |

5. Contributions to the Foundation Trust

| | 2022 £ | 2021 £ |
|----------------|-----------|-----------|
| Donated assets | - | 23,008 |

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 2022 £ | Governance costs 2022 £ | Total 2022 £ | Total 2021 £ |
|--------------------|------------------------------------|-------------------------------|--------------------|--------------------|
| Staff Costs | 54,895 | - | 54,895 | 51,721 |
| Internal Audit Fee | - | 2,320 | 2,320 | 2,320 |
| External audit fee | - | 4,716 | 4,716 | 4,077 |
| Website & branding | 1,912 | - | 1,912 | 1,912 |
| Just Giving fees | 562 | - | 562 | 418 |
| Subscriptions | 1,125 | - | 1,125 | 1,125 |
| Office Expenses | 773 | - | 773 | 436 |
| | <u>59,267</u> | <u>7,036</u> | <u>66,302</u> | <u>62,008</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.

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7. Investments - Fixed Assets

| | As at 31 March 2021 £ | Additions £ | Disposals £ | Change in Market Value £ | As at 31 March 2022 £ |
|--|-----------------------------|----------------|----------------|--------------------------------|-----------------------------|
| COIF Charities Ethical Investment Fund | 831,478 | - | - | 70,663 | 902,401 |
| COIF Charities Deposit Fund | 145,268 | 27,807 | - | - | 172,875 |
| Lloyds Call Notice Deposit | 110,000 | - | - | - | 110,000 |
| TS Moffitt Endowment | 3,907 | - | - | 332 | 4,239 |
| EJ Worley Endowment | 22,612 | - | - | 1,919 | 24,531 |
| AAJ Jackson Endowment | 31,531 | - | - | 2,678 | 34,207 |
| Gateshead Patient Welfare Fund Endowment | 1,870 | - | - | 142 | 1,812 |
| | <u>1,146,466</u> | <u>27,807</u> | <u>-</u> | <u>75,632</u> | <u>1,249,705</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 2021 £ | Additions £ | Disposals £ | Change in Market Value £ | As at 31 March 2022 £ |
|--------------|-----------------------------|----------------|----------------|--------------------------------|-----------------------------|
| Unrestricted | 621,356 | 24,166 | - | 65,466 | 710,988 |
| Restricted | 465,390 | 3,442 | - | 5,098 | 473,930 |
| Endowment | 59,721 | - | - | 5,068 | 64,789 |
| | <u>1,146,466</u> | <u>27,807</u> | <u>-</u> | <u>75,632</u> | <u>1,249,705</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.

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| | | | |
|----------------------------------|--|-----------------|-----------------|
| Analysis of Debtors | 8 | 2022 | 2021 |
| | | £ | £ |
| | Amounts falling due within one year: | | |
| | Amounts due from Gateshead Health NHS Foundation Trust | - | - |
| | Prepayments | 4,125 | 2,050 |
| | Other debtors | 9,909 | 4,110 |
| | Total debtors falling due within one year | 14,034 | 6,160 |
| Analysis of Creditors | 9 | 2022 | 2021 |
| | | £ | £ |
| | Amounts falling due within one year: | | |
| | Trade creditors | - | 33,489 |
| | Amounts due to Gateshead Health NHS Foundation Trust | 135,359 | 129,190 |
| | Other creditors | - | - |
| | Total creditors falling due within one year | 135,359 | 162,679 |

Gateshead Health NHS Foundation Trust Charitable Fund

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10. Movement in funds

| | As at 1 April 2021 £ | Income £ | Expenditure £ | Investment Gain £ | Transfers (see note below) £ | As at 31 March 2022 £ |
|--|----------------------------|------------------|------------------|-------------------------|---------------------------------------|-----------------------------|
| Unrestricted funds | | | | | | |
| General Trustwide | 123,024 | 355,715 | (38,828) | 14,940 | 421 | 455,274 |
| Other unrestricted funds | 214 | - | - | - | - | 214 |
| Designated funds: | | | | | | |
| Diabetic Fund | 402 | 278,840 | (8,829) | 9,184 | 259 | 279,856 |
| Palliative Care | 237,308 | 28,257 | (71,148) | 8,637 | 187 | 202,241 |
| MRU Staff & Patients | 28,080 | 52,732 | (3,030) | 2,578 | 75 | 81,533 |
| Pharmacy | 5,111 | 57 | (550) | 157 | 4 | 4,778 |
| Biochemistry | 32,281 | 383 | (1,010) | 1,075 | 30 | 32,749 |
| Obs & Gynae | 21,573 | 581 | (888) | 732 | 21 | 22,319 |
| Anaesthesia | 21,819 | 823 | (700) | 745 | 21 | 22,708 |
| Diagnostic Imaging | 88,892 | 1,846 | (2,805) | 2,986 | 84 | 91,004 |
| Other designated funds | 467,884 | 388,419 | (47,748) | 26,333 | 743 | 803,439 |
| | <u>1,017,468</u> | <u>1,086,484</u> | <u>(175,133)</u> | <u>65,485</u> | <u>1,845</u> | <u>1,995,197</u> |
| Restricted funds: | | | | | | |
| NHS Charities Together | 117,281 | 173 | 11,827 | - | - | 129,381 |
| Cancer Research | 42,045 | 482 | (3,738) | 1,317 | - | 40,106 |
| Jubilee Day (Legacy) | 18,580 | 228 | (581) | 818 | - | 18,823 |
| Cardiology | 10,651 | 130 | (333) | 355 | - | 10,803 |
| Kidney Services | 20,339 | 246 | (837) | 878 | - | 20,626 |
| Paediatrics | 17,843 | 282 | (1,682) | 563 | - | 16,836 |
| Critical Care | 2,210 | 27 | (89) | 74 | - | 2,242 |
| Breast Cancer Research | 34,364 | 419 | (1,078) | 1,145 | - | 34,862 |
| Other restricted funds | 10,784 | 132 | (528) | 358 | - | 10,828 |
| | <u>273,867</u> | <u>2,039</u> | <u>3,385</u> | <u>5,098</u> | <u>-</u> | <u>284,299</u> |
| Endowment funds: | | | | | | |
| TS Moffitt Endowment | 3,907 | 121 | - | 331 | (121) | 4,238 |
| EJ Worley Endowment | 22,612 | 698 | - | 1,919 | (698) | 24,531 |
| AAJ Jackson Endowment | 31,531 | 974 | - | 2,578 | (974) | 34,207 |
| Gateshead Patient Welfare Fund Endowment | 1,871 | 52 | - | 142 | (52) | 1,813 |
| | <u>68,721</u> | <u>1,845</u> | <u>-</u> | <u>5,069</u> | <u>(1,845)</u> | <u>64,789</u> |
| Total funds | <u>1,361,844</u> | <u>1,090,348</u> | <u>(171,828)</u> | <u>75,531</u> | <u>-</u> | <u>2,346,185</u> |

Transfers

The transfer of £1,845 (2021: £1,808) relates to endowment investment income being released to unrestricted funds.

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11. Analysis of net assets between funds

| | Unrestricted funds 2022 £ | Restricted funds 2022 £ | Endowment funds 2022 £ | Total 2022 £ |
|---------------------|------------------------------------|----------------------------------|---------------------------------|--------------------|
| Fixed assets | 710,986 | 473,930 | 64,789 | 1,249,705 |
| Current assets | 1,360,917 | (130,068) | - | 1,230,849 |
| Current liabilities | (75,796) | (59,563) | - | (135,359) |
| | 1,996,106 | 284,299 | 64,789 | 2,345,195 |

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 | | 2021-22 | |
|---|--|---|--|---|
| | 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 | 349,413 | 3,879 | 369,414 | 22,236 |

As at 31st March 2022 the Charity owed £135,359 to the Trust (2021: £162,679).

The Trust's subsidiary, Queen Elizabeth Facilities Limited, donated £250,000 and supplied the Charity with goods and services totalling £6,231.85 in the year.

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

No 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:

| | 2022 £ | 2021 £ |
|---|-----------|-----------|
| Assets measured at fair value through profit and loss | 1,249,705 | 1,146,466 |
| Assets measured at amortised cost | 1,226,724 | 365,207 |
| Liabilities measured at amortised cost | (135,359) | (162,679) |