

NUFFIELD OXFORD HOSPITALS FUND

England & Wales · Charity number 212575

Details

Other names	OXFORD AND DISTRICT HOSPITALS IMPROVEMENT AND DEVELOPMENT FUND, THE NUFFIELD OXFORD HOSPITALS FUND
Status	Registered
Legal form	Trust
Registered	1962-09-18
Register	View on the Charity Commission register

Contact

Address
Botnar Institute
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University of Oxford
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Oxford
OX3 7LD

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Activities

Objects: For the purposes of raising of the standards of the Oxford University Hospitals NHS Foundation Trust in order to assist the development and carrying on of the Oxford University Medical School.

Activities: To allocate grants to raise the standard of service of local hospitals in order to assist the development of the Oxford University Medical School.

Classification

- **How:** Makes Grants To Organisations, Sponsors Or Undertakes Research
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives
- **Who:** Children/young People, Elderly/old People, People With Disabilities

Geography

- **Area of benefit:** OXFORDSHIRE AND BERKSHIRE
- Oxfordshire

Finances

Period end	Income	Expenditure	Assets	Employees
2025-12-31	£2,027,148	£364,964	£35,889,219	1
2024-12-31	£1,900,517	£420,432	£33,617,402	1
2023-12-31	£1,914,827	£368,808	£30,565,310	1
2022-12-31	£2,167,678	£378,394	£28,041,320	1
2021-12-31	£1,121,064	£713,304	£28,684,425	1
2020-12-31	£884,644	£446,752	£27,025,831	1

Trustees

Name	Role	Appointed
PROFESSOR ANDREW JONATHAN CARR	Chair	2021-05-17
Dr Alissa Walsh		2025-05-28
JAMES RAMSDEN		2017-05-15
John Ford		2019-06-01
Professor Christopher William Pugh		2025-05-28
SIR ANDREW WILLIAM DILNOT		2018-04-01
Susan Jane Barratt		2018-06-01

Accounts

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

THE NUFFIELD OXFORD HOSPITALS FUND

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THE NUFFIELD OXFORD HOSPITALS FUND

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2025

Trustees

Ms S Barratt	
Professor A Carr,	Chair
Sir Andrew Dilnot	
Mr J Ford	
Professor C Pugh	(appointed 28 May 2025)
Mr J Ramsden	
Dr A Walsh	(appointed 28 May 2025)

Charity registered number

212575

Principal office

c/o Botnar Institute, NDORMS, University of Oxford, Windmill Road, Oxford, OX3 7LD

Secretary

A Truesdale

Independent auditors

Crowe U.K. LLP, R+ Building, 2 Blagrove Street, Reading, RG1 1AZ

Bankers

Barclays Bank Plc, 54 Cornmarket Street, Oxford, OX1 3HS

Solicitors

Stone King LLP, 12 Queen Square, Bath, BA1 2HJ

Solicitors for Wintringham Estate

Macfarlanes LLP, 20 Cursitor Street, London, EC4A 1LT

Master Developer/Joint Venture Partner

Urban & Civic PLC, 50 New Bond Street, London, W1S 1BJ

Property Consultants

Glanville Consultants Ltd, 3 Grovelands Business Centre, Boundary Way, Hemel Hempstead, HP2 7TE

Investment Managers

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

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

The Trustees present their annual report together with the audited financial statements of The Nuffield Oxford Hospitals Fund for the year ended 31 December 2025.

Objectives and activities

a. Policies and objectives

The object of the Charity, which is laid down in the Trust Deed, is to raise the standard of service of local hospitals, in order to assist the development and carrying on of the Oxford University Medical School.

The trustees believe that the purpose of the Charity, which is “to raise the standard of service of local hospitals, in order to assist the development and carrying on of the Oxford University Medical School”, satisfies the public benefit requirements.

The direct benefit which flows from this purpose is supporting the Oxford University Medical School in the training of doctors in Oxfordshire, by providing grants which, for example:

- Support teaching by providing diagnostic equipment to give students up to date training opportunities
- Deliver effective and sustainable training in paediatrics using high-fidelity simulation
- Provide portable ultrasound machines for Point Of Care UltraSound (POCUS) training
- Upgrade iPads for OSCEs
- Improve wellbeing spaces at Bodleian Health Care Libraries and study facilities in the Cairns Library
- Improve study facilities in the Cairns Library, John Radcliffe Hospital.

The direct benefits are evidenced through the requirement of all grant holders to provide on completion of their projects a report to trustees, published on the website, on the benefits that have been achieved in supporting the training of doctors in their areas. In addition, trustee visits are sometimes arranged to meet with grant holders.

It should also be noted that The Nuffield Oxford Hospitals Fund (NOHF) monies provide added value and benefits over and above any NHS or University funding. The beneficiaries are ultimately the patients receiving treatment from the trained medical doctors, principally within the National Health Service.

In setting objectives and planning for activities, the trustees have given due consideration to general guidance published by the charity commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'. and have complied with section 4 of the Charities Act 2011.

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

Objectives and activities (continued)

b. Strategies for achieving objectives

The strategy of the Charity is to continue to ensure that the Charity's investments provide a sustainable distributable income over the long term to support the objects of the Charity. That income is distributed in grants, which are selected based on medical priorities and maximisation of the benefit to the standard of service in line with the Charity's objectives.

The Charity's investment manager is Sarasin. Funds with Sarasin are invested in units in a pooled managed fund, the Sarasin Endowments Fund and also in a Liquidity Fund.

In most recent years, suitable grant applications to the Charity have been less than the charitable funds available, resulting in an accumulation of income reserves. The Trustees have for some time been considering how to resolve this either by attracting further grant applications or looking for larger, longer-term projects to fund from the accumulated income reserves. Following consultation with the Medical School on its funding needs, the Trustees have discussed how the Charity's future approach to grants might evolve to meet these needs and to ensure that the Charity's available funds are used to generate as much benefit as possible. Particular consideration is being given to:

- Extending grants for more than 1 year, potentially up to 3 years, thus increasing the range and scope of applications, and
- Larger one-off contributions towards capital projects aimed at improving medical education. We are currently finalising terms for a significant grant of around £11.6 million towards the refurbishment of existing space to provide a Medical Education Centre.

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

Objectives and activities (continued)

c. Activities undertaken to achieve objectives

The activities of the Charity over the year comprise both investment activities and the grant making activities set out in the next section of this report.

The Charity's investment activities have the objective of continuing to ensure that the investments provide an increasing and sustainable distributable income over the long term to support the objects of the Charity.

The current investment portfolio, overseen by the investment committee, provides the income to fund the grants awarded each year. The Charity adopts a total return approach to the endowment invested in managed funds, resulting in income of £680,725 (2024: £624,937) being recognised in the year. There is also a small amount of investment income generated by the investment of income reserves in managed funds and cash.

During the year under review, the Charity committed to 5 grants totalling £181,321 (2024: 8 grants totalling £290,937). As explained above, the Trustees are actively considering ways in which accumulated income reserves might be used to provide larger grants in future years.

Part of the Charity's endowment is invested directly in land through a joint venture with Nuffield Dominions Trust (NDT) and Urban & Civic PLC (U&C). Following the contribution of additional land by another partner during the year, the Charity's share of the joint venture partnership is now 11.36% (2014: 15%). The joint venture partnership was granted planning permission for up to 2,800 homes on the Wintringham site at the end of 2018 and, in spite of the COVID pandemic, work has proceeded throughout the years from 2020 onwards. Construction work continues with up to eight principal house builders and despite volatility in the housing market overall development of the site and cash flow projections remain on plan. Key Phase 2 is moving ahead and the charity recently agreed terms to develop an adjacent site at Loves Farm again in partnership with NDT and U&C.

In 2025, the Charity received Gift Aid income of £1,023,566 (2024: £887,700) from the joint venture partnership and recognised interest income of £322,732 (2024: £236,599) on loans made to Wintringham entities. An additional loan investment of £371,250 was made in the year to equalise partner loans following the introduction of additional land by another partner. Cash flow forecasts for the partnership show that no further WIP loans from the Charity will be required.

Monitoring of the project continues to take place through the Wintringham Partners Board (comprising representatives from U&C and NDT) and 1 Wintringham LLP (where the Charity is represented by three Trustees).

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

Objectives and activities (continued)

d. Grant-making policies

The Charity requires that grant applications, together with supporting information, are submitted online to the Medical Sciences Division, John Radcliffe Hospital by the end of January each year. The applications are first reviewed by the Director of Clinical Studies and then by the medical trustees of the Charity. The medical trustees take into consideration the advice on priorities provided by the Medical Sciences Board (the Board of the University's Medical Sciences Division which is responsible for organisation, development and delivery of the Medical Sciences curricula). The trustees will, if appropriate, make further enquiries themselves and prepare their own recommendations.

All grant applications, together with the recommendations of the Charity's medical trustees, are considered by the full Board of trustees at the Annual Meeting in May. Each application is reviewed to consider the benefit it can generate and to ensure that it clearly follows the objects of the Charity. The acceptable applications are then prioritised and awarded in priority order to match the funds available for distribution. If the grant applications approved at the Annual Meeting are significantly less than the funds available, a second tranche of grants may be considered later in the year.

Grants awarded by the Charity's trustees require endorsement by the Nuffield Medical Trustees, appointed to have oversight of the Nuffield Benefaction.

The payment of approved grants is conditional upon the relevant authorised expenditure being incurred and relevant evidence provided. Grant holders are advised that, if relevant authorised expenditure is not incurred within 18 months of the letter of approval, then the grant can be withdrawn unless a reasonable explanation is provided.

Grant holders are required to submit a 250 word report on completion of the project so that trustees understand the benefits gained from the funding and receive assurance that the funds have been spent in line with the application approved. Further details are available at: <https://www.medsci.ox.ac.uk/for-staff/resources/school-of-medicine-and-biomedical-sciences/medicine/resources/nuffield-oxford-hospitals-fund>.

e. Main activities undertaken to further the charity's purposes for the public benefit

The main public benefit activity in 2025 has been to award a total of £181,321 of grant support to the Oxford Medical School through 5 individual grant holders in a variety of clinical and academic departments. In 2026 there were over 4,000 registered medical students in the Oxford Medical School: 2,687 graduate students and 1,863 undergraduate students.

Achievements and performance

a. Main achievements of the charity

The main achievements have been to fund a wide range of training and educational activities and equipment. Grant funds provided during the year under awards made in 2025 and previous years have:

- Supported teaching by providing diagnostic equipment to give students up to date training opportunities
- Delivered effective and sustainable training in paediatrics using high-fidelity simulation
- Provided portable ultrasound machines for Point Of Care UltraSound (POCUS) training
- Upgraded iPads for OSCEs
- Improved wellbeing spaces at Bodleian Health Care Libraries and study facilities in the Cairns Library.

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

Achievements and performance (continued)

b. Investment policy and performance

The investments held by the Charity comprise a portfolio of direct and pooled investments together with its 11.6% interest in the Wintringham development at St Neot's.

The performance and monitoring of the Wintringham investment is discussed above. This is a long-term investment and returns from it are expected to fluctuate over the next few years. Projections show that the development will generate significant returns for the Charity over the next ten to fifteen years.

The Charity's investment portfolio is managed by Sarasin and invested in one pooled fund, The Sarasin Endowments Investment Fund.

The investment policy in place during 2025 (last reviewed in October 2020) states that the primary financial objective is to ensure that the Charity is invested to provide an increasing and sustainable distributable income to support the objectives of the Charity, while maintaining the real value of the fund over the longer term. It also sets a target drawdown rate of not less than 3.5% per annum.

The investment committee, which comprises three trustees, met with the Charity's new investment managers twice during the financial year to oversee the performance of the portfolio.

During the year ended 31 December 2025 the Sarasin Endowments Investment Fund generated investment returns 5.6% compared to a benchmark return of 12.4%.

The outlook for investments remains uncertain given current geo-political events. The trustees continue to believe that a diversified, actively-managed multi-asset fund remains the best approach to long term capital growth and a sustainable income stream.

It should be noted that in managing the portfolio, the Restricted Endowment Fund and the Pre 63 Accumulated income fund are managed as one fund, known as the General Fund.

Financial review

a. Going concern

The trustees have considered the impact of continuing uncertainty in financial and property markets on the Charity's ability to continue to fund grants. Taking into account the Charity's cash resources and the liquidity of its investment portfolio, the trustees have a reasonable expectation that the Charity has adequate resources to continue to support existing grants and commitments and to continue in operational existence for the foreseeable future. If the expected return to be generated by funds were to decline, the Charity has the ability to adjust future grants accordingly. For these reasons, the trustees continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

b. Reserves policy

It is the policy of the trustees to maintain sufficient reserves in the Charity's Post 1963 Accumulated Income Fund, to provide for a minimum of one year's charitable expenditure, towards the Charity's object. The capital of the General Fund Capital Account cannot be realised for use as income. However, if required, the Pre 1963 Accumulated Income Fund could be used to enable the trustees to continue appropriate levels of expenditure in the coming years, even if there were to be decreases in the Charity's investment income.

In the opinion of the trustees, the Charity's assets are adequate to meet its obligations.

c. Surplus in the year

The Balance Sheet at 31 December 2025 shows that the Charity's net assets total £35,889,219, an increase of £2,271,817 on to the net assets at 31 December 2024. There was a surplus for the year before net investment gains of £1,662,184 (2024: £1,480,085). The net gain on disposal and revaluation of assets in the Investment Portfolio of the Charity during the year was £609,633 (2024: £1,572,007).

i. Endowment Fund

At 31 December 2025, the balance of the Endowment Funds amounted to £27,056,821, an increase of £336,348 during the year. This increase arose from net gains on the valuation of investments offset by expenditure and an excess of total return over investment income received.

ii. Accumulated Income Fund Post 1963

The Statement of Financial Activities for this fund shows a net increase of £1,935,469 for the year.

Incoming resources amounted to £2,120,294 (2024: £1,856,566), including receipt of gift aid of £1,023,566 (2024: £887,700) and interest income of £322,732 (2024: £236,599) from the charity's Wintringham investment.

Resources expended amounted to £277,677 (2024: £336,090). Expenditure included costs of £32,625 (2024: £11,250) relating to contractual obligations and other costs arising on the Wintringham development.

There were gains on the fund assets of £92,852. The balance on the Accumulated Income Fund Post 1963 at 31 December 2025 was £8,832,398 compared to £6,896,929 at 31 December 2024.

Structure, governance and management

a. Constitution

The governing document is a Trust Deed, dated 4 December 1937, as amended by schemes of 1 July 1952, 22 December 1953, 19 May 1976 and 6 March 1998.

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

Structure, governance and management (continued)

b. Methods of appointment or election of Trustees

New trustees are appointed by the existing trustees and serve for five years. They may then put themselves forward for re appointment which is considered at the Annual General Meeting.

The existing trustees carry out an appropriate selection process and conduct background checks before offering posts to new trustees. When considering new trustees, the existing trustees look for specific areas of expertise to help meet the objectives of the Charity.

c. Policies adopted for the induction and training of Trustees

The induction and training of new trustees and the information with which they are provided are tailored depending on the Trustees' background, interests and roles. A copy of the Trust Deed is provided along with annual accounts, risk assessments, investment reports and contact details of fellow trustees. Additional information is provided to any medical trustees who will be involved in assessing grants applications and making recommendations for awards.

All trustees receive regular updates on Charity Commission publications and attend appropriate charity seminars where relevant.

d. Organisational structure and decision making policies

Under the terms of a Special Resolution passed on 15 July 2020, the maximum number of trustees is ten. A total of seven trustees served during the year.

Three trustees served on the Investment Committee which met twice during the year.

Following the creation of the joint venture with Urban & Civic, matters relating to Wintringham are dealt with by 1 Wintringham LLP, which has two directors representing the Charity and two representing NDT. Meetings are held twice a year and information is shared with other trustees as appropriate. The Charity has no membership of Wintringham Partners Board, but the Chair has been an observer at most of the board meetings.

The day-to-day administration of the Charity is undertaken by the Charity Secretary, in consultation with the Chair and other trustees as required.

e. Financial risk management

The trustees have assessed the major risks to which the charity is exposed, in particular, those related to the operations and finances of the charity. The trustees also continue to monitor closely the risks associated with the development of the Wintringham land. The trustees are satisfied that systems and procedures are in place to mitigate the exposure to the major risks.

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

Plans for future periods

The trustees are expecting to continue to provide further grants in the future to meet the Charity's object. The trustees are aware of the need to make full use of available income and, as considered under strategies for achieving objectives, are looking at ways of enhancing and extending the types of grants offered. The development of the Wintringham land is expected to provide significant additional funds to enhance future grant giving, although cashflows from the development are likely to be limited in the short term.

As set out in strategies for achieving objectives, detailed discussions have continued to use the funds that the Charity expects to receive arising from Wintringham for a more significant one-off project. The Charity is currently negotiating terms for a grant of £11,627,790 to enhance the facilities for the Medical School throughout the Oxford Hospitals by creating a Medical Education Training Centre.

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees 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 its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them 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. They are 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.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

THE NUFFIELD OXFORD HOSPITALS FUND

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2025**

Approved by order of the members of the board of Trustees and signed on their behalf by:

Professor A Carr
(Chair of Trustees)
Date: 13 May 2026

Mr J Ford

Date: 13 May 2026

THE NUFFIELD OXFORD HOSPITALS FUND

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE NUFFIELD OXFORD HOSPITALS FUND

Opinion

We have audited the financial statements of Nuffield Oxford Hospitals Fund for the year ended 31 December 2025 which comprise the statement of financial activities, the balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2025 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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 this other information, we are required to report that fact.

We have nothing to report in this regard.

THE NUFFIELD OXFORD HOSPITALS FUND

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE NUFFIELD OXFORD HOSPITALS FUND (CONTINUED)

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 9, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011, and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, including financial reporting legislation and the Charities SORP (FRS 102), and tax regulations. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

THE NUFFIELD OXFORD HOSPITALS FUND

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE NUFFIELD OXFORD HOSPITALS FUND (CONTINUED)

Extent to which the audit was considered capable of detecting irregularities, including fraud (continued)

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be necessary to the charity's ability to operate or to avoid a material penalty. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We also considered the opportunities and incentives that may exist within the charity for fraud. We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing income transactions close to the end of the period and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe U.K. LLP
Statutory Auditor

Reading

Date

Crowe U.K LLP are eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

THE NUFFIELD OXFORD HOSPITALS FUND

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2025**

		Endowment Funds 2025	Accumulated Income Fund Post 1963 2025	2025 Total	2024 Total
	Notes	£	£	£	£
Income and endowments from:					
Donations and legacies					
Investments	2	587,579	1,439,569	2,027,148	1,900,517
Allocation of Total Return	11	<u>(680,725)</u>	<u>680,725</u>	<u>-</u>	<u>-</u>
Total income		<u>(93,146)</u>	<u>2,120,294</u>	<u>2,027,148</u>	<u>1,900,517</u>
Expenditure on:					
Raising funds	3	87,287	5,444	92,731	86,079
Charitable activities	4	<u>-</u>	<u>272,233</u>	<u>272,233</u>	<u>334,353</u>
Total expenditure		<u>87,287</u>	<u>277,677</u>	<u>364,964</u>	<u>420,432</u>
Net gains/(losses) on investments	10	<u>516,781</u>	<u>92,852</u>	<u>609,633</u>	<u>1,572,007</u>
Net movement in funds		<u>336,348</u>	<u>1,935,469</u>	<u>2,271,817</u>	<u>3,052,092</u>
Total funds brought forward		<u>26,720,473</u>	<u>6,896,929</u>	<u>33,617,402</u>	<u>30,565,310</u>
Total funds carried forward		<u>27,056,821</u>	<u>8,832,398</u>	<u>35,889,219</u>	<u>33,617,402</u>

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 17 to 32 form part of these financial statements.

THE NUFFIELD OXFORD HOSPITALS FUND

**BALANCE SHEET
AS AT 31 DECEMBER 2025**

	Notes	2025 £	2024 £
Fixed assets			
Investments	10	<u>30,850,475</u>	<u>25,849,638</u>
		30,850,475	25,849,638
Current assets			
Short-term Investments		-	2,900,000
Debtors	12	4,424,230	3,505,483
Cash at bank and in hand	19	<u>978,288</u>	<u>1,641,399</u>
		5,402,518	8,046,882
Creditors: amounts falling due within one year	13	<u>(363,774)</u>	<u>(279,118)</u>
Net current assets		<u>5,038,744</u>	<u>7,767,764</u>
Total assets less current liabilities		<u>35,889,219</u>	<u>33,617,402</u>
Total net assets		<u>35,889,219</u>	<u>33,617,402</u>
Charity funds			
Endowment Funds			
Restricted endowment funds	15	25,257,533	24,951,490
Accumulated income fund pre 1963	15	<u>1,799,288</u>	<u>1,768,983</u>
		27,056,821	26,720,473
General Funds			
Accumulated income fund post 1963	15	<u>8,832,398</u>	<u>6,896,929</u>
		<u>35,889,219</u>	<u>33,617,402</u>

The financial statements were approved and authorized for issue by the Trustees and signed on their behalf by:

.....
Professor A Carr
 (Chair of Trustees)
 Date:

.....
Mr J Ford
 Date

The notes on pages 17 to 32 form part of these financial statements.

THE NUFFIELD OXFORD HOSPITALS FUND

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2025**

	Notes	2025 £	2024 £
Cash flows from operating activities			
Net cash used in operating activities	18	<u>(1,175,851)</u>	<u>(1,409,852)</u>
Cash flows from investing activities			
Dividends, interests and rents from investments	2	2,027,148	1,900,517
Proceeds from sale of investments	10	22,574	-
(Increase)/decrease in debtors in relation to investing activities		(23,204)	(238,728)
Purchase of investments	10	(4,442,356)	(26,390)
Cash held as investment		28,578	(28,594)
Treasury deposit		<u>2,900,000</u>	<u>100,000</u>
Net cash provided by/(used in) investing activities		<u>512,740</u>	<u>1,706,805</u>
Cash flows from financing activities		<u>-</u>	<u>-</u>
Net cash provided by financing activities		-	-
Change in cash and cash equivalents in the year		(663,111)	296,953
Cash and cash equivalents at the beginning of the year		<u>1,641,399</u>	<u>1,344,446</u>
Cash and cash equivalents at the end of the year		<u><u>978,288</u></u>	<u><u>1,641,399</u></u>

Note numbers 18 to 20 form part of the statement of cash flows.

THE NUFFIELD OXFORD HOSPITALS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Second Edition)' and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Second Edition)' rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Nuffield Oxford Hospitals Fund meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Going concern

The financial statements have been prepared on a going concern basis, as the trustees believe that no material uncertainties exist in respect of the Charity's ability to meet its obligations as they fall due in the foreseeable future. In reaching this conclusion, the trustees have considered the level of funds held, the liquidity of those funds and the expected levels of income and expenditure for 12 months from the date on which these financial statements were signed.

1.3 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses are included as 'Gains/(Losses) on investments' in the Statement of financial activities.

Investment in subsidiary undertakings is valued at historic cost less provision for impairment.

Investments in the joint venture represents the charity's interest in the development of the Wintringham Estate. The investment is carried at cost which is equal to the fair value of the land at the date of its transfer to Wintringham Partners LLP together with later additional loans less repayments. The investment forms part of the charity's restricted endowment funds.

Listed investments held as fixed assets are shown at market value.

Short-term investments are represented by cash held on deposit with a maturity of less than one year but greater than 3 months.

THE NUFFIELD OXFORD HOSPITALS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

1. Accounting policies (continued)

1.4 Financial instruments

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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.5 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

1.6 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The incoming resources represent all the income received from quoted investments, bank deposits and income from properties. All incoming resources are taken to the Post 1963 Accumulated Income Fund.

1.7 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charity's objectives, as well as any associated support costs.

Grants payable are included where the grant has been agreed during the year and there are no conditions to be met relating to the grant which remain in the control of the charity.

Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

1.8 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

THE NUFFIELD OXFORD HOSPITALS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

1. Accounting policies (continued)

1.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.10 Cash at bank and in hand

Cash at bank and 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.

1.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

1.12 Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgment:

The critical areas of judgement relate to the valuation of Wintringham related investments and the recoverability of Wintringham loans.

THE NUFFIELD OXFORD HOSPITALS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

1. Accounting policies (continued)

1.13 Gains & Losses on Investments

Gains and losses on quoted investments held in the General Fund of the Capital Account and on the Pre 1963 Accumulated Fund are treated as capital and added to the relevant fund.

Gains and losses on quoted investments held in the Post 1963 Accumulated Income Fund are added to this fund.

1.14 Total Return Investment Accounting

The charity has adopted a 'Total Return' basis for the investment of its endowment. The carrying value of the preserved permanent capital, the trust for investment, and the amount of any unapplied total return available for expenditure were taken as the fair value of these funds as at 31 December 2010, as adjusted for inflation, as being after the financial crash and before a period of growth. In choosing this date, the Trustees also considered the change of investment managers close to that date and the start of a new investment regime.

The charity invests these funds without regard to the capital/income distinctions of standard trust law and with discretion to apply any part of the accumulated total return on the investment as income for spending each year. Until this power is exercised, the total return is accumulated as a component of the endowment known as the unapplied total return that can be either retained for investment or released to income at the discretion of the Trustees.

THE NUFFIELD OXFORD HOSPITALS FUND

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

2. Investment income

	Total Funds 2025 £	<i>Total funds 2024 £</i>
Income from quoted investments	601,771	682,666
Income from investments in Wintringham	1,023,566	887,700
Interest on Wintringham loans	322,732	236,599
Bank interest	<u>79,079</u>	<u>93,552</u>
	<u>2,027,148</u>	<u><i>1,900,517</i></u>

3. Investment management costs

	Total Funds 2025 £	<i>Total funds 2024 £</i>
Investment management fees	<u>92,731</u>	<u><i>86,079</i></u>

4. Analysis of expenditure on charitable activities

Summary of fund type	Total Funds 2025 £	<i>Total funds 2024 £</i>
Award of Grants (note 6)	181,321	290,937
Grants written off	(5,480)	(7,821)
Development of Wintringham (note 5)	32,625	11,250
Support costs (note 5)	<u>63,767</u>	<u>39,987</u>
	<u>272,233</u>	<u><i>334,353</i></u>

All expenditure relates to the Accumulated Income Post 1963 Fund.

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

5. Support Costs

	Total Funds 2025 £	<i>Total funds 2024 £</i>
Staff costs	12,975	12,528
Insurance	286	1,435
Trustee meeting expenses	-	184
Bank charges	372	231
Sundry expenses	33,148	11,569
Legal and professional costs	23,331	-
Governance costs	<u>26,280</u>	<u>25,290</u>
	<u>96,392</u>	<u>51,237</u>

Development of Wintringham costs are included in Sundry Expenses. During the year they amounted to £32,625 (2024: £11,250)

6. Grants

Institutions	2025 £	<i>2024 £</i>
Annual budget for research – Oxfordshire Health Services Research Committee (grant 24-OUH-1)	-	80,000
Handheld ultrasound probes for undergraduate teaching. Samuel Snowdon, & others (grant 24-UO-1)	-	54,000
Educational videos series: Conversations in Clinical Communication : racism in health care settings. Dr Ruth Wilson. (grant 24-UO-2)	-	6,600
Medical Student Textbooks. Owen Coxall (grant 24-UO-3)	-	25,023
AV upgrades in the JR lecture theatres and the Clinical Skills Lab. Damion Young. (grant 24-UO-4)	-	15,555
Converting Classrooms into flexible, modern teaching space & for medical students on OUH site. Damion Young. (grant 24-UO-5)	-	58,084
Owen Coxall. Improving Study Facilities at the Cairns Library, John Radcliffe Hospital (grant 24-UO-6)	-	45,055
Equipment for medical student simulation training in Women's and Reproductive Health. John Heathcote (grant 24 UO-7)	-	6,620
David Grant. Portable ultrasound machines for Point of Care UltraSound (POCUS) training (grant 25-UO-1)	8,300	-
Owen Coxall. Bodleian Health Care Libraries: Medical Student Textbooks (grant 25-UO-2)	21,603	-
Owen Coxall. Improving Study Environments, Wellbeing Spaces and Facilities at the Health Care Libraries (grant 25-UO-3)	62,337	-
James Thomas. Delivering effective and sustainable training in paediatrics using high-fidelity simulation (grant 25-UO-4)	65,509	-
Damion Young. Upgrading iPads for OSCEs (grant 25-UO-5)	23,572	-
	<u>181,321</u>	<u>290,937</u>
▫ Total		

THE NUFFIELD OXFORD HOSPITALS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

7. Auditors' remuneration

	2025 £	2024 £
Fees payable to the charity's auditor for the audit of the charity's annual accounts excluding VAT	18,375	17,500
Fees payable to the charity's auditor excluding VAT in respect of: Preparation of annual accounts	<u>3,405</u>	<u>3,245</u>

8. Staff costs

	2025 £	2024 £
Wages and Salaries	12,975	12,528
Employer NIC	<u>-</u>	<u>-</u>
	<u>12,975</u>	<u>12,528</u>

The average number of persons employed by the charity during the year was as follow:

	2025 £	2024 £
Secretary	<u>1</u>	<u>1</u>

No employee received remuneration amounting to more than £60,000 in either year.

The key management personnel of the Charity include all Trustees supported by the Secretary, A Truesdale.

The total remuneration paid to the key management personnel amounted to £12,975 (2024: £12,528).

9. Trustees' remuneration and expenses

During the year no Trustees received any remuneration or other benefits (2024 - £Nil).

During the year ended 31 December 2025, no expenses were reimbursed or paid directly to any Trustee (2024 - £25). The expenses reimbursed are in relation to the travel expenses for Trustees to attend Trustee meetings.

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

10. Fixed asset investments

	Post 1963 income Fund £	Pre 1963 income fund £	Restricted endowment fund £	Investment in 1 Wintringham LLP £	Wintringham Partners LLP loan investment £	Total funds 2025 £
Cost or valuation						
At 1 January 2025	400,613	1,752,355	17,696,647	23	6,000,000	25,849,638
Less: cash held by Investment Manager	(577)	(2,524)	(25,493)	-	-	(28,594)
Additions	3,999,652	6,438	65,016	-	371,250	4,442,356
Disposals proceeds	(456)	(2,417)	(19,701)	-	-	(22,574)
Transfer to debtors	-	-	-	-	-	-
Unrealised gains/(losses) on investments	92,853	46,986	469,794	-	-	609,633
Cash held by Investment Managers	<u>16</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16</u>
At 31 December 2025	<u>4,492,101</u>	<u>1,800,838</u>	<u>18,186,263</u>	<u>23</u>	<u>6,371,250</u>	<u>30,850,475</u>

THE NUFFIELD OXFORD HOSPITALS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

10. Fixed asset investments (continued)

Historical Cost

Loan Investment

The charity through its membership of 1 Wintringham LLP has a commitment to issue partner loans to Wintringham Partners LLP as required to fund its share of development costs. The loan investment comprises an amount of £6 million due from Wintringham Partners LLP arising from the transfer of the Charity's land in 2017 along with an additional investment of £371,250 made in the year to equalise partner loans on the introduction of additional land by another partner. The carrying value of the investment continues to be its cost which is equal to the fair value of the land at the date of its transfer to Wintringham Partners LLP together with any later additional loans less repayments.

Investment type

An analysis of the investments has been done as at 31 December 2025 to distinguish between Direct Investments, Pooled Investments and Subsidiary Investments. The split is as indicated below:

	2025 £	2024 £
Post 1963 Income Fund		
Cash	16	577
Direct Investments	-	-
Pooled Investments	4,492,085	400,036
Restricted Endowment Fund & Pre 1963 Income Fund		
Cash	-	28,017
Direct Investments	-	-
Pooled Investments	19,987,101	19,420,985
Loan to Wintringham Partners LLP		
Subsidiary Investment	6,371,250	6,000,000
Investment in 1 Wintringham Partners LLP		
Investment in joint venture	<u>23</u>	<u>23</u>
Total	<u>30,850,475</u>	<u>25,849,638</u>

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

11. Statement of Investment Total Return

From 1 January 2021, the Trustees have decided to adopt total return accounting for the restricted endowment fund and the Accumulated Income Fund pre-1963, both of which are treated as permanent capital of the Charity. The Fund for Investment at 1 January 2021 was calculated by taking the permanent capital of the Charity at 31 December 2010 and calculating its real value at 31 December 2020, using CPI.

The investment return to be applied as income is calculated initially as 3.5% (2024: 3.5%) of the endowment funds held as managed investments and capital accounts held by the Investment Managers at 1 January 2025.

The income allocation from the Total Return earned will be reviewed each year.

	Trust for Investment			
	Restricted	Accumulated	Unapplied	Total
	endowment	income fund	Total Return	2025
	fund	pre 1963		£
	£	£	£	
At 1 January 2025				
Gift Component	16,059,992	1,254,436	-	17,314,428
Unapplied Total Return			<u>9,406,045</u>	<u>9,406,045</u>
 Total Endowments	<u>16,059,992</u>	<u>1,254,436</u>	<u>9,406,045</u>	<u>26,720,473</u>
 Movement in the year				
Investment Return				
Dividends and Interest	-	-	587,579	587,579
Gains and Losses	-	-	516,781	516,781
Less Investment Managers Fees	<u>-</u>	<u>-</u>	<u>(87,287)</u>	<u>(87,287)</u>
 Total	 -	 -	 1,017,073	 1,017,073
 Unapplied total return allocated to income in the reporting period	 <u>-</u>	 <u>-</u>	 <u>(680,725)</u>	 <u>(680,725)</u>
 Net movements in the reporting period	 -	 -	 336,348	 336,348
 At 31 December 2025				
Gift Component	16,059,992	1,254,436	-	17,314,428
Unapplied Total Return	<u>-</u>	<u>-</u>	<u>9,742,393</u>	<u>9,742,393</u>
 Total	 <u>16,059,992</u>	 <u>1,254,436</u>	 <u>9,742,393</u>	 <u>27,056,821</u>

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

2024 comparative

	<i>Trust for Investment</i>		<i>Unapplied</i>	
	<i>Restricted</i>	<i>Accumulated</i>	<i>Total Return</i>	<i>Total</i>
	<i>endowment</i>	<i>income fund</i>		<i>2024</i>
	<i>fund</i>	<i>pre 1963</i>		
	£	£	£	£
<i>At 1 January 2024</i>				
<i>Gift Component</i>	16,059,992	1,254,436	-	17,314,428
<i>Unapplied Total Return</i>	-	-	7,906,155	7,906,155
<i>Total Endowments</i>	<u>16,059,992</u>	<u>1,254,436</u>	<u>7,906,155</u>	<u>25,220,583</u>
<i>Movement in the year</i>				
<i>Investment Return</i>				
<i>Dividends and Interest</i>	-	-	668,888	668,888
<i>Gains and Losses</i>	-	-	1,540,281	1,540,281
<i>Less Investment Managers Fees</i>	-	-	(84,342)	(84,342)
<i>Total</i>	-	-	2,124,827	2,124,827
<i>Unapplied total return allocated to income in the reporting period</i>	-	-	(624,937)	(624,937)
<i>Net movements in the reporting period</i>	-	-	1,499,890	1,499,890
<i>At 31 December 2024</i>				
<i>Gift Component</i>	16,059,992	1,254,436	-	17,314,428
<i>Unapplied Total Return</i>	-	-	9,406,045	9,406,045
<i>Total</i>	<u>16,059,992</u>	<u>1,254,436</u>	<u>9,406,045</u>	<u>26,720,473</u>

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

12. Debtors

	2025 £	2024 £
Due within one year		
Amounts owed by undertakings in which the charity has a participating interest	4,423,428	3,448,380
Other debtors	316	15,645
Prepayments and accrued income	<u>486</u>	<u>41,458</u>
	<u>4,424,230</u>	<u>3,505,483</u>

Amounts owed by undertakings in which the charity has a participating interest comprise:

- a corporate loan issued to Wintringham Partners of £3,994,049 (2024: £3,066,710).
- Loan to 1 Wintringham LLP for initial costs together with accrued interest of £429,380 (2024: £381,670)

13. Creditors: Amounts falling due within one year

	2025 £	2024 £
Other taxation and social security	659	634
Grants payable	312,093	253,590
Other creditors	-	-
Accruals and deferred income	<u>51,022</u>	<u>24,894</u>
	<u>363,774</u>	<u>279,118</u>

Grants payable

	2025 £	2024 £
Grants payable 1 January 2025	253,590	360,499
New Grants Awarded	181,321	290,937
Old grants written off	(5,480)	(7,821)
Grants paid	<u>(117,338)</u>	<u>(390,025)</u>
Grants payable 31 December 2025	<u>312,093</u>	<u>253,590</u>

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

14. Comparative Statement of Financial Activities

	<i>Endowment Funds 2024</i>	<i>Accumulated Income Fund Post 1963 2024</i>	<i>2024 Total</i>
	£	£	£
<i>Income and endowments from:</i>			
<i>Donations and legacies</i>	-	-	
<i>Investments</i>	668,888	1,231,629	1,900,517
<i>Allocation of Total Return</i>	<u>(624,937)</u>	<u>624,937</u>	<u>-</u>
<i>Total income</i>	<u>43,951</u>	<u>1,856,566</u>	<u>1,900,517</u>
<i>Expenditure on:</i>			
<i>Raising funds</i>	84,342	1,737	86,079
<i>Charitable activities</i>	<u>-</u>	<u>334,353</u>	<u>334,353</u>
<i>Total expenditure</i>	<u>84,342</u>	<u>336,090</u>	<u>420,432</u>
<i>Net gains/(losses) on investments</i>	<u>1,540,281</u>	<u>31,726</u>	<u>1,572,007</u>
<i>Net movement in funds</i>	1,499,890	1,552,202	3,052,092
<i>Total funds brought forward</i>	<u>25,220,583</u>	<u>5,344,727</u>	<u>30,565,310</u>
<i>Total funds carried forward</i>	<u>26,720,473</u>	<u>6,896,929</u>	<u>33,617,402</u>

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

15. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Restricted endowment fund 2025 £	Accumulated income fund pre 1963 2025 £	Accumulated income fund post 1963 2025 £	Total funds 2025 £
Fixed asset investments	24,557,536	1,800,838	4,492,101	30,850,475
Current assets	699,997	(1,550)	4,704,071	5,402,518
Creditors due within one year	-	-	(363,774)	(363,774)
Total	<u>25,257,533</u>	<u>1,799,288</u>	<u>8,832,398</u>	<u>35,889,219</u>

Analysis of net assets between funds - prior period

	<i>Restricted endowment fund 2024 £</i>	<i>Accumulated income fund pre 1963 2024 £</i>	<i>Accumulated income fund post 1963 2024 £</i>	<i>Total funds 2024 £</i>
Fixed asset investments	23,696,670	1,752,355	400,613	25,849,638
Current assets	1,254,820	16,628	6,775,434	8,046,882
Creditors due within one year	-	-	(279,118)	(279,118)
Total	<u>24,951,490</u>	<u>1,768,983</u>	<u>6,896,929</u>	<u>33,617,402</u>

THE NUFFIELD OXFORD HOSPITALS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

16. Funds

ENDOWED FUNDS

Restricted Endowment Fund

The capital of this fund has been built up by the investment and re-investment of the donation. Income from this fund is used to further the object of the Charity, but the capital cannot be realised for use as income.

Pre 1963 Accumulated Income Fund

Income accumulated prior to the donor, Lord Nuffield's death in 1963 was capitalised and income from the investments is used to further the object of the Charity. If considered essential by the Trustees, to the furtherance of that object, some or all of this capital could be realised to supplement income.

UNRESTRICTED FUNDS

Post 1963 Accumulated Income Fund

This is income accumulated after the donor, Lord Nuffield's death in 1963. Trustees may accumulate this income but there must be an intent to use this fund to the furtherance of the Charity's object.

17. Related Parties

Wintringham Partners LLP was incorporated on 5 April 2017 and acquired the land at Wintringham Park, St. Neots, Cambridgeshire. This partnership is owned by Wintringham Newco 1 Limited (66.67%) and Urban&Civic St Neots Limited (33.33%).

Nuffield Oxford Hospitals Fund (NOHF) owns a 22.5% share of 1 Wintringham LLP who have 100% ownership of Wintringham Newco 1 Limited and Wintringham Newco 2 Limited. Following the contribution of additional land by another partner during the year, this results in NOHF having an effective 11.36% ownership in Wintringham Partners LLP.

Loans totalling £10,794,678 (2024: £9,448,380) were held by NOHF. To 1 Wintringham LLP £6,800,630 (2024: £6,381,670), and Wintringham Partners LLP £3,994,048 (2024: £3,066,710).

Three trustees of the charity are also directors of Wintringham Newco 1 Ltd and Members of 1 Wintringham LLP. Sir Andrew Dilnot and Professor Andrew Carr held those roles throughout the financial year. John Ford was appointed to both roles with effect from 15 December 2023. Sir Andrew Dilnot is also on the board of Wintringham Partners LLP.

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

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

	2025 £	<i>2024</i> £
Net income for the period (as per Statement of Financial Activities)	<u>2,271,817</u>	<u><i>3,052,092</i></u>
Adjustments for:		
Losses/(gains) on investments	(609,633)	<i>(1,572,007)</i>
Dividends, interests and rents from investments	(2,027,148)	<i>(1,900,517)</i>
(Increase)/decrease in debtors	(895,543)	<i>(890,122)</i>
(Decrease)/increase in creditors	<u>84,656</u>	<u><i>(99,298)</i></u>
Net cash provided by operating activities	<u>(1,175,851)</u>	<u><i>(1,409,852)</i></u>

19. Analysis of cash and cash equivalents

	2025 £	<i>2024</i> £
Cash in hand	<u>978,288</u>	<u><i>1,641,399</i></u>
Total cash and cash equivalents	<u>978,288</u>	<u><i>1,641,399</i></u>

20. Analysis of changes in net debt

	<i>At 1</i> <i>January</i> <i>2025</i> £	Cashflows £	At 31 December 2025 £
Cash at bank and in hand	<u><i>1,641,399</i></u>	<u>(663,111)</u>	<u>978,288</u>
	<u><i>1,641,399</i></u>	<u>(663,111)</u>	<u>978,288</u>

Accounts

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

THE NUFFIELD OXFORD HOSPITALS FUND

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THE NUFFIELD OXFORD HOSPITALS FUND

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2024

Trustees

Ms S Barratt	
Professor A Carr,	Chair
Sir Andrew Dilnot	
Mr J Ford	
Mr J Ramsden	
Dr T Lancaster	(resigned
September 2024)	

Charity registered number

212575

Principal office

c/o Botnar Institute, NDORMS, University of Oxford, Windmill Road, Oxford, OX3 7LD

Secretary

A Truesdale

Independent auditors

Crowe U.K. LLP, R+ Building, 2 Blagrove Street, Reading, RG1 1AZ

Bankers

Barclays Bank Plc, 54 Cornmarket Street, Oxford, OX1 3HS

Solicitors

Stone King LLP, 12 Queen Square, Bath, BA1 2HJ

Solicitors for Wintringham Estate

Macfarlanes LLP, 20 Cursitor Street, London, EC4A 1LT

Master Developer/Joint Venture Partner

Urban & Civic PLC, 50 New Bond Street, London, W1S 1BJ

Property Consultants

Glanville Consultants Ltd, 3 Grovelands Business Centre, Boundary Way, Hemel Hempstead, HP2 7TE

Investment Managers

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

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

The Trustees present their annual report together with the audited financial statements of The Nuffield Oxford Hospitals Fund for the year ended 31 December 2024.

Objectives and activities

a. Policies and objectives

The object of the Charity, which is laid down in the Trust Deed, is to raise the standard of service of local hospitals, in order to assist the development and carrying on of the Oxford University Medical School.

The trustees believe that the purpose of the Charity, which is "to raise the standard of service of local hospitals, in order to assist the development and carrying on of the Oxford University Medical School", satisfies the public benefit requirements.

The direct benefit which flows from this purpose is supporting the Oxford University Medical School in the training of doctors in Oxfordshire, by providing grants which, for example:

- Support teaching by providing diagnostic equipment to give students up to date training opportunities
- Equipment also provided for medical student simulation training
- Provide funding for the creation of training videos for use in teaching clinical communication
- Improve study facilities in the Cairns Library, John Radcliffe Hospital
- Improve teaching facilities in lecture theatres and seminar rooms.

In addition, an annual budget has been provided to the Oxfordshire Health Services Research Committee, enabling doctors in training to have research experience. This is likely to cease from 2025 onwards as the Charity focusses its grants on other priorities.

The direct benefits are evidenced through the requirement of all grant holders to provide on completion of their projects a report to trustees, published on the website, on the benefits that have been achieved in supporting the training of doctors in their areas. In addition, trustee visits are sometimes arranged to meet with grant holders.

It should also be noted that The Nuffield Oxford Hospitals Fund (NOHF) monies provide added value and benefits over and above any NHS or University funding. The beneficiaries are ultimately the patients receiving treatment from the trained medical doctors, principally within the National Health Service.

In setting objectives and planning for activities, the trustees have given due consideration to general guidance published by the charity commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)', and have complied with section 4 of the Charities Act 2011.

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

Objectives and activities (continued)

b. Strategies for achieving objectives

The strategy of the Charity is to continue to ensure that the Charity's investments provide a sustainable distributable income over the long term to support the objects of the Charity. That income is distributed in grants, which are selected based on medical priorities and maximisation of the benefit to the standard of service in line with the Charity's objectives.

The Charity's investment manager is Sarasin. Funds with Sarasin are invested in units in a pooled managed fund, the Sarasin Endowments Fund.

In most recent years, suitable grant applications to the Charity have been less than the charitable funds available, resulting in an accumulation of income reserves. The Trustees have for some time been considering how to resolve this either by attracting further grant applications or looking for larger, longer-term projects to fund from the accumulated income reserves. Following consultation with the Medical School on its funding needs, the Trustees have discussed how the Charity's future approach to grants might evolve to meet these needs and to ensure that the Charity's available funds are used to generate as much benefit as possible. Particular consideration is being given to:

- Extending grants for more than 1 year, potentially up to 3 years, thus increasing the range and scope of applications, and
- Larger one-off contributions towards capital projects aimed at improving medical education. We are currently considering a significant grant towards the refurbishment of existing space to provide a Medical Education Centre.

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

Objectives and activities (continued)

c. Activities undertaken to achieve objectives

The activities of the Charity over the year comprise both investment activities and the grant making activities set out in the next section of this report.

The Charity's investment activities have the objective of continuing to ensure that the investments provide an increasing and sustainable distributable income over the long term to support the objects of the Charity.

The current investment portfolio, overseen by the investment committee, provides the income to fund the grants awarded each year. The Charity adopts a total return approach to the endowment invested in managed funds, resulting in income of £624,937 (2023: £589,658) being recognised in the year. There is also a small amount of investment income generated by the investment of income reserves in managed funds and cash.

During the year under review, the Charity committed to 8 grants totalling £290,937 (2023: 10 grants totalling £246,715). As explained above, the Trustees are actively considering ways in which accumulated income reserves might be used to provide larger grants in future years.

Part of the Charity's endowment is invested directly in land through a joint venture with Nuffield Dominions Trust (NDT) and Urban & Civic PLC (U&C). The Charity's share of the joint venture partnership is 15%. The joint venture partnership was granted planning permission for up to 2,800 homes on the Wintringham site at the end of 2018 and, in spite of the COVID pandemic, work has proceeded throughout the years from 2020 onwards. Construction work continues with five principal house builders and despite downturns in the housing market overall development of the site and cash flow projections remain on plan. The Charity is considering the next stage of the project (Key Phase 2) and another possible venture nearby with U&C.

In 2024, the Charity received Gift Aid income of £887,700 (2023: £1,124,850) from the joint venture partnership and recognised interest income of £236,599 (2023: -£107,961) on loans made to the partnership to fund WIP. Cash flow forecasts for the partnership show that no further WIP loans from the Charity will be required but the accrual of unpaid interest and other funding means that the loan balances with Wintringham are increasing.

Monitoring of the project continues to take place through the Wintringham Partners Board (comprising representatives from U&C and NDT) and 1 Wintringham LLP (where the Charity is represented by one Trustee).

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

Objectives and activities (continued)

d. Grant-making policies

The Charity requires that grant applications, together with supporting information, are submitted online to the Medical Sciences Division, John Radcliffe Hospital by the end of January each year. The applications are first reviewed by the Director of Clinical Studies and then by the medical trustees of the Charity. The medical trustees take into consideration the advice on priorities provided by the Medical Sciences Board (the Board of the University's Medical Sciences Division which is responsible for organisation, development and delivery of the Medical Sciences curricula). The trustees will, if appropriate, make further enquiries themselves and prepare their own recommendations.

All grant applications, together with the recommendations of the Charity's medical trustees, are considered by the full Board of trustees at the Annual Meeting in May. Each application is reviewed to consider the benefit it can generate and to ensure that it clearly follows the objects of the Charity. The acceptable applications are then prioritised and awarded in priority order to match the funds available for distribution. If the grant applications approved at the Annual Meeting are significantly less than the funds available, a second tranche of grants may be considered later in the year.

Grants awarded by the Charity's trustees require endorsement by the Nuffield Medical Trustees, appointed to have oversight of the Nuffield Benefaction.

The payment of approved grants is conditional upon the relevant authorised expenditure being incurred and relevant evidence provided. Grant holders are advised that, if relevant authorised expenditure is not incurred within 18 months of the letter of approval, then the grant can be withdrawn unless a reasonable explanation is provided.

Grant holders are required to submit a 250 word report on completion of the project so that trustees understand the benefits gained from the funding and receive assurance that the funds have been spent in line with the application approved. Further details are available at: <https://www.medsci.ox.ac.uk/for-staff/resources/school-of-medicine-and-biomedical-sciences/medicine/resources/nuffield-oxford-hospitals-fund>.

e. Main activities undertaken to further the charity's purposes for the public benefit

The main public benefit activity in 2024 has been to award a total of £290,937 of grant support to the Oxford Medical School through 8 individual grant holders in a variety of clinical and academic departments. In 2024 there were over 4,000 registered medical students in the Oxford Medical School: 2,525 graduate students and 1,805 undergraduate students.

Achievements and performance

a. Main achievements of the charity

The main achievements have been to fund a wide range of training and educational activities and equipment. Important areas supported by grant funds provided during the year under awards made in 2024 and previous years were:

- Support teaching by providing diagnostic equipment to give students up to date training opportunities
- The development of clinical consultation: virtual training and feedback for medical students
- Increasing advanced manikins for final year medical students training
- Improving wellbeing spaces at Bodleian Health Care Libraries and study facilities in the Cairns Library
- Upgrade of Rob Smith Centre, Churchill Hospital, for Undergraduate Medical Students
- Clinical teaching AV upgrades
- Creation of educational films: Communication skills conversations
- The development of clinical consultation: virtual training and feedback for medical students
- Creation of NDORMS High Spec Teaching Room Hub.

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

Achievements and performance (continued)

b. Investment policy and performance

The investments held by the Charity comprise a portfolio of direct and pooled investments together with its 15% interest in the Wintringham development at St Neot's.

The performance and monitoring of the Wintringham investment is discussed above. This is a long-term investment and returns from it are expected to fluctuate over the next few years. Projections show that the development will generate significant returns for the Charity over the next ten to fifteen years.

The Charity's investment portfolio is managed by Sarasin and invested in one pooled fund, The Sarasin Endowments Investment Fund.

The investment policy in place during 2024 (last reviewed in October 2020) states that the primary financial objective is to ensure that the Charity is invested to provide an increasing and sustainable distributable income to support the objectives of the Charity, while maintaining the real value of the fund over the longer term. It also sets a target drawdown rate of not less than 3.5% per annum.

The investment committee, which comprises three trustees, met with the Charity's new investment managers twice during the financial year to oversee the performance of the portfolio.

During the year ended 31 December 2024 the Sarasin Endowments Investment Fund generated investment returns 12.1% compared to a benchmark return of 14.3%.

The outlook for investments remains uncertain given current geo-political events. The trustees continue to believe that a diversified, actively-managed multi-asset fund remains the best approach to long term capital growth and a sustainable income stream.

It should be noted that in managing the portfolio, the Restricted Endowment Fund and the Pre 63 Accumulated income fund are managed as one fund, known as the General Fund.

Financial review

a. Going concern

The trustees have considered the impact of continuing uncertainty in financial and property markets on the Charity's ability to continue to fund grants. Taking into account the Charity's cash resources and the liquidity of its investment portfolio, the trustees have a reasonable expectation that the Charity has adequate resources to continue to support existing grants and commitments and to continue in operational existence for the foreseeable future. If the expected return to be generated by funds were to decline, the Charity has the ability to adjust future grants accordingly. For these reasons, the trustees continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

b. Reserves policy

It is the policy of the trustees to maintain sufficient reserves in the Charity's Post 1963 Accumulated Income Fund, to provide for a minimum of one year's charitable expenditure, towards the Charity's object. The capital of the General Fund Capital Account cannot be realised for use as income. However, if required, the Pre 1963 Accumulated Income Fund could be used to enable the trustees to continue appropriate levels of expenditure in the coming years, even if there were to be decreases in the Charity's investment income.

In the opinion of the trustees, the Charity's assets are adequate to meet its obligations.

c. Surplus in the year

The Balance Sheet at 31 December 2024 shows that the Charity's net assets total £33,617,402, an increase of £3,052,092 on to the net assets at 31 December 2023. There was a surplus for the year before net investment gains of £1,480,085 (2023: £1,546,019). The net gain on disposal and revaluation of assets in the Investment Portfolio of the Charity during the year was £1,572,007 (2023: £977,971).

i. Endowment Fund

At 31 December 2024, the balance of the Endowment Funds amounted to £26,720,043, an increase of £1,499,890 during the year. This increase arose mainly from net gains on the valuation of investments.

ii. Accumulated Income Fund Post 1963

The Statement of Financial Activities for this fund shows a net increase of £1,552,202 for the year.

Incoming resources amounted to £1,856,566 (2023: £1,879,200), including receipt of gift aid of £887,700 (2023: £1,124,850) and interest income of £236,599 (2023: £107,961) from the charity's Wintringham investment.

Resources expended amounted to £336,090 (2023: £289,906). Expenditure included costs of £11,250 (2023: £nil) relating to contractual obligations and other costs arising on the Wintringham development.

There were gains on the fund assets of £31,726. The balance on the Accumulated Income Fund Post 1963 at 31 December 2024 was £6,896,929 compared to £5,344,727 at 31 December 2023.

Structure, governance and management

a. Constitution

The governing document is a Trust Deed, dated 4 December 1937, as amended by schemes of 1 July 1952, 22 December 1953, 19 May 1976 and 6 March 1998.

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

Structure, governance and management (continued)

b. Methods of appointment or election of Trustees

New trustees are appointed by the existing trustees and serve for five years. They may then put themselves forward for re appointment which is considered at the Annual General Meeting.

The existing trustees carry out an appropriate selection process and conduct background checks before offering posts to new trustees. When considering new trustees, the existing trustees look for specific areas of expertise to help meet the objectives of the Charity.

c. Policies adopted for the induction and training of Trustees

The induction and training of new trustees and the information with which they are provided are tailored depending on the Trustees' background, interests and roles. A copy of the Trust Deed is provided along with annual accounts, risk assessments, investment reports and contact details of fellow trustees. Additional information is provided to any medical trustees who will be involved in assessing grants applications and making recommendations for awards.

All trustees receive regular updates on Charity Commission publications and attend appropriate charity seminars where relevant.

d. Organisational structure and decision making policies

Under the terms of a Special Resolution passed on 15 July 2020, the maximum number of trustees is ten. A total of six trustees served during the year.

Three trustees served on the Investment Committee which met twice during the year.

Following the creation of the joint venture with Urban & Civic, matters relating to Wintringham are dealt with by 1 Wintringham LLP, which has two directors representing the Charity and two representing NDT. Meetings are held twice a year and information is shared with other trustees as appropriate. The Charity has no membership of Wintringham Partners Board, but the Chair has been an observer at most of the board meetings.

The day-to-day administration of the Charity is undertaken by the Charity Secretary, in consultation with the Chair and other trustees as required.

e. Financial risk management

The trustees have assessed the major risks to which the charity is exposed, in particular, those related to the operations and finances of the charity. The trustees also continue to monitor closely the risks associated with the development of the Wintringham land. The trustees are satisfied that systems and procedures are in place to mitigate the exposure to the major risks.

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

Plans for future periods

The trustees are expecting to continue to provide further grants in the future to meet the Charity's object. The trustees are aware of the need to make full use of available income and, as considered under strategies for achieving objectives, are looking at ways of enhancing and extending the types of grants offered. The development of the Wintringham land is expected to provide significant additional funds to enhance future grant giving, although cash inflows from the development are unlikely in the short term.

As set out in strategies for achieving objectives, detailed discussions will continue to consider whether the funds that the Charity may receive arising from Wintringham could be used for a more significant one-off project such as the enhancement of facilities for the Medical School throughout the Oxford Hospitals.

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees 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 its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them 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. They are 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.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

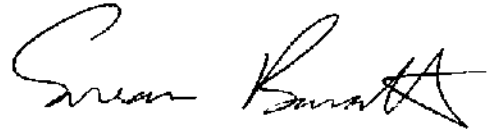
THE NUFFIELD OXFORD HOSPITALS FUND

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

Approved by order of the members of the board of Trustees and signed on their behalf by:



Professor A Carr
(Chair of Trustees)
Date: 19 May 2025



Ms S Barratt

Date: 19 May 2025

THE NUFFIELD OXFORD HOSPITALS FUND

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE NUFFIELD OXFORD HOSPITALS FUND

Opinion

We have audited the financial statements of Nuffield Oxford Hospitals Fund ('the charity') for the year ended 31 December 2024 which comprise the statement of financial activities, the balance sheet, the cash flow statement and the related notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2024 and of its incoming and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

THE NUFFIELD OXFORD HOSPITALS FUND

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE NUFFIELD OXFORD HOSPITALS FUND (CONTINUED)

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient and proper accounting records have not been kept by the charity; 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 trustees' responsibilities statement set out on page 10, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011, and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements.

THE NUFFIELD OXFORD HOSPITALS FUND

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE NUFFIELD OXFORD HOSPITALS FUND (CONTINUED)

Extent to which the audit was considered capable of detecting irregularities, including fraud (continued)

The laws and regulations we considered in this context were the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity for fraud. The laws and regulations we considered in this context were General Data Protection Regulation and taxation legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of specific income streams, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing income transactions close to the end of the period and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Crowe U.K. LLP
Statutory Auditor

Reading

Date 19 May 2025

Crowe U.K. LLP are eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

THE NUFFIELD OXFORD HOSPITALS FUND

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2024

		Endowment Funds 2024	Accumulated Income Fund Post 1963 2024	2024 Total	2023 Total
	Notes	£	£	£	£
Income and endowments from:					
Donations and legacies		-	-		1,000
Investments	2	668,888	1,231,629	1,900,517	1,913,827
Allocation of Total Return	11	(624,937)	624,937	-	-
Total Income		43,951	1,856,566	1,900,517	1,914,827
Expenditure on:					
Raising funds	3	84,342	1,737	86,079	80,528
Charitable activities	4	-	334,353	334,353	288,280
Total expenditure		84,342	336,090	420,432	368,808
Net gains/(losses) on investments	10	1,540,281	31,726	1,572,007	977,971
Net movement in funds		1,499,890	1,552,202	3,052,092	2,523,990
Total funds brought forward		25,220,583	5,344,727	30,565,310	28,041,320
Total funds carried forward		26,720,473	6,896,929	33,617,402	30,565,310

The Statement of financial activities includes all gains and losses recognised in the year.

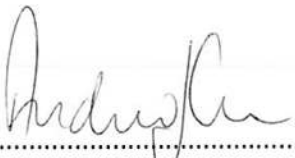
The notes on pages 19 to 35 form part of these financial statements.

THE NUFFIELD OXFORD HOSPITALS FUND

BALANCE SHEET
AS AT 31 DECEMBER 2024

	Notes	2024 £	2023 £
Fixed assets			
Investments	10	<u>25,849,638</u>	<u>24,509,588</u>
		25,849,638	24,509,588
Current assets			
Short-term Investments		2,900,000	3,000,000
Debtors	12	3,505,483	2,089,692
Cash at bank and in hand	19	<u>1,641,399</u>	<u>1,344,446</u>
		8,046,882	6,434,138
Creditors: amounts falling due within one year	13	<u>(279,118)</u>	<u>(378,416)</u>
Net current assets		<u>7,767,764</u>	<u>6,055,722</u>
Total assets less current liabilities		<u>33,617,402</u>	<u>30,565,310</u>
Total net assets		<u>33,617,402</u>	<u>30,565,310</u>
Charity funds			
Endowment Funds			
Restricted endowment funds	15	24,951,490	23,586,740
Accumulated income fund pre 1963	15	<u>1,768,983</u>	<u>1,633,843</u>
		26,720,473	25,220,583
General Funds			
Accumulated income fund post 1963	15	<u>6,896,929</u>	<u>5,344,727</u>
		<u>33,617,402</u>	<u>30,565,310</u>

The financial statements were approved and authorized for issue by the Trustees and signed on their behalf by:



Professor A Carr
 (Chair of Trustees)
 Date: 19 May 2025



Ms S Barratt
 Date 19 May 2025

The notes on pages 19 to 35 form part of these financial statements.

THE NUFFIELD OXFORD HOSPITALS FUND

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Notes	2024 £	2023 £
Cash flows from operating activities			
Net cash used in operating activities	18	<u>(1,409,852)</u>	<u>22,924</u>
Cash flows from investing activities			
Dividends, interests and rents from investments	2	1,900,517	1,913,827
Proceeds from sale of investments	10	-	-
(Increase)/decrease in debtors in relation to investing activities		(238,728)	(75,128)
Purchase of investments	10	(26,390)	(50,447)
Cash held as investment		(28,594)	-
Treasury deposit		<u>100,000</u>	<u>(3,000,000)</u>
Net cash provided by/(used in) investing activities		<u>1,706,805</u>	<u>(1,211,747)</u>
Cash flows from financing activities		-	-
Net cash provided by financing activities		-	-
Change in cash and cash equivalents in the year		296,953	1,188,823
Cash and cash equivalents at the beginning of the year		<u>1,344,446</u>	<u>2,533,269</u>
Cash and cash equivalents at the end of the year		<u>1,641,399</u>	<u>1,344,446</u>

Note numbers 18 to 20 form part of the statement of cash flows.

THE NUFFIELD OXFORD HOSPITALS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Second Edition)' and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Second Edition)' rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Nuffield Oxford Hospitals Fund meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Going concern

The financial statements have been prepared on a going concern basis, as the trustees believe that no material uncertainties exist in respect of the Charity's ability to meet its obligations as they fall due in the foreseeable future. In reaching this conclusion, the trustees have considered the level of funds held, the liquidity of those funds and the expected levels of income and expenditure for 12 months from the date on which these financial statements were signed.

1.3 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses are included as 'Gains/(Losses) on investments' in the Statement of financial activities.

Investment in subsidiary undertakings is valued at historic cost less provision for impairment.

Investments in the joint venture represents the charity's interest in the development of the Wintringham Estate. The investment is carried at cost which is equal to the fair value of the land at the date of its transfer to Wintringham Partners LLP together with later additional loans less repayments. The investment forms part of the charity's restricted endowment funds.

Listed investments held as fixed assets are shown at market value.

Short-term investments are represented by cash held on deposit with a maturity of less than one year but greater than 3 months.

THE NUFFIELD OXFORD HOSPITALS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

1. Accounting policies (continued)

1.4 Financial instruments

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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.5 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

1.6 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The incoming resources represent all the income received from quoted investments, bank deposits and income from properties. All incoming resources are taken to the Post 1963 Accumulated Income Fund.

1.7 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charity's objectives, as well as any associated support costs.

Grants payable are included where the grant has been agreed during the year and there are no conditions to be met relating to the grant which remain in the control of the charity.

Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

1.8 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

THE NUFFIELD OXFORD HOSPITALS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

1. Accounting policies (continued)

1.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.10 Cash at bank and in hand

Cash at bank and 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.

1.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

1.12 Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgment:

The critical areas of judgement relate to the valuation of Wintringham related investments and the recoverability of Wintringham loans.

THE NUFFIELD OXFORD HOSPITALS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

1. Accounting policies (continued)

1.13 Gains & Losses on Investments

Gains and losses on quoted investments held in the General Fund of the Capital Account and on the Pre 1963 Accumulated Fund are treated as capital and added to the relevant fund.

Gains and losses on quoted investments held in the Post 1963 Accumulated Income Fund are added to this fund.

1.14 Total Return Investment Accounting

The charity has adopted a 'Total Return' basis for the investment of its endowment. The carrying value of the preserved permanent capital, the trust for investment, and the amount of any unapplied total return available for expenditure were taken as the fair value of these funds as at 31 December 2010, as adjusted for inflation, as being after the financial crash and before a period of growth. In choosing this date, the Trustees also considered the change of investment managers close to that date and the start of a new investment regime.

The charity invests these funds without regard to the capital/income distinctions of standard trust law and with discretion to apply any part of the accumulated total return on the investment as income for spending each year. Until this power is exercised, the total return is accumulated as a component of the endowment known as the unapplied total return that can be either retained for investment or released to income at the discretion of the Trustees.

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

2. Investment income

	Total Funds 2024 £	<i>Total funds 2023 £</i>
Income from quoted investments	682,666	638,165
Income from investments in Wintringham	887,700	1,124,850
Interest on Wintringham loans	236,599	107,961
Bank interest	<u>93,552</u>	<u>42,851</u>
	<u>1,900,517</u>	<u><i>1,913,827</i></u>

3. Investment management costs

	Total Funds 2024 £	<i>Total funds 2023 £</i>
Investment management fees	<u>86,079</u>	<u><i>80,528</i></u>

4. Analysis of expenditure on charitable activities

Summary of fund type	Total Funds 2024 £	<i>Total funds 2023 £</i>
Award of Grants (note 6)	290,937	246,715
Grants written off	(7,821)	(4,681)
Development of Wintringham (note 5)	11,250	-
Support costs (note 5)	<u>39,987</u>	<u>46,246</u>
	<u>334,353</u>	<u><i>288,280</i></u>

All expenditure relates to the Accumulated Income Post 1963 Fund.

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

5. Support Costs

	Total Funds 2024 £	<i>Total funds 2023 £</i>
Staff costs	12,528	11,818
Insurance	1,435	1,302
Trustee meeting expenses	184	23
Bank charges	231	315
Sundry expenses	11,569	334
Legal and professional costs	-	14,802
Governance costs	<u>25,290</u>	<u>17,652</u>
	<u>51,237</u>	<u>46,246</u>

Development of Wintringham costs are included in Sundry Expenses. During the year they amounted to £11,250 (2023: £nil)

6. Grants

Institutions	2024 £	<i>2023 £</i>
Annual budget for research – Oxfordshire Health Services Research Committee (grant 24-OUH-1)	80,000	80,000
Handheld ultrasound probes for undergraduate teaching. Samuel Snowdon, & others (grant 24-UO-1)	54,000	
Educational videos series: Conversations in Clinical Communication : racism in health care settings. Dr Ruth Wilson. (grant 24-UO-2)	6,600	
Medical Student Textbooks. Owen Coxall (grant 24-UO-3)	25,023	
AV upgrades in the JR lecture theatres and the Clinical Skills Lab. Damion Young. (grant 24-UO-4)	15,555	
Converting Classrooms into flexible, modern teaching space & for medical students on OUH site. Damion Young. (grant 24-UO-5)	58,084	
Owen Coxall. Improving Study Facilities at the Cairns Library, John Radcliffe Hospital (grant 24-UO-6)	45,055	
Equipment for medical student simulation training in Women's and Reproductive Health. John Heathcote (grant 24-UO-7)	6,620	-
Supporting teaching by replacing old projectors with TV screens. Mary Miller (grant 23-OUH-2)		8,307
Increasing advanced manikins for final year medical students training. Catriona Fleming (grant 23-OUH-3)		21,834
Improving wellbeing spaces at Bodleian Health Care Libraries. Owen Coxall (grant 23-OUH-4)		13,891
Medical Student reading list titles		23,458
Upgrade of Rob Smith Centre, Churchill Hospital, for Undergraduate Medical Students. Monique Andersson (grant 23-OUH-5)		7,210
Clinical teaching AV upgrades. Damion Young (grant 23-OU-1)		27,087
Creation of educational films: Communication skills conversations. Ruth Wilson (grant 23-OU-2)		4,400
The development of clinical consultation: virtual training and feedback for medical students. Rachel Allan (grant 23-OU-3)		10,688
Creation of NDORMS High Spec Teaching Room Hub. Osman Aslam (Grant 23-OU-4)		<u>49,840</u>
▫ Total	<u>290,937</u>	<u>246,715</u>

THE NUFFIELD OXFORD HOSPITALS FUND

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

7. Auditors' remuneration

	2024 £	2023 £
Fees payable to the charity's auditor for the audit of the charity's annual accounts excluding VAT	17,500	11,160
Fees payable to the charity's auditor excluding VAT in respect of: Preparation of annual accounts	<u>3,245</u>	<u>2,950</u>

8. Staff costs

	2024 £	2023 £
Wages and Salaries	12,528	11,835
Employer NIC	<u>-</u>	<u>(17)</u>
	<u>12,528</u>	<u>11,818</u>

The negative charge for employers' NIC relates to employer's allowance not fully accounted for in prior years.

The average number of persons employed by the charity during the year was as follow:

	2024 £	2023 £
Secretary	<u>1</u>	<u>1</u>

No employee received remuneration amounting to more than £60,000 in either year.

The key management personnel of the Charity include all Trustees supported by the Secretary, A Truesdale.

The total remuneration paid to the key management personnel amounted to £12,528 (2023: £11,835).

9. Trustees' remuneration and expenses

During the year no Trustees received any remuneration or other benefits (2023 - £Nil).

During the year ended 31 December 2024, expenses totalling £25 were reimbursed or paid directly to one Trustee (2023 - £23). The expenses reimbursed are in relation to the travel expenses for Trustees to attend Trustee meetings.

THE NUFFIELD OXFORD HOSPITALS FUND

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

10. Fixed asset investments

	Post 1963 income Fund £	Pre 1963 income fund £	Restricted endowment fund £	Investment in 1 Wintringham LLP £	Wintringham Partners LLP loan investment £	Total funds 2024 £
Cost or valuation						
At 1 January 2024	367,777	1,608,722	16,246,125	23	6,286,941	24,509,588
Additions	533	2,330	23,527	-		26,390
Disposals proceeds	-	-	-	-		-
Transfer to debtors	-	-	-	-	(286,941)	(286,941)
Unrealised gains/(losses) on investments	31,726	138,779	1,401,502	-		1,572,007
Cash held by Investment Managers	577	2,524	25,493	-		28,594
At 31 December 2024	400,613	1,752,355	17,696,647	23	6,000,000	25,849,638

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

10. Fixed asset investments (continued)

Historical Cost

Loan Investment

The charity through its membership of 1 Wintringham LLP has a commitment to issue partner loans to Wintringham Partners LLP as required to fund its share of development costs. The loan investment comprises an amount due from Wintringham Partners LLP arising from the transfer of the Charity's land in 2017 along with an additional loan to fund working capital. Loans totalling £nil were made during in the year (2023: £nil). A repayment of £nil (2023: £nil) was received in the year. The carrying value of the investment continues to be its cost which is equal to the fair value of the land at the date of its transfer to Wintringham Partners LLP together with later additional loans less repayments.

Investment type

An analysis of the investments has been done as at 31 December 2024 to distinguish between Direct Investments, Pooled Investments and Subsidiary Investments. The split is as indicated below:

	2024 £	2023 £
Post 1963 Income Fund		
Cash	577	-
Direct Investments	-	-
Pooled Investments	400,036	367,777
Restricted Endowment Fund & Pre 1963 Income Fund		
Cash	28,017	-
Direct Investments	-	-
Pooled Investments	19,420,985	17,854,847
Loan to Wintringham Partners LLP		
Subsidiary Investment	6,000,000	6,286,941
Investment in 1 Wintringham Partners LLP		
Investment in joint venture	<u>23</u>	<u>23</u>
Total	<u>25,849,638</u>	<u>24,509,588</u>

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

11. Statement of Investment Total Return

From 1 January 2021, the Trustees have decided to adopt total return accounting for the restricted endowment fund and the Accumulated Income Fund pre-1963, both of which are treated as permanent capital of the Charity. The Fund for Investment at 1 January 2021 was calculated by taking the permanent capital of the Charity at 31 December 2010 and calculating its real value at 31 December 2020, using CPI.

The investment return to be applied as income is calculated initially as 3.5% (2023: 3.5%) of the endowment funds held as managed investments and capital accounts held by the Investment Managers at 1 January 2024.

The income allocation from the Total Return earned will be reviewed each year.

	Trust for Investment			
	Restricted	Accumulated	Unapplied	Total
	endowment	income fund	Total Return	2024
	fund	pre 1963		£
	£	£	£	
At 1 January 2024				
Gift Component	16,059,992	1,254,436	-	17,314,428
Unapplied Total Return	-	-	7,906,155	7,906,155
	<u>16,059,992</u>	<u>1,254,436</u>	<u>7,906,155</u>	<u>25,220,583</u>
Total Endowments				
	<u>16,059,992</u>	<u>1,254,436</u>	<u>7,906,155</u>	<u>25,220,583</u>
Movement in the year				
Investment Return				
Dividends and Interest	-	-	668,888	668,888
Gains and Losses	-	-	1,540,281	1,540,281
Less Investment Managers Fees	-	-	(84,342)	(84,342)
Total	-	-	2,124,827	2,124,827
Unapplied total return allocated to income in the reporting period	-	-	(624,937)	(624,937)
Net movements in the reporting period	-	-	1,499,890	1,499,890
At 31 December 2024				
Gift Component	16,059,992	1,254,436	-	17,314,428
Unapplied Total Return	-	-	9,406,045	9,406,045
	<u>16,059,992</u>	<u>1,254,436</u>	<u>9,406,045</u>	<u>26,720,473</u>
Total				
	<u>16,059,992</u>	<u>1,254,436</u>	<u>9,406,045</u>	<u>26,720,473</u>

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

2023 comparative

	<i>Trust for Investment Restricted endowment fund £</i>	<i>Accumulated income fund pre 1963 £</i>	<i>Unapplied Total Return £</i>	<i>Total 2023 £</i>
<i>At 1 January 2023</i>				
<i>Gift Component</i>	16,059,992	1,254,436	-	17,314,428
<i>Unapplied Total Return</i>	<u>-</u>	<u>-</u>	<u>6,991,197</u>	<u>6,991,197</u>
<i>Total Endowments</i>	<u>16,059,992</u>	<u>1,254,436</u>	<u>6,991,197</u>	<u>24,305,625</u>
<i>Movement in the year</i>				
<i>Investment Return</i>				
<i>Dividends and Interest</i>	-	-	625,285	625,285
<i>Gains and Losses</i>	-	-	958,233	958,233
<i>Less Investment Managers Fees</i>	<u>-</u>	<u>-</u>	<u>(78,902)</u>	<u>(78,902)</u>
<i>Total</i>	-	-	1,504,616	1,504,616
<i>Unapplied total return allocated to income in the reporting period</i>	<u>-</u>	<u>-</u>	<u>(589,658)</u>	<u>(589,658)</u>
<i>Net movements in the reporting period</i>	-	-	914,958	914,958
<i>At 31 December 2023</i>				
<i>Gift Component</i>	16,059,992	1,254,436	-	17,314,428
<i>Unapplied Total Return</i>	<u>-</u>	<u>-</u>	<u>7,906,155</u>	<u>7,906,155</u>
<i>Total</i>	<u>16,059,992</u>	<u>1,254,436</u>	<u>7,906,155</u>	<u>25,220,583</u>

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

12. Debtors

	2024 £	2023 £
Due within one year		
Amounts owed by undertakings in which the charity has a participating interest	3,448,380	2,036,840
Other debtors	15,645	13,523
Prepayments and accrued income	<u>41,458</u>	<u>39,329</u>
	<u>3,505,483</u>	<u>2,089,692</u>

Amounts owed by undertakings in which the charity has a participating interest comprise:

- a corporate loan issued to Wintringham Partners of £3,066,710 (2023: £1,908,235).
- Loan to 1 Wintringham LLP for initial costs together with accrued interest of £381,670 (2023: £128,605)

13. Creditors: Amounts falling due within one year

	2024 £	2023 £
Other taxation and social security	634	-
Grants payable	253,590	360,499
Other creditors	-	805
Accruals and deferred income	<u>24,894</u>	<u>17,112</u>
	<u>279,118</u>	<u>378,416</u>

Grants payable

	2024 £	2023 £
Grants payable 1 January 2024	360,499	408,240
New Grants Awarded	290,937	246,715
Old grants written off	(7,821)	(4,681)
Grants paid	<u>(390,025)</u>	<u>(289,775)</u>
Grants payable 31 December 2024	<u>253,590</u>	<u>360,499</u>

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

14. Comparative Statement of Financial Activities

	<i>Endowment Funds 2023</i>	<i>Accumulated Income Fund Post 1963 2023</i>	<i>2023 Total</i>
	£	£	£
<i>Income and endowments from:</i>			
<i>Donations and legacies</i>	-	1,000	1,000
<i>Investments</i>	625,285	1,288,542	1,913,827
<i>Allocation of Total Return</i>	<u>(589,658)</u>	<u>589,658</u>	<u>-</u>
<i>Total income</i>	<u>35,627</u>	<u>1,879,200</u>	<u>1,914,827</u>
<i>Expenditure on:</i>			
<i>Raising funds</i>	78,902	1,626	80,528
<i>Charitable activities</i>	<u>-</u>	<u>288,280</u>	<u>288,280</u>
<i>Total expenditure</i>	<u>78,902</u>	<u>289,905</u>	<u>368,808</u>
<i>Net gains/(losses) on investments</i>	<u>958,233</u>	<u>19,738</u>	<u>977,971</u>
<i>Net movement in funds</i>	914,958	1,609,032	2,523,990
<i>Total funds brought forward</i>	24,305,625	3,735,695	28,041,320
<i>Total funds carried forward</i>	<u>25,220,583</u>	<u>5,344,727</u>	<u>30,565,310</u>

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

15. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Restricted endowment fund 2024 £	Accumulated income fund pre 1963 2024 £	Accumulated income fund post 1963 2024 £	Total funds 2024 £
Fixed asset investments	23,696,670	1,752,355	400,613	25,849,638
Current assets	1,254,820	16,628	6,775,434	8,046,882
Creditors due within one year	-	-	(279,118)	(279,118)
Total	<u>24,951,490</u>	<u>1,768,983</u>	<u>6,896,929</u>	<u>33,617,402</u>

Analysis of net assets between funds - prior period

	Restricted endowment fund 2023 £	Accumulated income fund pre 1963 2023 £	Accumulated income fund post 1963 2023 £	Total funds 2023 £
Fixed asset investments	22,533,089	1,608,722	367,777	24,509,588
Current assets	1,053,651	25,121	5,355,366	6,434,138
Creditors due within one year	-	-	(378,416)	(378,416)
Total	<u>23,586,740</u>	<u>1,633,843</u>	<u>5,344,727</u>	<u>30,565,310</u>

THE NUFFIELD OXFORD HOSPITALS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

16. Funds

ENDOWED FUNDS

Restricted Endowment Fund

The capital of this fund has been built up by the investment and re-investment of the donation. Income from this fund is used to further the object of the Charity, but the capital cannot be realised for use as income.

Pre 1963 Accumulated Income Fund

Income accumulated prior to the donor, Lord Nuffield's death in 1963 was capitalised and income from the investments is used to further the object of the Charity. If considered essential by the Trustees, to the furtherance of that object, some or all of this capital could be realised to supplement income.

UNRESTRICTED FUNDS

Post 1963 Accumulated Income Fund

This is income accumulated after the donor, Lord Nuffield's death in 1963. Trustees may accumulate this income but there must be an intent to use this fund to the furtherance of the Charity's object.

17. Related Parties

Wintringham Partners LLP was incorporated on 5 April 2017 and acquired the land at Wintringham Park, St. Neots, Cambridgeshire. This partnership is owned by Wintringham Newco 1 Limited (66.67%) and Urban&Civic St Neots Limited (33.33%).

Nuffield Oxford Hospitals Fund (NOHF) owns a 22.5% share of 1 Wintringham LLP who have 100% ownership of Wintringham Newco 1 Limited and Wintringham Newco 2 Limited. This results in NOHF having an effective 15% ownership of Wintringham Partners LLP.

Loans totalling £9,448,380 (2023: £8,323,781) were held by NOHF. To 1 Wintringham LLP £6,381,670 (2023: £6,415,546), and Wintringham Partners LLP £3,066,710 (2023: £1,908,235).

Three trustees of the charity are also directors of Wintringham Newco 1 Ltd and Members of 1 Wintringham LLP. Sir Andrew Dilnot and Professor Andrew Carr held those roles throughout the financial year. John Ford was appointed to both roles with effect from 15 December 2023. Sir Andrew Dilnot is also on the board of Wintringham Partners LLP.

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

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

	2024 £	2023 £
Net (expenditure)/income for the period (as per Statement of Financial Activities)	<u>3,052,092</u>	<u>2,523,990</u>
Adjustments for:		
Losses/(gains) on investments	(1,572,007)	(977,971)
Dividends, interests and rents from investments	(1,900,517)	(1,913,827)
(Increase)/decrease in debtors	(890,122)	602,080
(Decrease)/increase in creditors	<u>(99,298)</u>	<u>(211,348)</u>
Net cash provided by operating activities	<u><u>(1,409,852)</u></u>	<u><u>22,924</u></u>

19. Analysis of cash and cash equivalents

	2024 £	2023 £
Cash in hand	<u>1,641,399</u>	<u>1,344,446</u>
Total cash and cash equivalents	<u><u>1,641,399</u></u>	<u><u>1,344,446</u></u>

20. Analysis of changes in net debt

	At 1 January 2024 £	Cashflows £	At 31 December 2024 £
Cash at bank and in hand	<u>1,344,446</u>	<u>296,953</u>	<u>1,641,399</u>
	<u><u>1,344,446</u></u>	<u><u>296,953</u></u>	<u><u>1,641,399</u></u>

Accounts

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

THE NUFFIELD OXFORD HOSPITALS FUND

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THE NUFFIELD OXFORD HOSPITALS FUND

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2023

Trustees

Ms S Barratt
Professor A Carr, Chair
Sir Andrew Dilnot
Mr J Ford
Mr J Ramsden
Dr T Lancaster

Charity registered number

212575

Principal office

c/o Botnar Institute, NDORMS, University of Oxford, Windmill Road, Oxford, OX3 7LD

Secretary

A Truesdale

Independent auditors

Crowe U.K. LLP, Aquis House, 49 – 51 Blagrove Street, Reading, RG1 1PL

Bankers

Barclays Bank Plc, 54 Cornmarket Street, Oxford, OX1 3HS

Solicitors

Stone King LLP, 12 Queen Square, Bath, BA1 2HJ

Solicitors for Wintringham Estate

Macfarlanes LLP, 20 Cursitor Street, London, EC4A 1LT

Master Developer/Joint Venture Partner

Urban & Civic PLC, 50 New Bond Street, London, W1S 1BJ

Property Consultants

Glanville Consultants Ltd, 3 Grovelands Business Centre, Boundary Way, Hemel Hempstead, HP2 7TE

Investment Managers

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

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees present their annual report together with the audited financial statements of The Nuffield Oxford Hospitals Fund for the year ended 31 December 2023.

Objectives and activities

a. Policies and objectives

The object of the Charity, which is laid down in the Trust Deed, is to raise the standard of service of local hospitals, in order to assist the development and carrying on of the Oxford University Medical School.

The trustees believe that the purpose of the Charity, which is "to raise the standard of service of local hospitals, in order to assist the development and carrying on of the Oxford University Medical School", satisfies the public benefit requirements.

The direct benefit which flows from this purpose is supporting the Oxford University Medical School in the training of doctors in Oxfordshire, by providing grants which, for example:

- Support teaching by replacing old projectors with AV screens
- Increase the availability of advanced manikins for final year medical students training
- Improve wellbeing spaces at Radcliffe Health Care Libraries
- Support the creation of educational films: Communication skills conversations.

In addition, an annual budget is provided to the Oxfordshire Health Services Research Committee enabling doctors in training to have research experience.

These benefits are evidenced through the requirement of all grant holders to provide on completion of their projects a report to trustees, published on the website, on the benefits that have been achieved in supporting the training of doctors in their areas. In addition, trustee visits are sometimes arranged to meet with grant holders.

It should also be noted that The Nuffield Oxford Hospitals Fund (NOHF) monies provide added value and benefits over and above any NHS or University funding. The beneficiaries are ultimately the patients receiving treatment from the trained medical doctors, principally within the National Health Service.

In setting objectives and planning for activities, the trustees have given due consideration to general guidance published by the charity commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)', and have complied with section 4 of the Charities Act 2011.

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Objectives and activities (continued)

b. Strategies for achieving objectives

The strategy of the Charity is to continue to ensure that the Charity's investments provide a sustainable distributable income over the long term to support the objects of the Charity. That income is distributed in grants, which are selected based on medical priorities and maximisation of the benefit to the standard of service in line with the Charity's objectives.

The Charity's investment manager is Sarasin. Funds with Sarasin are invested in units in a pooled managed fund, the Sarasin Endowments Fund.

In most recent years, suitable grant applications to the Charity have been less than the charitable funds available, resulting in an accumulation of income reserves. The Trustees have for some time been considering how to resolve this either by attracting further grant applications or looking for larger, longer-term projects to fund from the accumulated income reserves. Following consultation with the Medical School on its funding needs, the Trustees have discussed how the Charity's future approach to grants might evolve to meet these needs and to ensure that the Charity's available funds are used to generate as much benefit as possible. Particular consideration is being given to:

- Extending grants for more than 1 year, potentially up to 3 years, thus increasing the range and scope of applications, and
- Larger one-off contributions towards capital projects aimed at improving medical education.

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Objectives and activities (continued)

c. Activities undertaken to achieve objectives

The activities of the Charity over the year comprise both investment activities and the grant making activities set out in the next section of this report.

The Charity's investment activities have the objective of continuing to ensure that the investments provide an increasing and sustainable distributable income over the long term to support the objects of the Charity.

The current investment portfolio, overseen by the investment committee, provides the income to fund the grants awarded each year. The Charity adopts a total return approach to the endowment invested in managed funds, resulting in income of £589,658 (2022: £671,212) being recognised in the year. There is also a small amount of investment income generated by the investment of income reserves in managed funds and cash.

During the year under review, the Charity committed to 10 grants totalling £246,715 (2022: 8 grants totalling £261,566). As explained above, the Trustees are actively considering ways in which accumulated income reserves might be used to provide larger grants in future years.

Part of the Charity's endowment is invested directly in land through a joint venture with Nuffield Dominions Trust (NDT) and Urban & Civic PLC (U&C). The Charity's share of the joint venture partnership is 15%. The joint venture partnership was granted planning permission for up to 2,800 homes on the Wintringham site at the end of 2018 and, in spite of the COVID pandemic, work has proceeded throughout the years from 2020 onwards. Construction commenced with two housebuilders, Cala and Morris Homes, and a number of other housebuilders started work or signed contracts in 2021 and 2022. Reports shared at a Wintringham meeting in December 2023 show completion of 450 units.

In 2023, the Charity received Gift Aid income of £1,124,850 (2022: £1,535,250) from the joint venture partnership and recognised interest income of £107,961 (2022: -£6,227) on loans made to the partnership to fund WIP. Cash flow forecasts for the partnership show that no further WIP loans from the Charity will be required.

Monitoring of the project continues to take place through the Wintringham Partners Board (comprising representatives from U&C and NDT) and 1 Wintringham LLP (where the Charity is represented by one Trustee).

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Objectives and activities (continued)

d. Grant-making policies

The Charity requires that grant applications, together with supporting information, are submitted online to the Medical Sciences Department by the end of January each year. The applications are first reviewed by the Director of Clinical Studies (who seeks further information as necessary) and then by the medical trustees of the Charity. The medical trustees take into consideration the advice on priorities provided by the Medical Sciences Board (the Board of the University's Medical Sciences Division which is responsible for organisation, development and delivery of the Medical Sciences curricula). The trustees will, if appropriate, make further enquiries themselves and prepare their own recommendations.

All grant applications, together with the recommendations of the Charity's medical trustees, are considered by the full Board of trustees at the Annual Meeting in May. Each application is reviewed to consider the benefit it can generate and to ensure that it clearly follows the objects of the Charity. The acceptable applications are then prioritised and awarded in priority order to match the funds available for distribution. If the grant applications approved at the Annual Meeting are significantly less than the funds available, a second tranche of grants may be considered later in the year.

Grants awarded by the Charity's trustees require endorsement by the Nuffield Medical Trustees, appointed to have oversight of the Nuffield Benefaction.

The payment of approved grants is conditional upon the relevant authorised expenditure being incurred and relevant evidence provided. Grant holders are advised that, if relevant authorised expenditure is not incurred within 18 months of the letter of approval, then the grant can be withdrawn unless a reasonable explanation is provided.

Grant holders are required to submit a 250 word report on completion of the project so that trustees understand the benefits gained from the funding and receive assurance that the funds have been spent in line with the application approved. Further details are available at: <https://www.medscl.ox.ac.uk/for-staff/resources/school-of-medicine-and-biomedical-sciences/medicine/resources/nuffield-oxford-hospitals-fund>.

e. Main activities undertaken to further the charity's purposes for the public benefit

The main public benefit activity in 2023 has been to award a total of £246,715 of grant support to the Oxford Medical School through 9 individual grant holders in a variety of clinical and academic departments. In 2023 there were over 4,000 registered medical students in the Oxford Medical School: 2,310 graduate students and 1,827 undergraduate students.

Achievements and performance

a. Main achievements of the charity

The main achievements have been to fund a wide range of training and educational activities and equipment. Important areas supported by grant funds provided during the year under awards made in 2023 and previous years were:

- The development of clinical consultation: virtual training and feedback for medical students
- Increasing advanced manikins for final year medical students training
- Improving wellbeing spaces at Bodleian Health Care Libraries
- Upgrade of Rob Smith Centre, Churchill Hospital, for Undergraduate Medical Students
- Clinical teaching AV upgrades
- Creation of educational films: Communication skills conversations
- The development of clinical consultation: virtual training and feedback for medical students
- Creation of NDORMS High Spec Teaching Room Hub.

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Achievements and performance (continued)

b. Investment policy and performance

The investments held by the Charity comprise a portfolio of direct and pooled investments together with its 15% interest in the Wintringham development at St Neot's.

The performance and monitoring of the Wintringham investment is discussed above. This is a long-term investment and returns from it are expected to fluctuate over the next few years. Projections show that the development will generate significant returns for the Charity over the next ten to fifteen years.

The Charity's investment portfolio is managed by Sarasin and invested in one pooled fund. The Sarasin Endowments Investment Fund.

The investment policy in place during 2023 (last reviewed in October 2020) states that the primary financial objective is to ensure that the Charity is invested to provide an increasing and sustainable distributable income to support the objectives of the Charity, while maintaining the real value of the fund over the longer term. It also sets a target drawdown rate of not less than 3.5% per annum.

The investment committee, which comprises three trustees, met with the Charity's new investment managers twice during the financial year to oversee the performance of the portfolio.

During the year ended 31 December 2023 the Sarasin Endowments Investment Fund generated investment returns 9.1%% compared to a benchmark return of 11.7%.

The outlook for investments remains uncertain given current geo-political events, although inflation is likely to reduce in 2024. The trustees continue to believe that a diversified, actively-managed multi-asset fund remains the best approach to long term capital growth and a sustainable income stream.

It should be noted that in managing the portfolio, the Restricted Endowment Fund and the Pre 63 Accumulated income fund are managed as one fund, known as the General Fund.

Financial review

a. Going concern

The trustees have considered the impact of continuing uncertainty in financial and property markets on the Charity's ability to continue to fund grants. Taking into account the Charity's cash resources and the liquidity of its investment portfolio, the trustees have a reasonable expectation that the Charity has adequate resources to continue to support existing grants and commitments and to continue in operational existence for the foreseeable future. If the expected return to be generated by funds were to decline, the Charity has the ability to adjust future grants accordingly. For these reasons, the trustees continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

b. Reserves policy

It is the policy of the trustees to maintain sufficient reserves in the Charity's Post 1963 Accumulated Income Fund, to provide for a minimum of one year's charitable expenditure, towards the Charity's object. The capital of the General Fund Capital Account cannot be realised for use as income. However, if required, the Pre 1963 Accumulated Income Fund could be used to enable the trustees to continue appropriate levels of expenditure in the coming years, even if there were to be decreases in the Charity's investment income.

In the opinion of the trustees, the Charity's assets are adequate to meet its obligations.

c. Surplus in the year

The Balance Sheet at 31 December 2023 shows that the Charity's net assets total £30,565,310, an increase of £2,523,990 on to the net assets at 31 December 2022. There was a surplus for the year before net investment gains of £1,546,019 (2022: £1,780,284). The net gain on disposal and revaluation of assets in the Investment Portfolio of the Charity during the year was £977,971 (2022: Loss of £2,432,389).

i. Endowment Fund

At 31 December 2023, the balance of the Endowment Funds amounted to £25,220,583, an increase of £914,958 during the year. This increase arose mainly from net gains on the valuation of investments.

ii. Accumulated Income Fund Post 1963

The Statement of Financial Activities for this fund shows a net increase of £1,609,032 for the year.

Incoming resources amounted to £1,879,200 (2022: £2,213,603), including receipt of gift aid of £1,124,850 (2022: £1,535,250) and interest income of £107,961 (2022: £(6,227)) from the charity's Wintringham investment.

Resources expended amounted to £289,906 (2022: £298,387). Expenditure included costs of £nil (2022: £15,750) relating to contractual obligations and other costs arising on the Wintringham development.

There were gains on the fund assets of £19,738. The balance on the Accumulated Income Fund Post 1963 at 31 December 2023 was £5,344,727 compared to £3,735,695 at 31 December 2022.

Structure, governance and management

a. Constitution

The governing document is a Trust Deed, dated 4 December 1937, as amended by schemes of 1 July 1952, 22 December 1953, 19 May 1976 and 6 March 1998.

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Structure, governance and management (continued)

b. Methods of appointment or election of Trustees

New trustees are appointed by the existing trustees and serve for five years. They may then put themselves forward for re appointment which is considered at the Annual General Meeting.

The existing trustees carry out an appropriate selection process and conduct background checks before offering posts to new trustees. When considering new trustees, the existing trustees look for specific areas of expertise to help meet the objectives of the Charity.

c. Policies adopted for the induction and training of Trustees

The induction and training of new trustees and the information with which they are provided are tailored depending on the Trustees' background, interests and roles. A copy of the Trust Deed is provided along with annual accounts, risk assessments, investment reports and contact details of fellow trustees. Additional information is provided to any medical trustees who will be involved in assessing grants applications and making recommendations for awards.

All trustees receive regular updates on Charity Commission publications and attend appropriate charity seminars where relevant.

d. Organisational structure and decision making policies

Under the terms of a Special Resolution passed on 15 July 2020, the maximum number of trustees is ten. A total of six trustees served during the year.

Three trustees served on the Investment Committee which met twice during the year.

Following the creation of the joint venture with Urban & Civic, matters relating to Wintringham are dealt with by 1 Wintringham LLP, which has 2 directors representing the Charity and 2 representing NDT. Meetings are held twice a year and information is shared with other trustees as appropriate. The Charity has no membership of Wintringham Partners Board, but the Chair has been an observer at most of the board meetings.

The day-to-day administration of the Charity is undertaken by the Charity Secretary, in consultation with the Chair and other trustees as required.

e. Financial risk management

The trustees have assessed the major risks to which the charity is exposed, in particular, those related to the operations and finances of the charity. The trustees also continue to monitor closely the risks associated with the development of the Wintringham land. The trustees are satisfied that systems and procedures are in place to mitigate the exposure to the major risks.

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Plans for future periods

The trustees are expecting to continue to provide further grants in the future to meet the Charity's object. The trustees are aware of the need to make full use of available income and, as considered under strategies for achieving objectives, are looking at ways of enhancing and extending the types of grants offered. The development of the Wintringham land is expected to provide significant additional funds to enhance future grant giving, although cashflows from the development are likely to be limited in the short term.

As set out in strategies for achieving objectives, detailed discussions will continue to consider whether the funds that the Charity may receive arising from Wintringham could be used for a more significant one-off project such as the enhancement of facilities for the Medical School throughout the Oxford Hospitals.

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees 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 its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them 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. They are 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.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

Approved by order of the members of the board of Trustees and signed on their behalf by:



Professor A Carr

(Chair of Trustees)

Date: 17 May 2024



Ms S Barratt

Date: 17 May 2024

THE NUFFIELD OXFORD HOSPITALS FUND

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE NUFFIELD OXFORD HOSPITALS FUND

Opinion

We have audited the financial statements of Nuffield Oxford Hospitals Fund ('the charity') for the year ended 31 December 2023 which comprise the statement of financial activities, the balance sheet, the cash flow statement and the related notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2023 and of its incoming and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

THE NUFFIELD OXFORD HOSPITALS FUND

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE NUFFIELD OXFORD HOSPITALS FUND (CONTINUED)

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient and proper accounting records have not been kept by the charity; 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 trustees' responsibilities statement set out on page 10, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011, and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements.

THE NUFFIELD OXFORD HOSPITALS FUND

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE NUFFIELD OXFORD HOSPITALS FUND (CONTINUED)

Extent to which the audit was considered capable of detecting irregularities, including fraud (continued)

The laws and regulations we considered in this context were the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity for fraud. The laws and regulations we considered in this context were General Data Protection Regulation and taxation legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of specific income streams, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing income transactions close to the end of the period and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe UK LLP

Crowe U.K. LLP
Statutory Auditor

Reading

Date: 17 May 2024

Crowe U.K LLP are eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

THE NUFFIELD OXFORD HOSPITALS FUND

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2023

		Endowment Funds 2023	Accumulated Income Fund Post 1963 2023	2023 Total	2022 Total
	Notes	£	£	£	£
Income and endowments from:					
Donations and legacies		-	1,000	1,000	-
Investments	2	625,285	1,288,542	1,913,827	2,167,678
Allocation of Total Return	11	(589,658)	589,658	-	-
Total income		<u>35,627</u>	<u>1,879,200</u>	<u>1,914,827</u>	<u>2,167,678</u>
Expenditure on:					
Raising funds	3	78,902	1,626	80,528	81,655
Charitable activities	4	-	288,280	288,280	296,739
Total expenditure		<u>78,902</u>	<u>289,906</u>	<u>368,808</u>	<u>378,394</u>
Net gains/(losses) on investments	10	<u>958,233</u>	<u>19,738</u>	<u>977,971</u>	<u>(2,432,389)</u>
Net movement in funds		914,958	1,609,032	2,523,990	(643,105)
Total funds brought forward		<u>24,305,625</u>	<u>3,735,695</u>	<u>28,041,320</u>	<u>28,684,425</u>
Total funds carried forward		<u>25,220,583</u>	<u>5,344,727</u>	<u>30,565,310</u>	<u>28,041,320</u>

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 19 to 35 form part of these financial statements.

THE NUFFIELD OXFORD HOSPITALS FUND

**BALANCE SHEET
AS AT 31 DECEMBER 2023**

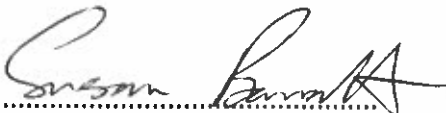
	Notes	2023 £	2022 £
Fixed assets			
Investments	10	<u>24,509,588</u>	<u>23,481,170</u>
		24,509,588	23,481,170
Current assets			
Short-term Investments		3,000,000	-
Debtors	12	2,089,692	2,616,645
Cash at bank and in hand	19	<u>1,344,446</u>	<u>2,533,269</u>
		6,434,138	5,149,914
Creditors: amounts falling due within one year	13	<u>(378,416)</u>	<u>(589,764)</u>
Net current assets		<u>6,055,722</u>	<u>4,560,150</u>
Total assets less current liabilities		<u>30,565,310</u>	<u>28,041,320</u>
Total net assets		<u>30,565,310</u>	<u>28,041,320</u>
Charity funds			
Endowment Funds			
Restricted endowment funds	15	23,586,740	22,754,220
Accumulated income fund pre 1963	15	<u>1,633,843</u>	<u>1,551,405</u>
		25,220,583	24,305,625
General Funds			
Accumulated income fund post 1963	15	<u>5,344,727</u>	<u>3,735,695</u>
		<u>30,565,310</u>	<u>28,041,320</u>

The financial statements were approved and authorized for issue by the Trustees and signed on their behalf by:



Professor A Carr
 (Chair of Trustees)
 Date:

17 MAY 2024



Ms S Barratt
 Date 17 May 2024

The notes on pages 19 to 35 form part of these financial statements.

THE NUFFIELD OXFORD HOSPITALS FUND

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Notes	2023 £	2022 £
Cash flows from operating activities			
Net cash used in operating activities	18	<u>22,924</u>	<u>(2,018,435)</u>
Cash flows from investing activities			
Dividends, interests and rents from investments	2	1,913,827	2,167,678
Proceeds from sale of investments	10	-	337,500
(Increase) decrease in debtors in relation to investing activities		(75,128)	-
Purchase of investments	10	(50,447)	(75,963)
Treasury deposit		<u>(3,000,000)</u>	<u>-</u>
Net cash provided by/(used in) investing activities		<u>(1,211,747)</u>	<u>2,429,215</u>
Cash flows from financing activities		<u>-</u>	<u>-</u>
Net cash provided by financing activities		<u>-</u>	<u>-</u>
Change in cash and cash equivalents in the year		1,188,823	410,780
Cash and cash equivalents at the beginning of the year		<u>2,533,269</u>	<u>2,122,489</u>
Cash and cash equivalents at the end of the year		<u>1,344,446</u>	<u>2,533,269</u>

Note numbers 18 to 20 form part of the statement of cash flows.

THE NUFFIELD OXFORD HOSPITALS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Second Edition)' and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Second Edition)' rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Nuffield Oxford Hospitals Fund meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Going concern

The financial statements have been prepared on a going concern basis, as the trustees believe that no material uncertainties exist in respect of the Charity's ability to meet its obligations as they fall due in the foreseeable future. In reaching this conclusion, the trustees have considered the level of funds held, the liquidity of those funds and the expected levels of income and expenditure for 12 months from the date on which these financial statements were signed.

1.3 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses are included as 'Gains/(Losses) on investments' in the Statement of financial activities.

Investment in subsidiary undertakings is valued at historic cost less provision for impairment.

Investments in the joint venture represents the charity's interest in the development of the Wintringham Estate. The investment is carried at cost which is equal to the fair value of the land at the date of its transfer to Wintringham Partners LLP together with later additional loans less repayments. The investment forms part of the charity's restricted endowment funds.

Listed investments held as fixed assets are shown at market value.

Short-term investments are represented by cash held on deposit with a maturity of less than one year but greater than 3 months.

THE NUFFIELD OXFORD HOSPITALS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1. Accounting policies (continued)

1.4 Financial instruments

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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.5 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

1.6 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The incoming resources represent all the income received from quoted investments, bank deposits and income from properties. All incoming resources are taken to the Post 1963 Accumulated Income Fund.

1.7 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charity's objectives, as well as any associated support costs.

Grants payable are included where the grant has been agreed during the year and there are no conditions to be met relating to the grant which remain in the control of the charity.

Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

1.8 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

THE NUFFIELD OXFORD HOSPITALS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1. Accounting policies (continued)

1.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.10 Cash at bank and in hand

Cash at bank and 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.

1.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

1.12 Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgment:

The critical areas of judgement relate to the valuation of Wintringham related investments and the recoverability of Wintringham loans.

THE NUFFIELD OXFORD HOSPITALS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1. Accounting policies (continued)

1.13 Gains & Losses on Investments

Gains and losses on quoted investments held in the General Fund of the Capital Account and on the Pre 1963 Accumulated Fund are treated as capital and added to the relevant fund.

Gains and losses on quoted investments held in the Post 1963 Accumulated Income Fund are added to this fund.

1.14 Total Return Investment Accounting

The charity has adopted a 'Total Return' basis for the investment of its endowment. The carrying value of the preserved permanent capital, the trust for investment, and the amount of any unapplied total return available for expenditure were taken as the fair value of these funds as at 31 December 2010, as adjusted for inflation, as being after the financial crash and before a period of growth. In choosing this date, the Trustees also considered the change of investment managers close to that date and the start of a new investment regime.

The charity invests these funds without regard to the capital/income distinctions of standard trust law and with discretion to apply any part of the accumulated total return on the investment as income for spending each year. Until this power is exercised, the total return is accumulated as a component of the endowment known as the unapplied total return that can be either retained for investment or released to income at the discretion of the Trustees.

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

2. Investment income

	Total Funds 2023 £	<i>Total funds 2022 £</i>
Income from quoted investments	638,165	638,655
Income from investments in Wintringham	1,124,850	1,535,250
Interest on Wintringham loans	107,961	(6,227)
Bank interest	<u>42,851</u>	<u>-</u>
	<u>1,913,827</u>	<u>2,167,678</u>

3. Investment management costs

	Total Funds 2023 £	<i>Total funds 2022 £</i>
Investment management fees	<u>80,528</u>	<u>81,655</u>

4. Analysis of expenditure on charitable activities

Summary of fund type	Total Funds 2023 £	<i>Total funds 2022 £</i>
Award of Grants (note 6)	246,715	261,566
Grants written off	(4,681)	(17,225)
Development of Wintringham (note 5)	-	15,750
Support costs (note 5)	<u>46,246</u>	<u>36,648</u>
	<u>288,280</u>	<u>296,739</u>

All expenditure relates to the Accumulated Income Post 1963 Fund.

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

5. Support Costs

	Total Funds 2023 £	<i>Total funds 2022 £</i>
Staff costs	11,818	15,324
Insurance	1,302	1,089
Trustee meeting expenses	23	156
Bank charges	315	175
Sundry expenses	334	16,071
Legal and professional costs	14,802	2,748
Governance costs	<u>17,652</u>	<u>16,835</u>
	<u>46,246</u>	<u>52,398</u>

Development of Wintringham costs are included in Sundry Expenses. During the year they amounted to £nil (2022: £15,750)

6. Grants

Institutions	2023 £	<i>2022 £</i>
Annual budget for research – Oxfordshire Health Services Research Committee	80,000	50,000
Damion Young Pop-up Assessment Space System (grant 22-UO-1)		13,687
Owen Coxall BHCL Hybrid meeting and teaching space (grant 22-UO-2)		12,586
BHCL Improving IT		11,263
Ashok Handa Patient-centric hybrid education in Oxford (grant 22-UO-3)		49,875
Dominic Furniss 12-month pilot of Proximie to enhance surgical teaching (grant 22-UO-4)		72,408
Ku Shah Simulation training programme for Geriatric Medicine Education (grant 22-OUH-2)		45,536
Mary Miller Enhancing Online Seminars (grant 22-OUH-3)		6,211
Supporting teaching by replacing old projectors with TV screens. Mary Miller (grant 23-OUH-2)	8,307	-
Increasing advanced manikins for final year medical students training. Catriona Fleming (grant 23-OUH-3)	21,834	-
Improving wellbeing spaces at Bodleian Health Care Libraries. Owen Coxall (grant 23-OUH-4)	13,891	-
Medical Student reading list titles	23,458	-
Upgrade of Rob Smith Centre, Churchill Hospital, for Undergraduate Medical Students. Monique Andersson (grant 23-OUH-5)	7,210	-
Clinical teaching AV upgrades. Damion Young (grant 23-OU-1)	27,087	-
Creation of educational films: Communication skills conversations. Ruth Wilson (grant 23-OU-2)	4,400	-
The development of clinical consultation: virtual training and feedback for medical students. Rachel Allan (grant 23-OU-3)	10,688	-
Creation of NDORMS High Spec Teaching Room Hub. Osman Aslam (Grant 23-OU-4)	<u>49,840</u>	<u>-</u>
▫ Total	<u>246,715</u>	<u>261,566</u>

THE NUFFIELD OXFORD HOSPITALS FUND

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

7. Auditors' remuneration

	2023 £	2022 £
Fees payable to the charity's auditor for the audit of the charity's annual accounts excluding VAT	11,160	10,404
Fees payable to the charity's auditor excluding VAT in respect of: Preparation of annual accounts	<u>2,950</u>	<u>2,750</u>

8. Staff costs

	2023 £	2022 £
Wages and Salaries	11,835	15,565
Employer NIC	<u>(17)</u>	<u>(241)</u>
	<u>11,818</u>	<u>15,324</u>

The negative charge for employers' NIC relates to employer's allowance not fully accounted for in prior years.

The average number of persons employed by the charity during the year was as follow:

	2023 £	2022 £
Secretary	<u>1</u>	<u>1</u>

No employee received remuneration amounting to more than £60,000 in either year.

The key management personnel of the Charity include all Trustees supported by the Secretary, A Truesdale.

The total remuneration paid to the key management personnel amounted to £11,835 (2022: £14,690).

9. Trustees' remuneration and expenses

During the year no Trustees received any remuneration or other benefits (2022 - £Nil).

During the year ended 31 December 2023, expenses totalling £23 were reimbursed or paid directly to one Trustee (2022 - £176). The expenses reimbursed are in relation to the travel expenses for Trustees to attend Trustee meetings.

THE NUFFIELD OXFORD HOSPITALS FUND

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

10. Fixed asset investments

Cost or valuation
At 1 January 2023
Less cash held by Investment Managers
Additions
Disposals proceeds
Unrealised gains/(losses) on investments
Cash held by Investment Managers

	Post 1963 income Fund £	Pre 1963 income fund £	Restricted endowment fund £	Investment in 1 Wintringham LLP £	Wintringham Partners LLP loan investment £	Total funds 2023 £
	347,021	1,517,931	15,329,254	23	6,286,941	23,481,170
	-	-	-	-	-	-
	1,018	4,454	44,975	-	-	50,447
	-	-	-	-	-	-
	19,738	86,337	871,896	-	-	977,971
	-	-	-	-	-	-
At 31 December 2023	367,777	1,608,722	16,246,125	23	6,286,941	24,509,588

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

10. Fixed asset investments (continued)

Historical Cost

Loan Investment

The charity through its membership of 1 Wintringham LLP has a commitment to issue partner loans to Wintringham Partners LLP as required to fund its share of development costs. The loan investment comprises an amount due from Wintringham Partners LLP arising from the transfer of the Charity's land in 2017 along with an additional loan to fund working capital. Loans totalling £nil were made during in the year (2022: £nil). A repayment of £nil (2022: £337,500) was received in the year. The carrying value of the investment continues to be its cost which is equal to the fair value of the land at the date of its transfer to Wintringham Partners LLP together with later additional loans less repayments.

Investment type

An analysis of the investments has been done as at 31 December 2023 to distinguish between Direct Investments, Pooled Investments and Subsidiary Investments. The split is as indicated below:

	2023 £	2022 £
Post 1963 Income Fund		
Cash	-	-
Direct Investments	-	-
Pooled Investments	367,777	347,021
Restricted Endowment Fund & Pre 1963 Income Fund		
Cash	-	-
Direct Investments	-	-
Pooled Investments	17,854,847	16,847,185
Loan to Wintringham Partners LLP		
Subsidiary Investment	6,286,941	6,286,941
Investment in 1 Wintringham Partners LLP		
Investment in joint venture	<u>23</u>	<u>23</u>
Total	<u>24,509,588</u>	<u>23,481,170</u>

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

11. Statement of Investment Total Return

From 1 January 2021, the Trustees have decided to adopt total return accounting for the restricted endowment fund and the Accumulated Income Fund pre-1963, both of which are treated as permanent capital of the Charity. The Fund for Investment at 1 January 2021 was calculated by taking the permanent capital of the Charity at 31 December 2010 and calculating its real value at 31 December 2020, using CPI.

The investment return to be applied as income is calculated initially as 3.5% (2022: 3.5%) of the endowment funds held as managed investments and capital accounts held by the Investment Managers at 1 January 2023.

The income allocation from the Total Return earned will be reviewed each year.

	Trust for Investment Restricted endowment fund £	Accumulated income fund pre 1963 £	Unapplied Total Return £	Total 2023 £
At 1 January 2023				
Gift Component	16,059,992	1,254,436	-	17,314,428
Unapplied Total Return	-	-	6,991,197	6,991,197
	<u>16,059,992</u>	<u>1,254,436</u>	<u>6,991,197</u>	<u>24,305,625</u>
Total Endowments				
	<u>16,059,992</u>	<u>1,254,436</u>	<u>6,991,197</u>	<u>24,305,625</u>
Movement in the year				
Investment Return				
Dividends and Interest	-	-	625,285	625,285
Gains and Losses	-	-	958,233	958,233
Less Investment Managers Fees	-	-	(78,902)	(78,902)
	<u>-</u>	<u>-</u>	<u>(78,902)</u>	<u>(78,902)</u>
Total	-	-	1,504,616	1,504,616
Unapplied total return allocated to income in the reporting period			(589,658)	(589,658)
			<u>(589,658)</u>	<u>(589,658)</u>
Net movements in the reporting period	-	-	914,958	914,958
At 31 December 2023				
Gift Component	16,059,992	1,254,436	-	17,314,428
Unapplied Total Return	-	-	7,906,155	7,906,155
	<u>-</u>	<u>-</u>	<u>7,906,155</u>	<u>7,906,155</u>
Total	<u>16,059,992</u>	<u>1,254,436</u>	<u>7,906,155</u>	<u>25,220,583</u>

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

2022 comparative

	<i>Trust for Investment Restricted endowment fund £</i>	<i>Accumulated income fund pre 1963 £</i>	<i>Unapplied Total Return £</i>	<i>Total 2022 £</i>
<i>At 1 January 2022</i>				
<i>Gift Component</i>	16,059,992	1,254,436	-	17,314,428
<i>Unapplied Total Return</i>	<u>-</u>	<u>-</u>	<u>9,500,431</u>	<u>9,500,431</u>
<i>Total Endowments</i>	<u>16,059,992</u>	<u>1,254,436</u>	<u>9,500,431</u>	<u>26,814,859</u>
<i>Movement in the year</i>				
<i>Investment Return</i>				
<i>Dividends and Interest</i>	-	-	625,287	625,287
<i>Gains and Losses</i>	-	-	(2,383,302)	(2,383,302)
<i>Less Investment Managers Fees</i>	<u>-</u>	<u>-</u>	<u>(80,007)</u>	<u>(80,007)</u>
<i>Total</i>	-	-	(1,838,022)	(1,838,022)
<i>Unapplied total return allocated to income in the reporting period</i>	<u>-</u>	<u>-</u>	<u>(671,212)</u>	<u>(671,212)</u>
<i>Net movements in the reporting period</i>	-	-	(2,509,234)	(2,509,234)
<i>At 31 December 2022</i>				
<i>Gift Component</i>	16,059,992	1,254,436	-	17,314,428
<i>Unapplied Total Return</i>	<u>-</u>	<u>-</u>	<u>6,991,197</u>	<u>6,991,197</u>
<i>Total</i>	<u>16,059,992</u>	<u>1,254,436</u>	<u>6,991,197</u>	<u>24,305,625</u>

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

12. Debtors

	2023 £	2022 £
Due within one year		
Amounts owed by undertakings in which the charity has a participating interest	2,036,840	2,603,879
Other debtors	13,523	12,766
Prepayments and accrued income	<u>39,329</u>	<u>-</u>
	<u>2,089,692</u>	<u>2,616,645</u>

Amounts owed by undertakings in which the charity has a participating interest comprise:

- a corporate loan issued to Wintringham Partners LLP of £1,908,235 (2022: £2,511,072).
- accrued interest on the investment in Wintringham Partners LLP of £120,005 (2022: £92,007)

13. Creditors: Amounts falling due within one year

	2023 £	2022 £
Other taxation and social security	-	52
Grants payable	360,499	408,240
Other creditors	805	164,967
Accruals and deferred income	<u>17,112</u>	<u>16,505</u>
	<u>378,416</u>	<u>589,764</u>

Grants payable

	2023 £	2022 £
Grants payable 1 January 2023	408,240	507,192
New Grants Awarded	246,715	261,566
Old grants written off	(4,681)	(17,225)
Grants paid	<u>(289,775)</u>	<u>(343,293)</u>
Grants payable 31 December 2023	<u>360,499</u>	<u>408,240</u>

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

14. Comparative Statement of Financial Activities

	<i>Endowment Funds 2022</i>	<i>Accumulated Income Fund Post 1963 2022</i>	<i>2022 Total</i>
	£	£	£
<i>Income and endowments from:</i>			
<i>Donations and legacies</i>	-	-	-
<i>Investments</i>	625,287	1,542,391	2,167,678
<i>Allocation of Total Return</i>	<u>(671,212)</u>	<u>671,212</u>	<u>-</u>
<i>Total income</i>	<u>(45,925)</u>	<u>2,213,603</u>	<u>2,167,678</u>
<i>Expenditure on:</i>			
<i>Raising funds</i>	80,007	1,648	81,655
<i>Charitable activities</i>	<u>-</u>	<u>296,739</u>	<u>296,739</u>
<i>Total expenditure</i>	<u>80,007</u>	<u>298,387</u>	<u>378,394</u>
<i>Net gains/(losses) on investments</i>	<u>(2383,302)</u>	<u>(49,087)</u>	<u>(2,432,389)</u>
<i>Net movement in funds</i>	(2,509,234)	1,866,129	(643,105)
<i>Total funds brought forward</i>	<u>26,814,859</u>	<u>1,869,566</u>	<u>28,684,425</u>
<i>Total funds carried forward</i>	<u>24,305,625</u>	<u>3,735,695</u>	<u>28,041,320</u>

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

15. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Restricted endowment fund 2023 £	Accumulated income fund pre 1963 2023 £	Accumulated income fund post 1963 2023 £	Total funds 2023 £
Fixed asset investments	22,533,089	1,608,722	367,777	24,509,588
Current assets	1,053,651	25,121	5,355,366	6,434,138
Creditors due within one year	<u>-</u>	<u>-</u>	<u>(378,416)</u>	<u>(378,416)</u>
Total	<u>23,586,740</u>	<u>1,633,843</u>	<u>5,344,727</u>	<u>30,565,310</u>

Analysis of net assets between funds - prior period

	<i>Restricted endowment fund 2022 £</i>	<i>Accumulated income fund pre 1963 2022 £</i>	<i>Accumulated income fund post 1963 2022 £</i>	<i>Total funds 2022 £</i>
<i>Fixed asset investments</i>	<i>21,616,218</i>	<i>1,517,931</i>	<i>347,021</i>	<i>23,481,170</i>
<i>Current assets</i>	<i>1,138,002</i>	<i>33,474</i>	<i>3,978,438</i>	<i>5,149,914</i>
<i>Creditors due within one year</i>	<u><i>-</i></u>	<u><i>-</i></u>	<u><i>(589,764)</i></u>	<u><i>(589,764)</i></u>
Total	<u>22,754,220</u>	<u>1,551,405</u>	<u>3,735,695</u>	<u>28,041,320</u>

THE NUFFIELD OXFORD HOSPITALS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

16. Funds

ENDOWED FUNDS

Restricted Endowment Fund

The capital of this fund has been built up by the investment and re-investment of the donation. Income from this fund is used to further the object of the Charity, but the capital cannot be realised for use as income.

Pre 1963 Accumulated Income Fund

Income accumulated prior to the donor, Lord Nuffield's death in 1963 was capitalised and income from the investments is used to further the object of the Charity. Counsel's opinion obtained after the donor's death confirmed that Trustees may treat income accumulated prior to Lord Nuffield's death as if it were permanent capital of the fund. If considered essential by the Trustees, to the furtherance of that object, some or all of this capital could be realised to supplement income.

UNRESTRICTED FUNDS

Post 1963 Accumulated Income Fund

This is income accumulated after the donor, Lord Nuffield's death in 1963. The counsel's opinion obtained, confirmed that Trustees may accumulate this income but there must be an intent to use this fund to the furtherance of the Charity's object.

17. Related Parties

Wintringham Partners LLP was incorporated on 5 April 2017 and acquired the land at Wintringham Park, St. Neots, Cambridgeshire. This partnership is owned by Wintringham Newco 1 Limited (66.67%) and Urban&Civic St Neots Limited (33.33%).

Nuffield Oxford Hospitals Fund (NOHF) owns a 22.5% share of 1 Wintringham LLP who have 100% ownership of Wintringham Newco 1 Limited and Wintringham Newco 2 Limited. This results in NOHF having an effective 15% ownership of Wintringham Partners LLP.

Loans totalling £8,195,176 (2022: £8,798,013) were held by NOHF. To 1 Wintringham LLP £6,286,941 (2022: £6,286,941), 1 Wintringham LLP £nil (2022: £nil), Wintringham Newco 1 Ltd, £nil (2022: £nil) and Wintringham Partners LLP £1,908,235 (2022: £2,511,072).

Three trustees of the charity are also directors of Wintringham Newco 1 Ltd and Members of 1 Wintringham LLP. Sir Andrew Dilnot and Professor Andrew Carr held those roles throughout the financial year. John Ford was appointed to both roles with effect from 15 December 2023. Sir Andrew Dilnot is also on the board of Wintringham Partners LLP.

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

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

	2023 £	2022 £
Net (expenditure)/income for the period (as per Statement of Financial Activities)	<u>2,523,990</u>	<u>(643,105)</u>
Adjustments for:		
(Losses)/gains on investments	(977,971)	2,432,389
Dividends, interests and rents from investments	(1,913,827)	(2,167,678)
(Increase)/decrease in debtors	602,080	(1,485,263)
(Decrease)/increase in creditors	<u>(211,348)</u>	<u>(154,778)</u>
Net cash provided by operating activities	<u><u>22,924</u></u>	<u><u>(2,018,435)</u></u>

19. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand	1,344,446	2,533,269
Cash with Investment managers	<u>-</u>	<u>-</u>
Total cash and cash equivalents	<u><u>1,344,446</u></u>	<u><u>2,533,269</u></u>

20. Analysis of changes in net debt

	At 1 January 2023 £	Cashflows £	At 31 December 2023 £
Cash at bank and in hand	2,533,269	(1,188,823)	1,344,446
Liquid investments – cash held by Investment managers	<u>-</u>	<u>-</u>	<u>-</u>
	<u><u>2,533,269</u></u>	<u><u>(1,188,823)</u></u>	<u><u>1,344,446</u></u>

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

THE NUFFIELD OXFORD HOSPITALS FUND

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THE NUFFIELD OXFORD HOSPITALS FUND

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2023

Trustees

Ms S Barratt
Professor A Carr, Chair
Sir Andrew Dilnot
Mr J Ford
Mr J Ramsden
Dr T Lancaster

Charity registered number

212575

Principal office

c/o Botnar Institute, NDORMS, University of Oxford, Windmill Road, Oxford, OX3 7LD

Secretary

A Truesdale

Independent auditors

Crowe U.K. LLP, Aquis House, 49 – 51 Blagrove Street, Reading, RG1 1PL

Bankers

Barclays Bank Plc, 54 Cornmarket Street, Oxford, OX1 3HS

Solicitors

Stone King LLP, 12 Queen Square, Bath, BA1 2HJ

Solicitors for Wintringham Estate

Macfarlanes LLP, 20 Cursitor Street, London, EC4A 1LT

Master Developer/Joint Venture Partner

Urban & Civic PLC, 50 New Bond Street, London, W1S 1BJ

Property Consultants

Glanville Consultants Ltd, 3 Grovelands Business Centre, Boundary Way, Hemel Hempstead, HP2 7TE

Investment Managers

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

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees present their annual report together with the audited financial statements of The Nuffield Oxford Hospitals Fund for the year ended 31 December 2023.

Objectives and activities

a. Policies and objectives

The object of the Charity, which is laid down in the Trust Deed, is to raise the standard of service of local hospitals, in order to assist the development and carrying on of the Oxford University Medical School.

The trustees believe that the purpose of the Charity, which is “to raise the standard of service of local hospitals, in order to assist the development and carrying on of the Oxford University Medical School”, satisfies the public benefit requirements.

The direct benefit which flows from this purpose is supporting the Oxford University Medical School in the training of doctors in Oxfordshire, by providing grants which, for example:

- Support teaching by replacing old projectors with AV screens
- Increase the availability of advanced manikins for final year medical students training
- Improve wellbeing spaces at Bodleian Health Care Libraries
- Support the creation of educational films: Communication skills conversations.

In addition, an annual budget is provided to the Oxfordshire Health Services Research Committee enabling doctors in training to have research experience.

These benefits are evidenced through the requirement of all grant holders to provide on completion of their projects a report to trustees, published on the website, on the benefits that have been achieved in supporting the training of doctors in their areas. In addition, trustee visits are sometimes arranged to meet with grant holders.

It should also be noted that The Nuffield Oxford Hospitals Fund (NOHF) monies provide added value and benefits over and above any NHS or University funding. The beneficiaries are ultimately the patients receiving treatment from the trained medical doctors, principally within the National Health Service.

In setting objectives and planning for activities, the trustees have given due consideration to general guidance published by the charity commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'. and have complied with section 4 of the Charities Act 2011.

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Objectives and activities (continued)

b. Strategies for achieving objectives

The strategy of the Charity is to continue to ensure that the Charity's investments provide a sustainable distributable income over the long term to support the objects of the Charity. That income is distributed in grants, which are selected based on medical priorities and maximisation of the benefit to the standard of service in line with the Charity's objectives.

The Charity's investment manager is Sarasin. Funds with Sarasin are invested in units in a pooled managed fund, the Sarasin Endowments Fund.

In most recent years, suitable grant applications to the Charity have been less than the charitable funds available, resulting in an accumulation of income reserves. The Trustees have for some time been considering how to resolve this either by attracting further grant applications or looking for larger, longer-term projects to fund from the accumulated income reserves. Following consultation with the Medical School on its funding needs, the Trustees have discussed how the Charity's future approach to grants might evolve to meet these needs and to ensure that the Charity's available funds are used to generate as much benefit as possible. Particular consideration is being given to:

- Extending grants for more than 1 year, potentially up to 3 years, thus increasing the range and scope of applications, and
- Larger one-off contributions towards capital projects aimed at improving medical education.

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Objectives and activities (continued)

c. Activities undertaken to achieve objectives

The activities of the Charity over the year comprise both investment activities and the grant making activities set out in the next section of this report.

The Charity's investment activities have the objective of continuing to ensure that the investments provide an increasing and sustainable distributable income over the long term to support the objects of the Charity.

The current investment portfolio, overseen by the investment committee, provides the income to fund the grants awarded each year. The Charity adopts a total return approach to the endowment invested in managed funds, resulting in income of £589,658 (2022: £671,212) being recognised in the year. There is also a small amount of investment income generated by the investment of income reserves in managed funds and cash.

During the year under review, the Charity committed to 10 grants totalling £246,715 (2022: 8 grants totalling £261,566). As explained above, the Trustees are actively considering ways in which accumulated income reserves might be used to provide larger grants in future years.

Part of the Charity's endowment is invested directly in land through a joint venture with Nuffield Dominions Trust (NDT) and Urban & Civic PLC (U&C). The Charity's share of the joint venture partnership is 15%. The joint venture partnership was granted planning permission for up to 2,800 homes on the Wintringham site at the end of 2018 and, in spite of the COVID pandemic, work has proceeded throughout the years from 2020 onwards. Construction commenced with two housebuilders, Cala and Morris Homes, and a number of other housebuilders started work or signed contracts in 2021 and 2022. Reports shared at a Wintringham meeting in December 2023 show completion of 450 units.

In 2023, the Charity received Gift Aid income of £1,124,850 (2022: £1,535,250) from the joint venture partnership and recognised interest income of £107,961 (2022: -£6,227) on loans made to the partnership to fund WIP. Cash flow forecasts for the partnership show that no further WIP loans from the Charity will be required.

Monitoring of the project continues to take place through the Wintringham Partners Board (comprising representatives from U&C and NDT) and 1 Wintringham LLP (where the Charity is represented by one Trustee).

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Objectives and activities (continued)

d. Grant-making policies

The Charity requires that grant applications, together with supporting information, are submitted online to the Medical Sciences Department by the end of January each year. The applications are first reviewed by the Director of Clinical Studies (who seeks further information as necessary) and then by the medical trustees of the Charity. The medical trustees take into consideration the advice on priorities provided by the Medical Sciences Board (the Board of the University's Medical Sciences Division which is responsible for organisation, development and delivery of the Medical Sciences curricula). The trustees will, if appropriate, make further enquiries themselves and prepare their own recommendations.

All grant applications, together with the recommendations of the Charity's medical trustees, are considered by the full Board of trustees at the Annual Meeting in May. Each application is reviewed to consider the benefit it can generate and to ensure that it clearly follows the objects of the Charity. The acceptable applications are then prioritised and awarded in priority order to match the funds available for distribution. If the grant applications approved at the Annual Meeting are significantly less than the funds available, a second tranche of grants may be considered later in the year.

Grants awarded by the Charity's trustees require endorsement by the Nuffield Medical Trustees, appointed to have oversight of the Nuffield Benefaction.

The payment of approved grants is conditional upon the relevant authorised expenditure being incurred and relevant evidence provided. Grant holders are advised that, if relevant authorised expenditure is not incurred within 18 months of the letter of approval, then the grant can be withdrawn unless a reasonable explanation is provided.

Grant holders are required to submit a 250 word report on completion of the project so that trustees understand the benefits gained from the funding and receive assurance that the funds have been spent in line with the application approved. Further details are available at: <https://www.medsci.ox.ac.uk/for-staff/resources/school-of-medicine-and-biomedical-sciences/medicine/resources/nuffield-oxford-hospitals-fund>.

e. Main activities undertaken to further the charity's purposes for the public benefit

The main public benefit activity in 2023 has been to award a total of £246,715 of grant support to the Oxford Medical School through 9 individual grant holders in a variety of clinical and academic departments. In 2023 there were over 4,000 registered medical students in the Oxford Medical School: 2,310 graduate students and 1,827 undergraduate students.

Achievements and performance

a. Main achievements of the charity

The main achievements have been to fund a wide range of training and educational activities and equipment. Important areas supported by grant funds provided during the year under awards made in 2023 and previous years were:

- The development of clinical consultation: virtual training and feedback for medical students
- Increasing advanced manikins for final year medical students training
- Improving wellbeing spaces at Bodleian Health Care Libraries
- Upgrade of Rob Smith Centre, Churchill Hospital, for Undergraduate Medical Students
- Clinical teaching AV upgrades
- Creation of educational films: Communication skills conversations
- The development of clinical consultation: virtual training and feedback for medical students
- Creation of NDORMS High Spec Teaching Room Hub.

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Achievements and performance (continued)

b. Investment policy and performance

The investments held by the Charity comprise a portfolio of direct and pooled investments together with its 15% interest in the Wintringham development at St Neot's.

The performance and monitoring of the Wintringham investment is discussed above. This is a long-term investment and returns from it are expected to fluctuate over the next few years. Projections show that the development will generate significant returns for the Charity over the next ten to fifteen years.

The Charity's investment portfolio is managed by Sarasin and invested in one pooled fund, The Sarasin Endowments Investment Fund.

The investment policy in place during 2023 (last reviewed in October 2020) states that the primary financial objective is to ensure that the Charity is invested to provide an increasing and sustainable distributable income to support the objectives of the Charity, while maintaining the real value of the fund over the longer term. It also sets a target drawdown rate of not less than 3.5% per annum.

The investment committee, which comprises three trustees, met with the Charity's new investment managers twice during the financial year to oversee the performance of the portfolio.

During the year ended 31 December 2023 the Sarasin Endowments Investment Fund generated investment returns 9.1%% compared to a benchmark return of 11.7%.

The outlook for investments remains uncertain given current geo-political events, although inflation is likely to reduce in 2024. The trustees continue to believe that a diversified, actively-managed multi-asset fund remains the best approach to long term capital growth and a sustainable income stream.

It should be noted that in managing the portfolio, the Restricted Endowment Fund and the Pre 63 Accumulated income fund are managed as one fund, known as the General Fund.

Financial review

a. Going concern

The trustees have considered the impact of continuing uncertainty in financial and property markets on the Charity's ability to continue to fund grants. Taking into account the Charity's cash resources and the liquidity of its investment portfolio, the trustees have a reasonable expectation that the Charity has adequate resources to continue to support existing grants and commitments and to continue in operational existence for the foreseeable future. If the expected return to be generated by funds were to decline, the Charity has the ability to adjust future grants accordingly. For these reasons, the trustees continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

b. Reserves policy

It is the policy of the trustees to maintain sufficient reserves in the Charity's Post 1963 Accumulated Income Fund, to provide for a minimum of one year's charitable expenditure, towards the Charity's object. The capital of the General Fund Capital Account cannot be realised for use as income. However, if required, the Pre 1963 Accumulated Income Fund could be used to enable the trustees to continue appropriate levels of expenditure in the coming years, even if there were to be decreases in the Charity's investment income.

In the opinion of the trustees, the Charity's assets are adequate to meet its obligations.

c. Surplus in the year

The Balance Sheet at 31 December 2023 shows that the Charity's net assets total £30,565,310, an increase of £2,523,990 on to the net assets at 31 December 2022. There was a surplus for the year before net investment gains of £1,546,019 (2022: £1,780,284). The net gain on disposal and revaluation of assets in the Investment Portfolio of the Charity during the year was £977,971 (2022: Loss of £2,432,389).

i. Endowment Fund

At 31 December 2023, the balance of the Endowment Funds amounted to £25,220,583, an increase of £914,958 during the year. This increase arose mainly from net gains on the valuation of investments.

ii. Accumulated Income Fund Post 1963

The Statement of Financial Activities for this fund shows a net increase of £1,609,032 for the year.

Incoming resources amounted to £1,879,200 (2022: £2,213,603), including receipt of gift aid of £1,124,850 (2022: £1,535,250) and interest income of £107,961 (2022: £(6,227)) from the charity's Wintringham investment.

Resources expended amounted to £289,906 (2022: £298,387). Expenditure included costs of £nil (2022: £15,750) relating to contractual obligations and other costs arising on the Wintringham development.

There were gains on the fund assets of £19,738. The balance on the Accumulated Income Fund Post 1963 at 31 December 2023 was £5,344,727 compared to £3,735,695 at 31 December 2022.

Structure, governance and management

a. Constitution

The governing document is a Trust Deed, dated 4 December 1937, as amended by schemes of 1 July 1952, 22 December 1953, 19 May 1976 and 6 March 1998.

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Structure, governance and management (continued)

b. Methods of appointment or election of Trustees

New trustees are appointed by the existing trustees and serve for five years. They may then put themselves forward for re appointment which is considered at the Annual General Meeting.

The existing trustees carry out an appropriate selection process and conduct background checks before offering posts to new trustees. When considering new trustees, the existing trustees look for specific areas of expertise to help meet the objectives of the Charity.

c. Policies adopted for the induction and training of Trustees

The induction and training of new trustees and the information with which they are provided are tailored depending on the Trustees' background, interests and roles. A copy of the Trust Deed is provided along with annual accounts, risk assessments, investment reports and contact details of fellow trustees. Additional information is provided to any medical trustees who will be involved in assessing grants applications and making recommendations for awards.

All trustees receive regular updates on Charity Commission publications and attend appropriate charity seminars where relevant.

d. Organisational structure and decision making policies

Under the terms of a Special Resolution passed on 15 July 2020, the maximum number of trustees is ten. A total of six trustees served during the year.

Three trustees served on the Investment Committee which met twice during the year.

Following the creation of the joint venture with Urban & Civic, matters relating to Wintringham are dealt with by 1 Wintringham LLP, which has 2 directors representing the Charity and 2 representing NDT. Meetings are held twice a year and information is shared with other trustees as appropriate. The Charity has no membership of Wintringham Partners Board, but the Chair has been an observer at most of the board meetings.

The day-to-day administration of the Charity is undertaken by the Charity Secretary, in consultation with the Chair and other trustees as required.

e. Financial risk management

The trustees have assessed the major risks to which the charity is exposed, in particular, those related to the operations and finances of the charity. The trustees also continue to monitor closely the risks associated with the development of the Wintringham land. The trustees are satisfied that systems and procedures are in place to mitigate the exposure to the major risks.

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Plans for future periods

The trustees are expecting to continue to provide further grants in the future to meet the Charity's object. The trustees are aware of the need to make full use of available income and, as considered under strategies for achieving objectives, are looking at ways of enhancing and extending the types of grants offered. The development of the Wintringham land is expected to provide significant additional funds to enhance future grant giving, although cashflows from the development are likely to be limited in the short term.

As set out in strategies for achieving objectives, detailed discussions will continue to consider whether the funds that the Charity may receive arising from Wintringham could be used for a more significant one-off project such as the enhancement of facilities for the Medical School throughout the Oxford Hospitals.

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees 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 its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them 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. They are 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.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

THE NUFFIELD OXFORD HOSPITALS FUND

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023**

Approved by order of the members of the board of Trustees and signed on their behalf by:

Professor A Carr
(Chair of Trustees)
Date: 17 May 2024

Ms S Barratt

Date: 17 May 2024

THE NUFFIELD OXFORD HOSPITALS FUND

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE NUFFIELD OXFORD HOSPITALS FUND

Opinion

We have audited the financial statements of Nuffield Oxford Hospitals Fund ('the charity') for the year ended 31 December 2023 which comprise the statement of financial activities, the balance sheet, the cash flow statement and the related notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2023 and of its incoming and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

THE NUFFIELD OXFORD HOSPITALS FUND

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE NUFFIELD OXFORD HOSPITALS FUND (CONTINUED)

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient and proper accounting records have not been kept by the charity; 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 trustees' responsibilities statement set out on page 10, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011, and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements.

THE NUFFIELD OXFORD HOSPITALS FUND

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE NUFFIELD OXFORD HOSPITALS FUND (CONTINUED)

Extent to which the audit was considered capable of detecting irregularities, including fraud (continued)

The laws and regulations we considered in this context were the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity for fraud. The laws and regulations we considered in this context were General Data Protection Regulation and taxation legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of specific income streams, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing income transactions close to the end of the period and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe U.K. LLP

Statutory Auditor

Reading

Date

Crowe U.K LLP are eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

THE NUFFIELD OXFORD HOSPITALS FUND

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2023**

		Endowment Funds 2023	Accumulated Income Fund Post 1963 2023	2023 Total	2022 Total
	Notes	£	£	£	£
Income and endowments from:					
Donations and legacies		-	1,000	1,000	-
Investments	2	625,285	1,288,542	1,913,827	2,167,678
Allocation of Total Return	11	<u>(589,658)</u>	<u>589,658</u>	<u>-</u>	<u>-</u>
Total income		<u>35,627</u>	<u>1,879,200</u>	<u>1,914,827</u>	<u>2,167,678</u>
Expenditure on:					
Raising funds	3	78,902	1,626	80,528	81,655
Charitable activities	4	<u>-</u>	<u>288,280</u>	<u>288,280</u>	<u>296,739</u>
Total expenditure		<u>78,902</u>	<u>289,906</u>	<u>368,808</u>	<u>378,394</u>
Net gains/(losses) on investments	10	<u>958,233</u>	<u>19,738</u>	<u>977,971</u>	<u>(2,432,389)</u>
Net movement in funds		914,958	1,609,032	2,523,990	(643,105)
Total funds brought forward		<u>24,305,625</u>	<u>3,735,695</u>	<u>28,041,320</u>	<u>28,684,425</u>
Total funds carried forward		<u>25,220,583</u>	<u>5,344,727</u>	<u>30,565,310</u>	<u>28,041,320</u>

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 19 to 35 form part of these financial statements.

THE NUFFIELD OXFORD HOSPITALS FUND

**BALANCE SHEET
AS AT 31 DECEMBER 2023**

	Notes	2023 £	2022 £
Fixed assets			
Investments	10	<u>24,509,588</u>	<u>23,481,170</u>
		24,509,588	23,481,170
Current assets			
Short-term Investments		3,000,000	-
Debtors	12	2,089,692	<i>2,616,645</i>
Cash at bank and in hand	19	<u>1,344,446</u>	<u><i>2,533,269</i></u>
		6,434,138	<i>5,149,914</i>
Creditors: amounts falling due within one year	13	<u>(378,416)</u>	<u><i>(589,764)</i></u>
Net current assets		<u>6,055,722</u>	<u><i>4,560,150</i></u>
Total assets less current liabilities		<u>30,565,310</u>	<u><i>28,041,320</i></u>
Total net assets		<u>30,565,310</u>	<u><i>28,041,320</i></u>
Charity funds			
Endowment Funds			
Restricted endowment funds	15	23,586,740	<i>22,754,220</i>
Accumulated income fund pre 1963	15	<u>1,633,843</u>	<u><i>1,551,405</i></u>
		25,220,583	<i>24,305,625</i>
General Funds			
Accumulated income fund post 1963	15	<u>5,344,727</u>	<u><i>3,735,695</i></u>
		<u>30,565,310</u>	<u><i>28,041,320</i></u>

The financial statements were approved and authorized for issue by the Trustees and signed on their behalf by:

.....
Professor A Carr
 (Chair of Trustees)
 Date:

.....
Ms S Barratt
 Date

The notes on pages 19 to 35 form part of these financial statements.

THE NUFFIELD OXFORD HOSPITALS FUND

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Notes	2023 £	2022 £
Cash flows from operating activities			
Net cash used in operating activities	18	<u>22,924</u>	<u>(2,018,435)</u>
Cash flows from investing activities			
Dividends, interests and rents from investments	2	1,913,827	2,167,678
Proceeds from sale of investments	10	-	337,500
(Increase)/decrease in debtors in relation to investing activities		(75,128)	-
Purchase of investments	10	(50,447)	(75,963)
Treasury deposit		<u>(3,000,000)</u>	<u>-</u>
Net cash provided by/(used in) investing activities		<u>(1,211,747)</u>	<u>2,429,215</u>
Cash flows from financing activities		<u>-</u>	<u>-</u>
Net cash provided by financing activities		-	-
Change in cash and cash equivalents in the year		1,188,823	410,780
Cash and cash equivalents at the beginning of the year		<u>2,533,269</u>	<u>2,122,489</u>
Cash and cash equivalents at the end of the year		<u>1,344,446</u>	<u>2,533,269</u>

Note numbers 18 to 20 form part of the statement of cash flows.

THE NUFFIELD OXFORD HOSPITALS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Second Edition)' and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Second Edition)' rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Nuffield Oxford Hospitals Fund meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Going concern

The financial statements have been prepared on a going concern basis, as the trustees believe that no material uncertainties exist in respect of the Charity's ability to meet its obligations as they fall due in the foreseeable future. In reaching this conclusion, the trustees have considered the level of funds held, the liquidity of those funds and the expected levels of income and expenditure for 12 months from the date on which these financial statements were signed.

1.3 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses are included as 'Gains/(Losses) on investments' in the Statement of financial activities.

Investment in subsidiary undertakings is valued at historic cost less provision for impairment.

Investments in the joint venture represents the charity's interest in the development of the Wintringham Estate. The investment is carried at cost which is equal to the fair value of the land at the date of its transfer to Wintringham Partners LLP together with later additional loans less repayments. The investment forms part of the charity's restricted endowment funds.

Listed investments held as fixed assets are shown at market value.

Short-term investments are represented by cash held on deposit with a maturity of less than one year but greater than 3 months.

THE NUFFIELD OXFORD HOSPITALS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1. Accounting policies (continued)

1.4 Financial instruments

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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.5 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

1.6 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The incoming resources represent all the income received from quoted investments, bank deposits and income from properties. All incoming resources are taken to the Post 1963 Accumulated Income Fund.

1.7 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charity's objectives, as well as any associated support costs.

Grants payable are included where the grant has been agreed during the year and there are no conditions to be met relating to the grant which remain in the control of the charity.

Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

1.8 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

THE NUFFIELD OXFORD HOSPITALS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1. Accounting policies (continued)

1.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.10 Cash at bank and in hand

Cash at bank and 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.

1.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

1.12 Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgment:

The critical areas of judgement relate to the valuation of Wintringham related investments and the recoverability of Wintringham loans.

THE NUFFIELD OXFORD HOSPITALS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1. Accounting policies (continued)

1.13 Gains & Losses on Investments

Gains and losses on quoted investments held in the General Fund of the Capital Account and on the Pre 1963 Accumulated Fund are treated as capital and added to the relevant fund.

Gains and losses on quoted investments held in the Post 1963 Accumulated Income Fund are added to this fund.

1.14 Total Return Investment Accounting

The charity has adopted a 'Total Return' basis for the investment of its endowment. The carrying value of the preserved permanent capital, the trust for investment, and the amount of any unapplied total return available for expenditure were taken as the fair value of these funds as at 31 December 2010, as adjusted for inflation, as being after the financial crash and before a period of growth. In choosing this date, the Trustees also considered the change of investment managers close to that date and the start of a new investment regime.

The charity invests these funds without regard to the capital/income distinctions of standard trust law and with discretion to apply any part of the accumulated total return on the investment as income for spending each year. Until this power is exercised, the total return is accumulated as a component of the endowment known as the unapplied total return that can be either retained for investment or released to income at the discretion of the Trustees.

THE NUFFIELD OXFORD HOSPITALS FUND

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

2. Investment income

	Total Funds 2023 £	<i>Total funds 2022 £</i>
Income from quoted investments	638,165	638,655
Income from investments in Wintringham	1,124,850	1,535,250
Interest on Wintringham loans	107,961	(6,227)
Bank interest	<u>42,851</u>	<u>-</u>
	<u>1,913,827</u>	<u><i>2,167,678</i></u>

3. Investment management costs

	Total Funds 2023 £	<i>Total funds 2022 £</i>
Investment management fees	<u>80,528</u>	<u><i>81,655</i></u>

4. Analysis of expenditure on charitable activities

Summary of fund type	Total Funds 2023 £	<i>Total funds 2022 £</i>
Award of Grants (note 6)	246,715	261,566
Grants written off	(4,681)	(17,225)
Development of Wintringham (note 5)	-	15,750
Support costs (note 5)	<u>46,246</u>	<u>36,648</u>
	<u>288,280</u>	<u><i>296,739</i></u>

All expenditure relates to the Accumulated Income Post 1963 Fund.

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

5. Support Costs

	Total Funds 2023 £	<i>Total funds 2022 £</i>
Staff costs	11,818	15,324
Insurance	1,302	1,089
Trustee meeting expenses	23	156
Bank charges	315	175
Sundry expenses	334	16,071
Legal and professional costs	14,802	2,748
Governance costs	<u>17,652</u>	<u>16,835</u>
	<u>46,246</u>	<u>52,398</u>

Development of Wintringham costs are included in Sundry Expenses. During the year they amounted to £nil (2022: £15,750)

6. Grants

Institutions	2023 £	<i>2022 £</i>
Annual budget for research – Oxfordshire Health Services Research Committee	80,000	50,000
Damion Young Pop-up Assessment Space System (grant 22-UO-1)		13,687
Owen Coxall BHCL Hybrid meeting and teaching space (grant 22-UO-2)		12,586
BHCL Improving IT		11,263
Ashok Handa Patient-centric hybrid education in Oxford (grant 22-UO-3)		49,875
Dominic Furniss 12-month pilot of Proximie to enhance surgical teaching (grant 22-UO-4)		72,408
Ku Shah Simulation training programme for Geriatric Medicine Education (grant 22-OUH-2)		45,536
Mary Miller Enhancing Online Seminars (grant 22-OUH-3)		6,211
Supporting teaching by replacing old projectors with TV screens. Mary Miller (grant 23-OUH-2)	8,307	-
Increasing advanced manikins for final year medical students training. Catriona Fleming (grant 23-OUH-3)	21,834	-
Improving wellbeing spaces at Bodleian Health Care Libraries. Owen Coxall (grant 23-OUH-4)	13,891	-
Medical Student reading list titles	23,458	-
Upgrade of Rob Smith Centre, Churchill Hospital, for Undergraduate Medical Students. Monique Andersson (grant 23-OUH-5)	7,210	-
Clinical teaching AV upgrades. Damion Young (grant 23-OU-1)	27,087	-
Creation of educational films: Communication skills conversations. Ruth Wilson (grant 23-OU-2)	4,400	-
The development of clinical consultation: virtual training and feedback for medical students. Rachel Allan (grant 23-OU-3)	10,688	-
Creation of NDORMS High Spec Teaching Room Hub. Osman Aslam (Grant 23-OU-4)	<u>49,840</u>	<u>-</u>
▫ Total	<u>246,715</u>	<u>261,566</u>

THE NUFFIELD OXFORD HOSPITALS FUND

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

7. Auditors' remuneration

	2023 £	2022 £
Fees payable to the charity's auditor for the audit of the charity's annual accounts excluding VAT	11,160	10,404
Fees payable to the charity's auditor excluding VAT in respect of: Preparation of annual accounts	<u>2,950</u>	<u>2,750</u>

8. Staff costs

	2023 £	2022 £
Wages and Salaries	11,835	15,565
Employer NIC	<u>(17)</u>	<u>(241)</u>
	<u>11,818</u>	<u>15,324</u>

The negative charge for employers' NIC relates to employer's allowance not fully accounted for in prior years.

The average number of persons employed by the charity during the year was as follow:

	2023 £	2022 £
Secretary	<u>1</u>	<u>1</u>

No employee received remuneration amounting to more than £60,000 in either year.

The key management personnel of the Charity include all Trustees supported by the Secretary, A Truesdale.

The total remuneration paid to the key management personnel amounted to £11,835 (2022: £14,690).

9. Trustees' remuneration and expenses

During the year no Trustees received any remuneration or other benefits (2022 - £Nil).

During the year ended 31 December 2023, expenses totalling £23 were reimbursed or paid directly to one Trustee (2022 - £176). The expenses reimbursed are in relation to the travel expenses for Trustees to attend Trustee meetings.

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

10. Fixed asset investments

	Post 1963 income Fund £	Pre 1963 income fund £	Restricted endowment fund £	Investment in 1 Wintringham LLP £	Wintringham Partners LLP loan investment £	Total funds 2023 £
Cost or valuation						
At 1 January 2023	347,021	1,517,931	15,329,254	23	6,286,941	23,481,170
Less cash held by Investment Managers	-	-	-	-	-	-
Additions	1,018	4,454	44,975	-	-	50,447
Disposals proceeds	-	-	-	-	-	-
Unrealised gains/(losses) on investments	19,738	86,337	871,896	-	-	977,971
Cash held by Investment Managers	-	-	-	-	-	-
At 31 December 2023	<u>367,777</u>	<u>1,608,722</u>	<u>16,246,125</u>	<u>23</u>	<u>6,286,941</u>	<u>24,509,588</u>

THE NUFFIELD OXFORD HOSPITALS FUND

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

10. Fixed asset investments (continued)

Historical Cost

Loan Investment

The charity through its membership of 1 Wintringham LLP has a commitment to issue partner loans to Wintringham Partners LLP as required to fund its share of development costs. The loan investment comprises an amount due from Wintringham Partners LLP arising from the transfer of the Charity's land in 2017 along with an additional loan to fund working capital. Loans totalling £nil were made during in the year (2022: £nil). A repayment of £nil (2022: £337,500) was received in the year. The carrying value of the investment continues to be its cost which is equal to the fair value of the land at the date of its transfer to Wintringham Partners LLP together with later additional loans less repayments.

Investment type

An analysis of the investments has been done as at 31 December 2023 to distinguish between Direct Investments, Pooled Investments and Subsidiary Investments. The split is as indicated below:

	2023 £	2022 £
Post 1963 Income Fund		
Cash	-	-
Direct Investments	-	-
Pooled Investments	367,777	347,021
Restricted Endowment Fund & Pre 1963 Income Fund		
Cash	-	-
Direct Investments	-	-
Pooled Investments	17,854,847	16,847,185
Loan to Wintringham Partners LLP		
Subsidiary Investment	6,286,941	6,286,941
Investment in 1 Wintringham Partners LLP		
Investment in joint venture	<u>23</u>	<u>23</u>
Total	<u>24,509,588</u>	<u>23,481,170</u>

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

11. Statement of Investment Total Return

From 1 January 2021, the Trustees have decided to adopt total return accounting for the restricted endowment fund and the Accumulated Income Fund pre-1963, both of which are treated as permanent capital of the Charity. The Fund for Investment at 1 January 2021 was calculated by taking the permanent capital of the Charity at 31 December 2010 and calculating its real value at 31 December 2020, using CPI.

The investment return to be applied as income is calculated initially as 3.5% (2022: 3.5%) of the endowment funds held as managed investments and capital accounts held by the Investment Managers at 1 January 2023.

The income allocation from the Total Return earned will be reviewed each year.

	Trust for Investment Restricted endowment fund £	Accumulated income fund pre 1963 £	Unapplied Total Return £	Total 2023 £
At 1 January 2023				
Gift Component	16,059,992	1,254,436	-	17,314,428
Unapplied Total Return	-	-	6,991,197	6,991,197
Total Endowments	16,059,992	1,254,436	6,991,197	24,305,625
Movement in the year				
Investment Return				
Dividends and Interest	-	-	625,285	625,285
Gains and Losses	-	-	958,233	958,233
Less Investment Managers Fees	-	-	(78,902)	(78,902)
Total	-	-	1,504,616	1,504,616
Unapplied total return allocated to income in the reporting period			(589,658)	(589,658)
Net movements in the reporting period	-	-	914,958	914,958
At 31 December 2023				
Gift Component	16,059,992	1,254,436	-	17,314,428
Unapplied Total Return	-	-	7,906,155	7,906,155
Total	16,059,992	1,254,436	7,906,155	25,220,583

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

2022 comparative

	<i>Trust for Investment</i>		<i>Unapplied</i>	
	<i>Restricted</i>	<i>Accumulated</i>	<i>Total Return</i>	<i>Total</i>
	<i>endowment</i>	<i>income fund</i>		<i>2022</i>
	<i>fund</i>	<i>pre 1963</i>		<i>£</i>
	<i>£</i>	<i>£</i>	<i>£</i>	
<i>At 1 January 2022</i>				
<i>Gift Component</i>	16,059,992	1,254,436	-	17,314,428
<i>Unapplied Total Return</i>	-	-	9,500,431	9,500,431
<i>Total Endowments</i>	<u>16,059,992</u>	<u>1,254,436</u>	<u>9,500,431</u>	<u>26,814,859</u>
<i>Movement in the year</i>				
<i>Investment Return</i>				
<i>Dividends and Interest</i>	-	-	625,287	625,287
<i>Gains and Losses</i>	-	-	(2,383,302)	(2,383,302)
<i>Less Investment Managers Fees</i>	-	-	(80,007)	(80,007)
<i>Total</i>	-	-	(1,838,022)	(1,838,022)
<i>Unapplied total return allocated to income in the reporting period</i>			<u>(671,212)</u>	<u>(671,212)</u>
<i>Net movements in the reporting period</i>	-	-	(2,509,234)	(2,509,234)
<i>At 31 December 2022</i>				
<i>Gift Component</i>	16,059,992	1,254,436	-	17,314,428
<i>Unapplied Total Return</i>	-	-	6,991,197	6,991,197
<i>Total</i>	<u>16,059,992</u>	<u>1,254,436</u>	<u>6,991,197</u>	<u>24,305,625</u>

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

12. Debtors

	2023 £	2022 £
Due within one year		
Amounts owed by undertakings in which the charity has a participating interest	2,036,840	2,603,879
Other debtors	13,523	12,766
Prepayments and accrued income	<u>39,329</u>	<u>-</u>
	<u>2,089,692</u>	<u>2,616,645</u>

Amounts owed by undertakings in which the charity has a participating interest comprise:

- a corporate loan issued to Wintringham Partners LLP of £1,908,235 (2022: £2,511,072).
- accrued interest on the investment in Wintringham Partners LLP of £128,605 (2022: £92,807)

13. Creditors: Amounts falling due within one year

	2023 £	2022 £
Other taxation and social security	-	52
Grants payable	360,499	408,240
Other creditors	805	164,967
Accruals and deferred income	<u>17,112</u>	<u>16,505</u>
	<u>378,416</u>	<u>589,764</u>

Grants payable

	2023 £	2022 £
Grants payable 1 January 2023	408,240	507,192
New Grants Awarded	246,715	261,566
Old grants written off	(4,681)	(17,225)
Grants paid	<u>(289,775)</u>	<u>(343,293)</u>
Grants payable 31 December 2023	<u>360,499</u>	<u>408,240</u>

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

14. Comparative Statement of Financial Activities

	<i>Endowment Funds 2022</i>	<i>Accumulated Income Fund Post 1963 2022</i>	<i>2022 Total</i>
	£	£	£
<i>Income and endowments from:</i>			
<i>Donations and legacies</i>	-	-	-
<i>Investments</i>	625,287	1,542,391	2,167,678
<i>Allocation of Total Return</i>	<u>(671,212)</u>	<u>671,212</u>	<u>-</u>
<i>Total income</i>	<u>(45,925)</u>	<u>2,213,603</u>	<u>2,167,678</u>
<i>Expenditure on:</i>			
<i>Raising funds</i>	80,007	1,648	81,655
<i>Charitable activities</i>	<u>-</u>	<u>296,739</u>	<u>296,739</u>
<i>Total expenditure</i>	<u>80,007</u>	<u>298,387</u>	<u>378,394</u>
<i>Net gains/(losses) on investments</i>	<u>(2383,302)</u>	<u>(49,087)</u>	<u>(2,432,389)</u>
<i>Net movement in funds</i>	(2,509,234)	1,866,129	(643,105)
<i>Total funds brought forward</i>	<u>26,814,859</u>	<u>1,869,566</u>	<u>28,684,425</u>
<i>Total funds carried forward</i>	<u>24,305,625</u>	<u>3,735,695</u>	<u>28,041,320</u>

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

15. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Restricted endowment fund 2023 £	Accumulated income fund pre 1963 2023 £	Accumulated income fund post 1963 2023 £	Total funds 2023 £
Fixed asset investments	22,533,089	1,608,722	367,777	24,509,588
Current assets	1,053,651	25,121	5,355,366	6,434,138
Creditors due within one year	-	-	(378,416)	(378,416)
Total	<u>23,586,740</u>	<u>1,633,843</u>	<u>5,344,727</u>	<u>30,565,310</u>

Analysis of net assets between funds - prior period

	<i>Restricted endowment fund 2022 £</i>	<i>Accumulated income fund pre 1963 2022 £</i>	<i>Accumulated income fund post 1963 2022 £</i>	<i>Total funds 2022 £</i>
<i>Fixed asset investments</i>	<i>21,616,218</i>	<i>1,517,931</i>	<i>347,021</i>	<i>23,481,170</i>
<i>Current assets</i>	<i>1,138,002</i>	<i>33,474</i>	<i>3,978,438</i>	<i>5,149,914</i>
<i>Creditors due within one year</i>	<i>-</i>	<i>-</i>	<i>(589,764)</i>	<i>(589,764)</i>
Total	<u>22,754,220</u>	<u>1,551,405</u>	<u>3,735,695</u>	<u>28,041,320</u>

THE NUFFIELD OXFORD HOSPITALS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

16. Funds

ENDOWED FUNDS

Restricted Endowment Fund

The capital of this fund has been built up by the investment and re-investment of the donation. Income from this fund is used to further the object of the Charity, but the capital cannot be realised for use as income.

Pre 1963 Accumulated Income Fund

Income accumulated prior to the donor, Lord Nuffield's death in 1963 was capitalised and income from the investments is used to further the object of the Charity. Counsel's opinion obtained after the donor's death confirmed that Trustees may treat income accumulated prior to Lord Nuffield's death as if it were permanent capital of the fund. If considered essential by the Trustees, to the furtherance of that object, some or all of this capital could be realised to supplement income.

UNRESTRICTED FUNDS

Post 1963 Accumulated Income Fund

This is income accumulated after the donor, Lord Nuffield's death in 1963. The counsel's opinion obtained, confirmed that Trustees may accumulate this income but there must be an intent to use this fund to the furtherance of the Charity's object.

17. Related Parties

Wintringham Partners LLP was incorporated on 5 April 2017 and acquired the land at Wintringham Park, St. Neots, Cambridgeshire. This partnership is owned by Wintringham Newco 1 Limited (66.67%) and Urban&Civic St Neots Limited (33.33%).

Nuffield Oxford Hospitals Fund (NOHF) owns a 22.5% share of 1 Wintringham LLP who have 100% ownership of Wintringham Newco 1 Limited and Wintringham Newco 2 Limited. This results in NOHF having an effective 15% ownership of Wintringham Partners LLP.

Loans totalling £8,195,176 (2022: £8,798,013) were held by NOHF. To 1 Wintringham LLP £6,286,941 (2022: £6,286,941), 1 Wintringham LLP £nil (2022: £nil), Wintringham Newco 1 Ltd, £nil (2022: £nil) and Wintringham Partners LLP £1,908,235 (2022: £2,511,072).

Three trustees of the charity are also directors of Wintringham Newco 1 Ltd and Members of 1 Wintringham LLP. Sir Andrew Dilnot and Professor Andrew Carr held those roles throughout the financial year. John Ford was appointed to both roles with effect from 15 December 2023. Sir Andrew Dilnot is also on the board of Wintringham Partners LLP.

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

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

	2023 £	<i>2022</i> £
Net (expenditure)/income for the period (as per Statement of Financial Activities)	<u>2,523,990</u>	<u><i>(643,105)</i></u>
Adjustments for:		
(Losses)/gains on investments	(977,971)	<i>2,432,389</i>
Dividends, interests and rents from investments	(1,913,827)	<i>(2,167,678)</i>
(Increase)/decrease in debtors	602,080	<i>(1,485,263)</i>
(Decrease)/increase in creditors	<u>(211,348)</u>	<u><i>(154,778)</i></u>
Net cash provided by operating activities	<u><u>22,924</u></u>	<u><u><i>(2,018,435)</i></u></u>

19. Analysis of cash and cash equivalents

	2023 £	<i>2022</i> £
Cash in hand	1,344,446	<i>2,533,269</i>
Cash with Investment managers	<u>-</u>	<u><i>-</i></u>
Total cash and cash equivalents	<u><u>1,344,446</u></u>	<u><u><i>2,533,269</i></u></u>

20. Analysis of changes in net debt

	<i>At 1</i> <i>January</i> <i>2023</i> £	Cashflows £	At 31 December 2023 £
Cash at bank and in hand	<i>2,533,269</i>	(1,188,823)	1,344,446
Liquid investments – cash held by Investment managers	<u><i>-</i></u>	<u>-</u>	<u>-</u>
	<u><u><i>2,533,269</i></u></u>	<u><u>(1,188,823)</u></u>	<u><u>1,344,446</u></u>

The Nuffield Oxford Hospitals Fund

Report to the Audit and Risk Committee

Year ended 31 December 2023

Presented to the Trustees in May 2024

Strictly Private and Confidential

The Trustees
The Nuffield Oxford Hospitals Fund
c/o Botnar Institute,
NDORMS,
University of Oxford,
Windmill Road,
Oxford,
OX3 7LD

Dear Members of the Trustees

I have pleasure in submitting our audit findings report for the year ended 31 December 2023. The primary purpose of this report is to communicate to the Trustees the significant findings arising from our audit that we believe are relevant to those charged with governance.

I look forward to discussing our report with you, as well as any further matters you may wish to raise with us, and a representative of Crowe shall be attending the Trustees meeting on 17 May 2024.

I would like to take this opportunity to express our appreciation for the assistance provided to us by the finance team and the other staff at the charity during this year's audit.

Yours sincerely

Alastair Lyon
Partner

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1. Executive summary

Our report to you

We are pleased to present our Audit Findings Report to the Trustees and we welcome the opportunity to discuss our findings with you at your meeting on 17 May 2024.

The primary purpose of this report is to communicate to the Trustees and the Trustees the significant findings arising from our audit that we believe are relevant to those charged with governance.

In accordance with International Standards on Auditing (UK) the matters in this report include

• the results of our work on areas of significant audit risk
• our views about significant qualitative aspects of the Trust's accounting practices, including accounting policies, accounting estimates and financial statement disclosures
• significant difficulties, if any, encountered during the audit
• any significant matters arising during the audit and written representations we are requesting
• unadjusted misstatement identified during the audit
• circumstances that affect the form and content of our auditor's report, if any
• any other significant matters arising during the audit that, in our professional judgment, are relevant to the oversight of the financial reporting process

We have included comments in relation to the above where relevant in the subsequent sections of this report.

We also report to you any significant deficiencies in internal control identified during our audit which, in our professional judgment, are of sufficient importance to merit your attention.

Conclusions in relation to the areas of significant audit risk

As explained in our Audit Planning Report, in line with ISA (UK) 315 (Revised), we have considered the inherent risks, including the likelihood and magnitude of a potential misstatement.

In line with our audit plan we focussed our work on the significant audit risks identified:

- Revenue recognition – Wintringham transactions
- Management override of controls

The results of our audit work in these areas is set out below:

Significant risk	Control deficiency identified	Adjustment(s) identified	Other reported matters
Revenue recognition – Wintringham income transactions	x	x	x
Management override of controls	x	x	x

Other audit findings

[Section 3](#) sets out various comments on other important matters which we have identified from our audit.

Fraud and irregularities

[Section 4](#) sets out the Trustees and our responsibilities in respect of fraud and irregularities.

Audit materiality

The audit materiality for the financial statements set as part of our audit planning took account of the level of total assets held by the trust and was set at 2% of gross assets. We have reviewed this level of materiality based on the draft

financial statements for the year ended 31 December 2023 and are satisfied that it continues to be appropriate with 2% of investments being £490,000.

Unadjusted misstatements

We report to you any unadjusted individual errors other than where we consider the amounts to be trivial, and for this purpose we have determined trivial to be 5% of our audit materiality.

We are pleased to report that there are no remaining unadjusted items identified from our audit in excess of the above trivial limit.

Audit completion and our Audit Report

We have substantially completed our audit in accordance with our Audit Planning Report which was sent to you and Angela Truesdale on 18 March 2024, subject to the matters below.

- Completion of the post-Balance Sheet events reviews.
- Review of the final financial statements.
- Receipt of the signed letter of representation.

We will report to you orally in respect of any modifications to the findings or opinions contained in this report that arise from progressing these outstanding matters.

On the satisfactory completion of these matters, we anticipate issuing an unmodified audit opinion on the truth and fairness of the 2023 financial statements.

Responsibilities and ethical standards

We have prepared this report taking account of the responsibilities of the Trustees and ourselves set out in [Appendix 4](#) of this report.

The matters included in this report have been discussed with the charity's representatives during our audit and at our closing meeting on 10 April 2024. Susan Barratt and Angela Truesdale have seen a draft of this report and we have incorporated their comments and/or proposed actions where relevant.

2. Significant audit risks

As reported in our Audit Planning Report, ISA (UK) 315 (Revised) was applicable this year, and required us to consider a spectrum of inherent risk, considering both the likelihood and magnitude of a possible misstatement, with risks close to the upper end of the spectrum of inherent risk considered to be 'significant risks'.

Risk is considered in the context of how, and the degree to which, inherent and control risk factors affect the likelihood and magnitude of a misstatement occurring. Such factors may be qualitative or quantitative, and include complexity, subjectivity, change, uncertainty or susceptibility to misstatement due to management bias or other fraud risk factors.

In addition, the auditing standards also set out a number of areas considered to always be a significant risk. Our audit response in respect of risks not identified as significant is set out in [Section 3](#).

We have commented below on the results of our work in these areas as well as on any additional significant risks, judgements or other matters in relation to the financial statements of The Nuffield Oxford Hospitals Fund identified during our audit.

2.1 Revenue recognition – Income from Wintringham related companies and entities

Due to the related party nature of this income as part of a joint venture it carries a higher risk level. The income received is often of material one off transactions which are not predictable.

Source documents to which revenue can be verified cannot be relied upon to the same degree as other investment income as we are reliant on the Board minute packs for other entities to indicate when and how much income might expect to be received.

The risk of materially incomplete income is therefore not insignificant for the fund.

Crowe response

Our audit work included the following:

- Review of minutes from Trustee board meetings as well as board packs (where available) from other Wintringham group entities
- Review of bank statement receipts during the year and post year-end.

Our conclusions and other comments

We did not find any reference within minutes or unrecorded bank transactions to suggest that income with respect to activity connected to Wintringham was materially misstated.

We note that fully understanding the Wintringham income receipts and what these relate to is very important to enable loan, investment and income transactions to be recorded accurately. This analysis has been completed this year with the assistance of Kathryn Oraee, Financial Controller for the Wintringham companies. We would recommend that trustees continue to be in dialogue with Kathryn Oraee during the year to ensure all receipts are fully understood and accounted for appropriately.

2.2 Management override of controls

Auditing standards require us to consider as a significant audit risk areas of potential or actual management override of controls. In completing our audit we have therefore considered the following matters.

Controls around journal entries and the financial reporting process

We reviewed and carried out sample testing on the charity's controls around the processing of journal adjustments (how journals are initiated, authorised and processed) and the preparation of the annual financial statements. We also considered the risk of potential manipulation by journal entry to mask fraud.

We note that the charity does not maintain a formal accounting system. A cashbook is maintained during the year along with a list of grants. Dual authorisation is required on bank transactions which is a key control to mitigate against fraudulent activity. The financial statements are drafted by a separate accounts team within Crowe and all

adjustments made, taking the figures from cashbook to statutory statements are reviewed and authorised by Susan Barratt, Trustee. Finally, the Trustee Board reviews and challenges where appropriate the final year end statements.

We did not identify any instances of management override of controls or other issues from our review of transactions within our audit work.

However, we note that journal and transaction processing can be an area of potential risk and it is good practice to include consideration of this within the overall Charity risk assessment

Significant transactions outside the normal course of business

We are required to consider the impact on the financial statements if there are any significant transactions occurring outside of the normal course of the charity's business.

No such transactions were notified to us by management, nor did any such transactions come to our attention during the course of our work.

3. Other audit findings

In addition to matters relating to the significant audit risks as reported in Section 2, we have also noted the following matters from our audit work which we should bring to your attention.

3.1 Going concern

We explained in our Audit Planning Report that in preparing the financial statements to comply with Financial Reporting Standard 102 the Trustees and management are required to assess the charity's ability to continue as a going concern. In assessing whether the going concern assumption is appropriate, the Trustees and management are required to consider all available information about the future of the charity in the period of at least, but not limited to, twelve months from the date when the financial statements are approved and authorised for issue.

The trustees' going concern assessment is a key area of emphasis and importance for our audit and, in accordance with the requirements of ISAs (UK), our audit report includes a specific reference to going concern.

Where trustees identify possible events or scenarios, other than those with a remote probability of occurring, that could lead to failure, then these should be disclosed in the financial statements.

Trustees may consider and take account of realistic mitigating responses open to them, considering the likely success of any response.

We have discussed this with the trustee and explained that our work on going concern includes the following:

- reviewing the period used by Trustees to assess the ability of The Nuffield Oxford Hospitals Fund to continue as a going concern,
- examining budgets and forecasts prepared by management covering the period of the going concern assessment to ensure that these appropriately support the trustees' conclusion,
- reviewing any other information or documentation which the Trustees have used in their going concern assessment.

Our conclusions and other comments

As at 31 December 2023 The Nuffield Oxford Hospitals Fund is reporting funds totalling £30.5m (2022: £28m). The Fund continues to hold significant investments with Sarasins which continues to provide sufficient income to cover the grants awarded in the year. In addition, we note that there is no indicator for concern in relation to progress of the Wintringham project and £4.3m (2022: £2.5m) is held in cash or short-term investments at the year end.

We will be seeking representations that the Board has considered the forecasts and is satisfied that the going concern basis is appropriate.

We therefore have no concerns to bring to your attention at the point of this report being shared.

3.2 Estimates and judgements

We identified investment valuation as a non-significant estimate and judgements for specific audit review.

ISA (UK) 540 (Revised) Auditing Accounting Estimates and Related Disclosures requires additional audit focus over management's estimates, including undertaking separate risk assessments for both inherent and control risks. In respect of the former, consideration is given to the estimation uncertainty, the subjectivity and the complexity of the estimate. We are also required to consider whether the disclosures made in the financial statements are reasonable.

It is important that you are satisfied that the assumptions used by management are appropriate and we will ask you to provide a written representation to us to confirm this.

Investment valuations (Sarasin portfolio)

There is a risk of misstatement due to incorrect valuations provided by the investment manager. Due to the reliance on the investment manager and the size of the investments within the financial statements, this valuation is considered an area of audit focus.

As part of our audit work we have performed the following tests:

- We verified the information provided by the investment manager to external source to confirm valuation.
- We verified that the investment valuation provided by the investment manager reconciled to the figures included within the financial statements.
- We requested and review internal control reports for the investment managers to assess if there are any known control weaknesses which may suggest that the valuation may be materially misstated.

It should be noted that when agreeing the valuation of the investments to an external source, this resulted in a difference of approximately £31k undervaluation. Differences such as this are not unusual as the valuation depends on the date and precise price that is used by the investment manager. There is therefore an element of judgement involved. The difference is not material to the financial statements.

The valuation of the investments within the financial statements did agree to the investment reports.

The internal control reports did have recommendations which we would recommend the trustees consider. However, we concluded that the weaknesses identified were unlikely to impact the valuation of the investments within the financial statements.

Other area of judgement

One new area of judgement within the financial statements is that of the accrued income. The main financial contract for the Wintringham companies has provided an interest figure to be accrued of £80,485. This is the figure within the financial statements. A recalculation of this interest on a monthly basis produces a figure approximately £1k higher. This difference is trivial and likely to be due to the interest figure being calculated on a monthly rather than daily basis. We do not recommend any adjustment in this case.

We did also note that the final quarter of interest to 31 December 2023 had not been accrued for. This creates a difference of £48k when taken in isolation with the majority of this relating to the accrual of interest on the previously interest free profit distribution loan. However, this has not been adjusted for in order to maintain consistency with prior year accounts presentation as this would result in 15 months of interest being included in the current year accounts.

There was also an over-accrual of interest in the prior year accounts due to an error in calculation by the Wintringham team, this resulted in the release of excess accrued interest this year as part of the release of the larger accrual of £21k (going against the interest received balance).

These two differences when taken together result in a difference on the statement of financial position of only £27k which is below our materiality threshold for the SOFA. As such, although we have raised an adjustment for the £48k below, no adjustment is required for this balance in line with the trustee's request.

3.3 Income – from quoted investments

International Standards on Auditing (ISA (UK) 240) presumes there is always a significant risk of material misstatement due to fraud in revenue recognition, unless this is rebutted.

Whilst we deem Wintringham transactions and related entities to be significant (see [Section 2](#)) we do not consider other income streams to be significant due to the ability to agree the income in total to third party reports and bank receipts.

Across all income streams the key risks remain the same:

- Completeness (has all income due been appropriately recognised in the period?).
- Cut off (has income been recognised in the appropriate period?).
- Fund allocation (have donor restrictions on the use of the income been appropriately captured in the financial statements?).
- Accuracy (where income is owed at year end, is it likely to be received or should it be provided against?).

Investment income from quoted investments

A significant income stream for The Nuffield Oxford Hospitals Fund is income from the Sarasin investment portfolio, such income amounted to £639k in 2022.

We were able to agree this income to investment management reports and the bank on a sample basis.

We have no matters to bring to your attention.

3.4 Grants

This is the largest single expenditure item for the Fund. Our audit work focussed on ensuring that grant awards and payments have been appropriately approved and that liabilities have been captured in the appropriate period.

We tested grant expenditure on a sample basis and agreed the payments to award letters and approval within Trustee minutes. We further noted the process undertaken by the secretary to track the spend on these grants and to follow up if there is any underspend and consequently a need to write off costs within the financial statements. In addition, we reviewed the grant spreadsheet alongside the approval of grants in the year and those paid, to agree that the liability was materially correct.

We have no matters to bring to your attention.

3.5 Funds

The Nuffield Oxford Hospitals Fund operates a number of different funds subject to various restrictions and designations. You must ensure that all movements on funds are correctly identified and accounted for. This requires careful consideration of the various terms and conditions which may be applied to income.

We have reviewed the allocation of income, expenditure and gains/ losses between funds and have nothing to bring to your attention.

3.6 Related Parties

In line with the ISAs which direct our audit work (ISA (UK) 550) we are obliged to ensure that any related parties are identified and that any transactions involving these parties and the group are appropriately authorised and correctly disclosed in the financial statements. The definition of a “related party” as defined in FRS 102 encompasses, in addition to the Board of Trustees, any other individuals who can directly influence management decisions and close family members of both; the latter being of relevance if individual Trustees and members of management are perceived to be in a position to influence the management decisions of family members or can be influenced by them.

We reviewed the Fund’s procedures for identifying potential related parties and ensuring all transactions are complete, including any annual declaration of interests completed by Trustees and other significant individuals such as Angela Truesdale.

Please see our update in Appendix 2. It was also considered appropriate to include some additional related party description to note the overlap of trustees as directors of some of the Wintringham companies.

3.7 Report and Financial Statements

As noted in the Statement of Trustees’ Responsibilities, the Trustees are responsible for preparing the Trustees’ Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

We have nothing to bring to your attention.

4. Fraud and irregularities and our audit reporting

Audit reporting on detecting irregularities, including fraud

In line with ISA (UK) 700 our audit report includes an additional comment to explain to what extent the audit was considered capable of detecting irregularities, including fraud.

Irregularities are acts of omission or commission which are contrary to the prevailing laws or regulations. Fraud includes both fraudulent financial reporting and misstatements resulting from misappropriation of assets.

Our responsibility is to obtain reasonable assurance that the financial statements taken as a whole are free from material misstatement, whether caused by fraud or error. The additional reporting requirements this year placed increased emphasis on our understanding of the risks to The Nuffield Oxford Hospitals Fund from fraud and irregularities. Our audit included discussions with management and those charged with governance to obtain their assessment of the risk that fraud may cause a significant account balance to be materially misstated as well as other procedures to obtain sufficient appropriate audit evidence.

We obtained an understanding of the legal and regulatory frameworks within which the charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 and The Charities and Trustee Investment (Scotland) Act 2005] together with the Charities SORP (FRS102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation and health and safety legislation.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and the override of controls by management. Our audit procedures to

respond to these risks included enquiries of management, internal audit, and the Trustees about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

In accordance with International Auditing Standards, we planned our audit so that we have a reasonable expectation of detecting material misstatements in the financial statements or accounting records including any material misstatements resulting from fraud, error or non-compliance with law or regulations.

However, owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements of the financial statements may not be detected even though the audit is properly planned and performed in accordance with the ISAs (UK). No internal control structure, no matter how effective, can eliminate the possibility that errors or irregularities may occur and remain undetected. In addition, because we use selective testing in our audit, we cannot guarantee that errors or irregularities, if present, will be detected. Accordingly, our audit should not be relied upon to disclose all such misstatements or frauds, errors or instances of non-compliance as may exist.

We have also included in [Appendix 5](#) some fraud risks that Trustees and management should be aware of.

Trustee responsibilities

The primary responsibility for safeguarding the charity's assets and for the prevention and detection of both irregularities and fraud rests with the trustees and management of the organisation. It is important that management, with oversight of those charged with governance, place a strong emphasis on fraud prevention and fraud deterrence. This involves a commitment to creating a culture of honest and ethical behaviours which can be reinforced by an active oversight by those charged with governance.

As in past years, the following statements will be included in the letter of representation which we require from the trustees when the financial statements are approved.

- The trustees acknowledge their responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud and errors, and the trustees believe they have fulfilled those responsibilities.
- The trustees have assessed that there is no significant risk that the financial statements are materially misstated as a result of fraud.
- The trustees are not aware of any fraud or suspected fraud affecting the charity involving management, those charged with governance or employees who have a significant role in internal control or who could have a material effect on the financial statements.
- The trustees are not aware of any allegations by the Fund's employee, former employees, regulators or others of fraud, or suspected fraud, affecting the charity's financial statements.

We draw your attention to bullet point 2 above which presupposes that an assessment has been made. We have not been made aware of any actual or potential frauds which could affect the 2023 financial statements, or in the period since the previous year end.

Appendix 1 - Reporting audit adjustments

Unadjusted misstatements

International Standards on Auditing (UK) require that we report to you all misstatements which we identified as a result of the audit process but which were not adjusted by management, unless those matters are clearly trivial in size or nature.

There are no unadjusted misstatements noted.

Adjusted misstatements

The following misstatements, which have been corrected by management, were also identified during our audit work and up to the date of this report. No further adjustments to the financial statements are required for these items and this information is provided to assist you in understanding the financial statements completion process and to fulfil your governance responsibilities.

Adjustment description	Debit/credit income £	net	Debit/(credit) assets £	net	Debit/(credit) opening reserves £
Being to accrue for interest for the quarter to 31 December 2023.	(48,120)		48,120		

Appendix 2 - Systems and controls

We have set out below certain potential improvements to the charity's processes and controls which we noted during our audit work and which we believe merit being reported to you.

Our evaluation of the systems of control at The Nuffield Oxford Hospitals Fund was carried out for the purposes of our audit and accordingly it is not intended to be a comprehensive review of your business processes. It would not necessarily reveal all weaknesses in accounting practice or internal controls which a special investigation might highlight, nor irregularities or errors not material in relation to the financial statements.

We are pleased to note we have no new recommendations to bring to your attention.

We have set out below the systems and control issues on which we reported after our audit last year together with an update on how the points raised have been addressed including information on the progress made at the time of the audit of the 2023 financial statements.

Status		Priority
Recommendation fully implemented or no longer relevant		These findings merit attention within an agreed timescale.
Recommendation partially implemented		These findings are of a less urgent nature, but still require reasonably prompt action.
These findings merit attention within an agreed timescale.		These findings are significant and require urgent action.

Observations and recommendations in 2022 or prior periods	Priority	Status	Update 2023
1. Formalising and evidencing review of key financial controls Our audit processes and conversations with the Secretary identified that regular bank reconciliations are being prepared by The Secretary. These are passed periodically to one of the trustees to review, however there is no trail retained to evidence this review process. Sector best practice would be to develop and formalise a system which determines the frequency of these reviews and captures and retains evidence that these reviews have taken place. This could form part of an accounting systems document which would be most useful to the current secretary's successor following his retirement. Management response 2022: As all bank transactions require Trustee approval, there is indeed regular review of bank account payments made and the balance. We will consider how best to capture evidence of this review and more formal documentation of the reconciliation between the bank account and the cash book, whilst ensuring that this is proportionate given the low frequency of transactions and the authorisation controls in place. One option may be to document both the reconciliation and sign off in additional columns in the excel cashbook records. Update 2022: We continue to recommend that the Fund considers a proportionate process for more formally recording the review of key controls within the charity during the year. In particular, the reconciliation/ review of bank transactions. No transactions were identified during our work that gave any cause for concern.		Closed	As part of our work, we have received a copy of the cashbook to December 2023 which is described as (SJB-final). This review includes a spot check of transactions by a trustee to the bank statement and agreeing that these transactions are in line with the trustee's expectations. No issues from this review were noted.

Observations and recommendations in 2022 or prior periods	Priority	Status	Update 2023
2. System for identifying related party transactions During our audit process, we identified a strong sense of the need, by those charged with governance to identify and manage the potential threats associated with conflicts of interest, including declarations of potential conflict at Board meetings, and a register of interests. Other charitable organisations use this information in assisting them with a formal system to identify any related party transactions that would be required to be disclosed in the annual accounts. We recommend that thought be given to developing the existing systems to add this further information. Management response 2022: We will consider how best to capture transactions with related parties on a timely basis so that the disclosure information is available and we more formally document our consideration of whether such transactions are made on an arms-length basis. This might be through flagging such transactions in the cash book or grant analysis or by maintaining a separate record. Update 2022: From our work conducted, we have reviewed the conflicts of interest register maintained and can see within the minutes that any new conflicts are raised. We would continue to recommend that a related party listing is used throughout the year to note potential related party transactions, enabling disclosure within the financial statements		Closed	We noted that a related party listing was in place throughout the year and has been utilised to identify any related party transactions (if any). This point can be closed.

Appendix 3 - Materiality

Materiality and identified misstatements

As we explained in our Audit Planning Report, we do not seek to certify that the financial statements are 100% correct; rather we use the concept of “materiality” to plan our sample sizes and also to decide whether any errors or misstatements discovered during the audit (by you or us) require adjustment. The assessment of materiality is a matter of professional judgement but overall a matter is material if its omission or misstatement would reasonably influence the economic decisions of a user of the financial statements.

Our overall audit materiality for the financial statements as a whole took account of the level of funds held by The Nuffield Oxford Hospitals Fund and was set at approximately 2% of gross assets.

We reassessed materiality based on the draft financial statements, and the following is a summary of the overall materiality levels we applied to the separate entities within the group.

Entity	Materiality calculation	Planning Materiality £'000	Final Materiality £'000	Reporting threshold £'000
Overall	2% gross assets	£490	£490	£24.5
Non-investment balances	2% income	£37	£37	£1.8

Appendix 4 - Responsibilities and ethical standards

Audit purpose and approach

Our audit work has been undertaken for the purposes of forming our audit opinion on the financial statements of The Nuffield Oxford Hospitals Fund prepared by management with the oversight of the trustees and has been carried out in accordance with International Standards on Auditing (UK) ('ISAs').

Our work combined substantive procedures (involving the direct verification of transactions and balances on a test basis and including obtaining confirmations from third parties where we considered this to be necessary) with a review of certain of your financial systems and controls where we considered that these were relevant to our audit.

Financial statements

The trustees of The Nuffield Oxford Hospitals Fund are responsible for the preparation of the financial statements on a going concern basis (unless this basis is inappropriate). The trustees are also responsible for ensuring that the financial statements give a true and fair view, that the process your management go through to arrive at the necessary estimates or judgements is appropriate, and that any disclosure on going concern is clear, balanced and proportionate.

Legal and regulatory disclosure requirements

In undertaking our audit work we considered compliance with the following legal and regulatory disclosure requirements, where relevant.

- Companies Act 2006
- Charities Act 2011
- The Charities (Accounts and Reports) Regulations 2008 (or updated Regulations if enacted before completion of the financial statements)
- Financial Reporting Standard 102 (FRS 102)
- The Charities SORP (FRS 102)

Ethical Standard

We are required by the Ethical Standard for auditors issued by the Financial Reporting Council ('FRC') to inform you of all significant facts and matters that may bear upon the integrity, objectivity and independence of our firm.

Crowe U.K. LLP has procedures in place to ensure that its partners and professional staff comply with both the relevant Ethical Standard for auditors and the Code of Ethics adopted by The Institute of Chartered Accountants in England and Wales.

As explained in our audit planning report, in our professional judgement there are no relationships between Crowe U.K. LLP and The Nuffield Oxford Hospitals Fund or other matters that would compromise the integrity, objectivity and independence of our firm or of the audit partner and audit staff. We are not aware of any further developments which should be brought to your attention.

Independence

International Standards on Auditing (UK) require that we keep you informed of our assessment of our independence.

We confirm that [we have not provided any non-audit services to the group / we have carried non-audit services as detailed below]. We have not identified any other issues with regards to integrity, objectivity and independence and, accordingly, we remain independent for audit purposes.

In communicating with those charged with governance of the parent charity and group we consider those charged with governance of the subsidiary entities to be informed about matters relevant to them.

The matters in this report are as understood by us as at 18 April 2024. We will advise you of any changes in our understanding, if any, during our meeting prior to the financial statements being approved.

Non-audit services

We have considered the non-audit services we have provided in the period and have concluded that there are no facts or matters that bear upon the integrity, objectivity and independence of our firm or of the audit partner and audit staff

related to the provision of such services which we should bring to your attention. Our fees for non-audit services in the year have been as follows.

Preparation of financial statements (VAT Inclusive)	£3,540
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Use of this report

This report has been provided to the Trustees to consider and ratify on behalf of the Trustees, in line with your governance structure. We accept no duty, responsibility or liability to any other parties, since this report has not been prepared, and is not intended, for any other purpose. It should not be made available to any other parties without our prior written consent.

Appendix 5 - Fraud risks

As part of our audit procedures we make enquiries of management to obtain their assessment of the risk that fraud may cause a significant account balance to contain a material misstatement. However, we emphasise that the responsibility to make and consider your own assessment rests with yourselves and that the trustees should ensure that these matters are considered and reviewed on a regular basis.

Usually fraud in the charity sector is not carried out by falsifying the financial statements. Falsifying statutory financial statements usually provides little financial benefit, as compared to say a plc where showing a higher profit could lead to artificial share prices or unearned bonuses. However, falsifying financial statements can be used to permit a fraud or to avoid detection. As a generality, charities represented by its management and its trustees do not actively try to falsify financial statements as there are not the same incentives to do so. In the charity world fraud is usually carried out through misappropriation or theft.

The trustees should be aware that the Charity Commission provides guidance (updated in September 2023) on how to protect your charity from fraud including information about fraud, how to spot it and what you can do to protect against it.

The Charity Commission's first guiding principle recognises that fraud will always happen. It is therefore important that, as part of setting their overall risk appetite, the trustees consider fraud within their tolerance for the risks associated with the management of the organisation's (and group's) funds. The development and continued assurance of a robust counter fraud control framework should then contribute to the organisation matching the risk appetite and tolerance agreed by the trustees.

We have shared with management our guidance and a framework on conducting fraud risk assessments / A copy of our guidance and a framework on conducting fraud risk assessments can be obtained from our website here: <https://www.crowe.com/uk/insights/fraud-risk-assessment-non-profit>.

A fraud risk assessment is an objective review of the fraud risks facing an organisation to ensure they are fully identified and understood. This includes ensuring:

- fit for purpose counter fraud controls are in place to prevent and deter fraud and minimise opportunity, and

- action plans are in place to deliver an effective and proportionate response when suspected fraud occurs including the recovery of losses and lessons learnt.

Good practice suggests that to be most effective the risk assessment should be undertaken at a number of levels within the organisation:

- Organisational – to assess the key policy, awareness raising and behavioural (including leadership commitment) requirements that need to be in place to build organisational resilience to counter fraud.
- Operational – a detailed analysis of the fraud risk and counter fraud control framework at the operational level – by function (activity) or individual business unit (including programmes and projects).

Any fraud risk assessment should not be seen as a standalone exercise but rather an ongoing process that is refreshed on a regular basis. Carrying out the fraud risk assessment may reveal instances of actual or suspected fraud. Should this happen next steps will be determined on circumstances, the existing control framework (including any response plan(s)), and in consultation with the key members of the organisation's management team.

Considering risks of fraud

There is evidence that during times of economic instability there is an increased risk of fraud. This may be because resource constraints can reduce internal controls and oversight and also because individuals facing hardship may be more likely to consider fraudulent practices.

The following provides further information on the three kinds of fraud that charities such as The Nuffield Oxford Hospitals Fund should consider.

a) *Frauds of extraction*

This is where funds or assets in possession of the charity are misappropriated. Such frauds can involve own staff, intermediaries or partner organisations since they require assets that are already in the possession of the entity being extracted fraudulently. This could be by false invoices, overcharging or making unauthorised grant payments.

Essentially such frauds are carried out due to weaknesses in physical controls over assets and system weaknesses in the purchases, creditors and payments cycle. The cycle can be evaluated by considering questions such as who authorises incurring a liability and making a payment. On what evidence? Who records liabilities and payments? Who pays them and who checks them?

The close monitoring of management accounts, ledger entries and strict budgetary controls are also generally seen as an effective way of detecting and deterring frauds in this area.

Staff should be made aware of the increasing use of mandate fraud. This is where when the fraudster gets the organisation to change a direct debit, standing order or bank transfer mandate by purporting to be a supplier or organisation to which the charity makes regular payments.

Insufficient due diligence around requests to amend supplier or payroll details has led to payments to unauthorised individuals so sufficient checks in these areas is of increasing importance. All employees should exercise real scepticism and not make any payments which are not properly supported and / or outside the normal payment mechanisms.

The Fraud Advisory Panel latest research shows the following as the fraud risks on the horizon:

- *Staff fraud. As people feel the effects of the cost-of-living crisis on their finances.*
- *Ransomware, particularly targeting network-attached storage. There has been a recent increase in these types of attack.*
- *E-commerce / online shopping fraud. In the lead-up to Black Friday (25 November), Cyber Monday (28 November), and the busy Christmas shopping period.*
- *Supply chain fraud. As some businesses and individuals find themselves in financial difficulty. To boost resilience, government is looking to create standard templates for supply chain contracts.*

A new survey has found that 12% of charities had experienced cybercrime in the previous 12 months, prompting the Charity Commission to highlighting this

issue to charities recently and warning them against the risk of online fraud. Furthermore, the survey also pointed to a potential lack of awareness of the risks facing charities online and note that just over 24% have a formal policy in place to manage the risk and only around 55% of charities reported that cyber security was a fairly or very high priority in their organisation. The Commission's discussion of this can be found here:

<https://www.gov.uk/government/news/charities-at-risk-of-underestimating-online-fraud-as-one-in-eight-experienced-cybercrime-last-year>

b) Backhanders and inducements

There is also an inherent risk that individuals who are able to authorise expenditure or influence the selection of suppliers can receive inducements to select one supplier over the other. This risk can be mitigated by robust supplier selection and tendering procedures.

There is also the risk that once a donation of money or aid has been authorised and released in the UK, this could be diverted, probably into the underground economy, as a result of inducements paid in the destination country. Charities should be aware of the requirements and extent of the UK Bribery Act 2010, as this extends their liability to actions beyond the shores of the UK and to cover the actions of their intermediaries and agents. Organisations are required to put in place proportionate measures to prevent backhanders and inducements from being paid, either by their workers, agents or intermediaries or to their workers, agents or intermediaries.

c) Frauds of diversion

This is where income or other assets due to The Nuffield Oxford Hospitals Fund are diverted before they are entered into the accounting records or control data. Essentially, it is easy to check what is there but very difficult to establish that it is all there. Therefore, ensuring the completeness of income provided to a charity becomes difficult.

It is important to consider the different income streams and when and how they are received. So income received directly into the charity's bank account will be a lower risk than income being received by home based fundraisers.

Appendix 6 - External developments

We have summarised below some of the developments and changes in the charity sector over the recent period which we believe may be of interest and relevant to you. Please note that this information is provided as a summary only and that you should seek further advice if you believe that you have any specific related issues or intend to take or not take action based on any of the comments below.

We believe it is important to keep our clients up to date on the issues that affect them and, as a part of our ongoing communication, we regularly hold webinars and therefore encourage you to visit our website (<https://www.crowe.com/uk/croweuk/industries/webinars>) or register to our mailing list (nonprofits@crowe.co.uk) to stay updated on these. Any webinars which you have missed remain available on demand on our website.

Governance

The Charities Act 2022: Implementation

The Charities Act 2022 (the Act) received Royal Assent on 24 February 2022 and brings into force a number of key changes to the Charities Act 2011, aimed at simplifying a number of processes.

The Charity Commission are currently working through implementing the various changes brought about by the legislation, and have set out an indicative timetable here: <https://www.gov.uk/guidance/charities-act-2022-implementation-plan>

Other provisions of the Act in force from 31 October 2022

Section 5: Orders under section 73 of the Charities Act 2011

Section 8: Power of the court and the Commission to make schemes

Section 32: Trustee of charitable trust: status as trust corporation

Section 36: Costs incurred in relation to Tribunal proceedings etc

Part of Section 37: Public notice as regards Commission orders etc.

Part of Section 40 and Schedule 2: Minor and consequential amendments

Provisions of the Act that came into force on 14 June 2023

Sections 9-14 and 35a: Permanent endowment

Sections 17, 19-22: Charity land

Sections 25-28: Charity names

Section 38 and 39: Connected persons

Part of Section 40 and Schedule 2: Minor and consequential amendments

Provisions of the Act expected to come into force in early 2024

Section 1-3: Charity constitutions

Sections 18 and 23: Charity land

Section 24 and Schedule 1: Amendments of the Universities and College Estates Act 1925*

Section 29: Powers relating to appointments of trustees

Section 31: Remuneration etc of charity trustees etc

Sections 33, 34 and 35(b): Charity mergers

Section 37: For remaining purposes

Section 40 and Schedule 2: For remaining purposes

*Whilst section 24 and Schedule 1 will be included in the phase 3 commencement regulations, they will come into force in Spring 2025.

The key provisions of the Act that have been implemented to date are set out below, and further information can be found here:

<https://www.gov.uk/guidance/charities-act-2022-guidance-for-charities>

Failed appeals

The Act introduces new rules granting the power for trustees to apply cy-près, allowing charities more flexibility in response to a charity appeal that has failed, allowing *donations* to be applied for another charitable purposes rather than having to be returned to donors under certain conditions:

- i) The donation is a single gift of £120 or less; and the Trustees reasonably believe that during the financial year the total amount received from the donor for the specific charitable purpose is £120 or less (unless the donor states in writing that the gift must be returned if the charitable purposes fail); or
- ii) The donor, after all agreed actions have been taken, cannot be identified or found; or
- iii) The donor cannot be identified (for example cash collections)

The Charity Commission published guidance in relation to failed appeals on 31 October 2022, which can be found here:

<https://www.gov.uk/government/publications/charity-fundraising-appeals-for-specific-purposes>

The Charity Commission has also updated its guidance CC20 'Charity fundraising: a guide to trustee duties' to reflect these changes.

The Fundraising Regulator has also published guidance, further details of which are provided below.

Payments to Trustees for providing goods to the charity

The Charities Act 2011 provided a statutory power for charities, in certain circumstances, to pay trustees for providing a service to a charity beyond usual trustee duties.

The Act extends this power to allow, in certain circumstances for payments to trustees for providing goods to the charity.

Updated guidance can be found here:

<https://www.gov.uk/guidance/payments-to-charity-trustees-what-the-rules-are>

The Charity Commission has also updated its guidance [CC29 'Conflicts of interest: a guide for charity trustees'](#) and [CC11 'Trustee expenses and payments'](#) to reflect these changes.

Power to amend Royal Charters

Royal Charter charities are able to use a new statutory power to change sections in their Royal Charter which they cannot currently change, if that change is approved by the Privy Council.

Updated guidance can be found here: <https://www.gov.uk/guidance/royal-charter-charities>

Selling, leasing or otherwise disposing of charity land

Charities must comply with certain legal requirements before they dispose of charity land. Disposal can include selling, transferring or leasing charity land. The Act simplifies some of these legal requirements. The changes include:

- widening the category of designated advisers who can provide charities with advice on certain disposals
- confirming that a trustee, officer or employee can provide advice on a disposal if they meet the relevant requirements
- giving trustees discretion to decide how to advertise a proposed disposal of charity land

removing the requirement for charities to get Commission authority to grant a residential lease to a charity employee for a short periodic or fixed term tenancy

Updated guidance can be found here:

<https://www.gov.uk/government/publications/sales-leases-transfers-or-mortgages-what-trustees-need-to-know-about-disposing-of-charity-land-cc28>.

Using permanent endowment

The Act introduces new statutory powers to enable:

charities to spend, in certain circumstances, from a 'smaller value' permanent endowment fund of £25,000 or less without Commission authority

certain charities to borrow up to 25% of the value of their permanent endowment fund without Commission authority

Charities that cannot use the statutory powers will require Charity Commission authority.

In addition, a new statutory power enables charities that have opted into a total return approach to investment to use permanent endowment to make social investments with a negative or uncertain financial return, provided any losses are offset by other gains.

Updated guidance can be found here:

<https://www.gov.uk/guidance/permanent-endowment-rules-for-charities>

<https://www.gov.uk/government/publications/total-return-investment-for-permanently-endowed-charities>

Changes to Scottish charity law

The Charities (Regulation and Administration) (Scotland) Bill received Royal Assent on 9 August 2023 (the "2023 Act").

The Act is intended to strengthen and update current law by increasing the powers available to the Office of the Scottish Charity Regulator ('OSCR') and provide consistency with certain elements of charity regulation in England, Wales and Ireland.

The key changes include:

- OSCR will be required to publish additional information on the public Scottish Charity Register, including:
 - the names of trustees
 - unredacted annual accounts
 - a list of individuals barred from acting as trustees
- a widening of OSCR's inquiry powers, to include organisations which are no longer charities and former trustees
- the creation of a register of merged charities (similar in purpose to the register maintained by the Charity Commission for England & Wales)

Further details on the changes can be found on the OSCR website here: <https://www.oscr.org.uk/news/what-do-the-changes-to-scottish-charity-law-mean-for-you/>

Investing Charity Money

CC14 has been updated, it is now called Investing Charity Money, and takes account of the High Court Judgement on the Butler Sloss case.

CC14 states that all charities should have a written investment policy if their governing document requires they have one or if the charity is a trust, and where it gives an investment manager powers to make decisions on its behalf. It includes:

Examples of various issues which may be relevant for trustees to consider when making investment decisions, such as the potential for an investment to conflict with the purposes of the charity, or the reputational impact of an investment decision.

Steps trustees 'must' take to be compliant with the law and those trustees 'should' do as best practice but not legally required.

Explanations on acting in the best interests of a charity, ensuring that above all else any decision furthers its purposes.

Guidance on social investment and no longer uses terminology that could get in the way of trustees' understanding, such as 'ethical investment', 'mixed motive investment' and 'programme related

investment'. It should be noted that whilst the guidance has simplified the terminology, this distinction is still important from a financial reporting perspective, as the Charity SORP requires different accounting treatment for mixed motive and programme related investments.

It also provides example approaches to financial returns including avoiding those investments which can reduce support for a charity and harm its reputation, and is more specific on ESG factors:

aiming only for the best financial return you can achieve, within the level of risk that you have decided is acceptable for your charity

alongside the financial return you are aiming for, avoiding investments that conflict with your charity's purposes.

alongside the financial return you are aiming for, avoiding investments that could reduce support for your charity or harm its reputation, particularly amongst its supporters or beneficiaries.

alongside the financial return you are aiming for, avoiding or making investments in companies because of their practice on environmental, social and governance (ESG) factors

alongside the financial return you are aiming for, using your shareholder vote, or other opportunities that come with your investment, to influence practice at companies that your charity is invested in.

The revised guidance can be found here: [Investing charity money: guidance for trustees \(CC14\) - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/publications/investing-charity-money-guidance-for-trustees-cc14)

The Future Charity Chair

Crowe are pleased to be involved in a new research project looking at the essential attributes that charity Chairs of the future will need to embrace. This research will explore the topic through roundtable discussions and in-depth interviews, with a thought leadership report due in Spring/Summer 2024.

The research aims to:

- Contribute ideas that will help to shape the future development and recruitment of charity Chairs.

- Enhance the future sustainability of the charity sector by highlighting longer term considerations for Board discussion.

- Provide fresh thinking to positively influence regulation and best practice guidance for the sector.

- Emphasise the value of good charity governance and the need for it to continually evolve to remain relevant.

The full report can be found here: [The future charity chair | Bayes Business School \(city.ac.uk\)](https://www.bayesbusinessschool.ac.uk/future-charity-chair)

Public trust in charities 2023

The Charity Commission has published the latest annual report into public trust in charities, the report shows that although public trust has risen the increase is small though the situation appears more stable than previous years.

There is still a divide in the perception of charities when it comes to size, with smaller charities faring better than larger organisations. The research includes interviews with members of the public from various demographics and reveals that half of the population are aware of the Charity Commission.

The full report can be found here [Public trust in charities 2023 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/public-trust-in-charities-2023)

Defined Benefit Funding Code of Practice

The Pensions Regulator (TPR) is currently analysing responses to its second consultation on the new Defined Benefit (DB) funding code of practice. The new Code includes a requirement for a 'funding and investment strategy' (FIS)

where trustees will be required to articulate their approach and decisions on funding and investments. Trustees must prepare a written statement of strategy which records the FIS and supplementary details, is signed on the trustees' behalf by their chairperson, and submitted to TPR with each triennial valuation.

Under the proposals, TPR sets out a "twin-track" model where trustees will be able to choose either a prescriptive "Fast Track" option or a more flexible "Bespoke" approach to completing and submitting an actuarial valuation for TPRs assessment. The proposed requirements for the fast track route include a number of areas such as suitable long-term objectives for schemes to achieve low dependency by the time a scheme is significantly mature (measured as 12-year duration) and discount rates of gilts plus 0.5% p.a. The fast track does not explicitly take account of covenant strength. TPR plans to consult separately on proposed changes to covenant guidance.

The code is now expected to come into force in April 2024, rather than 1 October 2023. Details of the consultation can be accessed via TPRs website:

<https://www.thepensionsregulator.gov.uk/en/document-library/consultations/draft-defined-benefit-funding-code-of-practice-and-regulatory-approach-consultation>

Charity Commission: Charity Use of Social Media

On 18 September 2023 the Charity Commission published guidance for charities on their use of social media, following a consultation carried out earlier in 2023.

A knowledge gap was identified through the Charity Commission's casework where trustees were not always aware of the risks that may arise from the use of social media, meaning that some do not have sufficient oversight of their charity's activity, leaving them and their charity vulnerable.

The aim of the guidance is to help trustees improve their understanding in this area, and to encourage charities to adopt a policy on social media as a way to set their charity's approach. The guidance does not introduce new trustee duties but seeks to make clear how existing duties are relevant to a charity's use of social media.

The guidance sets out that social media use can raise issues and risks for charities, relating to problematic content:

posted or shared by the charity on its own social media channels
 posted by the public or third parties on a charity's social media channel
 posted on a personal social media account that can be reasonably associated with the charity

The new guidance is clear that charities using social media should have a social media policy in place, explaining how it will help deliver the charity's purpose, include guidelines for expected conduct and should ensure the policy is followed.

The guidance contains a checklist to help trustees and senior employees have informed conversations on what the right policy for them looks like.

<https://www.gov.uk/government/publications/charities-and-social-media/charities-and-social-media>

Charity Commission: Internal financial controls for charities (CC8)

In April 2023 the Charity Commission published updated guidance "Internal financial controls for charities (CC8)"

The guidance has been updated to reflect changes in legislation and practise across the sector, including new areas such as mobile payment systems (e.g. Apple Pay) and donations of cryptoassets. Existing guidance has also been refreshed in areas such as payments to related parties and operating internationally.

An updated checklist is also included in the guidance to allow charities to assess themselves against the new guidance.

The guidance can be obtained here:

<https://www.gov.uk/government/publications/internal-financial-controls-for-charities-cc8/internal-financial-controls-for-charities>

Compliance

Holiday Entitlement – where are we now?

In March 2023 the government opened a consultation exercise to review the legislation governing holiday entitlement and holiday pay, which had over time become complex, and in some cases, difficult for employers to follow.

The consultation exercise ended on 7 July 2023, and the government's response was published on 8 November 2023. The response indicates that the following actions will be taken:

- *Introduce an accrual method for calculating holiday*
 Entitlement will be calculated as 12.07% of hours worked in a pay period for irregular hours and part year workers. All other workers will accrue leave at 1/12th of their entitlement on the first day of each month during their first year of employment.
- *Sanction rolled-up holiday pay (RHP)*
 Legislation will be introduced to allow RHP for irregular hours workers and part-year workers only.
- *Introduce a definition of irregular hour workers & part-year workers*
 Legislation will be updated to define what is meant by irregular hours workers and part-year workers.

The Government has laid out revisions in respect of the above as part of The Employment Rights (Amendment, Revocation and Transitional Provision) Regulations 2023, effective from 1 January 2024.

Irregular hours and part-year workers

To the relief of many employers the revised Working Time Regulations ('WTR') will include provisions aimed squarely at addressing the flaws laid bare in the Harper Trust v Brazel case in which it was held part year workers on permanent contracts were entitled to a full year's holiday entitlement, regardless of the number of weeks worked.

For holiday years from 1 April 2024 individuals who work irregular hours or part-year (such as term time or casual workers) will accrue holiday on the last day of each pay period at a rate of 12.07% of the number of hours worked during the pay period. This will ensure that their entitlement will remain in proportion to the hours that have been worked and differs from other employees who receive their full entitlement at the start of a holiday year. It is open to employers

to allow the employee to take more holiday than they have accrued – in such cases it's essential that employment contracts reserve the right for the employer to deduct over usage from final salaries.

For the same group of workers the revised WTR sees a welcome return of rolled-up holiday pay. Rolled-up holiday pay is where the accrual in a pay period is paid to the employee with their basic salary rather than when they actually take their holiday. The practice was outlawed because in the opinion of the European Court of Justice it discouraged workers from taking time off. However, for many casual work arrangements rolled up holiday pay is the only logical approach and many employers have continued to apply it.

From 1 April 2024 rolled up holiday pay will be permitted on condition that:

- the individual is a part-year or irregular hours worker
- the holiday pay is calculated using 12.07% of all pay for work done
- the holiday pay (12.07%) is paid at the same time as the pay for work done
- the holiday pay is separately itemised on the payslip.

It's worth noting that the 12.07% formula does not account for the different holiday pots that we covered at the start of this article and therefore in some cases it could result in higher rates of holiday pay.

It is also the case that an employer has a legal duty to ensure that an individual takes their 5.6 weeks of holiday per year and this duty applies even when they are paid using rolled-up holiday pay and not when they actually take their holiday – which could make it difficult to monitor.

Record Keeping

Following a 2019 decision by the European Court of Justice employers have been required to record the daily hours worked by their employees.

Under the revised WTR employers will be required to keep records that evidence compliance with the 48-hour week, opt-out agreements, length of night work and health assessments for night workers, and therefore an employer is not required to record daily hours if they can evidence compliance by other means.

Key Takeways

The revisions to the WTR should be welcome news for most employers, although in some areas they lack detail – such as a lack of definition around normal earnings for the calculation of holiday pay.

Employers of irregular and part year workers will be eager to adapt their processes to accommodate 'accrue as you go' and rolled up holiday pay.

For some employers it will be the much-needed spur to start and correctly calculate holiday pay and for others a need to evaluate the true status of their self-employed contractors.

However, for almost all employers there will be a need to look at policies and procedures to ensure that they align with the new rules on holiday carry over and ensure that 'use it or lose it' prompts are timetabled before the end of the holiday year.

The full article can be obtained here:

<https://www.crowe.com/uk/insights/holiday-entitlements>

Duty on employers to prevent sexual harassment at work

The Worker Protection (Amendment of Equality Act 2010) Act 2023 received Royal Assent on 26 October 2023, and came into force on 27 October 2023, and introduces a new duty on employers to take reasonable steps to prevent sexual harassment of their employees in the course of their employment. 'In the course of their employment' covers activities outside of the workplace, for example work social events.

This new duty to prevent sexual harassment will be enforceable by an employment tribunal, where it has first upheld a claim for sexual harassment. A tribunal will have the discretion to award a 'compensation uplift' by increasing any compensation it awards for sexual harassment by up to 25% where there has been a breach of the employer's duty in sexual harassment cases.

The Equality and Human Rights Commission's guidance on sexual harassment and harassment at work contains steps employers should consider taking in order to prevent and deal with harassment at work. These steps include having an effective and well communicated anti-harassment policy in place and maintaining a reporting register of complaints for all forms of harassment.

A copy of the guidance can be found here:

https://www.equalityhumanrights.com/sites/default/files/sexual_harassment_and_harassment_at_work.pdf

Increase to National Minimum Wage

The government has announced an increase to the national living wage ('NLG') and national minimum wage ('NMW') effective from 1 April 2024, as follows:

- The NLW rate will rise from £10.42 to £11.44 per hour - this rate currently applies to workers aged 23 and over but it will be extended to also apply to 21 and 22-year-olds from 1st April 2024.
- The NMW rate for workers aged 18 to 20 will rise from £7.49 to £8.60 per hour.
- The NMW rate for workers aged 16 and 17 will rise from £5.28 to £6.40 per hour.
- The NMW rate for apprentices aged under 19, or those aged 19 and over but in the first year of their apprenticeship, will rise from £5.28 to £6.40 per hour.
- The daily offset for the provision of living accommodation to a worker will rise from £9.10 to £9.99 per day.

Charities and terrorism

The Charity Commission guidance on 'Charities and Terrorism', first published in December 2012, has been updated in November 2022.

The guidance forms Chapter 1 of the Charity Commissions compliance toolkit, which provides advice and information on key aspects of the UK's counter-terrorism legislation, highlights how particular provisions are likely to affect charities and their work, explains the various 'terrorism lists' that exist and advises trustees what to do if they discover their charity may be working with or connected to people or organisations on terrorism lists.

The updated toolkit signposts to new guidance from the Crown Prosecution Service on proscription offences and terrorist financing offences and cases involving humanitarian, development and peacebuilding work overseas.

The updated toolkit can be found here:

<https://www.gov.uk/government/publications/charities-and-terrorism>

Fundraising Regulator: Annual complaints report

In November 2023 the Fundraising Regulator has published its latest Annual Complaints Report which covers the period 1 April 2022 to 31 March 2023. The report analyses complaints received by the Fundraising Regulator and complaints reported to 58 of the UK's largest fundraising charities.

- The number of complaints to the sample charities rose proportionally for most methods in line with increased fundraising activity – with 13 of the 23 fundraising methods having increased complaint numbers in 2021/22 compared to 2020/21. The overall number of complaints had increased since 2021/22 which is reflective of increases in fundraising activity since the pandemic.
- Over the same period, complaints about fundraising methods including door to door fundraising (60), charity bags (57) and addressed mail (51) accounted for the majority of the 270 complaints within the Fundraising Regulator's scope. A common theme was that of misleading information, highlighting the importance of clarity in fundraising materials.
- You can see the full report [here](#).

Charities and campaigning

- With the UK due to hold a general election by January 2025 at the latest, there presents an opportunity for charities to raise awareness and shape policy decisions.

The majority of charity campaigning does not fall under election law rules, however, care must be taken when campaigning that the charity does not stray into election campaigning and remains independent from party politics.

- Various guidance is available from the Charity Commission to charities to assist in assessing the risks to the charity:
 - [Campaigning and political activity guidance for charities \(CC9\)](#)
 - [Charities, Elections and Referendums guidance](#)
 - [Charities and political donations guidance](#)

The guidance emphasises the need for any campaigning to be carefully considered by the Trustees, particularly in respect to the risks, costs and benefits of any such activity.

Charities will be required to register with the Electoral Commission as non-party campaigners if they spend more than £10,000 on regulated campaign activities and may be required to provide financial returns after the election.

The Electoral Commission has produced guidance to support organisations which can be found [here](#).

The Charity Commission have urged charities to ensure that they have read and understood the Code of Practice for non-party campaigners which has also been produced and can be found [here](#).

Fundraising Regulator: 'Failed appeals' guidance

- Following the changes introduced by the Charities Act 2022 ('the Act'), the Fundraising Regulator has also published guidance 'What to do if you raise more donations than you need, don't raise enough, or cannot achieve your purpose'
- The guidance includes practical measures that can be taken to avoid triggering the legal requirements of the Act, such as the inclusion of a secondary purpose in appeals literature.
- The guidance should be read in conjunction with the guidance issued by the Charity Commission noted above.
- The guidance is available here: <https://www.fundraisingregulator.org.uk/more-from-us/news/what-do-if-you-raise-more-donations-you-need-dont-raise-enough-or-cannot-achieve>

Gender pay reporting

- Any employer with 250 or more employees on a specific date each year (the 'snapshot date') must report their gender pay gap data. For most entities the snapshot date is the 5 April of each year.
- You must report and publish your gender pay gap information within a year of your snapshot date. You must do this for every year that you have 250 or more employees on your snapshot date.

- Guidance on what and how to report can be found here: <https://www.gov.uk/government/publications/gender-pay-gap-reporting-guidance-for-employers>

Failure to prevent fraud and other economic crimes

- A new failure to prevent fraud offence has been introduced by the Economic Crime and Transparency Act 2023. It will apply to all large corporate entities, including charitable companies and CIOs.
- An offence is committed where an employee or agent commits fraud. The penalty is an unlimited fine for the organisation, and no personal liability will be introduced for trustees or management failure to prevent fraud.
- The legislation is far reaching, and where an organisation operates or is based overseas, if an employee commits fraud under UK law or affecting UK victims, the company can be prosecuted.
- There is a defence to the failure to prevent economic crimes if the organisation can prove that it had reasonable prevention measures in place, or that it was not reasonable in all the circumstances to expect it to have had any procedures in place.
- The offence will come into force when the government publishes statutory guidance on the reasonable procedures organisations should consider putting in place.
- Full details of the legislation can be found [here](#).

Financial and other reporting

FRC Consultation: Amendments to FRS 102

On 15 December 2022 the Financial Reporting Council issued FRED 82 "Draft amendments to FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland and other FRSs – Periodic Review".

FRED 82 proposes a number of changes resulting from the second periodic review of FRS 102 and other Financial Reporting Standards. The proposals include: a new model of revenue recognition in FRS 102 and FRS 105 based on the IFRS 15 five-step model for revenue recognition with appropriate simplifications; a new model of lease accounting in FRS 102 based on IFRS

16 on-balance sheet model (again with appropriate simplifications); and various other incremental improvements and clarifications.

The consultation closed on 30 April 2023, and the FRC has since announced that the publication and effective date of the changes has been delayed, with publication expected in the first half of 2024 and the implementation date will be periods commencing on or after 1 January 2026.

The consultation documents can be obtained here:
<https://www.frc.org.uk/consultation-list/2022/fred-82>

Dispelling common myths about charities

ICAEW, with input from Crowe, has published guidance exploring ten myths surrounding charities and their operations, with a view to encourage transparent communication in areas where these misconceptions are prevalent. The ten myths considered are:

- Charities spend too much on fundraising.
- They should not make a surplus or build up cash reserves.
- Too much is spent on highly paid executives.
- They should not undertake commercial activities.
- Charities should be run and staffed [for free] by volunteers.
- Too much is spent on overheads.
- Charities don't pay taxes, so need less money.
- Professional qualifications are needed to become a charity trustee.
- Charities are less vulnerable to fraud than other organisations.
- Charities should not engage in campaigning and political activity.

The guidance includes access to a webinar discussing some of the key myths with voices from the sector.

The Guidance can be found here: [Dispelling common myths about charities | ICAEW](#)

Charity Digital Skills report

The Charity Digital Skills annual report has been running since 2017 and tracks the sector during a time of significant change due to the impact of the pandemic. As we continue to navigate the cost of living crisis and the impact on the sector, this report aims to shed some light on how the digital capabilities of charities have evolved and highlighting key trends.

The report highlights that:

- Three quarters (78%) of charities say that digital is more of a priority for their organisations
- 1 in 5 charities say their IT provision is poor
- 8 out of 10 (79%) of charities see improving their website, digital presence or social media as the greatest priority for the next year
- Improving data security, privacy and GDPR compliance has become more of a priority since 2022.
- Almost half (46%) of charities say they do not have anyone with digital expertise on their board

The gaps seen in previous years persist, these include funding and leadership. With the rapid growth in AI development charities must ensure that digital skills remain a priority to avoid being left behind.

[Digital Skills Report for the Charity Sector - Introduction \(charitydigitalskills.co.uk\)](https://charitydigitalskills.co.uk)

NCSC publishes “Cyber Threat Report: UK Charity Sector”

The National Cyber Security Centre has published a report outlining the cyber threats currently facing charities of all sizes.

The 2023 DCMS Cyber Security Breaches Survey, which measures the policies and processes organisations have for cyber security, as well as the impact of breaches and attacks, highlighted 24% of UK charities had identified a cyber-attack in the last 12 months, a decrease from 30% in 2022. The drop is driven by smaller organisations – the results for medium and large businesses, and high-income charities, remain at similar levels to last year.

The report notes that the charity sector is particularly vulnerable as they can hold significant amounts of sensitive or valuable data, making them attractive

targets, alongside a perception that charities have fewer resources to commit to cyber security.

The report provides details of the commonly perpetrated cyber-attacks, as well as a number of recommendations and links to guidance to assist charities strengthen their defences.

A copy of the report can be obtained here:

<https://www.gov.uk/government/statistics/cyber-security-breaches-survey-2023/cyber-security-breaches-survey-2023#summary>

FRC publishes "What makes a good Annual Report and Accounts" report

In December 2022, the FRC published its latest report on the attributes of a good Annual Report and Accounts ('ARA') from their perspective as an improvement regulator. It draws on previous FRC publications alongside their day to day work.

The report states that 'A *high-quality ARA*:

- *complies with relevant accounting standards, laws and regulations, and codes;*
- *is responsive to the needs of stakeholders in an accessible way; and*
- *demonstrates the corporate reporting principles and effective communication characteristics outlined in this publication.'*

Whilst the report is focused on corporate reporting, there are a number of quick tips and pointers, along with examples, which might be of interest when preparing your Trustees' Annual Report.

The full report can be found here:

<https://www.frc.org.uk/getattachment/d3e86b16-22b6-4aa7-a6fe-1dc83657335f/What-Makes-a-Good-Annual-Report-and-Accounts.pdf>

Guidance on Fundraising Reporting Requirements

The Fundraising Regulator has published new research and updated guidance to support compliance with the fundraising reporting requirements in the Charities (Protection and Social Investment) Act 2016).

The Fundraising Regulator has reviewed the annual reports of almost 200 charities with income over £1m to provide a benchmark for the sector and highlight good practice and identify areas for improvement.

The research had noted that an increasing number of charities reported on their fundraising approaches and complains compared to previous years, however only a low proportion of the reports reviewed included a statement on how fundraising carried out on their behalf is monitored or a statement of how they protect the public and vulnerable donors.

The results of the review can be found here:

<https://www.fundraisingregulator.org.uk/more-from-us/resources/charities-act-2016-analysis-july-2022>

and the updated guidance can be found here:

<https://www.fundraisingregulator.org.uk/more-from-us/resources/charities-act-2016-fundraising-reporting-requirements-guidance>

Charity Commission: Guidance on accepting donations

In March 2024, the Charity Commission published new guidance to help charities when deciding whether to accept, refuse or return a donation.

The guidance explains when donations must be refused or returned and when these might likely need to be refused or returned. The guidance makes clear that trustees should start from a position of accepting donations, but from time to time a charity may face a difficult decision as whether to refuse or return a donation. The guidance sets out an approach for trustees to take on these occasions, advising they:

- consider the risks involved in refusing or returning the donation, and how likely and serious these are. These include negative financial impact, ability to deliver services and ability to attract donations in future
- consider the risks involved in accepting or keeping the donation, and how likely and serious these are. These include the likelihood of reduced support or reputational harm, particularly among supporters or beneficiaries

- determine how any decision aligns with their charity's purposes
- determine what steps they can take to mitigate the risks. These include negotiating the terms of a conditional donation with the donor or developing a public explanation for a decision

It explains that if a charity is considering refusing or returning a donation, the charity must have the legal power to refuse or return a donation. In some situations, there are additional legal rules to consider e.g. disposal of land or properties of a special trust.

The charity should also consider whether it needs to make a SIR when it refuses or returns a donation.

Ultimately, as the guidance states: "Deciding whether to accept, refuse or return a donation is likely to involve a careful balancing exercise. There may be no right or wrong answer, but your decision must be rational and reasonable, and supported by clear evidence."

The full guidance can be obtained here:

<https://www.gov.uk/guidance/accepting-refusing-and-returning-donations-to-your-charity>

Taxation

Consultation: Charity tax compliance

The Government has launched a consultation into several aspects of tax compliance by charities to consider how to reform some of the tax relief rules that are not working as intended.

The consultation seeks views on a number of areas, including:

- preventing donors from obtaining a financial benefit from their donation
- preventing abuse of the charitable investment rules
- closing a gap in non-charitable expenditure rules
- sanctioning charities that do not meet their Filing and Payment Obligations

It is important that charities have their say and engage with the consultation, to ensure that the relevant considerations can impact decision making.

The consultation closed on 20 July 2023, and HMRC are analysing the feedback received.

The consultation can be found here:

<https://www.gov.uk/government/consultations/charities-tax-compliance/consultation-charities-tax-compliance>

VAT: Changes to Penalty Regime

For VAT accounting periods starting on or after 1 January 2023 there are new penalties for VAT returns that are submitted late and VAT which is paid late, in addition the way interest is charged has also changed. The changes are aimed at simplifying and separating penalties and interest.

The system has changed to a penalty points system, where for each return submitted late, a penalty point is issued. The penalty point threshold is determined by the accounting period, with a higher threshold for more frequently submissions. When the threshold is reached, a penalty of £200 will be issued, with a further £200 penalty for each further late submission.

Penalty points will have a lifetime of 2 years, after which they will expire. The period is calculated from the month after the month in which the failure occurred, e.g. submission due January 2024, so the penalty point will expire in February 2026.

Once a taxpayer reaches the threshold, all points accrued will be reset to zero when the following conditions are met:

- A period of compliance; and
- The taxpayer has submitted all submission in the previous 2 years (even if late).

The new late payment penalty will apply in instances where the return is submitted on time but the payment is not. This penalty considers the length of the delay in making payment and the penalty increases over time.

As part of the new penalty regime, HMRC has also updated its Late Payment Interest ('LPI') rules to bring these in line with other tax regimes.

Full details of the updated regime can be found here:

<https://www.gov.uk/guidance/penalty-points-and-penalties-if-you-submit-your-vat-return-late>

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Accounts

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

THE NUFFIELD OXFORD HOSPITALS FUND

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THE NUFFIELD OXFORD HOSPITALS FUND

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2022

Trustees

Ms S Barratt
Professor A Carr, Chair
Ms A Cowell (retired 17 May 2022)
Sir Andrew Dilnot
Mr J Ford
Mr J Ramsden
Dr T Lancaster
Mr J Burchfield (resigned 31 December 2022)

Charity registered number

212575

Principal office

c/o Botnar Institute, NDORMS, University of Oxford, Windmill Road, Oxford, OX3 7LD

Secretary

R Sonley (until 17 May 2022)
A Truesdale (from 18 May 2022)

Independent auditors

Crowe U.K. LLP, Aquis House, 49 – 51 Blagrove Street, Reading, RG1 1PL

Bankers

Barclays Bank Plc, 54 Cornmarket Street, Oxford, OX1 3HS

Solicitors

Stone King LLP, 12 Queen Square, Bath, BA1 2HJ

Solicitors for Wintringham Estate

Macfarlanes LLP, 20 Cursitor Street, London, EC4A 1LT

Master Developer/Joint Venture Partner

Urban & Civic PLC, 50 New Bond Street, London, W1S 1BJ

Property Consultants

Glanville Consultants Ltd, 3 Grovelands Business Centre, Boundary Way, Hemel Hempstead, HP2 7TE

Investment Managers

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

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees present their annual report together with the audited financial statements of The Nuffield Oxford Hospitals Fund for the year ended 31 December 2022.

Objectives and activities

a. Policies and objectives

The object of the Charity, which is laid down in the Trust Deed, is to raise the standard of service of local hospitals, in order to assist the development and carrying on of the Oxford University Medical School.

The trustees believe that the purpose of the Charity, which is "to raise the standard of service of local hospitals, in order to assist the development and carrying on of the Oxford University Medical School", satisfies the public benefit requirements.

The direct benefit which flows from this purpose is supporting the Oxford University Medical School in the training of doctors in Oxfordshire, by providing grants enabling the provision of, for example:

- Publication of a paediatric surgical oncology guidebook
- Equipment for improved simulator training facilities, including baby manikins
- Desktops and laptops to support the Bodleian health care and other libraries
- Hybrid audio-visual teaching equipment for in-person and remote access.

In addition, an annual budget is provided to the Oxfordshire Health Services Research Committee (enabling doctors in training to have research experience).

These benefits are evidenced through the requirement of all grant holders to provide on completion of their projects a report to trustees, published on the website, on the benefits that have been achieved in supporting the training of doctors in their areas. In addition, trustee visits are sometimes arranged to meet with grant holders.

It should also be noted that The Nuffield Oxford Hospitals Fund (NOHF) monies provide added value and benefits over and above any NHS or University funding. The beneficiaries are ultimately the patients receiving treatment from the trained medical doctors, principally within the National Health Service.

In setting objectives and planning for activities, the trustees have given due consideration to general guidance published by the charity commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'. and have complied with section 4 of the Charities Act 2011.

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Objectives and activities (continued)

b. Strategies for achieving objectives

The strategy of the Charity is to continue to ensure that the Charity's investments provide an increasing and sustainable distributable income over the long term to support the objects of the Charity. That income is distributed in grants, which are selected based on medical priorities and maximisation of the benefit to the standard of service in line with the Charity's objectives.

The Charity's investment manager is Sarasin. Funds with Sarasin are invested in units in a pooled managed fund, the Sarasin Endowments Fund.

In recent years, suitable grant applications to the Charity have been less than the charitable funds available, resulting in an accumulation of income reserves. The Trustees have for some time been considering how to resolve this either by attracting further grant applications or looking for larger, longer-term projects to fund from the accumulated income reserves. Following consultation with the Medical School on its funding needs, the Trustees have discussed how the Charity's future approach to grants might evolve to meet these needs and to ensure that the Charity's available funds are used to generate as much benefit as possible. Particular consideration is being given to:

- Extending grants for more than 1 year, potentially up to 3 years, thus increasing the range and scope of applications, and
- Larger one-off contributions towards capital projects aimed at improving medical education.

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Objectives and activities (continued)

c. Activities undertaken to achieve objectives

The activities of the Charity over the year comprise both investment activities and the grant making activities set out in the next section of this report.

The Charity's investment activities have the objective of continuing to ensure that the investments provide an increasing and sustainable distributable income over the long term to support the objects of the Charity.

The current investment portfolio, overseen by the investment committee, provides the income to fund the grants awarded each year. The Charity adopts a total return approach to the endowment invested in managed funds, resulting in income of £671,212 (2021: £509,867) being recognised in the year. There is also a small amount of investment income generated by the investment of income reserves in managed funds and cash.

During the year under review, the Charity committed to 8 grants totalling £261,566 (2021: 8 grants totalling £294,318). As explained above, the Trustees are actively considering ways in which accumulated income reserves might be used to provide larger grants in future years.

Part of the Charity's endowment is invested directly in land through a joint venture with Nuffield Dominions Trust (NDT) and Urban & Civic PLC (U&C). The Charity's share of the joint venture partnership is 15%. The joint venture partnership was granted planning permission for up to 2,800 homes on the Wintringham site at the end of 2018 and, in spite of the COVID pandemic, work has proceeded throughout 2020, 2021 and 2022. Construction commenced with two housebuilders, Cala and Morris Homes, and a number of other housebuilders started work or signed contracts in 2021 and 2022. Reports dated 13 March 2023 show completion on 198 units and exchange or reserve on a further 59 units.

In 2022, the Charity received Gift Aid income of £1,535,250 (2021: £339,000) from the joint venture partnership and recognised interest income of -£6,227 (2021: £248,657) on loans made to the partnership to fund WIP. U&C paid the final instalment of amounts owed for the purchase of the land and the partnership repaid £337,500 of the WIP loans made to it by the Charity in previous years. Cash flow forecasts for the partnership show that no further WIP loans from the Charity will be required.

Monitoring of the project continues to take place through the Wintringham Partners Board (comprising representatives from U&C and NDT) and 1 Wintringham LLP (where the Charity is represented by one Trustee).

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Objectives and activities (continued)

d. Grant-making policies

The Charity requires that grant applications, together with supporting information, are submitted to the Medical Sciences Department, John Radcliffe Hospital Secretary by the end of January each year. The applications are first reviewed by the Secretary (who seeks further information as necessary) and then by the medical trustees of the Charity. The medical trustees take into consideration the advice on priorities provided by the Medical Sciences Board (the Board of the University's Medical Sciences Division which is responsible for organisation, development and delivery of the Medical Sciences curricula). The trustees will, if appropriate, make further enquiries themselves and prepare their own recommendations.

All grant applications, together with the recommendations of the Charity's medical trustees, are considered by the full Board of trustees at the Annual Meeting in May. Each application is reviewed to consider the benefit it can generate and to ensure that it clearly follows the objects of the Charity. The acceptable applications are then prioritised and awarded in priority order to match the funds available for distribution. If the grant applications approved at the Annual Meeting are significantly less than the funds available, a second tranche of grants may be considered later in the year.

Grants awarded by the Charity's trustees require endorsement by the Nuffield Medical Trustees, appointed to have oversight of the Nuffield Benefaction.

The payment of approved grants is conditional upon the relevant authorised expenditure being incurred and relevant evidence provided. Grant holders are advised that, if relevant authorised expenditure is not incurred within 18 months of the letter of approval, then the grant can be withdrawn unless a reasonable explanation is provided.

Grant holders are required to submit a 250 word report on completion of the project so that trustees understand the benefits gained from the funding and receive assurance that the funds have been spent in line with the application approved.

e. Main activities undertaken to further the charity's purposes for the public benefit

The main public benefit activity in 2022 has been to award a total of £261,566 of grant support to the Oxford Medical School through 8 individual grant holders in a variety of clinical and academic departments. In 2022 there were over 3,000 registered medical students in the Oxford Medical School.

Achievements and performance

a. Main achievements of the charity

The main achievements have been to fund a wide range of training and educational activities and equipment. Important areas supported by grant funds provided during the year under awards made in 2022 and previous years were:

- Enhancement of surgical skill training
- Skull surgery simulator
- Physiology, anatomy and genetics anatomical models
- Psychiatric simulation suite
- Upgrading IT & study facilities
- Bodleian Health Care Libraries refurbishment & textbooks
- Neuroscience simulator
- Palliative Care Sobell House – student equipment
- Simulated ward high fidelity manikins.

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Achievements and performance (continued)

b. Investment policy and performance

The investments held by the Charity comprise a portfolio of direct and pooled investments together with its 15% interest in the Wintringham development at St Neot's.

The performance and monitoring of the Wintringham investment is discussed above. This is a long-term investment and returns from it are expected to fluctuate over the next few years. Projections show that the development will generate significant returns for the Charity over the next ten to fifteen years.

The Charity's investment portfolio is managed by Sarasin and invested in one pooled fund, The Sarasin Endowments Investment Fund.

The investment policy in place during 2022 (last reviewed in October 2020) states that the primary financial objective is to ensure that the Charity is invested to provide an increasing and sustainable distributable income to support the objectives of the Charity, while maintaining the real value of the fund over the longer term. It also sets a target drawdown rate of not less than 3.5% per annum.

The investment committee, which comprises three trustees, met with the Charity's new investment managers twice during the financial year to oversee the performance of the portfolio.

During the year ended 31 December 2022 the Sarasin Endowments Investment Fund generated investment returns of -9.7% compared to a benchmark return of -6.7%.

The outlook for investments is very uncertain given current geo-political events and higher inflation but the trustees believe that a diversified, actively managed multi asset fund remains the best approach to long term capital growth and a sustainable income stream.

It should be noted that in managing the portfolio, the Restricted Endowment Fund and the Pre 63 Accumulated income fund are managed as one fund, known as the General Fund.

Financial review

a. Going concern

The trustees have considered the impact of continuing uncertainty in financial and property markets on the Charity's ability to continue to fund grants. Taking into account the Charity's cash resources and the liquidity of its investment portfolio, the trustees have a reasonable expectation that the Charity has adequate resources to continue to support existing grants and commitments and to continue in operational existence for the foreseeable future. If the expected return to be generated by funds were to decline, the Charity has the ability to adjust future grants accordingly. For these reasons, the trustees continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

b. Reserves policy

It is the policy of the trustees to maintain sufficient reserves in the Charity's Post 1963 Accumulated Income Fund, to provide for a minimum of one year's charitable expenditure, towards the Charity's object. The capital of the General Fund Capital Account cannot be realised for use as income. However, if required, the Pre 1963 Accumulated Income Fund should enable the trustees to continue appropriate levels of expenditure in the coming years, even if there were to be decreases in the Charity's investment income.

In the opinion of the trustees, the Charity's assets are adequate to meet its obligations.

c. Surplus in the year

The Balance Sheet at 31 December 2022 shows that the Charity's net assets total £28,041,320, a decrease of £643,105 on to the net assets at 31 December 2021. There was a surplus for the year before net investment losses of £1,780,284 (2021: £407,760). The net loss on disposal and revaluation of assets in the Investment Portfolio of the Charity during the year was £2,432,389 (2021: Gain of £1,645,488).

i. Endowment Fund

At 31 December 2022, the balance of the Endowment Funds amounted to £24,305,625, a decrease of £2,509,234 during the year. This decrease arose mainly from net losses on the valuation of investments.

ii. Accumulated Income Fund Post 1963

The Statement of Financial Activities for this fund shows a net increase of £1,866,129 for the year.

Incoming resources amounted to £2,213,603 (2021: £1,109,538), including receipt of gift aid of £1,535,250 (2021: £339,000) and interest income of -£6,227 (2021: £248,647) from the charity's Wintringham investment.

Resources expended amounted to £298,387 (2021: £650,952). Expenditure included costs of £15,750 (2021: £326,667) relating to contractual obligations and other costs arising on the Wintringham development.

There were losses on the fund assets of £49,087. The balance on the Accumulated Income Fund Post 1963 at 31 December 2022 was £3,735,695 compared to £1,869,566 at 31 December 2021.

Structure, governance and management

a. Constitution

The governing document is a Trust Deed, dated 4 December 1937, as amended by schemes of 1 July 1952, 22 December 1953, 19 May 1976 and 6 March 1998.

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Structure, governance and management (continued)

b. Methods of appointment or election of Trustees

New trustees are appointed by the existing trustees and serve for five years. They may then put themselves forward for re appointment which is considered at the Annual General Meeting.

The existing trustees carry out an appropriate selection process and conduct background checks before offering posts to new trustees. When considering new trustees, the existing trustees look for specific areas of expertise to help meet the objectives of the Charity.

c. Policies adopted for the induction and training of Trustees

The induction and training of new trustees and the information with which they are provided are tailored depending on the Trustees' background, interests and roles. A copy of the Trust Deed is provided along with annual accounts, risk assessments, investment reports and contact details of fellow trustees. Additional information is provided to any medical trustees who will be involved in assessing grants applications and making recommendations for awards.

All trustees receive regular updates on Charity Commission publications and attend appropriate charity seminars where relevant.

d. Organisational structure and decision making policies

Under the terms of a Special Resolution passed on 15 July 2020, the maximum number of trustees is ten. A total of ten trustees served during the year.

Three trustees served on the Investment Committee which met twice during the year.

Following the creation of the joint venture with Urban & Civic, matters relating to Wintringham are dealt with by 1 Wintringham LLP, which has 2 directors representing the Charity and 2 representing NDT. Meetings are held twice a year and information is shared with other trustees as appropriate. The Charity has no membership of Wintringham Partners Board, but the Chair has been an observer at most of the board meetings.

The day-to-day administration of the Charity is undertaken by the Charity Secretary, in consultation with the Chair and other trustees as required.

e. Financial risk management

The trustees have assessed the major risks to which the charity is exposed, in particular, those related to the operations and finances of the charity. The trustees also continue to monitor closely the risks associated with the development of the Wintringham land. The trustees are satisfied that systems and procedures are in place to mitigate the exposure to the major risks.

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Plans for future periods

The trustees are expecting to continue to provide further grants in the future to meet the Charity's object. The trustees are aware of the need to make full use of available income and, as considered under strategies for achieving objectives, are looking at ways of enhancing and extending the types of grants offered. The development of the Wintringham land is expected to provide significant additional funds to enhance future grant giving, although cashflows from the development are likely to be limited in the short term.

As set out in strategies for achieving objectives, detailed discussions will continue to consider whether the funds that the Charity may receive arising from Wintringham could be used for a more significant one-off project such as the enhancement of facilities for the Medical School throughout the Oxford Hospitals.

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees 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 its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them 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. They are 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.

Disclosure of information to auditors

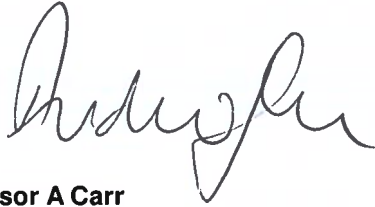
Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Approved by order of the members of the board of Trustees and signed on their behalf by:



Professor A Carr
(Chair of Trustees)

Date:

16 MAY 2023



Ms S Barratt

Date:

16 May 2023

THE NUFFIELD OXFORD HOSPITALS FUND

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE NUFFIELD OXFORD HOSPITALS FUND

Opinion

We have audited the financial statements of Nuffield Oxford Hospitals Fund ('the charity') for the year ended 31 December 2022 which comprise the statement of financial activities, the balance sheet, the cash flow statement and the related notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2022 and of its incoming and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

THE NUFFIELD OXFORD HOSPITALS FUND

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE NUFFIELD OXFORD HOSPITALS FUND (CONTINUED)

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient and proper accounting records have not been kept by the charity; 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 trustees' responsibilities statement set out on page 10, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011, and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements.

THE NUFFIELD OXFORD HOSPITALS FUND

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE NUFFIELD OXFORD HOSPITALS FUND (CONTINUED)

Extent to which the audit was considered capable of detecting irregularities, including fraud (continued)

The laws and regulations we considered in this context were the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity for fraud. The laws and regulations we considered in this context were General Data Protection Regulation and taxation legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of specific income streams, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing income transactions close to the end of the period and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe UK LLP

Crowe U.K. LLP
Statutory Auditor

Reading

Date 16 May 2023.

Crowe U.K LLP are eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

THE NUFFIELD OXFORD HOSPITALS FUND

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2022**

		Endowment Funds 2022	Accumulated Income Fund Post 1963 2022	2022 Total	2021 Total
	Notes	£	£	£	£
Income and endowments from:					
Donations and legacies		-	-	-	-
Investments	2	625,287	1,542,391	2,167,678	1,121,064
Allocation of Total Return	11	(671,212)	671,212	-	-
Total income		(45,925)	2,213,603	2,167,678	1,121,064
Expenditure on:					
Raising funds	3	80,007	1,648	81,655	63,785
Charitable activities	4	-	296,739	296,739	649,519
Total expenditure		80,007	298,387	378,394	713,304
Net gains/(losses) on investments	10	(2,383,302)	(49,087)	(2,432,389)	1,645,488
Net movement in funds		(2,509,234)	1,866,129	(643,105)	2,053,248
Total funds brought forward		26,814,859	1,869,566	28,684,425	26,631,177
Total funds carried forward		24,305,625	3,735,695	28,041,320	28,684,425

The Statement of financial activities includes all gains and losses recognised in the year.

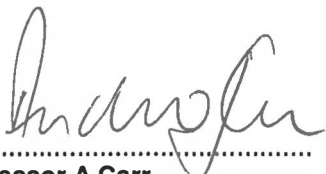
The notes on pages 19 to 35 form part of these financial statements.

THE NUFFIELD OXFORD HOSPITALS FUND

BALANCE SHEET
AS AT 31 DECEMBER 2022

	Notes	2022 £	2021 £
Fixed assets			
Investments	10	<u>23,481,170</u>	<u>26,196,958</u>
		23,481,170	26,196,958
Current assets			
Debtors	12	2,616,645	1,131,382
Cash at bank and in hand	19	<u>2,533,269</u>	<u>2,100,627</u>
		5,149,914	3,232,009
Creditors: amounts falling due within one year	13	<u>(589,764)</u>	<u>(744,542)</u>
Net current assets		<u>4,560,150</u>	<u>2,487,467</u>
Total assets less current liabilities		<u>28,041,320</u>	<u>28,684,425</u>
Total net assets		<u>28,041,320</u>	<u>28,684,425</u>
Charity funds			
Endowment Funds			
Restricted endowment funds	15	22,754,220	25,037,371
Accumulated income fund pre 1963	15	<u>1,551,405</u>	<u>1,777,488</u>
		24,305,625	26,814,859
General Funds			
Accumulated income fund post 1963	15	<u>3,735,695</u>	<u>1,869,566</u>
		<u>28,041,320</u>	<u>28,684,425</u>

The financial statements were approved and authorized for issue by the Trustees and signed on their behalf by:


Professor A Carr
 (Chair of Trustees)
 Date: 16 May 2023


Ms S Barratt
 Date 16 May 2023

The notes on pages 19 to 35 form part of these financial statements.

THE NUFFIELD OXFORD HOSPITALS FUND

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Notes	2022 £	2021 £
Cash flows from operating activities			
Net cash used in operating activities	18	<u>(2,018,435)</u>	<u>798,088</u>
Cash flows from investing activities			
Dividends, interests and rents from investments	2	2,167,678	1,121,064
Proceeds from sale of investments	10	337,500	16,601,274
Purchase of investments	10	(75,963)	(19,079,535)
Treasury deposit		<u>-</u>	<u>-</u>
Net cash provided by/(used in) investing activities		<u>2,429,215</u>	<u>(1,357,197)</u>
Cash flows from financing activities		<u>-</u>	<u>-</u>
Net cash provided by financing activities			
Change in cash and cash equivalents in the year		410,780	(559,109)
Cash and cash equivalents at the beginning of the year		<u>2,122,489</u>	<u>2,681,598</u>
Cash and cash equivalents at the end of the year		<u>2,533,269</u>	<u>2,122,489</u>

Note numbers 18 to 20 form part of the statement of cash flows.

THE NUFFIELD OXFORD HOSPITALS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Second Edition)' and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Second Edition)' rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Nuffield Oxford Hospitals Fund meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Going concern

The financial statements have been prepared on a going concern basis, as the trustees believe that no material uncertainties exist in respect of the Charity's ability to meet its obligations as they fall due in the foreseeable future. In reaching this conclusion, the trustees have considered the level of funds held, the liquidity of those funds and the expected levels of income and expenditure for 12 months from the date on which these financial statements were signed.

1.3 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses are included as 'Gains/(Losses) on investments' in the Statement of financial activities.

Investment in subsidiary undertakings is valued at historic cost less provision for impairment.

Investments in the joint venture represents the charity's interest in the development of the Wintringham Estate. The investment is carried at cost which is equal to the fair value of the land at the date of its transfer to Wintringham Partners LLP together with later additional loans less repayments. The investment forms part of the charity's restricted endowment funds.

Listed investments held as fixed assets are shown at market value.

THE NUFFIELD OXFORD HOSPITALS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. Accounting policies (continued)

1.4 Financial instruments

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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.5 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

1.6 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The incoming resources represent all the income received from quoted investments, bank deposits and income from properties. All incoming resources are taken to the Post 1963 Accumulated Income Fund.

1.7 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charity's objectives, as well as any associated support costs.

Grants payable are included where the grant has been agreed during the year and there are no conditions to be met relating to the grant which remain in the control of the charity.

Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

1.8 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

THE NUFFIELD OXFORD HOSPITALS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. Accounting policies (continued)

1.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.10 Cash at bank and in hand

Cash at bank and 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.

1.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

1.12 Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgment:

The critical areas of judgement relate to the valuation of Wintringham related investments and the recoverability of Wintringham loans.

THE NUFFIELD OXFORD HOSPITALS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. Accounting policies (continued)

1.13 Gains & Losses on Investments

Gains and losses on quoted investments held in the General Fund of the Capital Account and on the Pre 1963 Accumulated Fund are treated as capital and added to the relevant fund.

Gains and losses on quoted investments held in the Post 1963 Accumulated Income Fund are added to this fund.

1.14 Total Return Investment Accounting

The charity has adopted a 'Total Return' basis for the investment of its endowment. The carrying value of the preserved permanent capital, the trust for investment, and the amount of any unapplied total return available for expenditure were taken as the fair value of these funds as at 31 December 2010, as adjusted for inflation, as being after the financial crash and before a period of growth. In choosing this date, the Trustees also considered the change of investment managers close to that date and the start of a new investment regime.

The charity invests these funds without regard to the capital/income distinctions of standard trust law and with discretion to apply any part of the accumulated total return on the investment as income for spending each year. Until this power is exercised, the total return is accumulated as a component of the endowment known as the unapplied total return that can be either retained for investment or released to income at the discretion of the Trustees.

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Investment income

	Total Funds 2022 £	<i>Total funds 2021 £</i>
Income from quoted investments	638,655	533,182
Income from investments in Wintringham	1,535,250	339,000
Interest on Wintringham loans	(6,227)	248,657
Bank interest	<u>-</u>	<u>225</u>
	<u>2,167,678</u>	<u><i>1,121,064</i></u>

3. Investment management costs

	Total Funds 2022 £	<i>Total funds 2021 £</i>
Investment management fees	<u>81,655</u>	<u><i>63,785</i></u>

4. Analysis of expenditure on charitable activities

Summary of fund type	Total Funds 2022 £	<i>Total funds 2021 £</i>
Award of Grants (note 6)	261,566	294,318
Grants written off	(17,225)	-
Development of Wintringham (note 5)	15,750	326,667
Support costs (note 5)	<u>36,648</u>	<u><i>28,534</i></u>
	<u>296,739</u>	<u><i>649,519</i></u>

All expenditure relates to the Accumulated Income Post 1963 Fund.

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

5. Support Costs

	Award of Grants 2022 £	Development of Wintringham 2022 £	Total funds 2022 £
Staff costs	15,324		15,324
Insurance	1,089		1,089
Trustee meeting expenses	156		156
Bank charges	175		175
Sundry expenses	321	15,750	16,071
Legal and professional costs	2,748		2,748
Governance costs	<u>16,835</u>		<u>16,835</u>
	<u>36,648</u>	<u>15,750</u>	<u>52,398</u>

	Award of Grants 2021 £	Development of Wintringham 2021 £	Total funds 2021 £
Staff costs	11,300	-	11,300
Insurance	725	-	725
Trustee meeting expenses	1,496	-	1,496
Bank charges	493	-	493
Sundry expenses	-	326,667	326,667
Legal and professional costs	-	-	-
Governance costs	<u>14,520</u>	-	<u>14,520</u>
	<u>28,534</u>	<u>326,667</u>	<u>355,201</u>

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

6. Grants

Institutions	2022 £	2021 £
Annual budget for research – Oxfordshire Health Services Research Committee	50,000	100,000
Damion Young Pop-up Assessment Space System (grant 22-UO-1)	13,687	-
Owen Coxall BHCL Hybrid meeting and teaching space (grant 22-UO-2)	12,586	-
BHCL Improving IT	11,263	-
Ashok Handa Patient-centric hybrid education in Oxford (grant 22-UO-3)	49,875	-
Dominic Furniss 12-month pilot of Proximie to enhance surgical teaching (grant 22-UO-4)	72,408	-
Ku Shah Simulation training programme for Geriatric Medicine Education (grant 22-OUH-2)	45,536	-
Mary Miller Enhancing Online Seminars (grant 22-OUH-3)	6,211	-
Improving Fidelity and realism of resuscitation education for medical students while maintaining student safety. Catriona Fleming (grant 95000)	-	10,900
Creation of educational films to develop online clinical teaching. Nuffield Dept of Primary Care Health Sciences. Dr Alison Convey (grant 95001)	-	7,650
BHCL IT Bid. Donald M Mackay (grant 95002)	-	15,219
Hybrid teaching (combined remote and in-person) AV kit. Medical Sciences Division Learning Technologies team. Damion Young (grant 95003)	-	54,688
Audio Visual Teaching Equipment. NDORMS. Matt Brock (grant 95004)	-	55,718
Webinar Equipment. Oxford University Global Surgery Group , Nuffield Department of Surgical Science. Dr Sarah Davidson (grant 95005)	-	3,700
Oxford Brain Visualisation Suite (OBVioS). Nuffield Department of Clinical Neurosciences. Olaf Ansorge & Sanjeeva Jeyaretna Grant 95006)	-	46,443
Total	<u>261,566</u>	<u>294,318</u>

THE NUFFIELD OXFORD HOSPITALS FUND

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

7. Auditors' remuneration

	2022 £	2021 £
Fees payable to the charity's auditor for the audit of the charity's annual accounts excluding VAT	10,404	9,120
Fees payable to the charity's auditor excluding VAT in respect of: Preparation of annual accounts	<u>2,750</u>	<u>2,500</u>

8. Staff costs

	2022 £	2021 £
Wages and Salaries	15,565	11,000
Employer NIC	<u>(241)</u>	<u>300</u>
	<u>15,324</u>	<u>11,300</u>

The negative charge for employers' NIC relates to employer's allowance not accounted for in prior year.

The average number of persons employed by the charity during the year was as follow:

	2022 £	2021 £
Secretary	<u>1</u>	<u>1</u>

No employee received remuneration amounting to more than £60,000 in either year.

The key management personnel of the Charity include all Trustees supported by the Secretary, R Sonley until 31 July 2022, succeeded by A Truesdale, current Secretary.

The total remuneration paid to the key management personnel amounted to £14,690 (2021: £11,000).

9. Trustees' remuneration and expenses

During the year no Trustees received any remuneration or other benefits (2021 - £Nil).

During the year ended 31 December 2022, expenses totalling £176 were reimbursed or paid directly to one Trustee (2021 - £nil). The expenses reimbursed are in relation to the travel expenses for Trustees to attend Trustee meetings.

THE NUFFIELD OXFORD HOSPITALS FUND

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

10. Fixed asset investments

	Post 1963 income Fund £	Pre 1963 income fund £	Restricted endowment fund £	Investment in 1 Wintringham LLP £	Wintringham Partners LLP loan investment £	Total funds 2022 £
Cost or valuation						
At 1 January 2022	395,017	1,727,890	17,449,587	23	6,624,441	26,196,958
Less cash held by Investment Managers	(500)	(1,924)	(19,438)	-	-	(21,862)
Additions	1,591	6,701	67,671	-	-	75,963
Disposals proceeds	-	-	-	-	(337,500)	(337,500)
Unrealised gains/(losses) on investments	(49,087)	(214,736)	(2,168,566)	-	-	(2,432,389)
Cash held by Investment Managers	-	-	-	-	-	-
At 31 December 2022	347,021	1,517,931	15,329,254	23	6,286,941	23,481,170

THE NUFFIELD OXFORD HOSPITALS FUND

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

10. Fixed asset investments (continued)

Historical Cost

Loan Investment

The charity through its membership of 1 Wintringham LLP has a commitment to issue partner loans to Wintringham Partners LLP as required to fund its share of development costs. The loan investment comprises an amount due from Wintringham Partners LLP arising from the transfer of the Charity's land in 2017 along with an additional loan to fund working capital. Loans totalling £nil were made during in the year (2021: £nil). A repayment of £337,500 (2021: £1,055,246) was received in the year. The carrying value of the investment continues to be its cost which is equal to the fair value of the land at the date of its transfer to Wintringham Partners LLP together with later additional loans less repayments.

Investment type

An analysis of the investments has been done as at 31 December 2022 to distinguish between Direct Investments, Pooled Investments and Subsidiary Investments. The split is as indicated below:

	2022 £	2021 £
Post 1963 Income Fund		
Cash	-	500
Direct Investments	-	-
Pooled Investments	347,021	394,517
Restricted Endowment Fund & Pre 1963 Income Fund		
Cash	-	21,362
Direct Investments	-	-
Pooled Investments	16,847,185	19,156,115
Loan to Wintringham Partners LLP		
Subsidiary Investment	6,286,941	6,624,441
Investment in 1 Wintringham Partners LLP		
Investment in joint venture	<u>23</u>	<u>23</u>
Total	<u>23,481,170</u>	<u>26,196,958</u>

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

11. Statement of Investment Total Return

From 1 January 2021, the Trustees have decided to adopt total return accounting for the restricted endowment fund and the Accumulated Income Fund pre-1963, both of which are treated as permanent capital of the Charity. The Fund for Investment at 1 January 2021 was calculated by taking the permanent capital of the Charity at 31 December 2010 and calculating its real value at 31 December 2020, using CPI.

The investment return to be applied as income is calculated initially as 3.5% (2021: 3.5%) of the endowment funds held as managed investments and capital accounts held by the Investment Managers at 1 January 2022.

The income allocation from the Total Return earned will be reviewed each year.

	Trust for Investment			
	Restricted	Accumulated	Unapplied	Total
	endowment	income fund	Total Return	2022
	fund	pre 1963		£
	£	£	£	
At 1 January 2022				
Gift Component	16,059,992	1,254,436	-	17,314,428
Unapplied Total Return	-	-	<u>9,500,431</u>	<u>9,500,431</u>
Total Endowments	<u>16,059,992</u>	<u>1,254,436</u>	<u>9,500,431</u>	<u>26,814,859</u>
Movement in the year				
Investment Return				
Dividends and Interest	-	-	625,287	625,287
Gains and Losses	-	-	(2,383,302)	(2,383,302)
Less Investment Managers Fees	-	-	<u>(80,007)</u>	<u>(80,007)</u>
Total	-	-	(1,838,022)	(1,838,022)
Unapplied total return allocated to income in the reporting period			<u>(671,212)</u>	<u>(671,212)</u>
Net movements in the reporting period	-	-	(2,509,234)	(2,509,234)
At 31 December 2022				
Gift Component	16,059,992	1,254,436	-	17,314,428
Unapplied Total Return	-	-	6,991,197	6,991,197
Total	<u>16,059,992</u>	<u>1,254,436</u>	<u>6,991,197</u>	<u>24,305,625</u>

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2021 comparative

	<i>Trust for Investment Restricted endowment fund £</i>	<i>Accumulated income fund pre 1963 £</i>	<i>Unapplied Total Return £</i>	<i>Total 2021 £</i>
<i>At 1 January 2021</i>				
<i>Gift Component</i>	16,059,992	1,254,436	-	17,314,428
<i>Unapplied Total Return</i>	<u>-</u>	<u>-</u>	<u>7,923,101</u>	<u>7,923,101</u>
<i>Total Endowments</i>	<u>16,059,992</u>	<u>1,254,436</u>	<u>7,923,101</u>	<u>25,237,529</u>
<i>Movement in the year</i>				
<i>Investment Return</i>				
<i>Dividends and Interest</i>	-	-	521,393	521,393
<i>Gains and Losses</i>	-	-	1,628,156	1,628,156
<i>Less Investment Managers Fees</i>	<u>-</u>	<u>-</u>	<u>(62,352)</u>	<u>(62,352)</u>
<i>Total</i>	-	-	2,087,197	2,087,197
<i>Unapplied total return allocated to income in the reporting period</i>	<u>-</u>	<u>-</u>	<u>(509,867)</u>	<u>(509,867)</u>
<i>Net movements in the reporting period</i>	-	-	1,577,330	1,577,330
<i>At 31 December 2021</i>				
<i>Gift Component</i>	16,059,992	1,254,436	-	17,314,428
<i>Unapplied Total Return</i>	<u>-</u>	<u>-</u>	<u>9,500,431</u>	<u>9,500,431</u>
<i>Total</i>	<u>16,059,992</u>	<u>1,254,436</u>	<u>9,500,431</u>	<u>26,814,859</u>

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

12. Debtors

	2022 £	2021 £
Due within one year		
Amounts owed by undertakings in which the charity has a participating interest	2,603,879	1,083,106
Other debtors	12,766	48,276
Prepayments and accrued income	-	-
	<u>2,616,645</u>	<u>1,131,382</u>

Amounts owed by undertakings in which the charity has a participating interest comprise:

- an outstanding balance of £nil (2021: £9,000) due from 1 Wintringham LLP.
- a corporate loan issued to Wintringham Partners LLP of £2,511,072 (2021: £975,072).
- a corporate loan issued to Wintringham Newco 1 Ltd of £nil (2021: £99,034).
- accrued interest on the investment in Wintringham Partners LLP of £92,807 (2021: £nil)

The other debtors include an amount of £nil (2021: £32,759) relating to money that is being held by Oxford Hospitals Charity for invoices due for payment.

13. Creditors: Amounts falling due within one year

	2022 £	2021 £
Other taxation and social security	52	1,272
Grants payable	408,240	507,192
Other creditors	164,967	222,134
Accruals and deferred income	<u>16,505</u>	<u>13,944</u>
	<u>589,764</u>	<u>744,542</u>

Grants payable

	2022 £	2021 £
Grants payable 1 January 2022	507,192	394,654
New Grants Awarded	261,566	294,318
Old grants written off	(17,225)	294,318
Grants paid	<u>(343,293)</u>	<u>(181,780)</u>
Grants payable 31 December 2022	<u>408,240</u>	<u>507,192</u>

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

14. Comparative Statement of Financial Activities

	<i>Endowment Funds 2021</i>	<i>Accumulated Income Fund Post 1963 2021</i>	<i>2021 Total</i>
	£	£	£
<i>Income and endowments from:</i>			
<i>Donations and legacies</i>	-	-	-
<i>Investments</i>	521,393	599,671	1,121,064
<i>Allocation of Total Return</i>	<u>(509,867)</u>	<u>509,867</u>	<u>-</u>
<i>Total income</i>	<u>11,526</u>	<u>1,109,538</u>	<u>1,121,064</u>
<i>Expenditure on:</i>			
<i>Raising funds</i>	62,352	1,433	63,785
<i>Charitable activities</i>	<u>-</u>	<u>649,519</u>	<u>649,519</u>
<i>Total expenditure</i>	<u>62,352</u>	<u>650,952</u>	<u>713,304</u>
<i>Net gains/(losses) on investments</i>	<u>1,628,156</u>	<u>17,332</u>	<u>1,645,488</u>
<i>Net movement in funds</i>	1,577,330	475,918	2,053,248
<i>Total funds brought forward</i>	<u>25,237,529</u>	<u>1,393,648</u>	<u>26,631,177</u>
<i>Total funds carried forward</i>	<u>26,814,859</u>	<u>1,869,566</u>	<u>28,684,425</u>

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

15. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Restricted endowment fund 2022 £	Accumulated income fund pre 1963 2022 £	Accumulated income fund post 1963 2022 £	Total funds 2022 £
Fixed asset investments	21,616,218	1,517,931	347,021	23,481,170
Current assets	1,138,002	33,474	3,978,438	5,149,914
Creditors due within one year	<u> </u>	<u> </u>	<u>(589,764)</u>	<u>(589,764)</u>
Total	<u>22,754,220</u>	<u>1,551,405</u>	<u>3,735,695</u>	<u>28,041,320</u>

Analysis of net assets between funds - prior period

	<i>Restricted endowment fund 2021 £</i>	<i>Accumulated income fund pre 1963 2021 £</i>	<i>Accumulated income fund post 1963 2021 £</i>	<i>Total funds 2021 £</i>
<i>Fixed asset investments</i>	24,074,051	1,727,890	395,017	26,196,958
<i>Current assets</i>	963,320	49,598	2,219,091	3,232,009
<i>Creditors due within one year</i>	<u>-</u>	<u>-</u>	<u>(744,542)</u>	<u>(744,542)</u>
Total	<u>25,037,371</u>	<u>1,777,488</u>	<u>1,869,566</u>	<u>28,684,425</u>

THE NUFFIELD OXFORD HOSPITALS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

16. Funds

ENDOWED FUNDS

Restricted Endowment Fund

The capital of this fund has been built up by the investment and re-investment of the donation. Income from this fund is used to further the object of the Charity, but the capital cannot be realised for use as income.

Pre 1963 Accumulated Income Fund

Income accumulated prior to the donor, Lord Nuffield's death in 1963 was capitalised and income from the investments is used to further the object of the Charity. Counsel's opinion obtained after the donor's death confirmed that Trustees may treat income accumulated prior to Lord Nuffield's death as if it were permanent capital of the fund. If considered essential by the Trustees, to the furtherance of that object, some or all of this capital could be realised to supplement income.

UNRESTRICTED FUNDS

Post 1963 Accumulated Income Fund

This is income accumulated after the donor, Lord Nuffield's death in 1963. The counsel's opinion obtained, confirmed that Trustees may accumulate this income but there must be an intent to use this fund to the furtherance of the Charity's object.

17. Related Parties

Wintringham Partners LLP was incorporated on 5 April 2017 and acquired the land at Wintringham Park, St. Neots, Cambridgeshire. This partnership is owned by Wintringham Newco 1 Limited (66.67%) and Urban&Civic St Neots Limited (33.33%).

Nuffield Oxford Hospitals Fund (NOHF) owns a 22.5% share of 1 Wintringham LLP who have 100% ownership of Wintringham Newco 1 Limited and Wintringham Newco 2 Limited. This results in NOHF having an effective 15% ownership of Wintringham Partners LLP.

Loans totalling £8,798,013 (2021: £7,707,547) were held by NOHF. To 1 Wintringham LLP £6,286,941 (2021: £6,624,441), 1 Wintringham LLP £nil (2021: £9,000), Wintringham Newco 1 Ltd, £nil (2021: £99,034) and Wintringham Partners LLP £2,511,072 (2021: £975,072).

1 Wintringham LLP and Wintringham NewCo 1 has two directors in common with the trustees of this charity; Sir Andrew Dilnot and Professor Andrew Carr.

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

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

	2022 £	2021 £
Net (expenditure)/income for the period (as per Statement of Financial Activities)	<u>(643,105)</u>	<u>2,053,248</u>
Adjustments for:		
(Losses)/gains on investments	2,432,389	(1,645,488)
Dividends, interests and rents from investments	(2,167,678)	(1,121,064)
(Increase)/decrease in debtors	(1,485,263)	1,208,862
(Decrease)/increase in creditors	<u>(154,778)</u>	<u>302,530</u>
Net cash provided by operating activities	<u>(2,018,435)</u>	<u>798,088</u>

19. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand	2,533,269	2,100,627
Cash with Investment managers	<u>-</u>	<u>21,862</u>
Total cash and cash equivalents	<u>2,533,269</u>	<u>2,122,489</u>

20. Analysis of changes in net debt

	At 1 January 2022 £	Cashflows £	At 31 December 2022 £
Cash at bank and in hand	2,100,627	432,642	2,533,269
Liquid investments – cash held by Investment managers	<u>21,862</u>	<u>(21,862)</u>	<u>-</u>
	<u>2,122,489</u>	<u>410,780</u>	<u>2,533,269</u>

Accounts

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

THE NUFFIELD OXFORD HOSPITALS FUND

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THE NUFFIELD OXFORD HOSPITALS FUND

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2021

Trustees

Ms S Barratt	
Professor A Carr,	Chair from 17 May 2021
Ms A Cowell	
Sir Andrew Dilnot	
Mr J Ford	
Dr A Grocock,	Chair (retired 17 May 2021)
Mr J Ramsden	
Dr A Thomson	(retired 17 May 2021)
Dr T Lancaster	
Mr J Burchfield	

THE NUFFIELD OXFORD HOSPITALS FUND

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
(CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Charity registered number

212575

Principal office

c/o 16 Orchard Close, Eynsham, Witney, Oxford, Oxfordshire, OX29 4EZ

Secretary

R Sonley (until 17 May 2022)

A Truesdale (from 18 May 2022)

Independent auditors

Crowe U.K. LLP, Aquis House, 49 – 51 Blagrove Street, Reading, RG1 1PL

Bankers

Barclays Bank Plc, 54 Cornmarket Street, Oxford, OX1 3HS

Solicitors

Stone King LLP, 12 Queen Square, Bath, BA1 2HJ

Solicitors for Wintringham Estate

Macfarlanes LLP, 20 Cursitor Street, London, EC4A 1LT

Master Developer/Joint Venture Partner

Urban & Civic PLC, 50 New Bond Street, London, W1S 1BJ

Property Consultants

Glanville Consultants Ltd, 3 Grovelands Business Centre, Boundary Way, Hemel Hempstead, HP2 7TE

Investment Managers

Brewin Dolphin Ltd, 12 Smithfield Street, London, EC1A 9BD (to June 2021)

Sarasin & Partners LLP, Juxon House, 100 St. Paul's Churchyard, London, EC4M 8BU (from 1 April 2021)

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees present their annual report together with the audited financial statements of The Nuffield Oxford Hospitals Fund for the year ended 31 December 2021.

Objectives and activities

a. Policies and objectives

The object of the Charity, which is laid down in the Trust Deed, is to raise the standard of service of local hospitals, in order to assist the development and carrying on of the Oxford University Medical School.

The trustees believe that the purpose of the Charity, which is “to raise the standard of service of local hospitals, in order to assist the development and carrying on of the Oxford University Medical School”, satisfies the public benefit requirements.

The direct benefit which flows from this purpose is supporting the Oxford University Medical School in the training of doctors in Oxfordshire, by providing grants enabling the provision of, for example:

- Publication of a paediatric surgical oncology guidebook
- Equipment for improved simulator training facilities, including baby manikins
- Desktops and laptops to support the Bodleian health care and other libraries
- Hybrid audio-visual teaching equipment for in-person and remote access.

In addition, an annual budget is provided to the Oxfordshire Health Services Research Committee (enabling doctors in training to have research experience).

These benefits are evidenced through the requirement of all grant holders to provide on completion of their projects a written report to trustees on the benefits that have been achieved in supporting the training of doctors in their areas. In addition, trustee visits are usually arranged to meet with grant holders, although none were possible in 2021 due to COVID restrictions.

It should also be noted that The Nuffield Oxford Hospitals Fund (NOHF) monies provide added value and benefits over and above any NHS or University funding. The beneficiaries are ultimately the patients receiving treatment from the trained medical doctors, principally within the National Health Service.

In setting objectives and planning for activities, the trustees have given due consideration to general guidance published by the charity commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'. and have complied with section 4 of the Charities Act 2011.

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Objectives and activities (continued)

b. Strategies for achieving objectives

The strategy of the Charity is to continue to ensure that the Charity's investments provide an increasing and sustainable distributable income over the long term to support the objects of the Charity. That income is distributed in grants, which are selected based on medical priorities and maximisation of the benefit to the standard of service in line with the Charity's objectives.

During the year, Trustees made the following changes to its investment strategy:

- On 25 January 2021, the Trustees formally approved adoption of a total return investment strategy, allowing greater flexibility in investment and a more predictable level of "income" to be allocated as grants.
- A review of investment managers commenced during 2020 concluded in February 2021. Sarasin was appointed as the Charity's investment manager and the transfer of investments in specie and the proceeds from other investments commenced on 1 April 2021. Funds with Sarasin are invested in units in a pooled managed fund, the Sarasin Endowments Fund, rather than being invested directly in individual shares, bonds and a variety of funds, as was the case with the Charity's previous investment manager, Brewin Dolphin.

In recent years, suitable grant applications to the Charity have been less than the charitable funds available, resulting in an accumulation of income reserves. The Trustees have for some time been considering how to resolve this either by attracting further grant applications or looking for larger, longer-term projects to fund from the accumulated income reserves. Following consultation with the Medical School on its funding needs, the Trustees discussed at a meeting on 2 December 2021 how the Charity's future approach to grants might evolve to meet these needs and to ensure that the Charity's available funds are used to generate as much benefit as possible. The strategy is still in development. Particular consideration is being given to:

- Extending grants for more than 1 year, potentially up to 3 years, thus increasing the range and scope of applications, and
- Larger one-off contributions towards projects such as the building of a new dedicated Oxford Medical School building. The time frame for this is likely to be around 10 years, allowing time for sufficient income to be accumulated.

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Objectives and activities (continued)

c. Activities undertaken to achieve objectives

The activities of the Charity over the year comprise both investment activities and the grant making activities set out in the next section of this report.

The Charity's investment activities have the objective of continuing to ensure that the investments provide an increasing and sustainable distributable income over the long term to support the objects of the Charity.

The current investment portfolio, overseen by the investment committee, provides the income to fund the grants awarded each year. As explained above, during 2021, the Charity changed its investment manager and now invests in units in a managed fund. From this year, the Charity is adopting a total return approach to the endowment invested in managed funds, resulting in income of £509,867 being recognised in the year. There is also a small amount of investment income generated by the investment of income reserves in managed funds and cash.

During the year under review, the Charity committed to 8 grants totalling £294,318 (2020: 14 grants totalling £418,047). As explained above, the Trustees are actively considering ways in which accumulated income reserves might be used to provide larger grants in future years.

Part of the Charity's endowment is invested directly in land through a joint venture with Nuffield Dominions Trust (NDT) and Urban & Civic PLC (U&C). The Charity's share of the joint venture partnership is 15%. The joint venture partnership was granted planning permission for up to 2,800 homes on the Wintringham site at the end of 2018 and, in spite of the COVID pandemic, work has proceeded throughout 2020 and 2021. Construction commenced with two housebuilders, Cala and Morris Homes, and a number of other housebuilders started work or signed contracts in 2021. Reports dated 8 March 2022 show completion on 97 units and exchange or reserve on a further 42 units.

In 2021, the Charity received Gift Aid income of £339,000 (2020: £451,199) from the joint venture partnership and accrued interest income of £248,657 on loans made to the partnership to fund WIP. U&C paid the final instalment of amounts owed for the purchase of the land and the partnership repaid £1,055,246 of the WIP loans made to it by the Charity in previous years. Cash flow forecasts for the partnership show that no further loans from the Charity will be required.

Monitoring of the project continues to take place through the Wintringham Partners Board (comprising representatives from U&C and NDT) and 1 Wintringham LLP (comprising 2 director/trustees from each of NDT and The Charity).

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Objectives and activities (continued)

d. Grant-making policies

The Charity requires that grant applications, together with supporting information, are submitted to the Medical Sciences Department, John Radcliffe Hospital Secretary by the end of January each year. The applications are first reviewed by the Secretary (who seeks further information as necessary) and then by the medical trustees of the Charity. The medical trustees take into consideration the advice on priorities provided by the Medical Sciences Board (the Board of the University's Medical Sciences Division which is responsible for organisation, development and delivery of the Medical Sciences curricula). The trustees will, if appropriate, make further enquiries themselves and prepare their own recommendations.

All grant applications, together with the recommendations of the Charity's medical trustees, are considered by the full Board of trustees at the Annual Meeting in May. Each application is reviewed to consider the benefit it can generate and to ensure that it clearly follows the objects of the Charity. The acceptable applications are then prioritised and awarded in priority order to match the funds available for distribution. If the grant applications approved at the Annual Meeting are significantly less than the funds available, a second tranche of grants may be considered later in the year.

Grants awarded by the Charity's trustees require endorsement by the Nuffield Medical Trustees, appointed to have oversight of the Nuffield Benefaction.

The payment of approved grants is conditional upon the relevant authorised expenditure being incurred and relevant evidence provided. Grant holders are advised that, if relevant authorised expenditure is not incurred within 18 months of the letter of approval, then the grant can be withdrawn unless a reasonable explanation is provided.

Grant holders are required to submit a 250 word report on completion of the project so that trustees understand the benefits gained from the funding and receive assurance that the funds have been spent in line with the application approved.

e. Main activities undertaken to further the charity's purposes for the public benefit

The main public benefit activity in 2021 has been to award a total of £294,318 of grant support to the Oxford Medical School through 8 individual grant holders in a variety of clinical and academic departments. In 2021 there were over 1,000 registered medical students in the Oxford Medical School.

Achievements and performance

a. Main achievements of the charity

The main achievements have been to fund a wide range of training and educational activities and equipment. Important areas supported by grant funds provided during the year under awards made in 2021 and previous years were:

- Refurbishment of the clinical social pathology museum
- Skull surgery simulator
- Physiology, anatomy and genetics anatomical models
- Psychiatric simulation suite
- Upgrading IT & study facilities (NOC library)
- Bodleian Health Care Libraries refurbishment & textbooks
- Neuroscience simulator
- Palliative Care Sobell House – student equipment
- Simulated ward high fidelity manikins.

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Achievements and performance (continued)

b. Investment policy and performance

The investments held by the Charity comprise a portfolio of direct and pooled investments together with its 15% interest in the Wintringham development at St Neot's.

The performance and monitoring of the Wintringham investment is discussed above. This is a long-term investment and returns from it are expected to fluctuate over the next few years. Projections show that the development will generate significant returns for the Charity over the next ten to fifteen years.

Until April 2021, the Charity held quoted investments, both directly and in pooled funds, managed under a discretionary arrangement by Brewin Dolphin Ltd. From 1 April 2021, this portfolio was transferred to Sarasin and invested in one pooled fund, The Sarasin Endowments Investment Fund.

The investment policy in place during 2021 (set in 2016 and last reviewed in October 2020) states that the primary financial objective is to ensure that the Charity is invested to provide an increasing and sustainable distributable income to support the objectives of the Charity, while maintaining the real value of the fund over the longer term. It also sets a target drawdown rate of not less than 3.5% per annum.

The investment committee, which comprises three trustees, met with the Charity's new investment managers twice during the financial year to oversee the performance of the portfolio. Performance was monitored from 31 May 2021 (the date on which the first significant transfer was completed) to 31 December 2021. In that period, the Sarasin Endowments Investment Fund produced a total return of 6.8% compared to a benchmark of 8.0%. This result was partly a result of timing as our funds were invested with Sarasin towards the end of a period of strong capital growth. The General Fund investments transferred from Brewin Dolphin to Sarasin were valued on transfer at £15,308,488, an increase of £740,287 (5.1%) from the value of the fund at 31 December 2020, £14,568,201. The outlook for investments is very uncertain given current geo-political events and higher inflation but the trustees believe that a diversified, actively managed multi asset fund remains the best approach to long term capital growth and a sustainable income stream.

It should be noted that in managing the portfolio, the Restricted Endowment Fund and the Pre 63 Accumulated income fund are managed as one fund, known as the General Fund.

Financial review

a. Going concern

The trustees have considered the impact of continuing uncertainty in financial and property markets on the Charity's ability to continue to fund grants. Taking into account the Charity's cash resources and the liquidity of its investment portfolio, the trustees have a reasonable expectation that the Charity has adequate resources to continue to support existing grants and commitments and to continue in operational existence for the foreseeable future. If the expected return to be generated by funds were to decline, the Charity has the ability to adjust future grants accordingly. For these reasons, the trustees continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

b. Reserves policy

It is the policy of the trustees to maintain sufficient reserves in the Charity's Post 1963 Accumulated Income Fund, to provide for a minimum of one year's charitable expenditure, towards the Charity's object. The capital of the General Fund Capital Account cannot be realised for use as income. However, if required, the Pre 1963 Accumulated Income Fund should enable the trustees to continue appropriate levels of expenditure in the coming years, even if there were to be decreases in the Charity's investment income.

In the opinion of the trustees, the Charity's assets are adequate to meet its obligations.

c. Surplus in the year

The Balance Sheet as at 31 December 2021 shows that the Charity's net assets total £28,684,425, an increase of £2,053,248 on to the net assets at 31 December 2020, as restated for the change in accounting policy for grants (See Note 19). There was a surplus for the year before net investment gains of £407,760 (2020: £370,404 (as restated)). The net gain on disposal and revaluation of assets in the Investment Portfolio of the Charity during the year was £1,645,488 (2020: £259,017).

i. Endowment Fund

At 31 December 2021, the balance of the Endowment Funds amounted to £26,814,859, an increase of £1,577,330 during the year. This increase arose mainly from net gains on the valuation of investments.

ii. Accumulated Income Fund Post 1963

The Statement of Financial Activities for this fund shows a net increase of £475,918 for the year.

Incoming resources amounted to £1,109,538 (2020: £884,644), including receipt of gift aid of £339,000 (2020: £451,199) and interest income of £248,647 (2020: £nil) from the charity's Wintringham investment.

Resources expended amounted to £650,952 (2020: £514,240 (as restated)). Expenditure included costs of £326,667 relating to contractual obligations arising on the Wintringham development.

There were gains on the fund assets of £17,322. The balance on the Accumulated Income Fund Post 1963 at 31 December 2021 was £1,869,566 compared to £1,393,648 at 31 December 2020.

Structure, governance and management

a. Constitution

The governing document is a Trust Deed, dated 4 December 1937, as amended by schemes of 1 July 1952, 22 December 1953, 19 May 1976 and 6 March 1998.

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Structure, governance and management (continued)

b. Methods of appointment or election of Trustees

New trustees are appointed by the existing trustees and serve for five years. They may then put themselves forward for re appointment which is considered at the Annual General Meeting.

The existing trustees carry out an appropriate selection process and conduct background checks before offering posts to new trustees. When considering new trustees, the existing trustees look for specific areas of expertise to help meet the objectives of the Charity.

c. Policies adopted for the induction and training of Trustees

The induction and training of new trustees and the information with which they are provided are tailored depending on the Trustees' background, interests and roles. A copy of the Trust Deed is provided along with annual accounts, risk assessments, investment reports and contact details of fellow trustees. Additional information is provided to any medical trustees who will be involved in assessing grants applications and making recommendations for awards.

All trustees receive regular updates on Charity Commission publications and attend appropriate charity seminars where relevant.

d. Organisational structure and decision making policies

Under the terms of a Special Resolution passed on 15 July 2020, the maximum number of trustees is ten. A total of ten trustees served during the year. Having been appointed on 22 September 2020 as the Chair designate, Professor A Carr took over that role following the retirement of Dr A, Grocock on 17 May 2021.

Three trustees served on the Investment Committee which met twice during the year.

Following the creation of the joint venture with Urban & Civic, matters relating to Wintringham are dealt with by 1 Wintringham LLP, which has 2 directors representing the Charity and 2 representing NDT. Meetings are held twice a year and information is shared with other trustees as appropriate. The Charity has no membership of Wintringham Partners Board, but the Chair has been an observer at most of the board meetings.

The day-to-day administration of the Charity is undertaken by the Charity Secretary, in consultation with the Chair and other trustees as required.

e. Financial risk management

The trustees have assessed the major risks to which the charity is exposed, in particular, those related to the operations and finances of the charity, including the continuing impact of Brexit and Covid19. The trustees also continue to monitor closely the risks associated with the development of the Wintringham land. The trustees are satisfied that systems and procedures are in place to mitigate the exposure to the major risks.

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Plans for future periods

The trustees are expecting to continue to provide further grants in the future to meet the Charity's object. The trustees are aware of the need to make full use of available income and, as considered under strategies for achieving objectives are looking at ways of enhancing and extending the types of grants offered. The development of the Wintringham land is expected to provide significant additional funds to enhance future grant giving, although cashflows from the development are likely to be limited in the short term.

As set out in strategies for achieving objectives, detailed discussions will continue to consider whether the funds that the Charity may receive arising from Wintringham could be used for a more significant one-off project such as the enhancement of facilities for the Medical School throughout the Oxford Hospitals.

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees 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 its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them 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. They are 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.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

Approved by order of the members of the board of Trustees and signed on their behalf by:



Professor A Carr
(Chair of Trustees)
Date: 17 May 2022



Ms S Barratt

Date: 17 May 2022

THE NUFFIELD OXFORD HOSPITALS FUND

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE NUFFIELD OXFORD HOSPITALS FUND

Opinion

We have audited the financial statements of Nuffield Oxford Hospitals Fund ('the charity') for the year ended 31 December 2021 which comprise the statement of financial activities, the balance sheet, the cash flow statement and the related notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

THE NUFFIELD OXFORD HOSPITALS FUND

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE NUFFIELD OXFORD HOSPITALS FUND (CONTINUED)

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient and proper accounting records have not been kept by the charity; 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 trustees' responsibilities statement set out on page 10, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011, and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements.

THE NUFFIELD OXFORD HOSPITALS FUND

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE NUFFIELD OXFORD HOSPITALS FUND (CONTINUED)

Extent to which the audit was considered capable of detecting irregularities, including fraud (continued)

The laws and regulations we considered in this context were the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity for fraud. The laws and regulations we considered in this context were General Data Protection Regulation and taxation legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing income transactions close the end of the period and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe UK LLP

Crowe U.K. LLP
Statutory Auditor

Reading

17 May 2022

Crowe U.K LLP are eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

THE NUFFIELD OXFORD HOSPITALS FUND

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2021

		Endowment Funds 2021	Accumulated Income Fund Post 1963 2021	2021 Total	2020 Total
	Notes	£	£	£	As Restated £
Income and endowments from:					
Donations and legacies		-	-	-	-
Investments	2	521,393	599,671	1,121,064	884,644
Allocation of Total Return	12	(509,867)	509,867	-	-
Total income		11,526	1,109,538	1,121,064	884,644
Expenditure on:					
Raising funds	3	62,352	1,433	63,785	48,401
Charitable activities	4	-	649,519	649,519	465,839
Total expenditure		62,352	650,952	713,304	514,240
Net gains/(losses) on investments	11	1,628,156	17,332	1,645,488	259,017
Net movement in funds		1,577,330	475,918	2,053,248	629,421
Total funds brought forward as restated		25,237,529	1,393,648	26,631,177	26,001,756
Total funds carried forward		26,814,859	1,869,566	28,684,425	26,631,177

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 18 to 35 form part of these financial statements.

THE NUFFIELD OXFORD HOSPITALS FUND

BALANCE SHEET
AS AT 31 DECEMBER 2021

	Notes	2021 £	2020 As restated £
Fixed assets			
Tangible assets	10	-	-
Investments	11	<u>26,196,958</u>	<u>22,605,078</u>
		26,196,958	22,605,078
Current assets			
Debtors	13	1,131,382	2,340,244
Cash at bank and in hand	21	<u>2,100,627</u>	<u>2,127,867</u>
		3,232,009	4,468,111
Creditors: amounts falling due within one year	14	<u>(744,542)</u>	<u>(442,012)</u>
Net current assets		<u>2,487,467</u>	<u>4,026,099</u>
Total assets less current liabilities		<u>28,684,425</u>	<u>26,631,177</u>
Total net assets		<u>28,684,425</u>	<u>26,631,177</u>
Charity funds			
Endowment Funds			
Restricted endowment funds	16	25,037,371	23,598,183
Accumulated income fund pre 1963	16	<u>1,777,488</u>	<u>1,639,346</u>
		26,814,859	25,237,529
General Funds			
Accumulated income fund post 1963	16	<u>1,869,566</u>	<u>1,393,648</u>
		<u>28,684,425</u>	<u>26,631,177</u>

The financial statements were approved and authorized for issue by the Trustees and signed on their behalf by:



Professor A Carr
(Chair of Trustees)
Date: 17 May 2022



Ms S Barratt
Date: 17 May 2022

The notes on pages 18 to 35 form part of these financial statements.

THE NUFFIELD OXFORD HOSPITALS FUND

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021**

	2021	<i>2020</i>
	£	<i>As restated £</i>
Cash flows from operating activities		
Net cash used in operating activities	<u>798,088</u>	<u>906,763</u>
Cash flows from investing activities		
Dividends, interests and rents from investments	1,121,064	884,644
Proceeds from sale of investments	16,601,274	1,808,576
Purchase of investments	(19,079,535)	(2,489,364)
Treasury deposit	<u>-</u>	<u>500,000</u>
Net cash provided by/(used in) investing activities	<u>(1,357,197)</u>	<u>703,856</u>
Cash flows from financing activities	<u>-</u>	<u>-</u>
Net cash provided by financing activities		
Change in cash and cash equivalents in the year	(559,109)	1,610,619
Cash and cash equivalents at the beginning of the year	<u>2,681,598</u>	<u>1,070,979</u>
Cash and cash equivalents at the end of the year	<u><u>2,122,489</u></u>	<u><u>2,681,598</u></u>

Note numbers 20 to 22 form part of the statement of cash flows.

THE NUFFIELD OXFORD HOSPITALS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Second Edition)' and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Second Edition)' rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Nuffield Oxford Hospitals Fund meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

In 2021, the Trustees decided to change the accounting policy in respect of grants payable to a policy which is more aligned with current accounting practice and reflects the reality that grants are rarely if ever withdrawn. The effect of this change in accounting policy is more fully described in note 19.

Other than the policy for grant recognition, all policies are consistent with the prior year.

1.2 Going concern

The financial statements have been prepared on a going concern basis, as the trustees believe that no material uncertainties exist in respect of the Charity's ability to meet its obligations as they fall due in the foreseeable future. In reaching this conclusion, the trustees have considered the level of funds held, the liquidity of those funds and the expected levels of income and expenditure for 12 months from the date on which these financial statements were signed.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition are included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Computer equipment	- 25% Straight Line
--------------------	---------------------

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities.

THE NUFFIELD OXFORD HOSPITALS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. Accounting policies (continued)

1.4 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses are included as 'Gains/(Losses) on investments' in the Statement of financial activities.

Investment in subsidiary undertakings is valued at historic cost less provision for impairment.

Investments in the joint venture represents the charity's interest in the development of the Wintringham Estate. The investment is carried at cost which is equal to the fair value of the land at the date of its transfer to Wintringham Partners LLP together with later additional loans less repayments. The investment forms part of the charity's restricted endowment funds.

Listed investments held as fixed assets are shown at market value.

1.5 Financial instruments

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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.6 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

1.7 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The incoming resources represent all the income received from quoted investments, bank deposits and income from properties. All incoming resources are taken to the Post 1963 Accumulated Income Fund.

THE NUFFIELD OXFORD HOSPITALS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. Accounting policies (continued)

1.8 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charity's objectives, as well as any associated support costs.

Grants payable are included where the grant has been agreed during the year and there are no conditions to be met relating to the grant which remain in the control of the charity.

Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

1.9 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.10 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.11 Cash at bank and in hand

Cash at bank and 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.

1.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

THE NUFFIELD OXFORD HOSPITALS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. Accounting policies (continued)

1.13 Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgment:

The critical areas of judgement relate to the valuation of Wintringham related investments and the recoverability of Wintringham loans.

1.14 Gains & Losses on Investments

Gains and losses on quoted investments held in the General Fund of the Capital Account and on the Pre 1963 Accumulated Fund are treated as capital and added to the relevant fund.

Gains and losses on quoted investments held in the Post 1963 Accumulated Income Fund are added to this fund.

1.15 Total Return Investment Accounting

The charity has adopted a 'Total Return' basis for the investment of its endowment. The carrying value of the preserved permanent capital, the trust for investment, and the amount of any unapplied total return available for expenditure were taken as the fair value of these funds as at 31 December 2010, as adjusted for inflation, as being after the financial crash and before a period of growth. In choosing this date, the Trustees also considered the change of investment managers close to that date and the start of a new investment regime.

It invests these funds without regard to the capital/income distinctions of standard trust law and with discretion to apply any part of the accumulated total return on the investment as income for spending each year. Until this power is exercised, the total return is accumulated as a component of the endowment known as the unapplied total return that can be either retained for investment or released to income at the discretion of the Trustees.

THE NUFFIELD OXFORD HOSPITALS FUND

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

2. Investment income

	Total Funds 2021 £	Total funds 2020 £
Income from quoted investments	533,182	426,143
Income from investments in Wintringham	339,000	451,199
Interest on Wintringham loans	248,657	-
Bank interest	<u>225</u>	<u>7,302</u>
	<u>1,121,064</u>	<u>884,644</u>

3. Investment management costs

	Total Funds 2021 £	Total funds 2020 £
Investment management fees	<u>63,785</u>	<u>48,401</u>

4. Analysis of expenditure on charitable activities

Summary of fund type	Total Funds 2021 £	Total funds 2020 £
Award of Grants (note 6)	294,318	418,047
Development of Wintringham (note 5)	326,667	-
Support costs (note 5)	<u>28,534</u>	<u>47,792</u>
	<u>649,519</u>	<u>465,839</u>

All expenditure relates to the Accumulated Income Post 1963 Fund.

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

5. Support Costs

	Award of Grants 2021 £	Development of Wintringham 2021 £	Total funds 2021 £
Staff costs	11,300	-	11,300
Insurance	725	-	725
Trustee meeting expenses	1,496	-	1,496
Bank charges	493	-	493
Sundry expenses	-	326,667	326,667
Legal and professional costs	-	-	-
Governance costs	<u>14,520</u>	<u>-</u>	<u>14,520</u>
	<u>28,534</u>	<u>326,667</u>	<u>355,201</u>

	<i>Award of Grants 2020 £</i>	<i>Development of Wintringham 2020 £</i>	<i>Total funds 2020 £</i>
<i>Staff costs</i>	10,500	-	10,500
<i>Insurance</i>	820	-	820
<i>Trustee meeting expenses</i>	190	-	190
<i>Bank charges</i>	82	-	82
<i>Sundry expenses</i>	500	-	500
<i>Legal and professional costs</i>	23,144	-	23,144
<i>Governance costs</i>	<u>12,556</u>	<u>-</u>	<u>12,556</u>
	<u>47,792</u>	<u>-</u>	<u>47,792</u>

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

6. Grants

Institutions	2021 £	2020 £
Annual budget for research – Oxfordshire Health Services Research Committee	100,000	80,000
Bodleian Health Care Libraries, Expansion of Student Spaces Dr Donald Mackay (grant 94000)	-	11,457
Bodleian Health Care Libraries, Improving Training Facilities Dr Donald Mackay (grant 94001)	-	14,867
Medical student textbooks – Dr Donald Mackay, Bodleian Health Care Libraries (grant no.94002)	-	25,888
Chairs needed to support medical student education – Dr Mary Miller, Palliative Care, Sobell House (grant no. 94003)	-	11,532
Medical School: Graduate Entry Medicine, A project to improve online video creation to enhance student experience through blended learning., Dr Jack Amiry (grant 94004)	-	23,275
To develop a simulated ward environment with higher fidelity mannequins to motivate students and enhance skill acquisition – Catriona Fleming, Resuscitation Department (grant no.94005)	-	10,490
Department of Clinical Neurosciences, Consultation Companions Dr Gina Hadley and others (Grant 94006)	-	20,934
Psychiatry and Emergency Medicine, To provide an online medical student wellbeing resource. Dr Joseph Butler, Dr Kate Saunders, and Dr Lois Brand (Grant 94007)	-	16,800
ENT. To purchase a 3D monitor for ENT theatres West Wing (amended bid from £71806). Mr Sam MacKeith (grant 94008)	-	55,740
Medical School. The next generation Harvey – Cardiorespiratory Patient Simulator. Dr Catherine Swales (grant 94009)	-	61,778
Human Anatomy, DPAG. Custom 3D printed design and 3D printing of anatomical models to augment undergraduate medical student teaching of the lumbosacral plexus, mediastinum and root of neck. Mr Thomas Cosker (grant 94010)	-	30,000
Ultrasound training simulator – Dr Ed Sellon and Dr Helen Higham. Clinical Radiology (grant no. 94011)		43,300
Portable ultrasound equipment – Dr Ed Sellon and Dr Suzie Anthony. Clinical Radiology (grant no. 94012)	-	11,986
Improving Fidelity and realism of resuscitation education for medical students while maintaining student safety. Catriona Fleming (grant 95000)	10,900	-
Creation of educational films to develop online clinical teaching. Nuffield Dept of Primary Care Health Sciences. Dr Alison Convey (grant 95001)	7,650	-
BHCL IT Bid. Donald M Mackay (grant 95002)	15,219	-
Hybrid teaching (combined remote and in-person) AV kit. Medical Sciences Division Learning Technologies team. Damion Young (grant 95003)	54,688	-
Audio Visual Teaching Equipment. NDORMS. Matt Brock (grant 95004)	55,718	-
Webinar Equipment. Oxford University Global Surgery Group , Nuffield Department of Surgical Science. Dr Sarah Davidson (grant 95005)	3,700	-
Oxford Brain Visualisation Suite (OBVioS). Nuffield Department of Clinical Neurosciences. Olaf Ansorge & Sanjeeva Jeyaretna Grant 95006)	46,443	-
Total	<u>294,318</u>	<u>418,047</u>

THE NUFFIELD OXFORD HOSPITALS FUND

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

7. Auditors' remuneration

	2021 £	2020 £
Fees payable to the charity's auditor for the audit of the charity's annual accounts excluding VAT	9,120	7,800
Fees payable to the charity's auditor excluding VAT in respect of:		
Preparation of annual accounts	2,500	4,072
Payroll processing	<u>-</u>	<u>684</u>

8. Staff costs

	2021 £	2020 £
Wages and Salaries	11,000	10,500
Employer NIC	<u>300</u>	<u>-</u>
	<u>11,300</u>	<u>10,500</u>

The average number of persons employed by the charity during the year was as follow:

	2021 £	2020 £
Secretary	<u>1</u>	<u>1</u>

No employee received remuneration amounting to more than £60,000 in either year.

The key management personnel of the Charity include all Trustees along with the secretary. R Sonley.
The total remuneration paid to the key management personnel amounted to £11,000 (2020: £10,500).

9. Trustees' remuneration and expenses

During the year no Trustees received any remuneration or other benefits (2020 - £Nil).

During the year ended 31 December 2021, expenses totalling £nil were reimbursed or paid directly to Trustees (2020 - £90 to 3 Trustees). The expenses reimbursed are in relation to the travel expenses for Trustees to attend Trustee meetings.

THE NUFFIELD OXFORD HOSPITALS FUND

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

10. Tangible fixed assets

	Computer equipment £
Cost of valuation	
At 1 January 2021	660
Disposals	<u>(660)</u>
At 31 December 2021	<u>-</u>
Depreciation	
At 1 January 2021	660
Disposal	<u>(660)</u>
At 31 December 2021	<u>-</u>
Net book value	
At 31 December 2021	<u><u>-</u></u>
At 31 December 2020	<u><u>-</u></u>

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

11. Fixed asset investments

	Post 1963 income Fund £	Pre 1963 income fund (1,093 units) £	Restricted endowment fund (8,907 units) £	Investment in 1 Wintringham LLP £	Wintringham Partners LLP loan investment £	Total funds 2021 £
Cost or valuation						
At 1 January 2021	377,684	1,589,980	12,957,704	23	7,679,687	22,605,078
Less cash held by Investment Managers	(29,965)	(57,248)	(466,518)	-	-	(553,731)
Additions	378,285	1,716,147	16,985,103	-	-	19,079,535
Disposals proceeds	(348,819)	(1,661,055)	(13,536,154)	-	(1,055,246)	(16,601,274)
Unrealised gains/(losses) on investments	17,332	138,142	1,490,014	-	-	1,645,488
Cash held by Investment Managers	<u>500</u>	<u>1,924</u>	<u>19,438</u>	<u>-</u>	<u>-</u>	<u>21,862</u>
At 31 December 2021	<u>395,017</u>	<u>1,727,890</u>	<u>17,449,587</u>	<u>23</u>	<u>6,624,441</u>	<u>26,196,958</u>

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

11. Fixed asset investments (continued)

Historical Cost

With effect from 1 July 1997, the Stocks and Shares held in the Restricted Endowment Fund and Pre 1963 Accumulated Income Fund were pooled. The total Trust Pool assets are regarded as being equivalent to 10,000 units which have been allocated between the Restricted Endowment Fund and the Pre 1963 Accumulated Income Fund pro rata in relation to their input to the pool. The Restricted Endowment Fund has an allocation of 8,907 units and the Pre 1963 Accumulated Income Fund 1,093 units. Following the transfer of £3,000,000 into the investments from the Restricted Endowment Fund, the closing split was adjusted to 9099 vs 901.

Loan Investment

The charity through its membership of 1 Wintringham LLP has a commitment to issue partner loans to Wintringham Partners LLP as required to fund its share of development costs. The loan investment comprises an amount due from Wintringham Partners LLP arising from the transfer of the Charity's land in 2017 along with an additional loan to fund working capital. Loans totalling £nil were made during in the year (2020: £1,080,000). A repayment of £1,055,246 (2020: £nil) was received in the year. The carrying value of the investment continues to be its cost which is equal to the fair value of the land at the date of its transfer to Wintringham Partners LLP together with later additional loans less repayments.

Investment type

An analysis of the investments has been done as at 31 December 2021 to distinguish between Direct Investments, Pooled Investments and Subsidiary Investments. The split is as indicated below:

	2021 £	2020 £
Post 1963 Income Fund		
Cash	500	29,965
Direct Investments	-	17,316
Pooled Investments	394,517	330,404
Restricted Endowment Fund & Pre 1963 Income Fund		
Cash	21,362	523,766
Direct Investments	-	3,428,726
Pooled Investments	19,156,115	10,595,191
Loan to Wintringham Partners LLP		
Subsidiary Investment	6,624,441	7,679,687
Investment in 1 Wintringham Partners LLP		
Investment in joint venture	<u>23</u>	<u>23</u>
Total	<u>26,196,958</u>	<u>22,605,078</u>

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

12. Statement of Investment Total Return

From 1 January 2021, the Trustees have decided to adopt total return accounting for the restricted endowment fund and the Accumulated Income Fund pre-1963, both of which are treated as permanent capital of the Charity. The Fund for Investment at 1 January 2021 has been calculated by taking the permanent capital of the Charity at 31 December 2010 and calculating its real value at 31 December 2020, using CPI.

The investment return to be applied as income is calculated initially as 3.5% (2020: NA) of the endowment funds held as managed investments and capital accounts held by the Investment Managers at 1 January 2021.

The income allocation from the Total Return earned will be reviewed each year.

	Trust for Investment			
	Restricted	Accumulated	Unapplied	Total
	endowment	income fund	Total Return	2021
	fund	pre 1963		£
	£	£	£	
At 1 January 2021				
Gift Component	16,059,992	1,254,436	-	17,314,428
Unapplied Total Return	-	-	7,923,101	7,923,101
	<u>16,059,992</u>	<u>1,254,436</u>	<u>7,923,101</u>	<u>25,237,529</u>
Total Endowments	<u>16,059,992</u>	<u>1,254,436</u>	<u>7,923,101</u>	<u>25,237,529</u>
Movement in the year				
Investment Return				
Dividends and Interest	-	-	521,393	521,393
Gains and Losses	-	-	1,628,156	1,628,156
Less Investment Managers Fees	-	-	(62,352)	(62,352)
Total	-	-	2,087,197	2,087,197
Unapplied total return allocated to income in the reporting period	-	-	(509,867)	(509,867)
Net movements in the reporting period	-	-	1,577,330	1,577,330
At 31 December 2021				
Gift Component	16,059,992	1,254,436	-	17,314,428
Unapplied Total Return	-	-	9,500,431	9,500,431
	<u>16,059,992</u>	<u>1,254,436</u>	<u>9,500,431</u>	<u>26,814,859</u>
Total	<u>16,059,992</u>	<u>1,254,436</u>	<u>9,500,431</u>	<u>26,814,859</u>

There is no prior year comparative for the Statement of Investment Total Return as the policy was implemented at the start of the reported year.

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

13. Debtors

	2021	<i>2020</i>
	£	<i>As restated £</i>
Due within one year		
Amounts owed by undertakings in which the charity has a participating interest	1,083,106	2,304,448
Other debtors	48,276	35,796
Prepayments and accrued income	<u>-</u>	<u>-</u>
	<u>1,131,382</u>	<i><u>2,340,244</u></i>

Amounts owed by undertakings in which the charity has a participating interest comprise:

- an outstanding balance of £9,000 (2020: £9,000) due from 1 Wintringham LLP.
- an outstanding balance of £nil (2020: £1,814,999) which arose on the transfer of the Charity's land in 2017.
- a corporate loan issued to Wintringham Partners LLP of £975,072 (2020: £450,000).
- a corporate loan issued to Wintringham Newco 1 Ltd of £99,034 (2020: £30,449).

The other debtors include an amount of £32,759 (2020: £14,539) relating to money that is being held by Oxford Hospitals Charity for invoices due for payment.

14. Creditors: Amounts falling due within one year

	2021	<i>2020</i>
	£	<i>As restated £</i>
Other taxation and social security	1,272	350
Grants payable	507,192	394,654
Other creditors	222,134	-
Accruals and deferred income	<u>13,944</u>	<u>47,008</u>
	<u>744,542</u>	<i><u>442,012</u></i>

Grants payable

	2021	<i>2020</i>
	£	<i>£</i>
Grants payable 1 January 2021	394,654	327,166
New Grants Awarded	294,318	418,047
Grants paid	<u>(181,780)</u>	<u>(350,559)</u>
Grants payable 31 December 2021	<u>507,192</u>	<i><u>394,654</u></i>

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

15. Comparative Statement of Financial Activities – As restated

	Notes	Restricted Endowment Fund 2020 £	Accumulated Income Fund Pre 1963 2020 £	Accumulated Income Fund Post 1963 2020 £	2020 Total £
Income and endowments from:					
Donations and legacies	2	-	-	-	-
Investments	3	-	-	<u>884,644</u>	<u>884,644</u>
Total income		<u>-</u>	<u>-</u>	<u>884,644</u>	<u>884,644</u>
Expenditure on:					
Raising funds	4	-	-	<u>48,401</u>	<u>48,401</u>
Charitable activities	5	-	-	<u>465,839</u>	<u>465,839</u>
Total expenditure		<u>-</u>	<u>-</u>	<u>514,240</u>	<u>514,240</u>
Net gains/(losses) on investments	8	<u>232,572</u>	<u>28,539</u>	<u>(2,094)</u>	<u>259,017</u>
Net movement in funds		232,572	28,539	368,310	629,421
Total funds brought forward as restated		<u>23,365,611</u>	<u>1,610,807</u>	<u>1,025,338</u>	<u>26,001,756</u>
Total funds carried forward		<u>23,598,183</u>	<u>1,639,346</u>	<u>1,393,648</u>	<u>26,631,177</u>

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

16. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Restricted endowment fund 2021 £	Accumulated income fund pre 1963 2021 £	Accumulated income fund post 1963 2021 £	Total funds 2021 £
Fixed asset investments	24,074,051	1,727,890	395,017	26,196,958
Current assets	963,320	49,598	2,219,091	3,232,009
Creditors due within one year	-	-	(744,542)	(744,542)
Total	<u>25,037,371</u>	<u>1,777,488</u>	<u>1,869,566</u>	<u>28,684,425</u>

Analysis of net assets between funds - prior period

<i>As Restated</i>	<i>Restricted endowment fund 2020 £</i>	<i>Accumulated income fund pre 1963 2020 £</i>	<i>Accumulated income fund post 1963 2020 £</i>	<i>Total funds 2020 £</i>
Fixed asset investments	20,637,414	1,589,980	377,684	22,605,078
Current assets	2,960,769	49,366	1,457,976	4,468,111
Creditors due within one year	-	-	(442,012)	(442,012)
Total	<u>23,598,183</u>	<u>1,639,346</u>	<u>1,393,648</u>	<u>26,631,177</u>

THE NUFFIELD OXFORD HOSPITALS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

17. Funds

ENDOWED FUNDS

Restricted Endowment Fund

The capital of this fund has been built up by the investment and re-investment of the donation. Income from this fund is used to further the object of the Charity, but the capital cannot be realised for use as income.

Pre 1963 Accumulated Income Fund

Income accumulated prior to the donor, Lord Nuffield's death in 1963 was capitalised and income from the investments is used to further the object of the Charity. Counsel's opinion obtained after the donor's death confirmed that Trustees may treat income accumulated prior to Lord Nuffield's death as if it were permanent capital of the fund. If considered essential by the Trustees, to the furtherance of that object, some or all of this capital could be realised to supplement income.

UNRESTRICTED FUNDS

Post 1963 Accumulated Income Fund

This is income accumulated after the donor, Lord Nuffield's death in 1963. The counsel's opinion obtained, confirmed that Trustees may accumulate this income but there must be an intent to use this fund to the furtherance of the Charity's object.

18. Related Parties

Wintringham Partners LLP was incorporated on 5 April 2017 and acquired the land at Wintringham Park, St. Neots, Cambridgeshire. This partnership is owned by Wintringham Newco 1 Limited (66.67%) and Urban&Civic St Neots Limited (33.33%).

Nuffield Oxford Hospitals Fund (NOHF) owns a 22.5% share of 1 Wintringham LLP who have 100% ownership of Wintringham Newco 1 Limited and Wintringham Newco 2 Limited. This results in NOHF having an effective 15% ownership of Wintringham Partners LLP.

Loans totalling £7,707,547 (2020: £9,984,135) were held by NOHF. To 1 Wintringham LLP £6,624,441 (2020: £7,679,687), 1 Wintringham LLP £nil (2020: £1,814,999), 1 Wintringham LLP £9,000 (2020: £9,000), Wintringham Newco 1 Ltd, £99,034 (2020: £30,449) and Wintringham Partners LLP £975,072 (2020: £450,000).

THE NUFFIELD OXFORD HOSPITALS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

19. Prior Year adjustment

In 2021, the Trustees decided to change the accounting policy in respect of grants payable to a policy which is more aligned with current accounting practice and reflects the reality that grants are rarely if ever withdrawn. Under the revised policy grants are recognised at the point at which the grant award is communicated to the recipient. In the past, grants were recognised only when they were paid to the recipient. The effect of this change in policy has been reflected by restating the grants figure in the prior period and the closing reserve balances for the period before that. The following table summarises the impact on the financial statements.

As a result, the 2020 comparatives have been restated to take into account this prior year adjustment. The impact of this adjustment means that the total funds have decreased by £67,488 at 31 December 2020. In addition, the funds at 31 December 2019 also decreased by £327,166. In total therefore, the opening reserves at 1 January 2021 have been reduced by £394,654.

Reconciliation of reserves:

	£
Unrestricted fund (as previously stated) at 31 December 2020	27,025,831
Grant expenditure adjustment for 2019 and previous periods	(327,166)
Grant expenditure adjustment for 2020	<u>(67,488)</u>
Unrestricted fund (as restated) at 31 December 2020	<u>26,631,177</u>

Reconciliation of 2020 surplus

2020 surplus (as previously stated)	696,909
Grant expenditure adjustment relating to 2020	<u>(67,488)</u>
2020 surplus as restated	<u>629,421</u>

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

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

	2021 £	<i>2020 £ As restated</i>
Net income for the period (as per Statement of Financial Activities)	<u>2,053,248</u>	<u>629,421</u>
Adjustments for:		
Gains on investments	(1,645,488)	<i>(259,017)</i>
Dividends, interests and rents from investments	(1,121,064)	<i>(884,644)</i>
Decrease in debtors	1,208,862	<i>1,332,274</i>
Increase/(decrease) in creditors	<u>302,530</u>	<u><i>88,729</i></u>
Net cash provided by operating activities	<u><u>798,088</u></u>	<u><u><i>906,763</i></u></u>

21. Analysis of cash and cash equivalents

	2021 £	<i>2020 £</i>
Cash in hand	2,100,627	<i>2,127,867</i>
Cash with Investment managers	<u>21,862</u>	<u><i>553,731</i></u>
Total cash and cash equivalents	<u><u>2,122,489</u></u>	<u><u><i>2,681,598</i></u></u>

22. Analysis of changes in net debt

	<i>At 1 January 2021 £</i>	Cashflows £	At 31 December 2021 £
Cash at bank and in hand	<i>2,127,867</i>	(27,240)	2,100,627
Liquid investments – cash held by Investment managers	<u><i>553,731</i></u>	<u>(531,869)</u>	<u>21,862</u>
	<u><u><i>2,681,598</i></u></u>	<u><u>(559,109)</u></u>	<u><u>2,122,489</u></u>

Accounts

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

THE NUFFIELD OXFORD HOSPITALS FUND

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THE NUFFIELD OXFORD HOSPITALS FUND

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2020**

Trustees

Ms S Barratt
Professor A Carr, Chair from 17 May 2021 (appointed 22 September 2020)
Ms A Cowell
Sir Andrew Dilnot
Mr J Ford
Dr A Grocock, Chair (retired 17 May 2021)
Mr J Ramsden
Dr A Thomson (retired 17 May 2021)
Dr T Lancaster (appointed 1 March 2020)
Mr J Burchfield (appointed 18 May 2020)

THE NUFFIELD OXFORD HOSPITALS FUND

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
(CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

Charity registered number

212575

Principal office

c/o 16 Orchard Close, Eynsham, Witney, Oxford, Oxfordshire, OX29 4EZ

Secretary

Mr R Sonley

Independent auditors

Wellers, Kineton House, 31 Horse Fair, Banbury, OX16 0AE

Bankers

Barclays Bank Plc, 54 Cornmarket Street, Oxford, OX1 3HS

Solicitors

Foot Anstey LLP, 100 Victoria Street, Bristol, BS1 6HZ

Stone King LLP, 12 Queen Square, Bath, BA1 2HJ

Solicitors for Wintringham Estate

Macfarlanes LLP, 20 Cursitor Street, London, EC4A 1LT

Master Developer/Joint Venture Partner

Urban & Civic PLC, 50 New Bond Street, London, W1S 1BJ

Property Consultants

Glanville Consultants Ltd, 3 Grovelands Business Centre, Boundary Way, Hemel Hempstead, HP2 7TE

Investment Managers

Brewin Dolphin Ltd, 12 Smithfield Street, London, EC1A 9BD

Sarasin & Partners LLP, Juxon House, 100 St. Paul's Churchyard, London, EC4M 8BU (from 1 April 2021)

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees present their annual report together with the audited financial statements of the The Nuffield Oxford Hospitals Fund for the year 1 January 2020 to 31 December 2020.

Objectives and activities

a. Policies and objectives

The object of the Charity, which is laid down in the Trust Deed, is to raise the standard of service of local hospitals, in order to assist the development and carrying on of the Oxford University Medical School.

The trustees believe that the purpose of the Charity, which is "to raise the standard of service of local hospitals, in order to assist the development and carrying on of the Oxford University Medical School", satisfies the public benefit requirements.

The direct benefit which flows from this purpose is supporting the Oxford University Medical School in the training of doctors in Oxfordshire, by providing grants enabling the provision of, for example:

- Online medical student resources
- Equipment for improved training facilities, including training simulators and manikins
- Seminar and other teaching room upgrades and equipment
- Additional resources and upgrades for the Bodleian Health Care and other libraries.

In addition, an annual budget is provided to the Oxfordshire Health Services Research Committee (enabling doctors in training to have research experience).

These benefits are evidenced through the requirement of all grant holders to provide a written report to trustees on completion of their projects on the benefits that have been achieved in supporting the training of doctors in their areas. In addition, trustee visits are usually arranged to meet with grant holders, although none were possible in 2020 due to COVID restrictions.

It should also be noted that The Nuffield Oxford Hospitals Fund (NOHF) monies provide added value and benefits over and above any NHS or University funding.

The beneficiaries are ultimately the patients receiving treatment from the trained medical doctors, principally within the National Health Service.

In setting objectives and planning for activities, the trustees have given due consideration to general guidance published by the charity commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'. and have complied with section 4 of the Charities Act 2011.

THE NUFFIELD OXFORD HOSPITALS FUND

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

Objectives and activities (continued)

b. Strategies for achieving objectives

The strategy of the Charity is to continue to ensure that the Charity's investments provide an increasing and sustainable distributable income over the long term to support the objects of the Charity. That income is distributed in grants, which are selected based on medical priorities and maximisation of the benefit to the standard of service in line with the Charity's objectives.

During the year Trustees have been reviewing the Charity strategy in two main areas:

- Exploration of a move to a total return investment strategy, allowing greater flexibility in investment and a more predictable level of "income" to be allocated as grants. The Trustees formally approved adoption of a Total Return approach at a meeting on 25 January 2021.
- A review of investment managers commenced during 2020 and was concluded in February 2021. Sarasin were appointed as the Charity's investment manager and the transfer of investments in specie and the proceeds from other investments commenced on 1 April 2021. Funds with Sarasin will be invested in units in a managed fund, the Sarasin Endowments Fund, rather than being invested directly in individual shares, bonds and a variety of funds, as was the case with Brewin Dolphin.

Due to the COVID pandemic it was not considered appropriate during 2020 to pursue further ongoing discussions with the Director of Clinical Studies on the longer-term support to medical students.

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Objectives and activities (continued)

c. Activities undertaken to achieve objectives

The activities of the Charity over the year comprise both investment activities and the grant making activities set out in the next section of this report.

The Charity's investment activities have the objective of continuing to ensure that the investments provide an increasing and sustainable distributable income over the long term to support the objects of the Charity. The current investment portfolio, overseen by the investment committee, provides the funds for the grants awarded each year.

During the year under review, the Charity incurred direct charitable expenditure in relation to grants paid, totalling £350,559 (2019: £361,458). At their meeting on 18 May 2020, the Trustees awarded 14 grants totalling £418,853 (2019: fourteen grants totalling £395,750).

The part of the portfolio which had been invested directly in land has, since 2017, provided an opportunity for a further increase in capital in due course. As reported previously in April 2017 the Charity (NOHF) entered into a joint venture with Nuffield Dominions Trust (NDT) and Urban & Civic PLC (U&C), whereby the latter purchased a one third interest of the combined Charity's holdings. NOHF also sold part of its interest to NDT. This has resulted in the Charity's share of the overall joint venture partnership being reduced to 15%. The final payment from Urban & Civic for their share of the land purchased in 2017 was received in April 2021.

Planning permission for a revised plan of up to 2,800 homes on the Wintringham site had been granted at the end of 2018 and in spite of the COVID pandemic work proceeded throughout 2020. Construction commenced with two housebuilders, Cala and Morris Homes, and at the end of the 20/21 financial year the forecast number of houses completed was 60 with some already occupied. In addition, a number were reserved or exchanged. Discussions continued with two further housebuilders who are anticipated to start work on site in the summer of 2021. Parcel 5 is at an early stage of discussion with another company and Parcel 6 is out for further bids. The primary school opened in November 2020.

Monitoring of the project continues to take place through the Wintringham Partners Board (comprising representatives from Urban & Civic and NDT) and 1 Wintringham LLP (comprising 2 director/trustees from each of NDT and NOHF).

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Objectives and activities (continued)

d. Grant-making policies

The Grant applications, together with all the necessary relevant information, are required to be submitted to the Secretary to the Charity by the end of January each year. They are first reviewed by the Secretary (who seeks further information as necessary) and then by the medical trustees of the Charity. They take into consideration the advice on priorities provided by the Medical Sciences Board (the Board of the University's Medical Sciences Division which is responsible for organisation, development and delivery of the Medical Sciences curricula). The trustees will, if appropriate, make further enquiries themselves and prepare their own recommendations.

All the applications are considered by the trustees at their Annual Meeting in May. Each application is reviewed to ensure that it clearly follows the objects of the Charity. The acceptable applications are then prioritised and, following endorsement by the Nuffield Medical Trustees, appointed to have oversight of the Nuffield Benefaction, grants are awarded in priority order to match the funds available for distribution.

The payment of the approved grant is conditional upon the relevant authorised expenditure being incurred and an invoice being received by the Charity. Grant holders are advised that if no invoice is received within 18 months of the letter of approval then the grant can be withdrawn unless a reasonable explanation is provided.

The grant holders are required to submit a 250 word report on completion of the project so that trustees are able to appreciate the benefits gained from the funding.

If the grant applications approved at the Annual Meeting are significantly less than the funds available, a second tranche of grants may be considered later in the year.

e. Main activities undertaken to further the charity's purposes for the public benefit

The main activity in 2020 has been to provide a total of £418,853 of support to the Oxford Medical School through 14 individual grant holders in 10 different clinical and academic departments, ranging from Graduate Entry Medicine to Psychiatry and Emergency Medicine. In 2020 there were over 900 registered medical students in the Oxford Medical School.

Achievements and performance

a. Main achievements of the charity

The main achievements have been to fund a wide range of training and educational activities and equipment. Important areas supported by grants were:

- Further expansion and improvements for student spaces and facilities, including medical texts, in the Bodleian Healthcare Library.
- Online enhancements and resources for student learning and wellbeing.
- Training resources including for consultation companions
- High fidelity manikins (simulated ward environment)
- Ultrasound training simulator and related teaching equipment.
- Continuing upgrade of electronic teaching resources and seminar room
- Virtual anatomy laboratory equipment.
- Enhancements to student experience through blended learning

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Achievements and performance (continued)

b. Investment policy and performance

The main investments held by the Charity during 2020 were quoted investments, both direct listed and pooled investment funds, held on the Stock Exchange and managed under a discretionary arrangement by Brewin Dolphin Ltd together with a 15% interest in the parcel of land known as Wintringham Park at St Neot's. The investment policy in place during 2020 (set in 2016 and reviewed in February 2020 and October 2020) stated that the primary financial objective was to ensure that the Charity is invested to provide an increasing and sustainable distributable income to support the objectives of the Charity, while maintaining the real value of the fund over the longer term. In February 2020, the Investment Committee revisited the investment policy and it did so again in October 2020 before commencing a tender process for Investment Managers. The main objective remains unchanged but some of the detail has been updated.

The investment committee, which comprises three trustees (four served during the year) met with the investment managers three times during the financial year to oversee the performance of the portfolio against specified return targets. The committee also met on two other occasions to discuss the investment manager tender process and to evaluate submissions.

The committee agreed with the investment managers a suitable asset allocation strategy and the appropriate asset classes deemed suitable for the fund. At the end of 2020 the asset classes for the General Fund were Bonds (11.2%), UK Equities (27.3%), Overseas Equities (41.3%), Property (6.2%), Alternatives (10.8%) and Cash (3.0%).

The General Fund portfolio return in 2020 was 5.0% (compared with the WM Charity Universe total return category 6 figure of 3.8%) compared with 16.4% in 2019 (compared with the WM Charity Universe total return category 6 figure of 16.1%).

Trustees were satisfied with the service provided by the investment managers, Brewin Dolphin. However, in line with good governance practice, a review and competitive tender for investment management services was commenced in the Autumn resulting in a decision in February 2021 to change investment manager to Sarasin and to invest in The Sarasin Endowments Fund, rather than continue with a discretionary investment portfolio. The transfer of investments to Sarasin has commenced and is expected to be complete by Summer 2021.

It should be noted that in managing the portfolio, the Restricted Endowment Fund and the Pre 63 Accumulated income fund are managed as one fund, known as the General Fund. That arrangement will continue under Sarasin.

Financial review

a. Going concern

The trustees have considered the impact of Brexit and COVID 19 on the Charity's ability to continue to fund grants. While the continuing impact of both on financial markets and property remain uncertain, the trustees have a reasonable expectation that the Charity has adequate resources to continue to support existing grants and commitments and to continue in operational existence for the foreseeable future. If funds decline, the Charity can adjust future grants to cope with this and, for this reason, the trustees continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

b. Reserves policy

It is the policy of the trustees to maintain sufficient reserves in the Charity's Post 1963 Accumulated Income Fund, to provide for a minimum of one year's charitable expenditure, towards the Charity's object. The capital of the General Fund Capital Account cannot be realised for use as income. However, if required, the Pre 1963 Accumulated Income Fund should enable the trustees to continue appropriate levels of expenditure in the coming years, even if there are decreases in the Charity's investment income.

In the opinion of the trustees, the Charity's assets are adequate to meet its obligations.

c. Surplus in the year

The Balance Sheet as at 31 December 2020 shows that the net assets of the three funds total £27,025,831 an increase of £696,909 during the year. There was a surplus for the year before net investment gains of £437,892 (2019: £47,549). The net gain on disposal and revaluation of assets in the Investment Portfolio of the Charity during the year was £259,017 (2018: £1,591,820).

i. Restricted Endowment Fund

At 31 December 2020, the balance of the Restricted Endowment Fund amounted to £23,598,183, an increase of £232,572 during the year. This increase arose from net gains on the valuation of investments.

ii. Accumulated Income Fund Pre 1963

During the year, the assets of this fund increased by £28,539 to £1,639,346. This increase arose from net gains on the valuation of investments.

iii. Accumulated Income Fund Post 1963

The Statement of Financial Activities for this fund shows a net increase of £435,798 for the year. Incoming resources amounted to £884,644 (2019: £492,617), including receipt of gift aid of £451,199 from the charity's Wintringham investment. Resources expended amounted to £446,752 (2019: £445,068) and the fund assets decreased by £2,094. The balance on the Accumulated Income Fund Post 1963 at 31 December 2019 was £1,788,302 compared with £1,352,504 at 31 December 2019.

Structure, governance and management

a. Constitution

The governing document is a Trust Deed, dated 4 December 1937, as amended by schemes of 1 July 1952, 22 December 1953, 19 May 1976 and 6 March 1998.

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Structure, governance and management (continued)

b. Methods of appointment or election of Trustees

A new, more formal procedure for the selection and appointment of trustees was adopted in 2020.

New trustees are appointed by the existing trustees and serve for five years. They may then put themselves forward for re appointment which is considered at the Annual General Meeting.

The trustees carry out background checks before offering posts to new trustees. When considering new trustees, the existing trustees look for specific areas of expertise to help meet the objectives of the Charity.

Trustees are appointed because of their expertise and new trustees have the opportunity to discuss with fellow medical trustees the system for evaluating grant applications.

c. Policies adopted for the induction and training of Trustees

The induction and training of new trustees and the information with which they are provided are tailored depending on the Trustees' background and interests. A copy of the Trust Deed is provided along with annual accounts, risk assessments, investment reports and contact details of fellow trustees.

All trustees receive regular updates on Charity Commission publications and attend appropriate charity seminars where relevant.

d. Organisational structure and decision making policies

A total of ten trustees served during the year. Four trustees served on the Investment Committee which met a total of five times during the year.

Following the creation of the joint venture with Urban & Civic, matters relating to Wintringham are dealt with by 1 Wintringham LLP, which has 2 directors representing The Charity and 2 representing NDT. Meetings are held twice a year and information is shared with other trustees as appropriate. The Charity has no membership of Wintringham Partners Board, but the Chair has been an observer at most of the board meetings.

The day to day administration of the Charity is undertaken by the Charity Secretary, in consultation with the Chairman and other trustees as required.

In March 2020 Dr Tim Lancaster was appointed as a Trustee. Provision was made in February to increase the number of trustees by one to allow the appointment of a qualified charity lawyer and Mr J Burchfield was appointed on 18 May 2020. On 15 July 2020, the Trustees passed a special resolution increasing the maximum number of Trustees to 10. Professor A Carr was appointed on 22 September 2020 as the Chair designate and took over that role following the resignation of Dr A, Grocock on 17 May 2021.

e. Financial risk management

The trustees have assessed the major risks to which the charity is exposed, in particular, those related to the operations and finances of the charity, including the continuing impact of Brexit and Covid19. The trustees also continue to monitor closely the risks associated with the development of the Wintringham land. The trustees are satisfied that systems and procedures are in place to mitigate the exposure to the major risks.

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Plans for future periods

The trustees are expecting to continue to provide further grants in the future to meet the Charity's object. The trustees wish to continue to provide grants at previous levels but are aware of the need to maintain and enhance the value of the funds for the future.

The trustees believe that the development of the Wintringham land will provide significant additional capital to enhance future grant giving, although they are also aware that in the short term there may be some limited constraints on funds available.

Details of the material transactions that have occurred between the year end and the date of authorising these financial statements can be found in note 22.

As set out in strategies for achieving objectives, detailed discussions will continue to consider whether the funds that the Charity may receive arising from Wintringham could be used for a more significant enhancement of facilities for the Medical School throughout the Oxford Hospitals.

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees 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 its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them 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. They are 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.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

THE NUFFIELD OXFORD HOSPITALS FUND

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Approved by order of the members of the board of Trustees and signed on their behalf by:

DocuSigned by:
Professor A Carr
342C2E9CABCA4BA...
Professor A Carr
(Chair of Trustees)
Date: 09-06-21

DocuSigned by:
Ms S Barratt
5A825F040282450...
Ms S Barratt
09-06-21

THE NUFFIELD OXFORD HOSPITALS FUND

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE NUFFIELD OXFORD HOSPITALS FUND

Opinion

We have audited the financial statements of The Nuffield Oxford Hospitals Fund (the 'charity') for the year ended 31 December 2020 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

THE NUFFIELD OXFORD HOSPITALS FUND

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE NUFFIELD OXFORD HOSPITALS FUND (CONTINUED)

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- the information given in the Trustees' 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 Trustees' responsibilities statement, the Trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

THE NUFFIELD OXFORD HOSPITALS FUND

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE NUFFIELD OXFORD HOSPITALS FUND (CONTINUED)

Auditors' 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 Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Through consultation with Trustees we obtained an understanding of the laws and regulations that could reasonably be expected to have a material effect on the financial statements.
- The outcome of these enquiries and the relevant laws and regulations were communicated throughout our team as well as consideration during team briefing on how fraud may occur in the charity.
- We identified the laws and regulations to have a direct effect on the financial statements as being the UK financial reporting standards, Charities Act, and trust law. There were no additional fundamental laws and regulations identified related to the operating aspects of the business that may have a material effect on the financial statements.
- Audit procedures undertaken in response to the potential risks relating to irregularities comprised of: inquiries with management as to whether the charity complies with such laws and regulations, a review of board minutes and a review of the grant application and approval process.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an 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 its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

THE NUFFIELD OXFORD HOSPITALS FUND

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE NUFFIELD OXFORD HOSPITALS
FUND (CONTINUED)

DocuSigned by:

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Wellers

Accountants
Statutory Auditors
Kineton House
31 Horse Fair
Banbury
OX16 0AE

Date: 09-06-21

Wellers are eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

THE NUFFIELD OXFORD HOSPITALS FUND

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	Restricted endowment fund 2020 £	Accumulated income fund pre 1963 2020 £	Accumulated income fund post 1963 2020 £	Total funds 2020 £	Total funds 2019 £
Income and endowments from:						
Donations and legacies	2	-	-	-	-	50
Investments	3	-	-	884,644	884,644	492,567
Total income and endowments		-	-	884,644	884,644	492,617
Expenditure on:						
Raising funds	4	-	-	48,401	48,401	59,302
Charitable activities	5	-	-	398,351	398,351	385,766
Total expenditure		-	-	446,752	446,752	445,068
Net gains/(losses) on investments	8	232,572	28,539	(2,094)	259,017	1,591,820
Net movement in funds		232,572	28,539	435,798	696,909	1,639,369
Reconciliation of funds:						
Total funds brought forward		23,365,611	1,610,807	1,352,504	26,328,922	24,689,553
Net movement in funds		232,572	28,539	435,798	696,909	1,639,369
Total funds carried forward		23,598,183	1,639,346	1,788,302	27,025,831	26,328,922

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 19 to 44 form part of these financial statements.

THE NUFFIELD OXFORD HOSPITALS FUND

**BALANCE SHEET
AS AT 31 DECEMBER 2020**

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	12	-	-
Investments	13	22,051,347	21,111,542
		<u>22,051,347</u>	<u>21,111,542</u>
Current assets			
Debtors	14	2,319,570	3,672,518
Investments	15	-	500,000
Cash at bank and in hand	23	2,702,272	1,070,979
		<u>5,021,842</u>	<u>5,243,497</u>
Creditors: amounts falling due within one year	16	(47,358)	(26,117)
Net current assets		<u>4,974,484</u>	<u>5,217,380</u>
Total assets less current liabilities		<u>27,025,831</u>	<u>26,328,922</u>
Total net assets		<u><u>27,025,831</u></u>	<u><u>26,328,922</u></u>
Charity funds			
Restricted endowment funds	17	23,598,183	23,365,611
Accumulated income fund pre 1963	17	1,639,346	1,610,807
Accumulated income fund post 1963	17	1,788,302	1,352,504
Total funds		<u><u>27,025,831</u></u>	<u><u>26,328,922</u></u>

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

DocuSigned by:

342C2E9CABGA4BA.....
Professor A Carr
 (Chair of Trustees)
 Date: 09-06-21

DocuSigned by:

5A826F040282450.....
Ms S Barratt
 09-06-21

The notes on pages 19 to 44 form part of these financial statements.

THE NUFFIELD OXFORD HOSPITALS FUND

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020**

	2020 £	2019 £
Cash flows from operating activities		
Net cash used in operating activities	927,437	1,265,038
Cash flows from investing activities		
Dividends, interests and rents from investments	884,644	492,567
Proceeds from sale of investments	1,808,576	2,037,443
Purchase of investments	(2,489,364)	(3,477,246)
Treasury deposit	500,000	(100,000)
Net cash provided by/(used in) investing activities	703,856	(1,047,236)
Cash flows from financing activities		
Net cash provided by financing activities	-	-
Change in cash and cash equivalents in the year	1,631,293	217,802
Cash and cash equivalents at the beginning of the year	1,070,979	853,177
Cash and cash equivalents at the end of the year	2,702,272	1,070,979

Note numbers 22 to 24 form part of the statement of cash flows.

THE NUFFIELD OXFORD HOSPITALS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Second Edition)' and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Second Edition)' rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Nuffield Oxford Hospitals Fund meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition are included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Computer equipment	- 25% Straight Line
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A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities.

THE NUFFIELD OXFORD HOSPITALS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. Accounting policies (continued)

1.4 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

Investment in subsidiary undertakings is valued at historic cost less provision for impairment.

Investments in joint ventures are stated at the amount of the charity's share of net assets. The Statement of financial activities includes the charity's share of the joint ventures' net income or expenditure using the equity accounting basis. The investment forms part of the charity's restricted endowment funds.

Listed investments held as fixed assets are shown at market value.

1.5 Financial instruments

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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.6 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

1.7 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The incoming resources represent all the income received from quoted investments, bank deposits and income from properties. All incoming resources are taken to the Post 1963 Accumulated Income Fund.

THE NUFFIELD OXFORD HOSPITALS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. Accounting policies (continued)

1.8 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charity's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made and when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

1.9 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.10 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.11 Cash at bank and in hand

Cash at bank and 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.

1.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. Accounting policies (continued)

1.13 Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgment:

The critical areas of judgement relate to the point when grants made are recognised in the financial statements.

1.14 Realised and Unrealised Gains & Losses on Investments

Realised and unrealised gains and losses on quoted investments held in the General Fund of the Capital Account and on the Pre 1963 Accumulated Fund are treated as capital and added to the relevant fund.

Realised and unrealised gains and losses on quoted investments held in the Post 1963 Accumulated Income Fund are added to this fund.

THE NUFFIELD OXFORD HOSPITALS FUND

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

2. Income from donations and legacies

	Accumulated income fund post 1963 2020 £	Total funds 2020 £
Donations	-	-

	Accumulated income fund post 1963 2019 £	Total funds 2019 £
Donations	50	50

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

3. Investment income

	Accumulate d income fund post 1963 2020 £	Total funds 2020 £
Income from quoted investments	426,143	426,143
Income from investments in Wintringham	451,199	451,199
Bank interest	7,302	7,302
	<u>884,644</u>	<u>884,644</u>
	<u><u>884,644</u></u>	<u><u>884,644</u></u>
	<i>Accumulated income fund post 1963 2019 £</i>	<i>Total funds 2019 £</i>
Income from quoted investments	481,014	481,014
Bank interest	11,553	11,553
	<u>492,567</u>	<u>492,567</u>
	<u><u>492,567</u></u>	<u><u>492,567</u></u>

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

4. Investment management costs

	Accumulate d income fund post 1963 2020 £	Total funds 2020 £
Investment management fees	48,401	48,401
	<u>48,401</u>	<u>48,401</u>

	<i>Accumulated income fund post 1963 2019 £</i>	<i>Total funds 2019 £</i>
Investment management fees	59,302	59,302
	<u>59,302</u>	<u>59,302</u>

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

5. Analysis of expenditure on charitable activities

Summary by fund type

	Accumulate d income fund post 1963 2020 £	Total funds 2020 £
Award of Grants	398,351	398,351
	<i>Accumulated income fund post 1963 2019 £</i>	<i>Total funds 2019 £</i>
Award of Grants	386,913	386,913
Development of Wintringham	(1,147)	(1,147)
	385,766	385,766

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

6. Analysis of expenditure by activities

	Grant funding of activities 2020 £	Support costs 2020 £	Total funds 2020 £
Award of Grants	350,559	47,792	398,351
	<u>350,559</u>	<u>47,792</u>	<u>398,351</u>
	<i>Grant funding of activities 2019 £</i>	<i>Support costs 2019 £</i>	<i>Total funds 2019 £</i>
Award of Grants	361,458	25,455	386,913
Development of Wintringham	-	(1,147)	(1,147)
	<u>361,458</u>	<u>24,308</u>	<u>385,766</u>

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

6. Analysis of expenditure by activities (continued)

Analysis of support costs

	Award of Grants 2020 £	Developme nt of Wintringha m 2020 £	Total funds 2020 £
Staff costs	10,500	-	10,500
Insurance	820	-	820
Trustee meeting expenses	190	-	190
Bank charges	82	-	82
Sundry expenses	500	-	500
Legal and professional costs	23,144	-	23,144
Governance costs	12,556	-	12,556
	47,792	-	47,792

	Award of Grants 2019 £	Development of Wintringham 2019 £	Total funds 2019 £
Staff costs	10,913	-	10,913
Insurance	778	-	778
Trustee meeting expenses	796	-	796
Bank charges	44	-	44
Sundry expenses	94	-	94
Legal and professional costs	-	(1,147)	(1,147)
Governance costs	12,830	-	12,830
	25,455	(1,147)	24,308

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

7. Analysis of grants

	Grants to Individuals 2020 £	Total funds 2020 £
Award of Grants	350,559	350,559
	<u>350,559</u>	<u>350,559</u>
	<i>Grants to Individuals 2019 £</i>	<i>Total funds 2019 £</i>
Award of Grants	361,458	361,458
	<u>361,458</u>	<u>361,458</u>

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

Analysis of grants paid during the year

	2020 £
Annual budget for research - Oxfordshire Health Services Research Committee	80,000
Refurbishment of Oxford Clinical School Museum - Dr Jennifer Brown. Nuffield Department of Clinical Laboratory Sciences (grant no. 91009)	1,092
Skull surgery simulator - Sanjeeva Jayaretna. Medical sciences office (grant no. 92011)	11,226
Refurb clinical social pathology museum - Dr Jennifer Brown (grant no. 92009)	4,432
HoloLens virtual anatomy lab - Dr Tom Cosker (grant no. 93004)	20,000
Expert patient tutors Dr Gina Hadley. Nuff. Dept. Clin. Neuroscience (grant no. 92003)	635
Development of digital education - Prof Carl Heneghan. Nuffield primary care health sciences. (grant no. 93005)	30,430
Partnership working in medical education - Dr Helen Salisbury. Dept of Psychiatry (grant no. 93006)	27,126
Psychiatry simulation suite. Neuro simulator - Dr Kate Saunders (grant no. 93007)	13,340
Improving Cairns library and knowledge centre - Dr Donald Mackay. Bodleian Health Care Libraries (grant no. 93012)	7,142
Upgrading IT and study facilities NOC library - Dr Donald Mackay. Bodleian Health Care Libraries (grant no. 93011)	6,824
Medical student textbooks - Dr Donald Mackay. Bodleian Health Care Libraries (grant no. 93013)	27,447
Art based curriculum/ Ashmolean comms skills Dr Gina Hadley/ Dr Jim Harris/ Dr Gabriele de Luca. Dept. Clin. Neurosciences (grant no. 93002)	355
Anatomical models u/grad teaching Dr Tom Cosker. Physiology, anatomy & genetics (grant no. 93003)	21,400
Nuerosciences simulator - Dr Kate Saunders. Dept of Psychiatry (grant no. 93015)	4,618
Modernising student feedback and assessment GP teaching Dr Rachel Allen. Nuffield Primary Health Care Sciences (grant no. 93010)	11,797
Workshops in trauma, airways and sick children Dr Neil Dawson. Emergency medicine (grant no. 93014)	15
Medical student textbooks - Dr Donald Mackay. Bodleian Health Care Libraries (grant no. 94002)	7,269
Chairs needed to support medical student education - Dr Mary Miller. Palliative Care, Sobell House (grant no. 94003)	11,532
To develop a simulated ward environment with higher fidelity manikins to motivate students and enhance skill acquisition - Catriona Fleming. Resuscitation Department (grant no. 94005)	10,489
Ultrasound training simulator - Dr Ed Sellon and Dr Helen Higham. Clinical Radiology (grant no. 94011)	43,300
Portable ultrasound equipment - Dr Ed Sellon and Dr Suzie Anthony. Clinical Radiology (grant no. 94012)	10,090
Total	350,559

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

8. Net gains on investments

	Restricted endowment fund 2020 £	Accumulated income fund pre 1963 2020 £	Accumulated income fund post 1963 2020 £	Total funds 2020 £
Realised gain / (loss) on Investments	130,329	15,993	998	147,320
Unrealised gain / (loss) on investments	102,243	12,546	(3,092)	111,697
	<u>232,572</u>	<u>28,539</u>	<u>(2,094)</u>	<u>259,017</u>
	<i>Restricted endowment fund 2019 £</i>	<i>Accumulated income fund pre 1963 2019 £</i>	<i>Accumulated income fund post 1963 2019 £</i>	<i>Total funds 2019 £</i>
Realised gain / (loss) on Investments	102,673	12,599	5,662	120,934
Unrealised gain / (loss) on investments	1,295,303	158,950	16,633	1,470,886
	<u>1,397,976</u>	<u>171,549</u>	<u>22,295</u>	<u>1,591,820</u>

9. Auditors' remuneration

	2020 £	2019 £
Fees payable to the charity's auditor for the audit of the charity's annual accounts	7,800	8,100
Fees payable to the charity's auditor in respect of:		
Preparation of annual accounts	4,072	4,082
Payroll processing	684	648
	<u>684</u>	<u>648</u>

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

10. Staff costs

	2020	<i>2019</i>
	£	£
Secretary's honorarium	10,500	<i>10,913</i>
	<u>10,500</u>	<u><i>10,913</i></u>

The average number of persons employed by the charity during the year was as follows:

	2020	<i>2019</i>
	No.	No.
Secretary	1	<i>1</i>
	<u>1</u>	<u><i>1</i></u>

No employee received remuneration amounting to more than £60,000 in either year.

The key management personnel of the Charity include all Trustees along with the secretary, R Sonley. The total remuneration paid to the key management personnel amounted to £10,500 (2019 - £10,913).

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2019 - £NIL).

During the year ended 31 December 2020, expenses totalling £90 were reimbursed or paid directly to 3 Trustees (2019 - £126 to 3 Trustees). The expenses reimbursed are in relation to the travel expenses for Trustees to attend Trustee meetings.

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

12. Tangible fixed assets

	Computer equipment £
Cost or valuation	
At 1 January 2020	660
At 31 December 2020	660
Depreciation	
At 1 January 2020	660
At 31 December 2020	660
Net book value	
At 31 December 2020	-
At 31 December 2019	-

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

13. Fixed asset investments

	Post 1963 Income Fund £	Pre 1963 Income Fund (1,093 units) £	Restricted Endowment Fund (8,907 units) £	Investment in 1 Wintringham LLP £	Wintringham Partners LLP Loan Investment £	Total £
Cost or valuation						
At 1 January 2020	368,772	1,545,754	12,597,306	23	6,599,687	21,111,542
Additions	77,391	145,585	1,186,388	-	1,080,000	2,489,364
Disposals proceeds	(96,350)	(187,146)	(1,525,080)	-	-	(1,808,576)
Unrealised gains/(losses) on investments	(3,092)	12,546	102,243	-	-	111,697
Realised gains/(losses) on investments	998	15,993	130,329	-	-	147,320
At 31 December 2020	347,719	1,532,732	12,491,186	23	7,679,687	22,051,347
Net book value						
At 31 December 2020	347,719	1,532,732	12,491,186	23	7,679,687	22,051,347
<i>At 31 December 2019</i>	<i>368,772</i>	<i>1,545,754</i>	<i>12,597,306</i>	<i>23</i>	<i>6,599,687</i>	<i>21,111,542</i>

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

13. Fixed asset investments (continued)

Historical Cost

With effect from 1 July 1997, the Stocks and Shares held in the Restricted Endowment Fund and Pre 1963 Accumulated Income Fund were pooled. The total Trust Pool assets are regarded as being equivalent to 10,000 units which have been allocated between the Restricted Endowment Fund and the Pre 1963 Accumulated Income Fund pro rata in relation to their input to the pool. The Restricted Endowment Fund has an allocation of 8,907 units and the Pre 1963 Accumulated Income Fund 1,093 units.

Loan Investment

The charity through its membership of 1 Wintringham LLP has a commitment to issue partner loans to Wintringham Partners LLP as required to fund its share of development costs. The loan investment comprises an amount due from Wintringham Partners LLP arising from the transfer of the Charity's land in 2017 along with an additional loan to fund working capital. Loans totalling £1,080,000 were made during in the year (2019: £599,687). The carrying value of the investment continues to be its cost which is equal to the fair value of the land at the date of its transfer to Wintringham Partners LLP.

Investment type

An analysis of the investments has been done as at 31 December 2020 to distinguish between Direct Investments, Pooled Investments and Subsidiary Investments. The split is as indicated below:

	2020	2019
	£	£
Post 1963 Income Fund		
Direct Investments	17,316	19,928
Pooled Investments	330,404	348,845
Restricted Endowment Fund & Pre 1963 Income Fund		
Direct Investments	3,428,726	3,756,859
Pooled Investments	10,595,191	10,386,200
Loan to Wintringham Partners LLP		
Subsidiary Investment	7,679,687	6,599,687
Investment in 1 Wintringham LLP		
Investment in joint ventures	23	23
Total	<u>22,051,347</u>	<u>21,111,542</u>

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
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14. Debtors

	2020 £	2019 £
Due within one year		
Amounts owed by undertakings in which the charity has a participating interests	2,304,448	3,638,999
Other debtors	15,122	27,275
Prepayments and accrued income	-	6,244
	<u>2,319,570</u>	<u>3,672,518</u>

Amounts owed by undertakings in which the charity has a participating interest comprise:

- an outstanding balance due from Wintringham Newco 2 Ltd, which arose on the transfer of the Charity's land in 2017 amounting to £1,823,999 (2019: £3,638,999). Cash of £1,815,000 was received in April 2020 in part settlement of this balance. While the whole loan is technically repayable within one year, no further repayment is anticipated until April 2021.

- a corporate loan issued to Wintringham Partners LLP of £450,000.

- a corporate loan issued to Wintringham Newco 1 Ltd of £30,449.

The other debtors include an amount of £14,539 (2019: £25,098) relating to money that is being held by Oxford Hospitals Charity for invoices due for payment.

15. Current asset investments

	2020 £	2019 £
Treasury deposit	<u>-</u>	<u>500,000</u>

16. Creditors: Amounts falling due within one year

	2020 £	2019 £
Other taxation and social security	350	-
Other creditors	-	1,614
Accruals and deferred income	47,008	24,503
	<u>47,358</u>	<u>26,117</u>

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

17. Statement of funds

Statement of funds - current year

	Balance at 1 January 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2020 £
Accumulated Income Fund Post 1963					
Accumulated Income Fund Post 1963	<u>1,352,504</u>	<u>884,644</u>	<u>(446,752)</u>	<u>(2,094)</u>	<u>1,788,302</u>
Restricted endowment fund					
Restricted endowment fund	<u>23,365,611</u>	<u>-</u>	<u>-</u>	<u>232,572</u>	<u>23,598,183</u>
Accumulated Income Fund Pre 1963					
Accumulated Income Fund Pre 1963	<u>1,610,807</u>	<u>-</u>	<u>-</u>	<u>28,539</u>	<u>1,639,346</u>
Total of funds	<u><u>26,328,922</u></u>	<u><u>884,644</u></u>	<u><u>(446,752)</u></u>	<u><u>259,017</u></u>	<u><u>27,025,831</u></u>

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
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17. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 January 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 December 2019 £</i>
Accumulated Income Fund Post 1963					
Accumulated Income Fund Post 1963	<u>1,282,660</u>	<u>492,617</u>	<u>(445,068)</u>	<u>22,295</u>	<u>1,352,504</u>
Restricted endowment fund					
Restricted endowment fund	<u>21,967,635</u>	<u>-</u>	<u>-</u>	<u>1,397,976</u>	<u>23,365,611</u>
Accumulated Income Fund Pre 1963					
Accumulated Income Fund Pre 1963	<u>1,439,258</u>	<u>-</u>	<u>-</u>	<u>171,549</u>	<u>1,610,807</u>
Total of funds	<u><u>24,689,553</u></u>	<u><u>492,617</u></u>	<u><u>(445,068)</u></u>	<u><u>1,591,820</u></u>	<u><u>26,328,922</u></u>

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

18. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Restricted endowment fund 2020 £	Accumulate d income fund pre 1963 2020 £	Accumulate d income fund post 1963 2020 £	Total funds 2020 £
Fixed asset investments	20,170,896	1,532,732	347,719	22,051,347
Current assets	3,427,287	106,614	1,487,941	5,021,842
Creditors due within one year	-	-	(47,358)	(47,358)
Total	23,598,183	1,639,346	1,788,302	27,025,831

Analysis of net assets between funds - prior period

	<i>Restricted endowment fund 2019 £</i>	<i>Accumulated income fund pre 1963 2019 £</i>	<i>Accumulated income fund post 1963 2019 £</i>	<i>Total funds 2019 £</i>
Fixed asset investments	18,366,439	1,379,992	1,365,111	21,111,542
Current assets	4,999,172	230,815	13,510	5,243,497
Creditors due within one year	-	-	(26,117)	(26,117)
Total	23,365,611	1,610,807	1,352,504	26,328,922

THE NUFFIELD OXFORD HOSPITALS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

19. Funds

RESTRICTED FUND

Restricted Endowment Fund

The capital of this fund has been built up by the investment and re-investment of the donation. Income from this fund is used to further the object of the Charity, but the capital cannot be realised for use as income.

UNRESTRICTED FUNDS

Pre 1963 Accumulated Income Fund

Income accumulated prior to the donor, Lord Nuffield's death in 1963 was capitalised and income from the investments is used to further the object of the Charity. Counsel's opinion obtained after the donor's death confirmed that Trustees may treat income accumulated prior to Lord Nuffield's death as if it were permanent capital of the fund. If considered essential by the Trustees, to the furtherance of that object, some or all of this capital could be realised to supplement income.

Post 1963 Accumulated Income Fund

This is income accumulated after the donor, Lord Nuffield's death in 1963. The counsel's opinion obtained, confirmed that Trustees may accumulate this income but there must be an intent to use this fund to the furtherance of the Charity's object.

Total Return

From 1 January 2021, the Trustees have decided to adopt total return accounting for the restricted endowment fund and the Accumulated Income Fund pre 1963, both of which are treated as permanent capital of the Charity. The Trustees recognise the importance of maintaining the real value of the capital funds provided but also want greater predictability of income and the flexibility to make investments which may be expected to make capital returns rather than income, without jeopardising the income available for grant-making.

Total Return accounting requires the Charity's endowment funds to be split into a Fund for Investment and Unapplied Total Return. The Fund for Investment at 1 January 2021 has been calculated by taking the permanent capital of the Charity at 31 December 2010 and calculating its real value at 31 December 2020, using CPI. The resulting balances at 1 January 2021 are:

	£
Fund for investment	17,314,428
Unapplied total return	7,923,101
Total	25,237,529

The income allocation from the Total Return earned will be reviewed each year but the Trustees have agreed that the initial allocation for 2021 should be calculated as 3% of the endowment funds held as cash or managed investments at 1 January 2021.

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

20. Related Parties

Wintringham Partners LLP was incorporated on 5 April 2017 and acquired the land at Wintringham Park, St. Neots, Cambridgeshire. This partnership is owned by Wintringham Newco 1 Limited (66.67%) and Urban&Civic St Neots Limited (33.33%).

Nuffield Oxford Hospitals Fund (NOHF) owns a 22.5% share of 1 Wintringham LLP who have 100% ownership of Wintringham Newco 1 Limited and Wintringham Newco 2 Limited. This results in NOHF having an effective 15% ownership of Wintringham Partners LLP.

Loans totalling £9,984,135 (2019: £10,238,686) were held by NOHF to 1 Wintringham LLP £7,679,687 (2019: £6,599,687), Wintringham NewCo 2 Ltd £1,823,999 (2019: £3,638,999), Wintringham Newco 1 Ltd £30,449 (2019: £0) and Wintringham Partners LLP £450,000 (2019: £0).

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
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21. Grants approved but not paid

The Trustees awarded grants at their meeting on 18 May 2020 totalling £418,853 (2019: £395,750) and as at 31 December 2020 the below grants approved by the Trustees had not been paid.

The payment of the grant is conditional upon the relevant authorised expenditure being incurred and an invoice being received by the Charity. It is not unusual for there to be a period of 6 months or more between authorisation of the grant and receipt of the invoice. However, grant holders are advised that if no invoice is received within 18 months of the letter of approval then the grant can be withdrawn unless a reasonable explanation is provided.

As the date and final amount of grant paid is uncertain and approval may be withdrawn these grants are recognised when the payment has been made and no provision is made within these accounts prior to payment. The list of approved grants not yet paid at 31 December 2020 is as follows:

	2020 £
Annual budget for research - Oxfordshire Health Services Research Committee	40,000
Expert patient tutors Dr Gina Hadley. Nuff. Dept. Clin. Neuroscience (grant no. 92003)	4,053
Educational facilities Donald Mackay (grant no. 92007)	2,847
Refurb clinical social pathology museum Dr Jennifer Brown (grant no. 92009)	508
Skull surgery simulator Sanjeeva Jayaretna. Neurosurgery(grant no. 92011)	226
Art based curriculum/ Ashmolean comms skills Dr Gina Hadley/ Dr Jim Harris/ Dr Gabriele de Luca. Dept. Clin. Neurosciences (grant no. 93002)	7,565
Anatomical models u/grad teaching Dr Tom Cosker. Physiology, anatomy & genetics (grant no. 93003)	15,600
Development of digital education Prof Carl Heneghan. Nuffield primary care health sciences (grant no. 93005)	28,594
Partnership working in medical education Dr Helen Salisbury. Nuffield primary care health sciences (grant no. 93006)	3,956
Upgrade surgical sciences teaching room Jon Austyn. Nuffield Surgical Sciences (grant no. 93008)	29,635
Modernising student feedback and assessment GP teaching Dr Rachel Allen. Nuffield Primary Health Care Sciences (grant no. 93010)	5,338
Upgrading IT and study facilities NOC library Dr Donald Mackay. Bodleian Health Care Libraries (grant no. 93011)	49
Improving Cairns library and knowledge centre Dr Donald Mackay. Bodleian Health Care Libraries (grant no. 93012)	40
Medical student textbooks Dr Donald Mackay. Bodleian Health Care Libraries (grant no. 93013)	1,283
Neuroscience simulator Dr Kate Saunders. Dept of Psychiatry (grant no. 93015)	4,570
Workshops in trauma, airways and sick children - Dr Nell Dawson. Emergency medicine (grant no. 93014)	15
Expansion of Student Facilities - Dr Donald Mackay. Bodleian Health Care Libraries (grant no. 94000)	11,457
Improving Training Facilities - Dr Donald Mackay. Bodleian Health Care Libraries (grant no. 94001)	14,867
Medical student tesxtbooks - Dr Donald Mackay. Bodleian Health Care Libraries (grant no. 94002)	18,620

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Chairs needed to support medical student education - Dr Mary Miller. Palliative Care, Sobell House (grant no. 94003)	396
A project to improve online video creation to enhance student experience through blended learning - Dr Jack Amiry. Medical School: Graduate Entry Medicine (grant no. 94004)	23,275
To develop a simulated ward environment with higher fidelity manikins to motivate student and enhance skill acquisition - Catriona Fleming. Resuscitation Department (grant no. 94007)	381
Consultation Companions - Dr Gina Hadley and others. Department of Clinical Neurosciences (grant no. 94006)	20,934
To provide an online medical student wellbeing resource - Dr Joseph Butler, Dr Kate Saunders, Dr Lois Brand. Psychiatry and Emergency Medicine (grant no. 94007)	16,800
To purchase a 3D monitor for ENT theatres West Wing - Mr Sam MacKeith (grant no. 94008)	55,740
The next generation Harvey - Cardiorespiratory Patient Simulator - Dr Catherine Swales. Medical School (grant no. 94009)	61,778
Custom 3D printed design and 3D printing of anatomical models to augment undergraduate medical student teaching of the lumbosacral plexus, mediastinum and root of neck - Mr Thomas Cosker. Human Anatomy, DPAG (grant no. 94010)	30,000
Ultrasound training simulator - Dr Ed Sellon and Dr Helen Higham. Clinical Radiology (grant no. 94012)	1,925
Total	400,452

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

	2020	2019
	£	£
Net income for the period (as per Statement of Financial Activities)	696,909	1,639,369
Adjustments for:		
Gains on investments	(259,017)	(1,591,820)
Dividends, interests and rents from investments	(884,644)	(492,567)
Decrease in debtors	1,352,948	1,827,596
Increase/(decrease) in creditors	21,241	(117,540)
Net cash provided by operating activities	927,437	1,265,038

THE NUFFIELD OXFORD HOSPITALS FUND

**NOTES TO THE FINANCIAL STATEMENTS
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23. Analysis of cash and cash equivalents

	2020	2019
	£	£
Cash in hand	2,702,272	1,070,979
Total cash and cash equivalents	2,702,272	1,070,979

24. Analysis of changes in net debt

	At 1 January 2020	Cash flows	At 31 December 2020
	£	£	£
Cash at bank and in hand	1,070,979	1,631,293	2,702,272
Liquid investments	500,000	(500,000)	-
	1,570,979	1,131,293	2,702,272