

Trust name: North Tees and Hartlepool NHS Foundation Trust General Charitable Fund
Annual Report and Accounts for the year ended 31 March 2020
Charity Registration Number 1057682

The annual accounts were approved by the Board of Directors

on 29th October 2020

and signed on its behalf by:

Paul Garvin, Chairman

Julie Gillon, Trustee

Annual Report and Accounts for North Tees and Hartlepool NHS Foundation Trust General Charitable Fund

Trustees Annual Report

The North Tees and Hartlepool NHS Foundation Trust General Charitable Fund, registered Charity Number 1057682, was entered on the Central Register of Charities on 1st May 1996. The Charity was established to administer charitable funds received from donations and bequests.

Charitable funds received by the Charity are accepted and administered as funds and property held on trust for purposes relating to the health service in accordance with the National Health Service Act 1977 and the National Health Service and Community Care Acts 1990 and these funds are held on trust by the corporate body.

The Charitable Funds are registered with the Charity Commission (Charity Number 1057682) in accordance with the Charities Act 2011.

The Charity has a Corporate Trustee, the North Tees and Hartlepool NHS Foundation Trust, with the members of the Board of Directors responsible for its governance as per the law applicable to Trusts, principally the Trustee Act 2000 and the Charities Act 2011.

Members of the Board of Directors are not individual Trustees under Charity Law but act as agents on behalf of the Corporate Trustee.

The members of the Board who served as agents for the Corporate Trustee during the financial year were as follows:

Paul Garvin	Chairman
Julie Ann Gillon	Chief Executive
Anandapuram Deepak Dwarakanath	Medical Director /Deputy Chief Executive
Alan Sheppard	Chief People Officer
Neil Atkinson	Director of Finance
Julie Lane	Director of Nursing, Patient Safety and Quality
Graham Evans	Chief Information Technology Officer
Julie Parkes	Director of Operations to 30th June 2019
Lynne Taylor	Director of Planning & Performance
Barbara Bright	Director of Corporate Affairs and Chief of Staff
Levi Buckley	Chief Operating Officer from 4th November 2019
Brian Dinsdale	Non-executive Director to 31st March 2020
Stephen Hall	Vice Chairman and Non-executive Director
Rita Taylor	Non-executive Director
Jonathan Erskine	Non-executive Director
Kevin Robinson	Non-executive Director
Philip Craig	Non-executive Director from 1st July 2019
Ann Baxter	Associate Non-executive Director from 1st July 2019
Neil Schneider	Associate Non-executive Director from 1st July 2019

The Executive Directors and Non-executive Directors of the Foundation Trust Board are the Trustee of the Charity. The Executive Directors are appointed by the Non-executive Directors and the Governors appoint the Non-executive Directors.

**Annual Report and Accounts for North Tees and Hartlepool NHS Foundation Trust
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Trustees Annual Report (continued)

This Annual Report has been prepared by the Corporate Trustee.

Acting for the Corporate Trustee, North Tees and Hartlepool NHS Foundation Trust General Charitable Fund Board has, under the Trust's Scheme of Delegation, appointed the Director of Finance to be the officer responsible for implementing suitable procedures, to ensure that the relevant legislation and directives are implemented and that the expenditure from Charitable Funds is appropriate for the purpose.

How to contact us

Principal Office

The principal office for the Charity is:

The Director of Finance
North Tees and Hartlepool NHS Foundation Trust
University Hospital of North Tees
Hardwick Road
Stockton on Tees
TS19 8PE

For fundraising queries please contact:

The Finance Department
North Tees and Hartlepool NHS Foundation Trust
University Hospital of North Tees
Hardwick Road
Stockton on Tees TS19 8PE

Sharon Pounder 01642 624274

The professional advisers of the Corporate Trustee are:

Bankers

Lloyds Bank
27 High Street
Stockton on Tees
TS18 1SG

Investment Manager

CCLA
for Charities
Senator House
85 Queen Victoria Street
London EC4V 4ET

Internal Auditors

Audit One
Bizhub
Belasis Hall Technology Park
Coxwold Way
Billingham
Stockton on Tees
TS23 4EA

External Auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Central Square South
Orchard Street
Newcastle upon Tyne
NE1 3AZ

Legal Advisors

DAC Beachcroft LLP
36 Gallowgate
Newcastle Upon Tyne
NE1 4TD

**Annual Report and Accounts for North Tees and Hartlepool NHS Foundation Trust
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Trustees Annual Report (continued)

The aim of the Charity is to improve patient care for the local population served by the Foundation Trust; Provide additional resources to fund over and above that normally funded by the NHS Foundation Trust; Purchase equipment, improve facilities in which patients are treated & fund staff training to enhance modern techniques in their specialty.

Structure, Governance and Management

The Deeds of the Charity outlining its structure are held by the Director of Finance. The Charity was formed by direction of the Charity Commission by virtue of the provisions of Section 96 of the Charities Act 2011. In 1999 two charities, the North Tees Health NHS Trust Charitable Fund and the Hartlepool and East Durham NHS Trust Charitable Fund, merged to form the North Tees and Hartlepool NHS Foundation Trust General Charitable Fund.

A Charitable Funds Committee was established in 2009. The membership comprises the Chairman, Chief Executive, Director of Finance and two Non-executive Directors. The Committee meets twice a year.

The recruitment process for appointing the members of the board who serve as agents for the Corporate Trustee follows Trust procedures.

The Charity's unrestricted fund was established using the model declaration of trust and all funds held as at the date of registration were either part of this unrestricted fund or registered as separate restricted funds under the main Charity.

The Corporate Trustee fulfils its legal duty by ensuring that funds are spent in accordance with the objectives of each fund, and by designating funds, the Corporate Trustee respects the wishes of the donor to benefit patient care and improve the health and welfare of patients and staff.

The Charitable Funds available for spending are allocated to specialities within the NHS Foundation Trust's management structure according to the donor's wishes. Each fund is managed by a member(s) of staff (the Fund Manager) and overseen by the General Manager of the Speciality.

Where funds have been received which have specific restrictions set by the donor a restricted fund has been established. At 31 March 2020 there were 67 (2019: 70) such funds.

The Charity has one unrestricted fund, the General Purposes Fund.

The Corporate Trustee of the North Tees and Hartlepool NHS Foundation Trust General Charitable Fund delegates responsibility for the operational running of the Charitable Funds to the Director of Finance who is required to:

- Maintain such accounts and records, as necessary, to record and protect all funds in trust;
- Control, manage and monitor the use of the fund's resources;
- Provide support and advice for all of its income raising activities;
- Ensure that best practice is followed in the conduct of its affairs fulfilling all of its legal responsibilities;
- Ensure that the approved investment policy is adhered to and that performance is continually reviewed; and
- Keep the Board of Directors fully informed on the performance, activity and risks of the Charity

**Annual Report and Accounts for North Tees and Hartlepool NHS Foundation Trust
General Charitable Fund**

Trustees Annual Report (continued)

The training needs of the members of the Board who serve as agents for the Corporate Trustee are assessed on an ongoing basis and all training complies with the policies of the Foundation Trust.

The accounting records and day to day administration of the funds are dealt with by the Finance Department of the North Tees and Hartlepool NHS Foundation Trust, located at the University Hospital of North Tees, Hardwick, Stockton on Tees.

The Charity's fund has NHS Foundation Trust wide objectives as follows:

The Corporate Trustee shall hold the Trust Fund upon trust to apply the income, and at its, or its agents discretion, so far as may be permissible, the capital, for any charitable purpose or purposes relating to the National Health Service.

The Charity will continue to further improve the provision of high quality patient care throughout the Trust focusing on areas not covered or fully supported by central NHS Foundation Trust funds.

The future plans for the Charity are dependent on the future direction of the NHS and the strategic plan of the Trust.

Risk Management

The major risks to which the Charity is exposed have been identified and systems put in place to mitigate them.

The major external risk to which the Charity is exposed is a sudden fall in the value of the investment portfolio. However, the Corporate Trustee invests over the longer term to ensure that the greatest returns are achieved. History has shown that over any 10 year period in the last century investment in a wide range of equity based investments will add greater value when compared to a fixed interest based portfolio.

The Corporate Trustee has appointed professional fund managers, CCLA for Charities, to manage the Charity Investments. There are procedures in place to review the investment policy and monitor its performance.

To mitigate exposure to risk in this area the Charity's Investment Managers, CCLA for Charities, have adopted an investment policy that spreads the risk over a wide range of investments.

The Charity is audited by the North Tees and Hartlepool NHS Foundation Trust's internal auditors, Audit One who review and test systems, and the Trust's external independent auditors, PricewaterhouseCoopers LLP, who independently audit the Charity's Annual Financial Statements and Report.

Annual Report and Accounts for North Tees and Hartlepool NHS Foundation Trust General Charitable Fund

Trustees Annual Report (continued)

Annual Review

During the year Charitable Funds continued to support a wide range of charitable and health related activities benefiting both patients and staff. In general they are used to provide goods and services to improve patient care and staff welfare that the NHS Foundation Trust is unable to provide.

Ward funds receive many donations from grateful patients and their families and this enables wards to improve the environment in which patients are treated. These donations enable all types of staff to attend courses and conferences which are not able to be funded by the NHS Foundation Trust, and will update them on new ideas and modern techniques in their speciality. Many donations are specifically given to thank the staff on the wards and these are used for charitable activities that will benefit staff.

The NHS Foundation Trust's General Purposes Fund receives donations that can be used for any charitable purpose relating to the NHS. The Chief Executive of the North Tees and Hartlepool NHS Foundation Trust has the authority to approve and support applications for funding from areas within the NHS Foundation Trust which do not have sufficient funds themselves.

Grant Making Policy

The Corporate Trustee Grant Making Policy aims to support the Charity by enhancing patient care and staff welfare.

Firstly the General Purposes Fund is constituted of gifts received by the Charity where no particular preference as to its expenditure has been expressed by donors.

Secondly, Restricted Funds reflect the wishes of the donor. These are managed by fund holders who are authorised to spend the money within their designated area. These funds can be spent at any time.

Grants are made to both institutions and individuals. Details of the main types of grants are shown on page 6.

The net assets of the Charity as at 31 March 2020 are £1,554,000 (2019: £1,324,000) an increase over the year of £230,000, comprised of an in year operating gain of £267,000 (2019: £36,000 loss) and by an unrealised loss of £37,000 (2019: £98,000 gain), resulting from a decrease in the market value of investments.

Annual Report and Accounts for North Tees and Hartlepool NHS Foundation Trust
General Charitable Fund

Trustees Annual Report (continued)

Income

The Charity relies on donations, legacies and investment income as the main source of income. Total incoming resources were £613,000 (2018/19: £485,000) an increase from the previous year.

There has been a small number of fund raising activities undertaken by the Corporate Trustee during 2019/20. Total fundraising income £2,000 (2018/19: £3,000).

Expenditure (Grants Made)

During the year direct charitable expenditure was £311,000 (2018/19: £486,000).

A full breakdown of expenditure by category is shown in note 7 of the accounts.

Major individual purchases of medical equipment made during the year are set out below

	<u>Expenditure £000</u>
Bike EL Stress Ergometer	10
Axillar Double Arm Retractor	14
Gynae Couch	4
Coloscope	8
Other medical equipment	24
	<u>60</u>

The Charity has contributed £80,000 (2018/19: £198,000) to refurbishments in North Tees and Hartlepool NHS Foundation Trust.

The major refurbishments & IT equipment purchases during the year are shown below

	<u>Expenditure £000</u>
Link Lockers	7
Ice interface for Endoscopy system	13
IBD patient management system	12
IT dementia package including touch screen pc & tablet	6
Other refurbishment costs	42
	<u>80</u>

The Charity has spent £62,000 (2018/19: £86,000) on staff training, welfare and development which represents a significant contribution to staff development and provision of high quality health care within the Foundation Trust.

Plans For The Future

The NHS is an ever changing environment and the future direction of the Charity will be shaped by these changes. The priorities for spending charitable funds is determined primarily by the fund holders who are managers in the service. Delegating the responsibility of expending charitable funds to this level ensures that those able to make the decisions are best placed to know the exact needs of the service.

Annual Report and Accounts for North Tees and Hartlepool NHS Foundation Trust
General Charitable Fund

Trustees Annual Report (continued)

Corporate Trustee Statement

The Corporate Trustee confirms that it has referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities and setting grant making policy for the year. It is the opinion of the Corporate Trustee that it has carried out these objects by:

- Patients' Welfare - Purchase of small pieces of equipment and enhancement of services and facilities over and above that normally provided by the NHS;
- Staff Welfare - Enhancement of staff facilities and by providing education over and above that which would normally be provided by the NHS;
- Capital Equipment - Purchase of equipment in addition to, or an enhancement of, that which would be normally provided by the NHS.

Thank You

The Corporate Trustee would like to express its thanks to all who have made charitable donations to the Charity. The support and assistance of the public, patients, local businesses and community associations is much appreciated and helps in providing the best possible service to the benefit of everyone who is cared for in our hospitals.

Reserves Policy

Reserves are that part of the Charity's unrestricted funds which are freely available to spend on any of the Charity's purposes, the value as at 31 March 2020 was £467,000. This definition excludes restricted income funds and endowment funds.

The Corporate Trustee requests that the cash balance at any one time should not fall below £100,000 although the cash held at the bank may be less the Charity has the facility to withdraw funds as and when required from CCLA for Charities, to enable the charity's aims to be protected in the event of expenditure exceeding income in a given year. By providing a buffer the Corporate Trustee has the ability to reduce discretionary grants and implement plans to increase fundraising without impacting disproportionately in the short term. The reserve policy is reviewed annually, taking into account historic results and future expectations of income levels and inflation.

Investments

The Corporate Trustee invests the charitable funds in line with its investment policy with a view to obtaining a return higher than through cash deposits. The investment policy is reviewed on an ongoing basis by the Corporate Trustee.

The portfolio was managed by CCLA for Charities and comprised investments in a Global Charity Multi-Asset Fund and Cash.

There is no investment in companies involved in tobacco products. The performance of the investments is monitored by the Finance Department of the North Tees and Hartlepool NHS Foundation Trust and reported to the Director of Finance.

Summary Of Investments at 31 March 2020

Funds managed by CCLA For Charities are as follows:

Equities	£000	%
COIF Charities Investment Fund	1,118	100
Total	1,118	100

At the beginning of quarter 4 the expectations for economic growth were positive with modest growth throughout the year. Global equity markets fell sharply at the end of February, prices fell on heightened concerns over the potential global economic impact of the coronavirus. The effect of Covid-19 virus was forecast to be negative, but the effects were expected to be both modest and short lived. The realisation grew that the Covid-19 pandemic would cause widespread economic damage and push the world into recession. CCLA continue to invest in robust businesses exposed to limited financial gearing and crucially have positive cash flow generation, these companies are holding up well and importantly are positioned to benefit as economies re-open and recover.

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Trustees Annual Report (continued)

Apportionment of Investment Income

Dividend income from investments has been apportioned on a pro rata basis to funds with an average balance exceeding £2,500 (2019: £2,500) as at 31 March 2020.

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 Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and 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 the incoming resources and application of resources of the charity for that period.

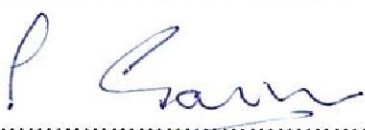
In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records that 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. 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.

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

Signed on behalf of the Corporate Trustee:

Chairman.....

Date 29th October 2020

Chief Executive.....

Date 29th October 2020

Independent auditors' report to the trustees of North Tees and Hartlepool NHS Foundation Trust General Charitable Fund

Report on the audit of the financial statements

Opinion

In our opinion, North Tees and Hartlepool NHS Foundation Trust General Charitable Fund's financial statements (the financial statements"):

- give a true and fair view of the state of the charity's affairs as at 31 March 2020 and of its incoming resources and application of resources, and cash flows, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Charities Act 2011 and Regulation 8 of The Charities (Accounts and Reports) Regulations 2008.

We have audited the financial statements, included within the Annual Report and Accounts (the "Annual Report"), which comprise: the Balance Sheet as at 31 March 2020; the Statement of Financial Activities for the year then ended, Statement of Cash Flow for the year then ended; the accounting policies; and the notes to the financial statements which include a summary of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you when:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the charity's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that

Reporting on other information continued

there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Trustees' Report

Under the Charities Act 2011 we are required to report to you if, in our opinion the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Responsibilities of the Trustees for the financial statements

As explained more fully in the Statement of trustees' responsibilities set out on page 8, the trustees are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The trustees are also responsible for such internal control as they 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.

Auditors' responsibilities for the audit of the financial statements

We are eligible to act and have been appointed as auditors 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.

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 this report

This report, including the opinions, has been prepared for and only for the charity's trustees as a body in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act (Part 4 of The Charities (Accounts and Reports) Regulations 2008) and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Charities Act 2011 exception reporting

Under the Charities Act 2011 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- sufficient accounting records have not been kept by the charity; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Newcastle-Upon-Tyne
29 October 2020

Annual Report and Accounts for North Tees and Hartlepool NHS Foundation Trust
General Charitable Fund

Statement of Financial Activities for the year ended 31 March 2020

	Note	Unrestricted Funds £000	Restricted Funds £000	Total Funds 2019/20 £000	Total Funds 2018/19 £000
Incoming resources					
<i>Incoming resources from generated funds :</i>					
Voluntary income:	3				
Donations		215	122	337	279
Income from activities from other public services (Gift Aid)		1	3	4	5
Legacies		-	118	118	12
Sub-total voluntary income		216	243	459	296
Investment Income	11.3	10	29	39	42
Incoming resources from charitable activities	4	-	15	15	20
Other incoming resources	5	86	14	100	127
Total incoming resources		312	301	613	485
Resources expended					
<i>Charitable activities:</i>					
Research Posts and Clinical Care	7	60	12	72	56
Purchase of Equipment		-	60	60	92
Refurbishment costs		12	68	80	198
Staff Education and Welfare		10	52	62	86
Patient Welfare		4	33	37	54
Governance Costs	6	9	26	35	35
Total resources expended		95	251	346	521
Net outgoing resources before transfers		217	50	267	(36)
Other recognised gains and losses :					
Loss on investment assets	11.1	(9)	(28)	(37)	98
Net movement in funds	15	208	22	230	62
Fund balances brought forward at 1 April		259	1,065	1,324	1,262
Fund balances carried forward at 31 March		467	1,087	1,554	1,324

All gains and losses recognised in the year are included in the above statement.

All amounts relate to continuing operations.

The notes at pages 14 to 23 form part of these financial statements.

**Annual Report and Accounts for North Tees and Hartlepool NHS Foundation Trust
General Charitable Fund**

Balance Sheet as at 31 March 2020

	Note	Unrestricted Funds £000	Restricted Funds £000	Total at 31 March 2020 £000	Total at 31 March 2019 £000
Fixed Assets					
Investments	11	467	651	1,118	1,155
Total fixed assets		467	651	1,118	1,155
Current Assets					
Debtors	12	-	14	14	11
Cash at bank and in hand		-	455	455	194
Total current assets		-	469	469	205
Current liabilities					
Creditors: Amounts falling due within one year	13	-	33	33	36
Net current assets		-	436	436	169
Total assets less current liabilities		467	1,087	1,554	1,324
Net Assets		467	1,087	1,554	1,324
The funds of the charity					
Restricted income funds		-	1,087	1,087	1,065
Unrestricted income funds		467	-	467	259
Total Charity Funds	16	467	1,087	1,554	1,324

The notes on pages 14 to 23 form part of the financial statements.

The financial statements on pages 11 to 23 were approved by the Corporate Trustee and signed on its behalf by:

Signed:  Julie Gillon (Chief Executive)
Date: 29th October 2020

Annual Report and Accounts for North Tees and Hartlepool NHS Foundation Trust
General Charitable Fund

Statement of Cash Flow for the year ended 31 March 2020

	Note	2019/20 £000	2018/19 £000
Cash flows from operating activities:			
Net cash used in operating activities	15	<u>222</u>	<u>(131)</u>
Cash flows from investing activities:			
Dividends and interest from investments	11	39	42
Proceeds from sale of investments		–	200
Net cash provided by investing activities		<u>39</u>	<u>242</u>
Change in cash and cash equivalents in the reporting period		<u>261</u>	<u>111</u>
Increase in cash and cash equivalents in the year		261	111
Cash and cash equivalents at the beginning of reporting period		194	83
Total cash and cash equivalents at the end of the year		<u>455</u>	<u>194</u>

**Annual Report and Accounts for North Tees and Hartlepool NHS Foundation Trust
General Charitable Fund**

Notes to the Financial Statements

1 Accounting Policies

(a) Basis Of Preparation

The financial statements have been prepared on a going concern basis and under the historic cost convention, with the exception of investments which are included at bid price. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) and the Charities Act 2011.

The charity 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 note(s).

(b) Funds Structure

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor. Unrestricted income funds comprise those funds which the Corporate Trustee is free to use for any purpose in furtherance of the charitable objectives. Funds which are not legally restricted but which the Corporate Trustee has chosen to earmark for set purposes are designated funds. Funds where the capital is held to generate income for charitable purposes and cannot itself be spent are accounted for as endowment funds. No endowment funds are currently held by the charity.

The major funds held in each of these categories are disclosed in note 16.

(c) Incoming Resources

All incoming resources are recognised and included in full in the Statement of Financial Activities as soon as the following factors are met:

- entitlement - arises when a particular resource is receivable or the Charity's right becomes legally enforceable;
- certainty - when there is reasonable certainty that the incoming resource will be received; and
- measurement - when the monetary value of the incoming resources can be measured with sufficient reliability.

In all cases the amount at which gifts in kind are brought into account is either a reasonable estimate of their value to the Charity or the amount actually realised.

**Annual Report and Accounts for North Tees and Hartlepool NHS Foundation Trust
General Charitable Fund**

1 Accounting Policies (continued)

(d) Incoming Resources From Legacies

Legacies are accounted for as incoming resources at the earliest of either receipt or where the receipt of the legacy is probable: this will be once confirmation has been received from the representatives of the estate(s) that payment of the legacy will be made or property transferred and once all conditions attached to the legacy have been fulfilled.

(e) Resources Expended

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party.

Grants are only made to related or third party NHS bodies and non-NHS bodies in furtherance of the charitable objectives of the funds. A liability for such grants is recognised when approval has been given by the Fund Manager of the relevant Charitable Fund. The North Tees and Hartlepool NHS Foundation Trust General Charitable Fund has delegated authority to the Fund Managers.

(f) Irrecoverable VAT

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

(g) Governance Costs

Costs of governance arrangements are included which relate to the general running of the Charity as opposed to the direct management functions inherent in generating funds, service delivery and programme or project work. These activities provide the governance infrastructure which allows the Charity to operate and to generate the information required for public accountability. They include the strategic planning processes that contribute to the future development of the Charity and comprise of administration, independent auditors' fee, internal audit costs and all support costs (see note 6). These costs were charged pro rata against funds which had a balance of £2,500 and above as at 31 March 2020.

(h) Charitable Activities

Costs of charitable activities comprise all costs incurred in the pursuit of the objectives of the Charity. These costs comprise direct costs and an apportionment of the management, administrative and audit costs.

(i) Fixed Asset Investments

Investments are stated at the closing market value which is the 'bid price' at the balance sheet date. The Statement of Financial Activities includes any net gains and losses.

(j) Debtors

Debtors are amounts owed to the Charity. They are measured on the basis of their recoverable amount.

(k) Cash and Cash equivalents

Cash at the bank and in hand is held to meet the day to day running costs of the charity as they fall due. Cash equivalents are short term, highly liquid investments, usually in 90 day notice interest bearing savings accounts.

**Annual Report and Accounts for North Tees and Hartlepool NHS Foundation Trust
General Charitable Fund**

1 Accounting Policies (continued)

(l) Creditors

Creditors are amounts owed by the Charity. They are measured at the amount that the Charity expects to have to pay to settle the debt.

(m) Recognised Gains and Losses

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

(n) Going Concern

The Charity activities, together with the factors likely to affect its future development, performance and position are set out on pages 1-7.

The Charity has significant financial resources and due to its long standing policy of only funding one-off in-year applications to the fund, has no future commitments to discharge.

The return on investments has decreased over the previous year, donations and legacies have increased. The expenditure of the Charity is discretionary and the Corporate Trustee will ensure expenditure is affordable to maintain financial sustainability.

After making enquiries, the Corporate Trustee has a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the Annual Report and Financial Statements.

(o) Taxation Liability

As a registered charity, the North Tees and Hartlepool NHS Foundation Trust General Charitable Fund is potentially exempt from the taxation of income and gains falling within S505 of the Income and Corporation Taxes Act 1988 and S256 Taxations and Chargeable Gains Act 1992.

No tax charge has arisen in the year.

**Annual Report and Accounts for North Tees and Hartlepool NHS Foundation Trust
General Charitable Fund**

2. Related Party Transactions

The North Tees and Hartlepool NHS Foundation Trust is the sole beneficiary of the Charity. The Charity has provided funding to the NHS Foundation Trust for approved expenditure made on behalf of the Charity. This funding amounted to £311,000 (2018/19: £486,000) and is shown on the face of the Statement of Financial Activities. During the year none of the members of the NHS Foundation Trust Board or Senior NHS staff or parties related to them were beneficiaries of the Charity or have undertaken any material transactions with the Charity.

Neither the Corporate Trustee nor any member of the NHS Trust Board has received honoraria, emoluments or expenses in the year (or in the prior year). The Corporate Trustee has purchased Trustee indemnity insurance for 2019/20.

Details of related party transactions with individuals 2019/20

	Payments to related parties	Receipts from related parties	Amounts owed to related parties	Amounts due from related parties
	£000	£000	£000	£000
Declaration of Interest 2019/20				
Optimus Health Ltd	-	175	-	-
(Trading Company for North Tees and Hartlepool NHS Foundation Trust)				
Barbara Bright Company Secretary				
Stephen Hall Director				
Neil Schneider Director				
NTH Solutions LLP	4	-	-	-
(Trading Company for North Tees and Hartlepool NHS Foundation Trust)				
Brian Dinsdale Chair				
Lynne Taylor Director				
Graham Evans Trust Board Representative				
2018/19				
Optimus Health Ltd	-	100	-	-
Barbara Bright Company Secretary				
NTH Solutions LLP	-	-	-	-

Annual Report and Accounts for North Tees and Hartlepool NHS Foundation Trust
General Charitable Fund

3. Voluntary Income

	Unrestricted Funds £000	Restricted Funds £000	Total 2019/20 £000	Total 2018/19 £000
Donations	215	122	337	279
Income from activities from other public services (Gift Aid)	1	3	4	5
Legacies	-	118	118	12
Total	216	243	459	296

4. Incoming Resources From Charitable Activities

The

	Unrestricted Funds £000	Restricted Funds £000	Total 2019/20 £000	Total 2018/19 £000
Income from the provision of education and training	-	15	15	20
Total	-	15	15	20

5. Other Incoming Resources

	Unrestricted Funds £000	Restricted Funds £000	Total 2019/20 £000	Total 2018/19 £000
Other Income	86	14	100	127
Total	86	14	100	127

This income is received from sponsorship of various meetings and conferences held by the Trust, payment for clinical trials performed by the North Tees and Hartlepool NHS Foundation Trust and the provision and facilitation of training for outside parties.

Annual Report and Accounts for North Tees and Hartlepool NHS Foundation Trust
General Charitable Fund

6. Governance Costs

	2019/20	2018/19
	£000	£000
Internal audit	3	3
External audit	4	4
Governance	<u>7</u>	<u>7</u>
Financial administration	28	28
Total	<u><u>35</u></u>	<u><u>35</u></u>

Governance costs of £34,745 (2018/19: £34,745) comprise administration costs of £27,845 (2018/19: £27,845), external auditors' fee of £6,000 with £3,900 borne by the charitable fund and £2,100 borne by the Trust (2018/19: £3,900) and an internal audit charge of £3,000 (2018/19: £3,000). Administration costs are charged pro rata against funds with an average balance of over £2,500 at 31 March 2020 (2018/19: £2,500).

7. Charitable activities

The Charity pursued its charitable activities by making grants, shown below by category.

	2019/20	2018/19
	£000	£000
Purchase of Equipment	60	92
Research Posts and Clinical Care	72	56
Refurbishment Costs & IT Equipment	80	198
Staff Education and Welfare	62	86
Patients Welfare	37	54
Total	<u><u>311</u></u>	<u><u>486</u></u>

8. Analysis of Grants

All grants are made to the Charity for the year 1 April 2019 to 31 March 2020. The Corporate Trustee operates a Scheme of Delegation, through which all grant funded activity is managed by fund holders responsible for the day to day activities in accordance with the directions set out by the Corporate Trustee in the Standing Financial Instructions and Standing Orders. The total cost of making grants is disclosed in the activity analysis on the face of the Statement of Financial Activities. The grants received by the beneficiaries for each category of charitable activity is disclosed in note 7 of the financial statements.

Annual Report and Accounts for North Tees and Hartlepool NHS Foundation Trust
General Charitable Fund

9. Staff Costs

There are no staff directly employed by the Charity in 2019/20 (2018/19: none)

The Charity's Corporate Trustee agents give their time freely and receive no remuneration for the work that they undertake acting for the Corporate Trustee.

10. Audit Remuneration

The auditors' remuneration of £6,000 (2018/19: £3,900) related solely to the audit.

11. Investments

The investment is valued at bid price 2019/20.

11.1 Movement in fixed asset investment	2019/20	2018/19
	Total	Total
	£000	£000
Market value brought forward	1,155	1,257
Monies owed by CCLA for Charities	10	10
Short term dividends	(10)	(10)
Less disposals at carrying value	-	(200)
Net (loss)/gain on revaluation	(37)	98
Market value at 31 March	<u>1,118</u>	<u>1,155</u>

11.2 Market value at 31 March	2019/20	2018/19
	Total	Total
	£000	£000
Held in UK		
COIF Charities Investment Fund	1,118	1,155
Total	<u>1,118</u>	<u>1,155</u>

The COIF Charities Investment Fund includes the following investments:

	2019/20	2018/19
Asset allocation		
Overseas Equities	60.21%	54.70%
UK Equities	12.60%	17.80%
Private Equity & Other	2.15%	0.00%
Infrastructure & Operating Assets	9.68%	0.00%
Property	5.37%	20.90%
Contractual & Other Income	3.25%	0.00%
Fixed Interest	0.54%	3.40%
Cash & near cash	6.20%	3.20%

Annual Report and Accounts for North Tees and Hartlepool NHS Foundation Trust
General Charitable Fund

11.3 Total gross income from investments and cash on deposit

	2019/20	2018/19
	Total	Total
	£000	£000
Held in UK		
Investments	39	42
Total	39	42

The Corporate Trustee believes that the carrying value of the investments is supported by their underlying net assets.

12. Debtors

Debtors under one year	2019/20	2018/19
	Total	Total
	£000	£000
Dividend Income	10	10
Prepayments	4	1
Accrued Income	-	-
Total	14	11

13. Creditors: amounts falling due within one year

Creditors under one year	2019/20	2018/19
	Total	Total
	£000	£000
Accruals	19	30
Deferred Income	9	1
Amounts owed to North Tees and Hartlepool NHS Foundation Trust	5	5
Total	33	36

There is no security for non-trading amounts owed to the Foundation Trust.

**Annual Report and Accounts for North Tees and Hartlepool NHS Foundation Trust
General Charitable Fund**

14. Ultimate parent undertaking and controlling party

The Charity is a wholly owned subsidiary of North Tees and Hartlepool NHS Foundation Trust, a company registered in England. North Tees and Hartlepool NHS Foundation Trust is also the ultimate parent company.

The parent undertaking of the smallest group which includes the Charity, and for which consolidated financial statements are prepared, is North Tees and Hartlepool NHS Foundation Trust.

Copies of the financial statements for this group can be obtained from:

North Tees and Hartlepool NHS Foundation Trust
University Hospital North Tees
Hardwick Road
Stockton on Tees
TS19 8PE

North Tees and Hartlepool NHS Foundation Trust is a public benefit corporation established under the National Health Service Act 2006. NHS Improvement, the Independent Regulator for NHS Foundation Trusts, has the power to control the Trust within the meaning of IAS27 'Consolidated and Separate Financial Statements.' NHS Improvement does not prepare group accounts but does prepare separate NHS Foundation Trust Consolidated Accounts. The NHS FT Consolidated Accounts are included within the Whole of Government Accounts and this is the largest group with which the results of North Tees and Hartlepool NHS Foundation Trust General Charitable Fund is consolidated into. NHS Improvement is accountable to the Secretary of State for Health and therefore the Trust's ultimate parent is HM Government.

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

	2019/20	2018/19
	Total	Total
	£000	£000
Net movement in funds	230	62
Loss/(Gain) on investments	37	(98)
Deduct interest/dividends income shown in investing activities	(39)	(42)
(Increase)/ Decrease in debtors	(3)	9
Decrease in creditors	(3)	(62)
Net cash generated from operating activities	222	(131)

Annual Report and Accounts for North Tees and Hartlepool NHS Foundation Trust
General Charitable Fund

16. Analysis of Charitable Funds

Name	Description of the nature and purpose of the fund	Fund Balances at 1 April 2019 £000 OVER £25,000	Incoming Resources £000	Resources Expended £000	Fund Balances at 31 March 2020 £000 OVER £25,000
1 Memorial Fund (Surgery)	To support patient care within the Directorate of Surgery	46	1	(2)	45
2 Breast Surgery Fund	To support patient care within breast service including equipment & training	77	6	(21)	62
3 Spinal Fund	To support patient care for individuals requiring treatment within the Spinal Department	55	1	(9)	47
4 Haematology Fund	To support patient care for individuals with blood disorders	110	16	(13)	113
5 Urology Research Fund	To support patient care for individuals diagnosed with Urology/Kidney related illness	33	1	(1)	33
6 M Legacy Fund	To support the purchase of equipment for the benefit of cancer patients	74	107	(19)	162
7 Elderly Care Fund	To support patient care for individuals requiring treatment within Elderly care	29	2	(9)	22
8 Cardiology Fund	To support patient care for individuals requiring treatment within the Cardiac unit	110	7	(17)	100
9 Neo-Natal	To support patient care for individuals requiring treatment within the neo-natal unit	38	2	(8)	32
10 Stroke Fund	To support stroke patients welfare and staff training	48	6	(17)	37
11 Music V Cancer	Raise awareness of bowel cancer and other bowel conditions	36	12	(26)	22
12 Colorectal Cancer Fund	To support Colorectal patient services, staff Education & Training	29	2	(2)	29
13 Neonatal Life Support	Support running of Life Support course	27	7	(6)	28
14 Breast Care Nursing Fund	Breast Cancer nurse training / Welfare & hardship fund for patients	35	5	(6)	34
15 Gastro Fund	Gastro Intestinal Research	26	1	(14)	13
Funds increased to above £25,000 as at 31 March 2020					
16 Chemotherapy Fund	To support patient care for individuals requiring treatment within Chemotherapy Fund UHNT	16	35	(2)	49
Removed funds decreased to below £25,000 as at 31 March 2020					
Elderly Care Fund	To support patient care for individuals requiring treatment within Elderly care	(29)	(2)	9	(22)
Music V Cancer	Raise awareness of bowel cancer and other bowel conditions	(36)	(12)	26	(22)
Gastro Fund	Gastro Intestinal Research	(26)	(1)	14	(13)
Funds at 31 March 2020		698	196	(123)	771
Other Funds balances less than £25,000 as at 31st March 2020		367	105	(156)	316
Total Restricted Funds		1,065	301	(279)	1,087
Total Unrestricted Funds		259	312	(104)	467
Total Fund balances at 31 March 2020		1,324	613	(383)	1,554