



**Newcastle  
Hospitals Charity**

**The Newcastle Hospitals Charity  
Annual Report and Accounts 2020-2021**

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## A Message from the Chair of the Charity Committee and Charity Director

Patients, people and the wider communities of Newcastle are at the heart of what Newcastle Hospitals Charity does, sharing the ambition of the Newcastle upon Tyne Hospitals NHS Foundation Trust (The Trust) to make a real difference to the health and care of the people across the Trust and beyond.

Newcastle Hospitals Charity are committed to helping the hospitals of the Trust to go further and have put patients, people and the wider communities of Newcastle at the centre of our strategy, increasing our efforts to champion the health and wellbeing of staff, patient experience, community engagement, partnerships and collaborations and to tackle health issues and inequalities in our region.

2020-21 has been a year like no other and what has been seen throughout the pandemic exemplifies all that is very special about the North East when it comes to compassion and caring for others.

Working side by side with the Trust, Newcastle Hospitals Charity has been able to accelerate efforts to support wellbeing of the staff and patients we serve; this has ranged from being able to provide small but meaningful gestures like fresh fruit and refreshments to our hard working staff, to wellness care packages for patients.

The community response in supporting the NHS throughout the pandemic has been extraordinary and the Charity has been the conduit to enable people to support the staff and patients of the Trust.

There have been many wonderful messages of hope and support received by the Charity for the staff and patients of the Trust, which have been humbling and inspiring.

1000's of businesses, individuals and community groups have offered support ranging from artwork, toiletries, hand creams, personal protective equipment, hospitality, food and IT equipment.

We are incredibly grateful for every single supporter of the Newcastle Hospitals Charity and are committed to delivering our future strategy of improving the health of the people of the region and beyond.

Thank you for your support

With all the very best



Jill Baker  
Charity Committee Chair



Teri Baylis  
Charity Director

## Who we are

The overall objective of the Newcastle upon Tyne Hospitals NHS Charity (“the Charity”) is outlined in the Charity’s governing document and as such, funds are used “for any charitable purpose or purposes relating to the National Health Service or to general or specific purposes of The Newcastle upon Tyne Hospitals NHS Foundation Trust”.

The Charity have a set of aims, which benefit the public through the Charity’s support for the Newcastle upon Tyne Hospitals NHS Foundation Trust (“the Trust”). These aims ensure that the Trustee complies with the duty to have due regard to public benefit guidance published by the Charity Commission, and set out in section 4 of the Charities Act 2006.

In 2020/21, the Charity’s main aim has been to provide funding for a range of initiatives that continually enhance the excellent patient care and experience across Newcastle Hospitals and services. This includes providing additional equipment, supporting staff training and development and funding new and innovative research projects. To achieve this aim the Charity have supported:

- Equipment for use in patient care and treatment;
- Projects and initiatives aimed at making the patient stay in hospital as comfortable as possible;
- Staff training and development which ultimately translates into better care and treatment for patients; and
- Medical research that aims to increase the knowledge and understanding of a range of illnesses/diseases and ultimately to provide cures or better treatment for patients.

## Newcastle Hospital Charity Review of the Year 2020/21

Newcastle Hospitals Charity are immensely proud to have been able to play a pivotal role in supporting NHS, patients and wider communities throughout the year 2020-2021, this could not have been done without the brilliant support from all of the donors, fundraisers and partners and supporters of our Charity. This has enabled us to support a wide range of important projects throughout the year.

The below impact statements highlight some of the great work we have been proud to be able to support in 2020-2021, in delivering on our aims and objectives.

### **Direct Access to Social Welfare Advice at The Great North Children’s Hospital.**

#### **The Challenge**

When a child is admitted to hospital, it can present many welfare and financial challenges for the families of patients. Having a child in hospital can impact on a family as they manage being there for the child in hospital, with their commitments outside of hospital such as family, home and working lives.

## The Solution

The Great North Children's Hospital recently piloted a direct access to social welfare service in partnership with independent charity Citizens Advice Gateshead, its vision is a fair society for all, with lives well lived. Between April 2019 and March 2021, the Great North Children's Hospital Foundation, part of Newcastle Hospitals Charity, initially invested £113,388 to fund a small team of expert Social Welfare Advisers to provide proactive support to families, as early as possible, at a time and place that suited them. The pilot project successfully demonstrated the potential for reducing health inequalities for children and their families, who otherwise were unlikely to receive much-needed assistance with complex social welfare matters, had the support not been brought directly to them.

## The Impact

The social welfare pilot service provides tailored direct access to welfare support advice and information, and is delivered free to any family whose child has been diagnosed with a long-term medical condition and is treated through the Great North Children's Hospital. It is specifically aimed at helping when the family's income or expenditure is, or could be, negatively impacted as a result of a child's illness. Through the scheme, families are helped to access to grants to help with their child's transition home. They are also supported with completing complex and emotive benefits applications and lodging appeals against unsuccessful claims. The service also helps family members in communicating with their employers to stabilise an already turbulent situation, always with the objective of helping the family to tackle issues as early as possible to avoid crisis. The impact of the pilot has been so significant that it has resulted in the Great North Children's Hospital Foundation extending this service for a further two years. The project partners have also agreed that the learning from the pilot will be widely shared as a model that has the potential to make a significant difference to the welfare of children facing long-term health conditions and their families.

The social welfare service pilot helped local families to gain almost £1m of additional income. Key achievements include:

- 280 families with children helped
- 1,840 welfare issues tackled
- 3225 support activities (15 activities per family)
- £943,741 total income gained
- £8,096 extra money in pockets (average in one year for 116 families)

The pilot was a great success and as such, Newcastle Hospitals invested a further £103,768 to extend the project for a further two years.



## Addressing Regional Inequalities in Cancer Research, Care and Outcomes.

### The Challenge

During the last five years, the North Cumbria Integrated Care NHS Foundation Trust (NCIC) has conducted 17 different cancer trials and recruited 343 patients. New cancer diagnoses are currently 20 per cent higher in Cumbria than in other parts of the UK. NCIC recognised the need to extend its oncology research activities in order to increase access to research trials for patients in the North West. Increasing its research levels would not only benefit patients locally, it would also contribute to the development of new treatment pathways for the benefit of cancer care provision and patient outcomes across the country.

### The Solution

Through a binding agreement, Newcastle upon Tyne Hospitals Foundation Trust is working with NCIC to deliver its cancer services in Cumbria. During the summer of 2021, Newcastle Hospitals is funding and opening a new state of the art cancer centre in North Cumbria in partnership with the North Cumbria Integrated Care NHS Foundation Trust. The new Northern Centre for Cancer Care, North Cumbria (NCCCNC) is located on the former Cumberland Infirmary site in Carlisle and will mean that people can access care closer to home, improving cancer services for patients all over north, west and east Cumbria. Newcastle Hospitals Charity is funding a new cancer research team to deliver clinical trials at the new NCCCNC. The Charity is supporting six roles for two years to enable the clinical research team to establish trials for new cancer treatments for patients in the centre. The new clinical research trials team is an expansion of the 40-strong Oncology and Haematology clinical trials team based at the Freeman Hospital in Newcastle, which has 70-100 trials running at any one time.

## The Impact

Through improving access to oncology research and cancer trials in Cumbria we aim to increase cancer survival rates in the North West and in turn, in the North East. Our mission is to strive to deliver the best possible outcomes for every patient affected by cancer in Cumbria and to deliver the best possible patient experience for cancer all patients. We are actively working to reduce regional inequalities in access to cancer research to improve the health and wellbeing of patients, people and the wider community in Cumbria through compassionate and innovative healthcare, education and research. We aim to open a balanced portfolio of clinical trials across a wide variety of tumour specific areas to meet the needs of the local population. These will include clinical trials of investigational medicinal products (CTIMPs), observational research as well as radiotherapy research trials.

Newcastle Hospitals Charity has donated £339,000 to the Northern Centre for Cancer Care, North Cumbria. The funding is supporting a team of six people for two years, including:

- Clinical trials officer
- Admin assistant
- Pharmacy technician
- Pharmacist
- Research radiographer
- Dosimetrist (radiotherapy planning)

The project meets two key aims of the Charity, which are to fund health related clinical research and innovation projects, and to collaborate with partners on tackling health inequalities and creating healthier communities.

Newcastle Hospitals Charity is extremely grateful to receive a legacy gift of more than £96,000, which was bequeathed by Vera Margaret Kerr, a retired hospital kitchen assistant from North Shields. Vera expressly wished her donation go towards funding research into cancer through the Newcastle upon Tyne Hospitals Foundation Trust and her legacy is supporting the clinical trials programme at the Northern Centre for Cancer Care, North Cumbria.



## Young Persons Advisory Group North England (YPAGne)

### The Challenge

Many researchers work on projects related to children and young people but without actually engaging directly with them to get their views about the relevance and potential impact. As a result, researchers fail to capture valuable insights from young people into the significance of the questions they are asking, the methods they are adopting, and their plans for impact building and dissemination.

### The Solution

The 'Young Persons Advisory Group North England' (YPAGne) offers medical and healthcare researchers at all levels the opportunity to collaborate with young people from the very outset of a research project. The aim of the group is to capture the voice of young people in research design and delivery in order to improve the input and influence of young people in the development of clinical and public health research.

YPAGne was launched in 2014 by Dr Neil Davidson, General Paediatric Consultant at Great North Children's Hospital (GNCH), to provide an opportunity to engage young people with research at GNCH in Newcastle. Today, the group has more than 40 volunteer members aged 11 to 18 years-old and meets monthly at the hospital to review many different types of research that is aimed at children and young people. This switched to online during the coronavirus pandemic. The group is also integrated into the National Institute for Health Research (NIHR) Children's Specialty YPAG model, which aims to increase the input and

influence of young people in the development of clinical, and public health research within the UK and Europe.

### The Impact

By engaging with young people, it has been possible to not only inspire the next generation of healthcare professionals, but to implement their ideas to provide better care and experiences for young people in hospital by developing the way we do things together. Through participating in the group, young people across the region are gaining important life skills, growing their confidence, resilience and self-esteem almost by stealth. Some who initially joined out of curiosity, parent persuasion and UCAS points, have stayed because they have an opportunity to make a difference through their involvement in decision making and being listened to.

To date, YPAGne has attracted the attention of not just researchers, funders and national bodies but young people from around the region who have heard that they can make a real difference to health of the nation. The benefit of a full-time coordinator has helped the group to flourish and provide access to professionals in a wide range of health research careers who can share their knowledge.

Projects YPAGne has been involved in include Zone West, a project in the West End aimed at supporting vulnerable children to flourish, and KidzMed, a project created to help teach children how to swallow tablets and reduce the amount of medicine that is distributed to patients in place for tablets.

The Great North Children's Hospital Foundation, part of Newcastle Hospitals Charity donates £40,000 annually to support the YPAGne. In 2018, the growing success of the group led to the appointment of Joanne Ball as full-time Coordinator. Previously working as a Clinical Trials Associate, Jo was thrilled to lead one of 15 YPAG groups operating across the UK, giving young people a voice in shaping healthcare and research, allowing them to hear about and influence ground-breaking clinical research and to meet like-minded people. The GNCH donation funds Jo's role and provides a modest budget for project materials and consumables.



## Supporting Those Coping with Cancer – Acupuncture and Counselling Services

### The Challenge

When you are affected by cancer, having the right support at the right time is essential. During treatment for cancer many patients can experience emotional, mental health, financial, social and physical side effects. For more complex issues, patients are referred to the health psychology services for an appointment with a psychologist, a gap was identified in the service for those patients who needed some support but were not at the point of needing health psychology. Although counselling services are available through GP referral to everyone, they are often oversubscribed, which results in a lengthy waiting time.

Patients undergoing cancer treatment can experience a range of side effects including:

- Tiredness
- Weakness
- Insomnia
- Night sweats
- Hot flushes

### The Solution

Coping with Cancer North East was set up in 1982 by a group of people whose lives had been touched by cancer. They created a volunteer group to share their experiences with others through emotional and social support and by offering information and practical support.

Since 2018, Charlie Bear for Cancer Care, part of Newcastle Hospitals Charity, has been working in partnership with Coping with Cancer North East, to fund counselling and acupuncture services, which provide emotional, mental health, social and physical support for all patients at the Northern Centre for Cancer Care (NCCC) based at the Freeman Hospital in Newcastle.

Research shows that talking about feelings with someone who is not directly involved can be very freeing and create some mental space. Family and friends often mean well, but frequently patients hold back their feelings because they do not want to burden or upset their loved ones. Counselling can also help to address financial worries, employment, or how to talk to loved ones. Sometimes, clients may have many questions about their situation. By offering a counselling service through Coping with Cancer, patients at the NCCC are able to receive support during their cancer treatment journey and avoid experiencing long wait times, which may occur when seeking access to support through their GP. The service includes helping patients to deal with phobias such as a fear of injections or feeling claustrophobic when confined to small spaces during an MRI scan.

By funding Coping with Cancer counselling and acupuncture sessions, Charlie Bear part of Newcastle Hospitals Charity has been able to help patients dealing with the side effects of cancer treatment by improving their physical and emotional well-being and aiding their recovery. Importantly, due to the continued funding Coping with Cancer North East receives from Charlie Bear, when faced with the challenge of the Covid-19 pandemic and lockdown restrictions, the service, which mainly worked within the hospital, successfully

continued providing vital patient and family support. It transferred its services to the Cancer North East community-hub in Cramlington and provided bespoke sessions based on patient needs. Instead of acupuncture group sessions, one to one treatments and telephone counselling were delivered.

The counselling service provides three counsellors delivering four sessions per week with a maximum of four participants. The total cost is £7,000 which equates to just £6.07 per participant. This service is aimed at prostate and breast cancer patients while the acupuncture service also provides four sessions with 12 participants for 48 weeks including equipment costs at a total cost of £7,000 which is also £6.07 per participant.

A testament to the important role the services have played in helping patients cope with cancer treatment is reflected in the project receiving funding for a further two years in January 2021.



# CHARLIE BEAR

## FOR CANCER CARE



*Stock image - counselling*

## **Sensational Thinking Project**

### **The Challenge**

Occupational Therapist Alice Gair has worked with children with Autism Spectrum Disorder and their families for many years and is acutely aware of the important difference that the availability of assessment, intervention and education can make for these children and their future development”

In the three years, leading up to the initiation of the Sensational Thinking Project the Children’s Occupational Therapy (OT) Service saw an increase in referrals with sensory needs of approximately 400%. The number of children made up to 47% of the overall referrals in the 12 months previous. Alice’s goal is to increase awareness and understanding among parents and carers, education sector and staff at Newcastle Hospitals or sensory processing differences. This includes how they can influence behaviour, consider practical strategies and for some groups reflect on how clinical practice could be adapted to help this patient group.

The overall vision of the Sensational Thinking Project is to develop a bespoke therapy led education programme, in line with the current evidence base, that would allow Occupational Therapists to support and work with parents was born.

### **The Solution**

The Sensational Thinking Project began in 2018 to make a difference to the lives and experiences of children with sensory processing differences. This project is working primarily to support children with autism spectrum disorder. However, sensory processing differences can also affect premature babies, children with attention deficit hyperactivity disorder (ADHD), those exposed to trauma, and children spending a long time in hospital as

an inpatient. The team provides holistic support to all children affected by sensory differences regardless of clinical diagnosis.

The Great North Children's Hospital Foundation (GNCHF), part of Newcastle Hospitals Charity, has funded an additional occupational therapy post to the project for over a year to run the project and continue with the service developments. The project's priority is to work with families, education, health and social care, business and the community to help people better understand sensory processing & how it affects each child and to help inform practice.

The project also provides an educational and coaching package to be delivered in schools, nurseries, local authority education teams, community teams within the Trust, and wards and staff within Great North Children's Hospital. The aim is to raise awareness and understanding of sensory processing and development and to create an accessible education 'tool box' including videos to support people to maximise and empower them in helping these children as well as improve health outcomes and school participation for children.

### **The Impact**

The project has trained:

- Over 1,000 people across Newcastle including parents, Newcastle Hospitals staff, schools and nurseries.
- Over 300 member of Newcastle Hospitals NHS Foundation Trust staff across different clinical areas.
- Trained half of the mainstream schools in Newcastle and linked in with occupational therapists in special schools.

The Sensational Thinking Project has received funding totalling £64,000 from Great North Children's Foundation, part of Newcastle Hospitals Charity. This has enabled the project to continue and develop with a project lead. It has also supported marketing including a video.

In addition to this, the project has been supported by the Procter & Gamble Employees Charities Fund to support a series of training videos for people involved with these children and families.

Covid-19 has affected the project, which has led to transforming the way it is delivered, using videos to support training for people involved with these children and families. This has also allowed the team to network with other staff members who have personal experience of living with or parenting a child with sensory needs who have subsequently contributed their lived experiences to the filming adding a wonderful dimension to the support that we can provide.



## Zone West Project

### The Challenge

The recent period of austerity has produced ‘tragic social consequences’ (UN 2019), wrought on a population already not being served well by an increasingly unequal economic system. Public Health England (2018) has reported a higher proportion of mental health disorders and self-harm rates for those experiencing poverty, and the ten-year Marmot (Marmot 2020) review states that ‘austerity will cast a long shadow over the lives of children born and growing up under its effects’ (Ibid), placing childhood experience at the heart of the self-reinforcing effects of poverty.

In the West End of Newcastle, inequality is represented in higher levels of childhood obesity, poor mental health and emotional wellbeing, and poor educational outcomes in comparison with other counties; much of which are socially determined. It is also known that there is a need for more capacity and funding for community and prevention services.

It is widely acknowledged that a more integrated approach at a local level that makes use of all available assets and services within the community, and that integrates physical and mental health services, education and voluntary sector and statutory services, including schools, would be socially beneficial.

An approach that is fast making a difference to how services for intervention are designed and commissioned and to the lives of those in need, is ‘social prescribing’. Recognising that mostly a range of social, economic and environmental factors determines people’s health and wellbeing, social prescribing seeks to address people’s needs in a holistic way. It also aims to support individuals to take greater control of their own health and is a key component of Universal Personalised Care, outlined in the NHS Long Term Plan.

## The Solution

'Zone West' is the name of an 18-month pilot innovation funded by voluntary sector grants. Its vision is to see vulnerable children flourishing at the centre of integrated care. The Zone West theory focuses on the value of connection between children and adults, their subsequent close interpersonal relationships and their ability to thrive.

The aim is to build an existing knowledge, skills resources and communities to create packages of care that can help change the lives of children living in the West End of Newcastle. The child is placed at the centre, orientating services around them by linking them to independent workers. The link workers develop relationships with children in the West End, their schools and families, organising resources and insuring attendance. Thirty children from four primary schools were referred into Zone West through their teacher or GPs.

The children were failing to thrive at school or at home due to a primary education, behaviour, social-emotional or health concern. Each recruited child became a 'Zone West Warrior' and was assigned a Link Worker to support them throughout the Zone West programme.

The Young People's Advisory Group North England (YPAG) is a key partner within the project. The group works closely with Newcastle upon Tyne Hospitals NHS Foundation Trust to ensure children and young people's voices are embedded in the service design, improvement and research. The project is using the experience of the group to engage with children and young people within the West End and be involved in all aspects of the project including delivery, engagement and reviewing the data and shaping the findings.

## The Impact

The project findings show that children's overall social-emotional and mental health difficulties reported by parents improved, along with emotional difficulties and hyperactivity. Children self-reported strong positive change in their prosocial behaviour including helping, sharing and comforting.

The pilot year of Zone West has enabled the project to establish how the programme fits into existing services in the West End of Newcastle and the processes that needs to occur in order for Zone West to integrate appropriately and to work efficiently. Zone West sits effectively alongside existing services for children and families, promoting integration and partnership working between health, education, and social sectors. The aim of the project is to create a sustainable model, which impacts on the life for children and young people the family and wider West End community.

The Great North Children's Hospital Foundation, part of the Newcastle Hospitals Charity, provided an initial grant of £35,000 to underpin the project. Along with the funding from GNCHF, The Segelman Trust and The Tyne and Wear Community Foundation have also contributed to funding for two roles, an independent link worker and principal researcher.



## Covid-19 – Our Response

The Covid-19 pandemic has had an unprecedented impact on the NHS, public, patients and communities in the North East. The community response in supporting the NHS throughout the pandemic has been extraordinary, the empathy and compassion shown has brought much needed positivity in very challenging times.



The many acts of kindness, donations and offers of support have allowed the Newcastle Hospitals Charity, working side by side with the Trust to accelerate efforts to support the wellbeing of staff and patients. Newcastle Hospitals Charity has been overwhelmed with the many gifts in kind received from businesses, individuals and community groups, which have included food and refreshments, care packages, hand-made goods, toys, iPads and tablets.



As well as significant local fundraising in the region, Captain Sir Tom Moore raised over £39m for the NHS Charities Together COVID-19 Urgent Appeal, and inspired others to do the same in a collective drive to say 'thank you' to NHS staff, and to support our patients, their carers, and volunteers.

Newcastle Hospitals Charity were very privileged to receive approximately £600,000 from NHS Charities Together to support a range of initiatives relating to staff health and wellbeing.



*Image Credit: NHS Charities Together Twitter Feed*

## Structure and Governance

Good governance is fundamental to Newcastle Hospitals Charity's continued success and enables the charity to manage risks appropriately and deliver charitable activities in compliance with all relevant legislation.

### Legal Structure

Newcastle Hospitals Charity is a registered charity with the Charity Commission for England and Wales. The Charity was registered in 1996 (no 1057213).

### Charitable Objects

The Charity was formed by a Declaration of Trust in 16th July 1996 as The Freeman Group of Hospitals NHS Charity which was amended by a Supplemental Deed dated 17th March 1999 to the Newcastle upon Tyne Hospitals NHS Charity, Registration Number 1057213.

A Supplemental Deed dated 1st February 2016, which applies to the Charity today, refined the Charity's objects. The Charity is constituted with a sole Corporate Trustee, which is the Newcastle upon Tyne Hospitals NHS Foundation Trust.

With effect from 1st April 2016, the Corporate Trustee was appointed as Trustee of charitable funds formerly held on behalf of the NHS Trust by Newcastle Healthcare Charity (Reg. 502473) under a Scheme formally approved by the Charity Commission for England & Wales on 21st March 2016. The funds were subsequently merged under the umbrella of the Trust's appointed charitable body, Newcastle upon Tyne Hospitals NHS Charity (Reg. 1057213) and have subsequently formed part of the Charity's financial accounts from 2016/17 onwards.

The objects of Newcastle Hospitals Charity are restricted specifically to:

- Any charitable purpose or purposes relating to the National Health Service or to general or specific purposes of the Newcastle upon Tyne Hospitals NHS Foundation Trust.

### **Corporate Trustee**

The Newcastle upon Tyne Hospitals NHS Foundation Trust is the sole Corporate Trustee of Newcastle Hospitals Charity. The Newcastle upon Tyne Hospitals NHS Foundation Trust Board of Directors comprises of 16 voting members and 5 non-voting members.

The Charity funds are managed by The Newcastle upon Tyne Hospitals NHS Foundation Trust through a committee of the Trust Board, the Charity Committee.

All staff associated with the Charity are employees of the Trust and the policies and procedures set by the Trust are applied to the management of the Charity.

### **Statement of Trustee's Responsibilities**

The Trustee is responsible for preparing the Trustee Annual Report and the financial statements in accordance with applicable law and regulations. Company law requires the Trustees to prepare financial statements for each financial year.

Under that law the trustee have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting 26 Practice). Under company law the Trustee must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the charitable company.

In preparing this Annual Report and Accounts, 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" has been followed;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustee is responsible for keeping adequate accounting records that are sufficient to show and explain the charitable 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 Companies Act 2006. 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 website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### **Charity Committee**

The Charity Committee is a statutory Committee established by the Board of Directors to manage, on behalf of the Board, all charitable funds under the control of the Trust, considering the requirements of the Department of Health and Social Care and the Charity Commission for England and Wales.

The Committee's membership comprises:

- Three Non-Executive Directors of the Trust Board (appointed to the Trust Board by the Trust Council of Governors) one of who is appointed as Chair by the Trust Board;
- The Assistant Chief Executive;
- The Medical Director; and
- The Finance Director.

All members of the Committee receive training and development support before joining the committee and on a continuing basis, to ensure their effectiveness as members, supported by the process of annual appraisal, as agreed by the Board of Directors.

The Charity Committee has an annually reviewed Terms of Reference and meet a minimum of four times per year. Agendas are set for each meeting to enable the Trust in its capacity as Corporate Trustee of the Charity to be assured that robust processes are in place to enable statutory duties to be discharged, to enable the Trust's strategic objectives to be met and to address and mitigate risk.

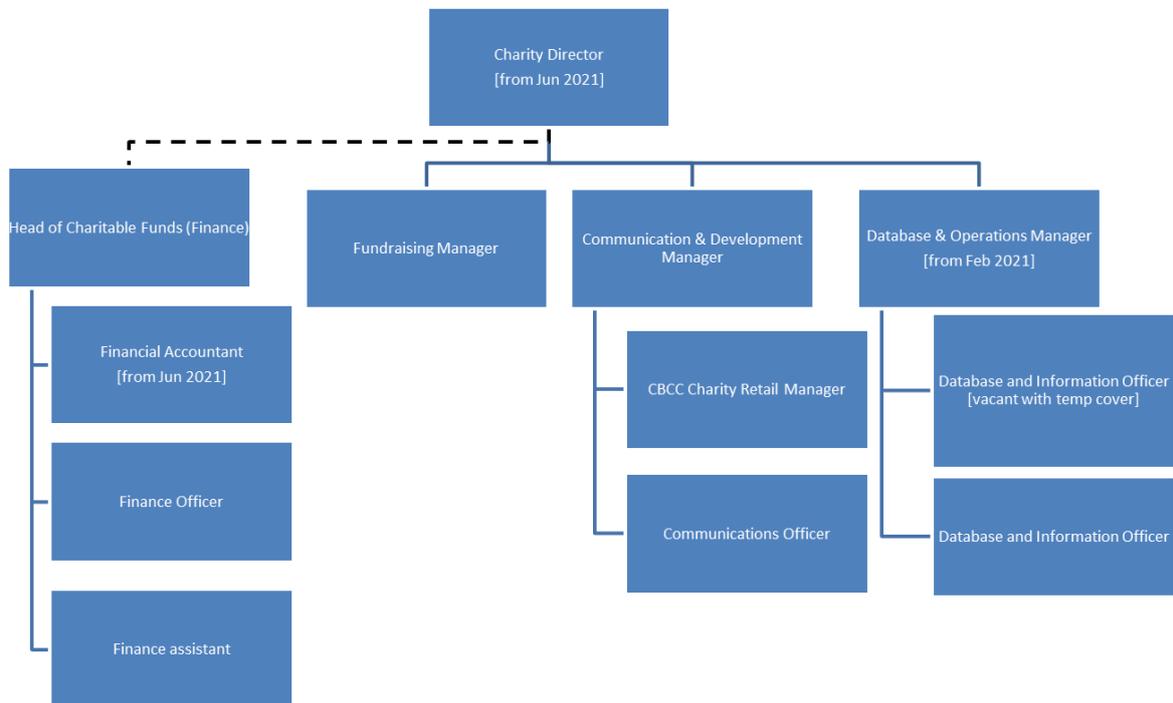
The quorum necessary for the transaction of business will be three members, including at least one Executive and one Non-Executive Director.

### **Newcastle Hospitals Charity Team**

A dedicated team provides administrative, financial and fundraising support for the Charity within the Trust. The Charity does not directly employ staff, the Charity Team contacts are with the Newcastle upon Tyne Hospitals NHS Foundation Trust and the Charity is recharged for costs incurred in relation to both staffing and non-pay related expenditure incurred directly in relation to Charity activities.

A review of the Charity was undertaken in 2019 and a Charity Director has since been appointed to take responsibility for the day-to-day leadership of the Charity, the management of the staff, strategic direction and adherence to policies and procedures.

The Charity Team during 2020-2021 is detailed in the below structure chart.



## Charity Funds

Following a re-classification of funds agreed by the Charity Commission (January 2018) the Charity now comprises of over three hundred individual unrestricted funds which have been designated for hospital/ward/specialty areas in accordance with donors preferences.

## Code of Fundraising Practice

Newcastle Hospitals Charity fully adhere to the code of fundraising practice, which sets the standards that apply to fundraising carried out by all charitable institutions and third party fundraisers in the UK.

The generosity of the Newcastle Hospitals Charity supporters enables us to enhance and improve the experience of our patients and their families, as well as our amazing staff, across all of our hospital sites.

The ambition of The Newcastle Hospitals Charity is to look after supporters in the best way possible. The ambitions of the Charity are detailed below:

- We are honest and open;
- We value your generosity and will let you know where your donations will make the biggest difference;
- We will be clear about what we are fundraising for;

We will be clear about how much of your donation goes straight to frontline services and how much is spent on the administration of the charity;  
We will respect your privacy and will never sell your details to a third party;  
We are committed to high standards;  
We will do all we can to ensure that fundraiser's and volunteers abide by the Fundraising Regulator's Fundraising Promise;  
We will comply with the law, the Charity Commission and the Fundraising Regulator including guidance around data protection and health and safety;  
We are respectful;  
We promise to communicate in a way that suits you, and will be respectful if you wish to change this decision;  
We will treat every donation respectfully, and if you do not wish to continue your relationship with us, we will respect your decision;  
We are a member of the Fundraising Regulator and are proud to have committed to their Fundraising Promise, delivering the highest standards possible across the charity;  
We promise that our fundraising is always legal, open, honest and respectful

#### Donor Care

We will always aim to:  
respond to all enquiries within two working days  
thank each donation within one working week of receipt  
ensure all supporters' details are recorded accurately and efficiently on the database  
make sure we record supporters' contact preferences

#### Fundraising activity

The Charity is very grateful to the many supporters and fundraiser's who support the activities of the Charity throughout the year. The Fundraising Manager supports the fundraising activities and ensures that any fundraising is lawful and ethical and is appropriately managed with regard to adherence to Trust policy, Charity Commission and the Fundraising Regulator.

During 2020-2021, the Fundraising Manager has been supported by a Charity Director with responsibility for setting the new strategic direction of the Charity; an Operations Manager for systems and day to day operations; two data administration officers responsible for the correct recording of donor details, acknowledging donor support and providing statistical analysis as well as managing data in accordance with current GDPR and Data Protection Act guidelines.

With the exception of events; grant applications for specific covid response activities and the Charlie Bear shop, which generates retail sales in support of cancer services at the Freeman Hospital, the Charity did run an active programme of direct fundraising activities during 2020/21. Any fundraising the Charity has been made aware of has been supported by the Fundraising Manager's advice, encouragement and assistance to those who wish to fundraise on the Charity's behalf.



## Policy

Newcastle Hospitals Charity policies and associated procedures are designed to provide guidance that ensures consistent, ethical and professional standards are maintained in relation to charitable donations and fundraising, and that we are compliant with charity law and the regulations and standards set out by the Charity Commission, the Fundraising Regulator and the Healthcare Financial Management Association.

The Corporate Trustee considers that the Charity has the necessary practices currently in place to assess Governance, Operational, Financial, External and Compliance risks. This is described in the Risk Management and Internal Control section of this report. In addition, a Risk Register is monitored and maintained which identifies risk areas, the potential impact of these risks and the steps taken to mitigate the risks to the Charity.

All working practices and procedures conform to the Charity Commission's guidelines and are subject to scrutiny by Internal and External Audit.

The Charity follows Newcastle upon Tyne Hospitals NHS Foundation Trust's stance and efforts to prevent modern slavery and human trafficking in its supply chain.

The Trust has reviewed and met its requirements in line with Section 54 of the Modern Slavery Act 2015.

## Privacy Statement

Newcastle Hospitals Charity is committed to protecting and respecting personal information and always ensure transparency about how data will be used. Newcastle Hospitals Charity is fully compliant with the European General Data Protection Regulation and the UK Data Protection Act 2018.

Newcastle Hospitals Charity has a Privacy Statement, which sets out how we collect and use personal information and why it is important in enabling us to fulfil our charitable objectives. Newcastle Hospitals Charity Privacy Statement is available to read in full on the charity website.

## Risk Management and Internal Control

The Newcastle Hospitals Charity has undertaken a full review of risk management in 2020-2021. The Newcastle Hospitals Charity has adopted The Newcastle upon Tyne NHS Foundation Trust (the Trust) Risk Management Policy and Procedures.

The Risk Management Policy sets out the structures and processes for the identification, evaluation and control of risk, as well as the system of internal control.

The key elements of the Risk Management Policy are:

- a clear framework for the accountability and delegated responsibility for the management of risk;
- an integrated document that sets out the overall purpose and processes, as well as an associated annual plan;
- a clearly defined Committee structure that supports robust and timely decision making around key charity risks;
- robust systems for the identification, analysis, prioritisation and actions in relation to risks affecting all areas of activity;
- risk management processes that are integrated and embedded into the day-to-day activities of the Charity;
- a tailored training programme to address key risk areas; and
- Comprehensive communication processes for risk management policies and procedures, and the dissemination of learning from lessons learned.

A Charity risk register is maintained, which records when a risk has been identified, its' owners, likelihood of occurrence, potential impact and mitigating action.

The Charity continues to review existing risks and in 2020-2021, following the development of The Newcastle Hospitals Charity Strategy associated strategic risks have been identified, these will continue to be monitored, maintained and managed through the Charity Management Team and regularly presented to the Charity Committee to provide assurance

that Charity Risks continue to be managed effectively. The Charity Committee is chaired by a Non-Executive Director and has Trust Board of Director membership.

## Principal Risks

The table below details the top three risks identified in 2020-21 and continue to be risks to the achievement of strategic objectives pertinent to 2021-22.

Risk	Key Controls
<p>There is a risk that key governance principles in line with the Charity’s principal regulator (the Charity Commission) are not robust and may not satisfy the requirement of regulatory good governance.</p>	<ul style="list-style-type: none"> <li>• Independent review of Charity Governance;</li> <li>• Review of current governance model;</li> <li>• Charity Governance working group;</li> <li>• Recruitment of key personnel to fulfil charity responsibilities;</li> <li>• Development of Charity Policies/procedures;</li> <li>• Development and implementation of the Charity Strategy.</li> </ul>
<p>There is a risk that the current surfeit within the Charity accounts may hinder our ability to seek funding from external sources.</p>	<ul style="list-style-type: none"> <li>• Charity Strategy;</li> <li>• Strategic priorities;</li> <li>• Priority actions;</li> <li>• Enhanced focus on grant making;</li> <li>• Proactive approach to use of funds to support and help our hospital to go further.</li> <li>• Defined reserves.</li> </ul>
<p>If the covid pandemic continues there could be challenges in fundraising following the change in Charity Model from reactive to proactive which could impact on future income.</p>	<ul style="list-style-type: none"> <li>• Active monitoring and management of charity accounts;</li> <li>• Actively seek Covid-19 safe alternative fundraising activities and campaigns;</li> <li>• Actively seek and strengthen corporate partnerships;</li> <li>• Actively fundraising from Trusts and Foundations.</li> </ul>

The Newcastle Hospitals Charity has adopted a risk appetite statement which shows the amount of risk the Charity are willing to accept in seeking to achieve its Strategic Objectives. The Charity risk appetite will be reviewed on an annual basis to ensure it consistently reflects the Charity’s current risk position. The Newcastle Hospitals risk appetite statement is shown below.

Key Risk Category	Risk Appetite Level	Risk Tolerance Score	Risk Appetite Statement
<b>Fundraising</b>	Moderate	12-16	<p>We have MODERATE appetite for risk taking in relation to Charity Fundraising. We will take measured and considered risk to optimise fundraising success to allow us to fund initiatives that tackle health inequalities and key health issues for the region and beyond as well as improve patient experience and staff wellbeing, enhancing care for patients, and the wider community.</p> <p>We will not take any fundraising risk that may affect the reputation of the Charity or result in a negative return.</p>
<b>Compliance/ Regulatory</b>	Very Low	6-10	<p>We have a VERY LOW risk appetite for risks in relation to regulatory compliance. We will not take any risk which will impact on our ability to meet the fundraising regulators code of conduct.</p>
<b>Finance/VfM</b>	HIGH	12-16	<p>We have a HIGH appetite to apply up to 75% of our reserve in the pursuit of achieving our mission to be an enabler to improving the health and wellbeing of the patients, people and wider communities of Newcastle Hospitals, providing support for compassionate and innovative healthcare; education, research; locally and nationally. “Helping our hospitals go further”</p> <p>The Charity Commission states that reserves should not fall below 12 months’ worth of operating and grant making costs. For the Newcastle Hospitals Charity this equates to approximately £6m for the year 2021/2022.</p>

## A Look Forward to the Future

Newcastle Hospitals Charity is an enabler to improving the health and wellbeing of the patients, people and wider communities of Newcastle Hospitals and aims to provide support for compassionate and innovative healthcare, education and research; locally and nationally.

Newcastle Hospitals Charity has developed a Charity Strategy for 2021-2026 which puts people at the heart of all Charity activities and is united with the ambition of the Trust to make a real difference to the health and care of the people across the Trust and beyond. Our ambition is to strengthen our role as a key partner for the Trust and to increase the impact that we can make on improving the health of our region and beyond.

Working in close partnership with the Trust, the goals of Newcastle Hospitals Charity are to:

- Improve the patient and visitor experience, enhancing patient centred care;
- Improve staff health, wellbeing and development;
- Tackle health inequalities and key health issues for our region and nationally.

### Strategic Priorities

In meeting this ambitious new strategy, the Charity will focus on delivering the following strategic priorities:

Strategic Priorities				
<ul style="list-style-type: none"> <li>• Deliver an effective, accessible grants programme to support Trust improvements to services and the patient environment</li> <li>• Establish a grant programme dedicated to supporting patients and families experiencing severe financial difficulty during their treatment</li> <li>• Establish Arts engagement programme for staff and local community</li> </ul>	<ul style="list-style-type: none"> <li>• Generate financial support for the Trust's flagship wellbeing and recognition programmes</li> <li>• Generate financial support for staff initiatives within 'Sustainable Healthcare in Newcastle' (SHINE)</li> <li>• Fund a research fellowship programme for staff, supporting career progression while supporting the Trust to be at the forefront of health innovation and research</li> </ul>	<ul style="list-style-type: none"> <li>• Fund and fundraise for major projects within the Trust, and where the Trust is a key partner</li> <li>• Provide financial support for cutting edge clinical research and innovation, particularly when there is no other source widely available</li> </ul>	<ul style="list-style-type: none"> <li>• Build and strengthen partnerships with key health and VCSE organisations to deliver greater impact</li> <li>• Establish Newcastle Hospitals Charity as a regional partner for collaborative prevention initiatives</li> <li>• Support micro-communities through Collaborative Newcastle to improve health and wellbeing and reduce inequalities</li> <li>• Work with the NHS Charities Together network to influence national NHS charity funding priorities</li> </ul>	<ul style="list-style-type: none"> <li>• Ensure excellent governance and ethical standards of charity practice</li> <li>• Develop and resource professional, ethical fundraising programmes to deliver our ambition</li> <li>• Develop brand to ensure that our ability to deliver impact is understood</li> <li>• Focus fundraising on initial key themes: <ul style="list-style-type: none"> <li>- Green &amp; Healthy Hospitals</li> <li>- Research and innovation</li> <li>- Child Health</li> <li>- Cancer</li> </ul> </li> </ul>

## Financial review of 2020/21

This section provides a financial summary of the Newcastle Hospitals Charity for 2020-2021. A full copy of the audited accounts is included in section.

During 2020-2021 the value of the Newcastle Hospitals Charity increased from £33.6 million to £39.4 million.

	£'000
Fund Value at 1/4/2020	33,557
Income	4,380
Expenditure	(5,142)
Unrealised Gains on Investments	6,556
Fund Value	<u>39,351</u>

Expenditure exceeded income during the year, but the value of the fund increased because surplus funds are invested, and the value of those investments increased by £6.6 million during the year. This is an exceptional outcome and reflects gains on the stock exchange as the economy has bounced back from Brexit and the initial shock of the COVID pandemic. Movement in the value of investments is of course volatile and will not necessarily be repeated in future years – for example in 2019/20 the value of investments declined by £2.1 million.

### Income and Expenditure

Income from all sources was £4.4 million summarised as follows –

	£'000
Donations	346
Legacies	1,827
Grants received	776
Income from fundraising events	444
Sale of goods (Charlie Bear)	26
Dividends and interest	961
Total income	<u>4,380</u>

Income in 2020-2021 was lower than in 2019/20 (£4.8 million) due to reduced donations and legacies and lower trading income because of a lower footfall in the Trust during the COVID pandemic. The income in 2020/21 includes income of £585k from NHS Charities Together.

Legacy income of £1.8m was received (48 bequests), and continues to reflect the esteem and high regard for the levels of care and services provided by the Newcastle Hospitals

Expenditure was £5.1 million, summarised into broad categories as follows –

Activities to generate income	£'000 370
Purchase of new equipment	404
Patient education and welfare	3,376
Medical Research	323
Staff education and welfare	669
Total expenditure	<u>5,142</u>

Expenditure in 2020/21 was significantly higher than in 2019/20 due to higher expenditure on patient education and welfare particularly in response to the COVID pandemic.

### Fund Organisation

The Newcastle Hospitals Charity comprises 365 individual funds. That includes three restricted funds:

- The Sir Bobby Robson Foundation which is held to *‘provide assistance to any charitable or public body active in the North East of England which is involved in the treatment of/or research into cancer or which provides care in the community for cancer sufferers and/or their dependants/carers’*
- Charlie Bear for Cancer Care which is held for the *‘investigation, prevention, treatment, cure and defeat of cancer in all its forms and the advancement of scientific and medical education and research in topics related to cancer, provided that the useful results of such research is published’*.
- The Fleming and Watson Children’s Fund which is held for the *‘care, treatment and relief by way of research or otherwise of sick children attending any of the hospitals or other facilities managed by or otherwise in any way connected with the Newcastle upon Tyne Hospitals NHS Foundation Trust, or any successor to that body’*.
- An unrestricted general purposes fund that can be used for any purposes.

- A further 361 unrestricted funds that are linked to individual wards or clinical services, research into clinical areas, or specific schemes/projects in accordance with the wishes of donors.

Use of the restricted funds by the Charity Committee is based on the recommendations of Committees connected to those funds. Use of the unrestricted funds is based on applications from members of Trust staff. The application process uses a standard template and assessment for all applications. Applicants must be able to demonstrate why it is appropriate to use charity funds in terms of additional benefit or enhancement to the service. This provides an assurance that expenditure from charity is appropriate and can demonstrate benefit to the service. The Committee approves all expenditure over £25,000 with a scheme of delegation to transfer authority to individual Committee Members or other members of staff as appropriate.

The Newcastle Hospitals Charity has a policy of turning-over the balance of any fund in 5 years; i.e. fund holders are encouraged to utilise at least 20% of the available funds per annum. The Charity can apply to the Charity Commission to re-organise funds that are no longer relevant or cannot be usefully utilised e.g. if no applications were made during a particular 12 month period.

During 2020/21 the Charity considered 241 applications for funding from members of staff. That includes a very wide range of proposals some of which will span several years and funding has been reserved.

### Investment Policy

The Newcastle Hospitals Charity invests any funds not required immediately for expenditure through portfolios managed by two investment Managers CCLA and BNY Mellon Newton Investment Management thus providing a mechanism for comparing performance and to a certain degree reducing the levels of risk. The CCLA element is held in their Ethical Investment Fund whilst Newton's is held in their Growth & Income Fund for Charities.

The Portfolios are chosen by the Investment Managers and comprise of equities, property and cash. The equities comprise shareholdings in public companies with stock market quotations; however, both portfolios refrain from the direct investment in companies that derive a substantial amount of their profit from investment in tobacco.

### CCLA

The investment objective of the Ethical Investment Fund for the fund is to provide an average return over a business cycle of inflation plus 5%, whilst maintaining income in real terms. The Responsible Investment Policy of CCLA has three strands:

- Engagement on issues of corporate social responsibility with a view to optimising long term economic returns.

- Engagement on corporate governance including proxy voting on issues to protect and enhance shareholder value.
- Setting appropriate constraints on investment and exposure to activities considered unacceptable by an independent Board.

## **NEWTON INVESTMENT MANAGEMENT LTD**

The objective of the Growth & Income Fund for Charities fund is to generate capital and income growth over a period of 5-7 years by investing at least 70% of the Sub-Fund's assets in a global portfolio of equities (company shares) and fixed income securities.

The fund is actively managed by Newton's established Charities team. There are no investments in derivatives, no underwriting and distributions are made on a quarterly basis.

The Charity's investment objectives are to take a medium term view and generate income and growth from low risk investments. The Investment Managers report to the Charitable Funds Committee Quarterly on performance, provide a market review and projection, and make appropriate investment recommendations.

During 2020/21, the Newcastle Hospitals Charity received £961k in dividends and interest from investments. That sum has been allocated to provide a pro-rata share to the restricted funds with the balance allocated to the general purposes fund.

### **Charitable Fund Management Costs**

During 2020/21 the Trust employed 10 whole time equivalent staff whose sole purpose was the generate and manage charitable funds. The cost of those staff (and associated office costs) was £557k or 1.4% of the aggregate value of the fund.

The Charitable Fund management cost includes £12k for external audit fees.

The Charitable Fund Management Costs are allocated between funds as follows – a fixed 1% (of income) against the Sir Bobby Robson Fund, a pro-rata share for the other two restricted funds, and the balance against the general purposes fund.

Principal Professional Advisors

#### **Investment Management**

CCLA Investment Management Ltd, Senator House, 85 Queen Victoria Street, London, EC4V 4ET

Newton Investment Management, 160 Queen Victoria Street, London, EC4V 4LA

<b>Bankers</b>	HSBC PLC, 110 Grey Street, Newcastle upon Tyne, NE1 6JG
	Yorkshire Bank, Quayside House, 110, Quayside, Newcastle upon Tyne, NE1 3DX
	Barclays Bank PLC 71 Grey Street, Newcastle upon Tyne NE99 1JA
<b>External Auditors</b>	Mazars LLP, Bank Chambers, 26 Mosley Street, Newcastle, NE1 1DF
<b>Internal Audit</b>	AuditOne, Northumbria House, Unit 7/8 Silver Fox Way, Cobalt Business Park, Newcastle upon Tyne, NE27 0QJ
<b>Counter Fraud Services</b>	Corporate Finance, Regent Point, Regent Farm Road, Gosforth, Newcastle upon Tyne NE3 3HD
<b>Solicitors</b>	Withers LLP 16 Old Bailey, London EC4M 7EG

### Registered Charity Name and Number

#### Newcastle upon Tyne Hospitals NHS Charity (1057213)

Registered Address	Charity Office Charitable Funds Office Peacock Hall Royal Victoria Infirmary Newcastle upon Tyne NE1 4LP
Telephone:	0191 2231434
Website:	<a href="https://charity.newcastle-hospitals.nhs.uk/">https://charity.newcastle-hospitals.nhs.uk/</a>

**NEWCASTLE UPON TYNE HOSPITALS NHS CHARITY (Reg. 1057213)**

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2021**

	NOTE	2021 Unrestricted £000	2021 Restricted £000	2021 Total £000	2020 Total £000
<b>INCOME from:</b>					
Donations & Legacies	4-5	1,712	461	2,173	2,737
Other Trading Activities		218	252	470	860
Investments	14 (d)	725	236	961	1,103
Grants Received	6	191	585	776	117
<b>Total Income</b>		<b>2,846</b>	<b>1,534</b>	<b>4,380</b>	<b>4,817</b>
<b>EXPENDITURE on:</b>					
Generating Income	9	257	113	370	253
Charitable Activities:	10				
Purchase of new Equipment		404	0	404	740
Patient Education and Welfare		2,739	637	3,376	1,147
Medical Research		914	(591)	323	1,873
Staff Education and Welfare		119	550	669	371
<b>Total Expenditure</b>		<b>4,433</b>	<b>709</b>	<b>5,142</b>	<b>4,384</b>
<b>Net Income/(Expenditure)</b>		<b>(1,587)</b>	<b>825</b>	<b>(762)</b>	<b>433</b>
<b>Net Gain on Revaluation of Property</b>	13	0	0	0	0
<b>Net Gains/(Losses) on Investments</b>	14 (a)	4,950	1,606	6,556	(2,065)
<b>Net Movement in Funds</b>		<b>3,363</b>	<b>2,431</b>	<b>5,794</b>	<b>(1,632)</b>
<b>Reconciliation of Funds</b>					
Total Funds brought forward	3(a)&3(c)	25,627	7,930	33,557	35,189
<b>Total Funds carried forward</b>	<b>3(a)&amp;3(c)</b>	<b>28,990</b>	<b>10,361</b>	<b>39,351</b>	<b>33,557</b>

All of the amounts relate to continuing activities.

The charity has no recognised gains and losses other than those included in the results above, and therefore no separate statement of recognised gains and losses has been presented.

**NEWCASTLE UPON TYNE HOSPITALS NHS CHARITY (Reg. 1057213)**

**BALANCE SHEET AS AT 31 MARCH 2021**

	NOTE	2021 Unrestricted £000	2021 Restricted £000	2021 Total £000	2020 Total £000
<b>Fixed Assets</b>					
Property	13	0	0	0	0
Investments	14	27,474	10,909	38,383	31,827
<b>Total Fixed Assets</b>		<b>27,474</b>	<b>10,909</b>	<b>38,383</b>	<b>31,827</b>
<b>Current Assets</b>					
Stocks and work in progress		25	11	36	25
Debtors	15	239	60	299	420
Cash and Cash Equivalents	16	6,460	3,138	9,598	8,200
<b>Total Current Assets</b>		<b>6,724</b>	<b>3,209</b>	<b>9,933</b>	<b>8,645</b>
<b>Creditors: Amounts falling due within one year</b>	17	(4,048)	(2,356)	(6,404)	(4,969)
<b>Net Current Assets/(Liabilities)</b>		<b>2,676</b>	<b>853</b>	<b>3,529</b>	<b>3,676</b>
<b>Total assets less current liabilities</b>		<b>30,150</b>	<b>11,762</b>	<b>41,912</b>	<b>35,503</b>
<b>Creditors: Amounts falling due after more than one year</b>	17	(1,160)	(1,401)	(2,561)	(1,946)
<b>Net Assets</b>		<b>28,990</b>	<b>10,361</b>	<b>39,351</b>	<b>33,557</b>
<b>Total Charity Funds</b>	3(b) & 3(d)	<b>28,990</b>	<b>10,361</b>	<b>39,351</b>	<b>33,557</b>

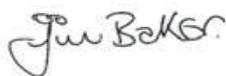
**NEWCASTLE UPON TYNE HOSPITALS NHS CHARITY (Reg. 1057213)**

**STATEMENT OF CASH FLOW FOR YEAR ENDED 31 MARCH 2021**

	2021	2021	2021	2020
	Unrestricted £000	Restricted £000	Total £000	Total £000
Net operating income / (expenditure)	3,363	2,431	<b>5,794</b>	(1,632)
Adjustment for non-cash transactions - depreciation, amortisation and net impairments	0	0	<b>0</b>	621
(Increase)/decrease in debtors	121	0	<b>121</b>	(7)
Increase/(decrease) in creditors	2,327	(276)	<b>2,051</b>	557
Dividends, interest and rents from investments	(725)	(236)	<b>(961)</b>	(1,103)
(Gains)/losses on investments	(4,950)	(1,606)	<b>(6,556)</b>	2,065
Other operating cash flows	(25)	14	<b>(11)</b>	1
<b>Net cash generating from / (used in) operations</b>	<b>111</b>	<b>327</b>	<b>438</b>	<b>502</b>
<b>Cash flows from investing activities:</b>				
Dividends, interest and rents from investments	725	236	<b>961</b>	1,103
<b>Net cash generating from / (used in) investing activities</b>	<b>725</b>	<b>236</b>	<b>961</b>	<b>1,103</b>
<b>Net cash generating from / (used in) financing activities</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Change in cash and cash equivalents in the reporting period</b>	<b>836</b>	<b>563</b>	<b>1,399</b>	<b>1,605</b>
Cash and cash equivalents at the beginning of the reporting period	5,624	2,576	8,200	6,595
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>6,460</b>	<b>3,139</b>	<b>9,599</b>	<b>8,200</b>

The notes on Pages 4 to 13 are an integral part of these financial statements

The financial statements on pages 1 to 13 were approved by the Trustee 03 12 2021 and signed on its behalf by



Jill Baker (Non-Executive Director)

Date: 03 December 2021

**NEWCASTLE UPON TYNE HOSPITALS NHS CHARITY (Reg. 1057213)**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021**

**The Trustee (Newcastle upon Tyne Hospitals NHS Foundation Trust) is the ultimate parent and controlling party**

**GENERAL INFORMATION**

The Newcastle upon Tyne Hospitals NHS Charity is registered as a Charity under the Charities Act 2011. The address of its registered office is: Charitable Funds Office, Peacock Hall, Royal Victoria Infirmary, Newcastle upon Tyne, NE3 4LP.

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**(a) Basis of preparation**

These financial statements have been prepared under the historical cost convention as modified by the inclusion of investments at market value, in accordance with the '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)' effective from 1st January 2015.

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of, and no objection from, the Charity Trustee.

The charity constitutes a public benefit entity as defined by FRS 102.

The Trustee considers that there are no material uncertainties about the Charity's ability to continue as a going concern.

The uncertain economic outlook and the variability in income from donations and legacies year-to-year, represents a significant area of financial uncertainty for the Charity. These represented 50% of income in 2020/21 (57% in 2019/20). The Charity mitigates this risk through maintaining diversity in its income streams and upholding expenditure authorisation controls to prevent over-commitment of Funds, therefore this is not anticipated to represent a risk to going concern.

The Charity's functional and presentation currency is the pound sterling.

A significant area of uncertainty that affects the carrying value of assets held by the Charity is the performance of investment markets. The Charity holds fixed asset investments which were valued at £38,383k at 31 March 2021, which represented an increase in value of £6,556k from £31,827k at 31 March 2020. Income from investments in 2020/21 was £961k and is a reduction of £142k compared to £1,103k in 2019/20. The Charity utilises Investment advisors and regularly reviews their performance in line with the Charity Investment Policy.

The Accounts include investments valued at market value at 31st March. That valuation was undertaken by the Charity's Investment Advisors.

The Newcastle upon Tyne Hospitals NHS Charity is a registered charity, and as such is entitled to certain tax exemptions on income and profits for investments, and surpluses on trading activities carried out in furtherance of the charity's primary objectives, if these profits and surpluses are applied solely for charitable purposes.

**(b) Funds structure**

Where there is a legal restriction on the purpose to which a fund may be put, the fund is classified in the financial statements as a restricted fund. Other funds are classified as unrestricted funds. Funds which are not legally restricted but which the Trustee has chosen to earmark for set purposes are designated funds. The major funds held within these categories are disclosed in note 18.

**(c) Income**

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

- i) entitlement - arises when a particular resource is receivable or the charity's right becomes legally enforceable;
- ii) probable - when it is more likely than not that the income will be received;
- iii) measurement - when the monetary value of the income can be measured with sufficient reliability and the costs incurred for the transaction can be measured reliably.

**(d) Income-legacies**

Legacies are accounted for as income once the receipt of the legacy becomes probable or are within the control of the Charity. This will be once confirmation has been received from the representatives of the estate that payment of the legacy will be made or property transferred and once all conditions attached to the legacy have been fulfilled.

**(e) Expenditure**

The funds held on trust accounts are prepared in accordance with the accruals concept. All expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party.

Grants payable are payments, made to third parties (including NHS bodies) in the furtherance of the Funds held on Trust's charitable objectives wholly or mainly for the service provided by the Newcastle upon Tyne Hospitals NHS Foundation Trust (patient welfare, staff welfare, equipment and research). They are accounted for on an accruals basis where the conditions for their payment have been met or where a third party has a reasonable expectation that they will receive the grant.

**(f) Allocation of overhead and support costs**

Support costs and overhead charges from The Newcastle upon Tyne Hospitals NHS Foundation Trust are allocated as direct costs or apportioned on an appropriate basis. The cost attributable to Charitable Activities is then apportioned across those activities in proportion to total spend.

**(g) Expenditure on Generating Income**

These are costs associated with generating income for funds held on Trust and include the Charity's Director, Fundraising Manager and Communication/Development Officer and costs relating specifically to the Charlie Bear & Sir Bobby Robson Foundation. There are no direct investment management costs levied by CCLA Investment Management and Newton's Investment Management for administering the units, as management charges are absorbed by the overall fund, of which the charity holds a share.

**(h) Governance costs**

Governance costs are those costs incurred in the governance of the charity, including statutory audit. These are now split between expenditure on raising funds and support costs. There is no effect on the total expenditure for 2020/21 or 2019/20. (See Note 9)

**(i) Fixed Asset Property**

The charity does not own any fixed assets.

**(j) Fixed Asset Investment**

Investments are a form of basic financial instrument. They are recognised initially at their transaction value and subsequently at their fair value (market value) as at the Balance Sheet date.

**(k) Realised gains and losses**

All 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 sale 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). Market value is reflected in the Balance Sheet as quoted by the investment manager.

**(l) Pooling Scheme**

There is no official pooling scheme operated for investments.

**(m) Stocks**

Stocks are valued at the lower of cost and net realisable value.

**(n) Cash and cash equivalents**

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts.

Previously investments held in a 90-day access savings account and money-master held accounts had been shown on the face of the balance sheet. As they are very liquid funds they are classified as cash equivalents and are shown as part of cash & cash equivalents on the balance sheet. There is no impact on the total funds of the charity and an analysis of cash and cash equivalents is provided in Note 16.

**(o) Debtors**

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

**(p) 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. Amounts which are owed in more than one year are shown as long-term creditors.

## 2 Related Party Transactions

The Trust Board of The Newcastle upon Tyne Hospitals NHS Foundation Trust acts as Corporate Trustee for The Newcastle upon Tyne Hospitals Charity. The principal purpose of Newcastle upon Tyne Hospitals NHS Foundation Trust is the provision of NHS healthcare. The charitable trust has made revenue and capital payments to The Newcastle upon Tyne Hospitals NHS Foundation Trust. During the year none of the members of the Corporate Trustee Board, key management staff or parties related to them has undertaken any material transactions with the Newcastle upon Tyne Hospitals Charity.

During the financial year payments of £3,101k (2019/20: £3,820k) were made to the Newcastle upon Tyne Hospitals NHS Foundation Trust in respect of grants and other charges made to the Trust. A further sum of £290k was due for payment at 31st March 2021 (This was £290k in 2019/20).

These charges made by Newcastle upon Tyne Hospitals NHS Foundation Trust (£283k) for administrative support and overheads, include the provision of staff and office accommodation and are included in the figure above, which enables the charity to fulfil its statutory duties and provide support for the day-to-day running of the charity (£207k 2019/20).

The Newcastle upon Tyne Hospitals NHS Foundation Trust is the ultimate parent entity as Corporate Trustee. The Corporate Trustee maintains control of the Charity via a Committee - the Charitable Funds Committee - which comprises executive and non-executive Directors of the Trust.

The consolidated accounts of Newcastle upon Tyne Hospitals NHS Foundation Trust are available from: Charitable Funds (Finance ) Office, Regent Point, Regent Farm Road, Newcastle upon Tyne, NE3 3HD.

There were no expenses or remuneration paid to the Trustees during the year (2019-20 NIL).

There were no transactions with Trustees or connected persons for the year to 31st March 2021 (2019-20 NIL).

No indemnity insurance was provided to the Trustees in the year to 31st March 2021 (2019-20 NIL).

There were no loans or guarantees secured against assets of the Charity in the year to 31st March 2021 (2019-20 NIL)

**NEWCASTLE UPON TYNE HOSPITALS NHS CHARITY (reg. 1057213)**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021**

**3(a) UNRESTRICTED FUNDS-Statement of Financial Activity for the Year ended 31st March 2021**

	<b>2021 £000</b>	2020 £000
<b>INCOME</b>		
Donations & Legacies	1,712	1,651
Other Trading Activities	218	262
Investments	725	868
Grants Received	191	117
<b>Total Income</b>	<b>2,846</b>	2,898
<b>EXPENDITURE</b>		
Generating Income	257	142
Charitable Activities:		
Purchase of new Equipment	404	738
Patient Education and Welfare	2,739	874
Medical Research	914	740
Staff Education and Welfare	119	377
<b>Total Expenditure</b>	<b>4,433</b>	2,871
<b>Net (Expenditure)/Income</b>	<b>(1,587)</b>	27
Net Gain on Revaluation of Property	0	0
Net Gains (Losses) on Investments	4,950	(1,624)
<b>Net Movement in Funds</b>	<b>3,363</b>	(1,597)
Fund Balances Brought Forward	25,627	27,224
Total Funds Carried Forward	<b>28,990</b>	25,627

**3(b) UNRESTRICTED FUNDS-Balance Sheet as at 31st March 2021**

	<b>2021 £000</b>	2020 £000
<b>Fixed Assets</b>		
Tangible Assets	0	0
Investments	27,474	22,524
<b>Total Fixed Assets</b>	<b>27,474</b>	22,524
<b>Current Assets</b>		
Stocks and work in progress	25	0
Debtors	239	360
Cash and Cash Equivalents	6,460	5,624
<b>Total Current Assets</b>	<b>6,724</b>	5,984
<b>Creditors: Amounts falling due within one year</b>	<b>(4,048)</b>	(2,813)
<b>Net Current Assets/(Liabilities)</b>	<b>2,676</b>	3,171
<b>Total assets less current liabilities</b>	<b>30,150</b>	25,695
<b>Creditors: Amounts falling due after more than one year</b>	<b>(1,160)</b>	(68)
<b>Net Assets</b>	<b>28,990</b>	25,627
<b>Total Charity Funds</b>	<b>28,990</b>	25,627

3(c) RESTRICTED FUNDS-Statement of Financial Activity for the Year ended 31st March 2021

	2021 £000	2020 £000
<b>INCOME</b>		
Donations & Legacies	461	1,086
Other Trading Activities	252	598
Investments	236	235
Grants Received	585	0
<b>Total Income</b>	<b>1,534</b>	<b>1,919</b>
<b>EXPENDITURE</b>		
Generating Income	113	111
Charitable Activities:		
Purchase of new Equipment	0	2
Patient Education and Welfare	637	273
Medical Research	(591)	1,133
Staff Education and Welfare	550	(6)
<b>Total Expenditure</b>	<b>709</b>	<b>1,513</b>
<b>Net Income (Expenditure)</b>	<b>825</b>	<b>406</b>
Net Gains (Losses) on Investments	1,606	(441)
<b>Net Movement in Funds</b>	<b>2,431</b>	<b>(35)</b>
Fund Balances Brought Forward	7,930	7,965
Total Funds Carried Forward	<b>10,361</b>	<b>7,930</b>

3(d) RESTRICTED FUNDS-Balance Sheet as at 31st March 2021

	2021 £000	2020 £000
<b>Fixed Assets</b>		
Investments	10,909	9,303
<b>Total Fixed Assets</b>	<b>10,909</b>	<b>9,303</b>
<b>Current Assets</b>		
Stocks and work in progress	11	25
Debtors	60	60
Cash and Cash Equivalents	3,138	2,576
Short term Investments and Deposits		
<b>Total Current Assets</b>	<b>3,209</b>	<b>2,661</b>
<b>Creditors: Amounts falling due within one year</b>	<b>(2,356)</b>	<b>(2,156)</b>
<b>Net Current (Liabilities)/Assets</b>	<b>853</b>	<b>505</b>
<b>Total assets less current liabilities</b>	<b>11,762</b>	<b>9,808</b>
<b>Creditors: Amounts falling due after more than one year</b>	<b>(1,401)</b>	<b>(1,878)</b>
<b>Net Assets</b>	<b>10,361</b>	<b>7,930</b>
<b>Total Charity Funds</b>	<b>10,361</b>	<b>7,930</b>

#### 4 Donations

General Purposes  
Charlie Bear  
Sir Bobby Robson Foundation

2021 £000	2020 £000
310	520
20	62
16	0
<b>346</b>	<b>582</b>

#### Total

Donations from individuals are gifts from members of the public, relatives of patients and staff.

#### 5 Legacies

General Purposes  
Charlie Bear  
Sir Bobby Robson Foundation

2021 £000	2020 £000
1,402	1,131
23	64
402	960
<b>1,827</b>	<b>2,155</b>

#### Total

Legacies are gifts included in Wills, which are for the benefit of services within our local hospitals.

#### 6 Grants received

In this Financial year grants totalling £776k were received and are as follows. The Charity received £583k from NHS Charities Together to help with COVID recovery and wellbeing of the staff at the Trust. A grant of £100k was received from the William Leech Charity in support of Professor Deehan's Orthopaedic Research study, this was the final grant of the 5 grants agreed. The Charity also received a grant from Mailforce of £91k to provide new equipment within Laboratory Medicine at the Trust. The Total for previous year was £117k.

#### 7 Fundraising Sales

Fundraising sales relates to the stall operated by the Charlie Bear fund at the Northern Centre for Cancer Treatment. This is run by volunteers and overseen by the Charlie Bear Retail Manager. Other than the volunteers who assist in the Charlie Bear Shop, the charity does not have any other active voluntary support. The lack of a reliable method of measuring and the low volume of volunteers used, has meant that the contribution is not financially recognised in the accounts.

#### 8 Movements in funding commitments

##### Opening balance at 1st April

Additional commitments made during the year

Amounts paid during the year

##### Closing balance at 31st March

2021	2021	2021	2020
Current Liabilities £000	Non-Current Liabilities £000	Total £000	Total £000
4,680	1,946	<b>6,626</b>	5,797
3,833	1,515	<b>5,348</b>	3,786
(2,109)	(900)	<b>(3,009)</b>	(2,957)
<b>6,404</b>	<b>2,561</b>	<b>8,965</b>	<b>6,626</b>

#### 9 Allocation of Overhead and Support Costs

Support and overhead costs have been analysed to identify :

Costs of Generating Income: Apportioned across all funds in proportion to the average market value of those funds throughout 2020-21 activities

Costs in Support of Charitable Activities: Apportioned across all relevant funds in proportion to the costs of grants made in support of charitable activities

Bought-in services from NHS includes Internal Audit and a recharge from The Newcastle upon Tyne Hospitals NHS Foundation Trust for finance support and overheads.

The Auditor's remuneration of £12k (2020:£12k) related solely to the year-end audit with no additional work being undertaken. There were other governance costs of £4k (2020:£4k) relating to Internal Audit. There were costs for legal services of £2k relating to an ongoing legacy (2020:£nil).

There are no staff employed directly by the charity, the Charity purchases services from Newcastle-upon-Tyne NHS Foundation Trust. In the following table the bought-in NHS salaries includes employer's national insurance and pension contributions.

	2021	2021	2021	2020
	Costs of Generating Income £000	Costs in Support of Charitable Activities £000	Total £000	Total £000
Auditors' Remuneration - Audit Fees	0	12	12	12
Other Fees & Services	44	2	46	52
Bought-in services from NHS-Salaries	223	210	433	298
Bought-in services from NHS-Accommodation/Office/	0	55	55	28
Goods for Resale	15	0	15	52
Promotion/Publicity/Events	82	0	82	83
Bank Charges	0	1	1	2
Miscellaneous	6	4	10	0
<b>Total</b>	<b>370</b>	<b>284</b>	<b>654</b>	<b>527</b>

#### 10 Charitable Activities

	2021	2021	2021	2020
	Grant Funded Activities £000	Support Costs £000	Total £000	Total £000
Purchase of new Equipment	381	23	404	740
Patient Education and Welfare	3,173	203	3,376	1,147
Medical Research	304	19	323	1,873
Staff Education and Welfare	630	39	669	371
<b>Total Grants Payable</b>	<b>4,488</b>	<b>284</b>	<b>4,772</b>	<b>4,131</b>

Grants are made in support of services provided by the Newcastle upon Tyne Hospital NHS Foundation Trust, with the exception of five awards to:

- (i) £220k CLIC Sargent Children's Social Worker support
- (ii) £215k to Daft As a Brush who provide a patient transport service for cancer patients attending the Northern Centre for Cancer Care
- (iii) £104k Citizens Advice Bureau (Gateshead) - Support and advice to patients
- (iv) £83k to Newcastle City Council who provide a Child Bereavement Officer
- (v) £25k to LegaCare who provide a legal advice service to patients affected by life threatening illness
- (vi) £8k to Blue Stone Consortium as a contribution to the Zone West Project to fund a link worker and researcher
- (vii) £7k Acupuncture service via Coping with Cancer

#### 11 Analysis of Grants

All grants are made directly to The Newcastle upon Tyne Hospitals NHS Foundation Trust via a scheme of delegation operated by the Corporate Trustee.

All grant funded activity by fund advisors in accordance with standing orders and financial instructions.

#### 12 Analysis of Staff Costs/Pension Contributions

There are no staff employed directly by the charity, the Charity purchases services from Newcastle-upon-Tyne NHS Foundation Trust. Within the staff employed to provide a service to the Charity, the Trust employs one member of staff with a salary over £60k (cost in 2020/21 was in the band £90k to £100k).

### 13 Fixed Asset Property

The Charity does not hold any Freehold Land & Buildings.

### 14 Fixed Asset Investments

#### a) Movement in Fixed Asset Investments

	<b>2021</b>	2020
	<b>Total £000</b>	Total £000
Market Value at 1 April 2020	31,827	33,891
Add Acquisitions at Cost	0	0
Net gain/(loss) on Revaluation	6,556	(2,065)
<b>Market Value at 31 March 2021</b>	<b>38,383</b>	31,827
<b>Historic Cost at 31 March 2021</b>	<b>20,807</b>	20,807

#### b) Fixed Asset Investments

	2021	2021	2021	<b>2021</b>	2020
	Units/Shares Held	Held in UK £000	Held Outside UK £000	<b>Total £000</b>	Total £000
Investments in a Common Investment Fund	6,914,486	18,886	0	<b>18,886</b>	15,740
Investments Listed on Stock Exchange	12,642,174	19,497	0	<b>19,497</b>	16,087
<b>Total</b>	<b>19,556,660</b>	<b>38,383</b>	<b>0</b>	<b>38,383</b>	31,827

#### c) Cash and Cash equivalents

A sum of £9,598k (2019/20: £8,200k) is held between a HSBC Moneymaster Deposit Account, Yorkshire Bank Deposit Account, Barclays Current Account and a Barclays Business Savings Account.

#### d) Analysis of Gross Income from Investments

	2021	2021	<b>2021</b>	2020
	Held in UK £000	Held Outside UK £000	<b>Total £000</b>	Total £000
Investments in a Common Investment Fund	576	0	<b>576</b>	561
Other Investments (HSBC & Yorkshire Bank Interest)	11	0	<b>11</b>	18
Investments Listed on Stock Exchange	368	0	<b>368</b>	512
Interest from Treasury Deposit /Business Premium Account	6	0	<b>6</b>	12
<b>Total Income from Investments</b>	<b>961</b>	<b>0</b>	<b>961</b>	1,103

Dividend income totalled £944k in 2020/21 (£1,073k in 2019/20)

**15 Debtors**

Amounts falling due within one year :

Prepayments and Accrued Income

**Total**

<b>2021 £000</b>	2020 £000
<b>299</b>	420
<b>299</b>	420

**16 Analysis of cash and cash equivalents**

Cash at Bank and in Hand

Notice Deposits (less than 3 months)

<b>2021 £000</b>	2020 £000
<b>804</b>	552
<b>8,794</b>	7,648
<b>9,598</b>	8,200

Cash deposits are split between an HSBC Moneymaster, a Yorkshire Bank (95 day Notice Account) and a Barclays Business Savings Account to primarily reflect the Trustees decision to hold liquid funds to meet grant expenditure incurred initially by the Newcastle upon Tyne Hospitals NHS Foundation Trust.

**17 Creditors**

Amounts falling due within one year :

Trade Creditors \*

Accruals and deferred income #

**Total**

<b>2021 £000</b>	2020 £000
<b>297</b>	296
<b>6,107</b>	4,673
<b>6,404</b>	4,969

Amounts falling due after more than one year:

Accruals and deferred income #

**Total**

<b>2021 £000</b>	2020 £000
<b>2,561</b>	1,946
<b>2,561</b>	1,946

\* Trade Creditors represents the amount owed to a related party - The Newcastle upon Tyne Hospitals NHS Foundation Trust, for costs incurred on behalf of the charity in the furtherance of the Charity's objects.

# Accruals of £8,315k (2019/20 £6,603k) have been included in the above figures which the Trustee considers to be a legal or constructive obligation because of ongoing or future schemes agreed with the Trust (see Annual Report for details).

## 18 Analysis of Charitable Funds

<b>RESTRICTED FUNDS</b>	Balance 1st April 2020 £000	Income £000	Expenditure £000	Transfers £000	Gains and Losses £000	Balance 31st March 2021 £000
Sir Bobby Robson Foundation	6,328	842	201	0	1,309	8,680
Charlie Bear	774	88	(213)	0	146	795
Children's Services (Fleming/Watson Fund)	828	21	(106)	0	151	894
NHS Charities Together	0	583	(591)	0	0	(8)
<b>Total</b>	<b>7,930</b>	<b>1,534</b>	<b>(709)</b>	<b>0</b>	<b>1,606</b>	<b>10,361</b>

<b>UNRESTRICTED FUNDS</b>	Balance 1st April 2020 £000	Income £000	Expenditure £000	Transfers £000	Gains and Losses £000	Balance 31st March 2021 £000
General Purposes	25,627	2,846	(4,433)	0	4,950	28,990
<b>Total</b>	<b>25,627</b>	<b>2,846</b>	<b>(4,433)</b>	<b>0</b>	<b>4,950</b>	<b>28,990</b>

<b>TOTAL FUNDS</b>	Balance 1st April 2020 £000	Income £000	Expenditure £000	Transfers £000	Gains and Losses £000	Balance 31st March 2021 £000
	<b>33,557</b>	<b>4,380</b>	<b>(5,142)</b>	<b>0</b>	<b>6,556</b>	<b>39,351</b>

### Notes:

**A** - No endowment funds are held.

**B** - Funds are shown at Market Value as at 31st March 2021.

**C** - The purpose of the restricted funds is explained on pages 24 and 25 of the Annual Report.

## 19 Events After The Reporting Period

There were no significant events after the reporting period.

# Independent auditor's report to the trustees of Newcastle upon Tyne Hospitals NHS Charity

## Opinion

We have audited the financial statements of Newcastle upon Tyne Hospitals NHS Charity (the 'charity') for the year ended 31 March 2021 which comprise Statement of Financial Activities, Balance Sheet, Statement of Cash flow and notes to the financial statements, 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 FRS 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 March 2021 and of 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 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. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of 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**

In light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

## **Responsibilities of Trustee**

As explained more fully in the trustee responsibilities statement set out on page 19, the trustee is 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 trustee 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 the 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. Based on our understanding of the charity and its activities, we identified that the principal risks of non-compliance with laws and regulations related to the UK tax legislation, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud, money laundering and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Charities Act 2011 and the Charities Statement of Recommended Practice.

We evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, and significant one-off or unusual transactions.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with the trustees and management their policies and procedures regarding compliance with laws and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the charity which were contrary to applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and

- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## **Use of the audit 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.

Signed:

Nicola Wakefield, for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

The Corner  
Bank Chambers  
26 Mosley Street  
Newcastle upon Tyne  
NE1 1DF

Date:

Mazars LLP is 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.