

U·H·N·M charity



ANNUAL REVIEW AND FINANCIAL STATEMENTS 2018/2019

Registered Name: University Hospitals of North Midlands NHS Trust Charity (known as UHNM Charity)
Registered Charity Number: 1054889
Registered Office: Springfield, Trust HQ, Newcastle Road, Stoke-on-Trent, Staffordshire, ST4 6QG

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The following individuals served as Directors of the Trust during the year ended 31 March 2019



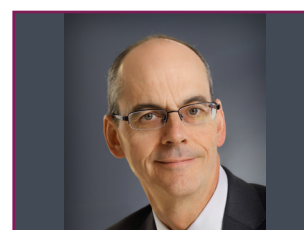
David Wakefield
Chairman



Sonia Belfield
Non-Executive Director



Gary Crowe
Non-Executive Director
(from September 2018)



Andrew Hassell
Non-Executive Director
(from September 2018)



Peter Akid
Non-Executive Director
(From September 2018)



Leigh Griffin
Non-Executive Director
(from September 2018)



Helen Ashley
Director of Strategy &
Performance / Deputy
CEO



Dr John Oxtoby
Medical Director



Ro Vaughan
Director of HR



Jonathan Tringham,
Chief Finance Officer

John Marlor, Non-Executive Director (Chair of Charitable Funds Committee until July 2018)
 Nicholas Young, Non-Executive Director (member of Charitable Funds Committee until August 2018)
 Andrew Smith, Non-Executive Director (until August 2018)
 Steve Burgin, Non-Executive Director (until August 2018)
 Paula Clark, Chief Executive (until February 2019)
 Liz Rix, Chief Nurse – member of Charitable Funds Committee (until June 2019)
 Jean Challiner, Non-Executive Director (September 2018 to March 2019)

Charity chairman Leigh Griffin

This is my first year as Chair of the Charitable Funds Committee and I am delighted to report on another successful year for University Hospitals of North Midlands Charity.

In a year dominated by political and economic uncertainty, the demand for NHS services has remained constant. Over two million patients pass through our doors annually, including some of the most complex and seriously ill in the country. The success of our hospitals is primarily down to UHNM's dedicated staff, who provide high quality and compassionate care to those we serve.

It is the role of UHNM Charity to support colleagues to make a positive difference to patients through the purchase of state-of-the-art medical equipment, patient comforts and staff training and education which are over and above the core requirements of the service that the Hospitals are funded to provide.

We cannot do this without our inspirational fundraisers, and on behalf of the Trustees, UHNM staff and of course our patients, I want to thank them for dedicating their time and efforts to raise funds to help make UHNM the outstanding place of care it is today. And I would like to assure them that every hard-earned penny they have raised will be spent here, directly enhancing the hospital treatment, care and experience.

Many fundraise as a result of direct care, others on behalf of a loved one or friend. More and more of our 11,000 plus staff also choose to fundraise for us through a desire to further improve their services. All are united in one goal, making a real difference for patients and their families.

You will see examples of how UHNM Charity is making this difference in this report. You will also find detailed information on how we manage and spend the funds you and your family have raised over the year.

We continue to receive a significant amount of our income through legacies, and remain grateful to, and continue to support those who take the time to remember us in their will. This can be a difficult subject to broach. But our team are here to answer any questions you may have.

I hope you enjoy learning more about the projects we have funded and the heart-warming stories behind them. Thank you for your continued support.

Leigh Griffin



Review of the Year

Thanks to the continued generosity of our supporters, UHNM Charity received £1.9m during 2018/2019, supporting £1.5m over the same period over all areas of care. This income was received via donations, charitable activities, legacies and investment income.

Cancer Centre

This year UHNM Charity funded the purchase of six Paxman Cooling Caps at a cost of £1,500. The use of scalp cooling or 'cold' caps is proven to be an effective way of combatting chemotherapy-induced hair loss, and work by cooling the scalp immediately before, during and after the administration of chemotherapy, reducing the blood flow to hair follicles which are attacked during treatment. During this year we also funded a chemotherapy closed-system transfer device, lymphscanner, patient hoist and a number of patient information booklets and clinical reference books.



Critical Care Unit

UHNM Charity supported the purchase of the £49,995 ECHO Portable Ultrasound Scanner, allowing bedside scans, eliminating the need to transport severely ill patients to scanners in other parts of the hospital. Dr Nageswar Bandla, Consultant in Critical Care and Anaesthetics said, "The new machine purchased with charitable funds has improved the point of care ultrasound service for our critical care patients. This has further strengthened the comprehensive bedside ultrasound service delivered by the critical care team."

It's thanks to UHNM Charity support that the Critical Care Unit was also able to purchase patient comforts including recliner chairs, fridges and staff training.



Children's Wards

UHNM Charity funds have paid for another year's Music and Art's Therapy, allowing children to overcome complex and traumatic backgrounds and realise and explore suicidal ideation and thoughts of self-harm. Our music therapist helps children explore these feelings through sounds and play, helping those who might otherwise find it difficult to communicate.

The Charity also funded a RHINO simulation projector, used to project images onto the floor to stimulate, engage and relax patients. Other UHNM Charity-funded initiatives include a number of new electronic cots, a safe space bed for the High Dependency Unit and a number of experience days for child oncology patients.



Neonatal Intensive Care Unit

During 2018/2019, UHNM Charity funded a Video Laryngoscope at a cost of £24,792. This reduces the number of attempts taken by registrars to intubate babies, reducing complications and therefore trauma for the patient and their families. Other improvements made on the Unit during this

period made possible thanks to UHNM Charity include the refurbishment of parent rooms, new breast pumps and storage units.

Renal Units

The purchase of two Sonosite Renal Ultrasound Machines for £30,000 for both hospitals has improved patient experience on the units by improving the needling processes needed for dialysis.

Estates and Facilities

Patients from all departments at Royal Stoke benefitted from the purchase of 50 new UHNM Charity-branded wheelchairs to transfer patients around the hospital. This £29,119 investment greatly improves patient mobility and comfort across the site for the less able.

Education and Training

UHNM Charity continues to commit funds to enhance the education and development of UHNM staff to ensure our patients are cared for by the highest calibre of staff. As long as the training goes beyond what is essential to their role, this support is given to staff across all areas through grants.

Innovation and Research



UHNM Charity seeks to provide financial support for pioneering and local new research that has the potential to improve clinical outcomes for patients by finding new ways to prevent or treat complicated medical conditions or life-threatening illness. This research is supported by fundraisers like Julie Gregory and the McColl's Retail Group who

during 2018/2019 raised over £4,000 for research into breath analysis studies for lung cancer and other diseases at the University Hospitals of North Midlands (UHNM) and Keele University through their 22 stores locally.

Arts

The Charity has continued to support UHNM's art programme which uses visual and performing arts to enhance patient care and well-being and the well-being of their loved ones, family and staff. This has included the commissioning of five steel discs depicting the region's traditional and historical industries which were erected at the entrance to the hospital's new multi-million pound modular wards, to act not only as a focal point but to enhance the hospital environment for staff, patients and visitors.



Our Charity

UHNM Charity is the official NHS Charity for both hospitals operated by University Hospitals of North Midlands NHS Trust – Royal Stoke University Hospital and County Hospital, Stafford. As such, we touch the lives of everyone in the North Midlands and beyond, no matter their age, or condition. Our wish is for our patients to receive the best care in the best possible environment.

Each year we invest in key areas such as equipment, research, patient and family support, staff training and transforming our two hospitals into more comfortable and welcoming environments. The core mission of the Charity is to enhance the care and treatment of patients accessing NHS services in the North Midlands, by supporting high priority areas which are beyond the scope of government funding.

The charity's income comes from fundraising, donations, charitable grants, legacies and sponsorship. The charity employs a team of professional fundraising staff. UHNM Charity organises events and supports many more fundraisers organising their own events or taking part in organised events, both community and hospital-based throughout the year.

In addition to the UHNM Trust magazine, the main route of communication with donors is via our dedicated website (www.uhnmcharity.org.uk), and social media:

Facebook: www.facebook.com/UHNMCharity
Twitter: www.twitter.com/UHNMCharity

In all our communications, we seek to update supporters about the impact that donations have made as well as letting people know about upcoming fundraising activities.

The fundraising team would be delighted to speak to anybody who is considering taking part in an event or organising their own fundraising for the charity, and can be contacted by email at fundraising@uhn.nhs.uk or by telephone at 01782 676444. We also encourage feedback from all of our supporters, sharing any learning amongst the charity team and, where appropriate, Trustees.

In setting our objectives and planning our activities the Trustee Board has given serious consideration to meeting our public benefit commitment and to the enhancement of the care of patients through:

- Enhancing the quality of patient care
- Improving the environment for patients, visitors and staff
- Supporting NHS staff development to enable them to provide excellent clinical and patient-centred care
- Providing funding for pioneering research with the potential to impact directly on the treatment and wellbeing of patients
- Funding state-of-the-art equipment that improves outcomes for patients

To achieve these objectives UHNM Charity operates a transparent grant making process. All UHNM NHS Trust staff, from across both hospitals, can apply for funding to provide additional equipment, facilities, staff training and research over and above what the NHS would normally fund. Our plans to deliver this funding include:

- Encouraging UHNM NHS Trust to submit funding applications and to identify new facilities, training, equipment that the Charity can provide. This has been achieved by Charity staff meeting with key staff and Fund Advisers; and through the submission of charitable funds spending plans
- Raising income to provide the new facilities, training and equipment by supporting patients, members of the public, UHNM NHS Trust staff and organisations in their fundraising.

In line with our investment policy surplus monies not required to meet immediate commitments are placed in specialist charity investments to create additional income to achieve the charity objectives in the future. The staff working for the Charity are employed by UHNM NHS Trust. UHNM Charity reimburses the NHS Trust for these costs.

Bankers and Professional Advisers

Bankers

Government Banking Services
First Floor, West Wing
Somerset House
Strand
London
WC2R 1LA

Auditors

Grant Thornton UK LLP
The Colmore Building
20 Colmore Circus
Birmingham
B4 6AT

Investment Advisers
CCLA Investment Management Ltd
80 Cheapside
London
EC2V 6DZ

Solicitors

Mills and Reeve
Midland House
132 Hagley Road
Birmingham



Jeanette Pickup



Just three years after suffering a life-threatening stroke, Jeanette Pickup from Stockton Brook trekked to Everest base camp in March raising £6,000 for Acute Stroke Services. During the twelve-day trek Jeanette lived the full Sherpa life, sleeping in tea houses often with little sanitation. Speaking to us after returning to civilisation, Jeanette said, "What doesn't kill you makes you stronger and I'm living proof of this."

Beryl Vaughan



After spending three weeks in hospital following a stroke in September 2017, Beryl Vaughan from Welshpool walked the length of Hadrian's Wall and the Camino de Santiago in Spain, a combined distance of 215 miles, to raise funds for the Neurosurgery Department and Ward 228. Beryl's fundraising efforts totalled an impressive £4,520. Whilst visiting the hospital Beryl said: "The staff at UHNM saved my life, I simply wouldn't be here without Dr Nayak and the team, they were amazing and so kind."

Le Tour de Stafford



The annual Le Tour de Stafford was run in aid of our Critical Care Unit and raised £1,819. Some 24 people travelled 10k around the county town via 13 pubs on a child's scooter or bike, each paying an entry fee and collecting donations along the way. Organiser Chris Millage said: "Earlier this year, Darren, my wife's uncle, was admitted to Royal Stoke where his condition quickly deteriorated and he was moved to Critical Care where he was placed into an induced coma. The service, and attentive care each nurse provided Darren and his family was fantastic."

Emily Doyle



After being diagnosed with Cervical Cancer following a routine smear test in December 2017, Emily Doyle from Penkhull held a charity evening to benefit patients cared for by Mr Redman and his team in the Gynaecological Cancer Department and raise awareness of the importance of smear tests. The event featured a 60-item raffle and raised £2,072. Emily said, "I can't thank Dr Redman and his team enough for the support and care they gave me."

Pheonix Keep Fit Group



A local keep fit group has raised almost £2,000 for the UHN-M Charity over the past year. The Pheonix Keep Fit Group from Newcastle-under-Lyme raised over £1,800 for our Neonatal Intensive Care Unit (NICU). The group, who meet every Friday at the town's Methodist Church and are run by long-time supporter Ann Culley, raised the money through keep fit classes, sponsored walks and selling knitted baby items.

JPE Aggregates



A three-course dinner with champagne, casino games and live music were on the cards at the JPE Aggregates Grand Ball at the Birmingham Metropole Hotel in aid of the Cancer Centre at Royal Stoke. The event was organised by Stephanie Price whose father was a patient, and raised over £22,000.

Antony Perrins



Antony Perrins ran ten 10K races in ten months in aid of the Neonatal Intensive Care Unit (NICU) following the premature birth of his son, Oliver, who spent 81 days in the Unit. Antony's efforts in all weathers raised £2,706 for NICU.

Hayley Sutcliffe and Gemma Plant



Friends Hayley Sutcliffe and Gemma Plant organised a fundraising evening at Vale Park in aid of the Forget-Me-Not-Suite after tragically both losing a baby. The evening raised £3,246.

Trustees' Report

The Trustee Board is pleased to present the University Hospitals of North Midlands Charity (UHNM Charity) Annual Report together with the Audited Financial Statements for the year ended 31 March 2019. These accounts have been prepared in accordance with the Charities Act 2011 and 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 (FRS102).

Legal Structure

University Hospitals of North Midlands NHS Trust is the corporate trustee of funds held on trust under powers given to it by s212 to s222 of the National Health Service Act 2006.. The funds held on trust are registered as University Hospitals of North Midlands Charity with the Charity Commission under registration number 1054889.

Management of the Charity

The Trust Board of University Hospitals of North Midlands NHS Trust (the Trust) is the Corporate Trustee of UHNM Charity. All voting Executive and Non-Executive Directors of University Hospitals of North Midlands NHS Trust take decisions collectively as agents of the Trustee and receive training through Board Development sessions.

The directors of the Corporate Trustee are therefore not themselves Trustees even though they are sometimes referred to internally as the Trustees. The Charity is separate from the Trust and independent of it, but it aims to work closely with the Trust in order to achieve its charitable objectives. The Corporate Trustee delegates certain responsibilities to agents and/or employees but always retains the ultimate responsibility for the management of the Charity.

The Trustee Board has established a Charitable Funds Committee to oversee the Charity's operation on its behalf. The Committee scrutinises and constructively challenges the Charity's operations and financial information and systems of control, including the Annual Accounts, to provide assurance to the Trustee Board that the administration of charitable funds is distinct from its exchequer funds and compliant with legislation and Charity objectives.

The Charitable Funds Committee meets regularly and reports to the Board, which approves major decisions and remains responsible for the activities of the Charity. The day-to-day operations of the Charity are overseen by the Trust Director of Communications.

Objects

The objects of the charity are to hold the trust fund upon trust to apply the income, and at their discretion, so far as may be permissible, the capital for any charitable purpose or purposes relating to the National Health Service wholly or mainly for the service provided by University Hospitals of North Midlands NHS Trust.

The funds of the Charity arise from fundraising, donations and legacies together with the returns on investments. The funds are used to enhance the care of patients through the provision of new or enhanced facilities, state of the art equipment, and innovative medical research, and by investing in skilled staff through welfare, learning and development, in all cases, over and above core NHS provision.

Investment Policy

Surplus monies not required to meet immediate commitments are currently invested in COIF Charity Funds, which are common investment and deposit funds established under section 96 of the Charities Act 2011. The administrative functions for the COIF Charity Funds have been delegated to CCLA, whose ethical and social investment policies support the UHNM Charity's own investment policy. The portfolio has performed in line with the overall stock market conditions during the financial year with performance continually monitored by the Charitable Funds Committee.

Reserves Policy

The Trustee Board has agreed a Reserves Policy to ensure that donations are spent within a reasonable period from receipt whilst also protecting the financial viability of the fund. The agreed minimum level of reserves is a balance sufficient to cover normalised expenditure for three years and therefore protects the spending plans of the charity against falls in fundraising income, legacies and investment values. Covering running costs in this way gives the Charitable Funds Committee a reasonable timescale to ensure that appropriate management action can be taken to consider alternative funding sources and marketing strategies to improve its position if necessary. It also allows sufficient time for the charity to process on-going commitments and to meet the cost of closure or transfer of the charity's affairs should the need ever arise.

As at 31 March 2019 UHNM had unrestricted reserves of £5.8million which exceeds the amount needed to cover the agreed three years operational and governance costs. The Trustee Board is committed to reducing the excess over the next three years in a way which gives optimum benefit of patients. The charity team is working with fund advisors on spending plans for their particular clinical areas that are in line with both charitable and Trust objectives. The Trust is currently in the process of developing its clinical services strategy which once completed will help signpost the areas where charitable investment might give the best long term benefits to patients. The Trustee Board is also seeking proposals for some potentially higher cost schemes associated with developing specialist services such as cancer and childrens.

Risk Policy

The major risks to which the Charity could be exposed have been identified and considered and systems developed to minimise those risks. The most significant risks have been identified as:

1. Losses from a fall in the value of the investments due to volatility in world markets
2. Fraud

The Committee is satisfied that the Charity's Investment Policy together with robust financial procedures including the regular monitoring of investments minimises the investment risks. Fraud is controlled by robust financial policies and procedures adopted by the Corporate Trustee.

Expenditure Approval Policy

As a grant making charity, each application is considered on its own merits for appropriateness against the Charity and any specific fund objectives, and it must comply with the Charity Commission funding criteria and UHNM Charity Policy. All grant applications are subject to approval by the NHS Trust (to confirm they can benefit from the grant and meet any on-going liabilities) and the Corporate Trustee Board or its appointed officers. All research grants are only awarded if approved by the Ethics Committee and results must be made available within the public domain.

Statement of Trustee's Responsibility

Under charity law, the Trustee is responsible for preparing the Trustee's Report and financial statements for each financial year which show a true and fair view of the state of affairs of the charity and of the charity's financial position for the period. In preparing these financial statements, generally

accepted accounting practice entails that the Trustee:

- selects suitable accounting policies and then applies them consistently;
- makes judgements and estimates that are reasonable and prudent;
- states whether the financial statements comply with applicable accounting standards and statements of recommended practice, subject to any material departures disclosed and explained in the financial statements;
- prepares the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue its activities.

The Trustee is required to act in accordance with the trust deed of the charity, within the framework of trust law. It is responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the Trustee to ensure that, where any statements of accounts are prepared by it under s132(1) of the Charities Act 2011, those statements of accounts comply with the requirements of the regulations under that provision. It has general responsibility for taking such steps as are reasonably open to it to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

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

The Trustee confirms that it has met the responsibilities set out above and complied with the requirements for preparing the Trustee's Report and the financial statements. The financial statements set out in this document have been compiled from and are in accordance with the financial records maintained by the Trustee.

In exercising its powers and responsibilities the Trustee has complied with its duty to have due regard to the Guidance on Public Benefit published by the Charity Commission.

Related Party Transactions

University Hospitals of North Midlands NHS Trust is a related party as it is both the Trustee and the recipient of grants made by the charity. Note 1.11 of the Accounts discloses information about any related party transactions.

STATEMENT OF FINANCIAL ACTIVITIES

Statement of Financial Activities (Including Income and Expenditure Account) for University Hospitals of North Midlands Charity for the Year Ended 31 March 2019

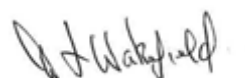
		Unrestricted	Unrestricted	Restricted	Restricted	Total	Total
	Note	Funds 2019	Funds 2018	Funds 2019	Funds 2018	Funds 2019	Funds 2018
Income from:	2	£000	£000	£000	£000	£000	£000
Donations	2.1	380	437	9	10	389	447
Legacies	2.2	916	264	87	1	1,003	265
Trading activities	2.3	0	43	0	0	0	43
Other trading activities	2.4	238	313	7	10	245	323
Investments	2.5	187	190	30	32	217	222
Total Income		1,721	1,247	133	53	1,854	1,300
Expenditure on:	3						
Charitable activities	3.1	1,056	1,358	329	121	1,385	1,479
Raising funds	3.2	98	86	10	13	108	99
Other		0	0	0	0	0	0
Total expenditure	3.3	1,154	1,444	339	134	1,493	1,578
Net gains/(losses) on investments	4	383	99	61	17	444	116
Net Income/ (Expenditure)		950	(98)	(145)	(64)	805	(162)
Transfers between funds	9	0	6	0	(6)	0	0
Net movement in Funds		950	(92)	(145)	(70)	805	(162)
Reconciliation of funds:							
Total funds Brought forward		4,863	4,955	1,066	1,136	5,929	6,091
Total funds carried forward		5,813	4,863	921	1,066	6,734	5,929

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

All income and expenditure derives from continuing activities.

Chairman

Date 8 January 2020



Balance Sheet for University Hospitals of North Midlands Charity as at 31 March 2019

Balance Sheet

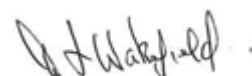
For University Hospitals of North Midlands Charity as at 31 March 2019

		Unrestricted Funds	Restricted Funds	Total Funds 31-Mar-19	Total Funds 31-Mar-18
		£000	£000	£000	£000
	Note				
Non-current assets					
Investments	6	5,246	831	6,077	5,633
Total non-current assets		5,246	831	6,077	5,633
Current assets	7				
Debtors	7.1	166	8	174	194
Cash at bank and in hand	7.2	1,219	247	1,466	1,680
Total current assets		1,385	255	1,640	1,874
Liabilities	8				
Creditors falling due within one year	8.1	(743)	(165)	(908)	(1,465)
Net current assets		642	90	732	409
Total assets less current liabilities		5,888	921	6,809	6,042
Creditors:					
Amounts falling due after more than one year	8.2	(75)	0	(75)	(113)
Net assets		5,813	921	6,734	5,929
Funds of the Charity	9				
Restricted income funds		0	921	921	1,066
Unrestricted income funds		5,813	0	5,813	4,863
Total Funds		5,813	921	6,734	5,929

The notes on pages 15 to 21 form part of this account

Chairman

Date 8 January 2020



Cash flow statement for the year ended 31 March 2019

	2018/19	2017/18
	Total funds £000	Total funds £000
Reconciliation of net income (expenditure) to net cash flow from operating activities		
Net income (expenditure) for the reporting period (as per the Statement of Financial Activities)	805	(162)
Adjustments for:		
(Gains)/losses on investments (Note 4)	(444)	(116)
Interest from Investments	(217)	(222)
(Increase) decrease in debtors	20	(98)
Increase (decrease) in creditors	(595)	516
Net cash provided by (used in) Operating activities	(431)	(82)
Cash flows from operating activities:		
Net cash provided by (used in) operating activities	(431)	(82)
Cash flows from investing activities:		
Purchase of investments (Note 6)	0	(1,000)
Interest from Investments (Note 2.5)	217	222
Proceeds from sale of investments (Note 6)	0	500
Net cash provided by (used in) investing activities	217	(278)
Increase/(decrease) in cash and cash equivalents in the reporting period	(214)	(360)
Cash and cash equivalents at 1 April	1,680	2,040
Cash and cash equivalents at 31 March	1,466	1,680
Analysis of cash and cash equivalents:		
Cash in hand	1,466	1,680
Cash on deposit	0	0
Total cash and cash equivalents	1,466	1,680

Notes to the Financial Statements

1 Accounting Policies

1.1 Basis of preparation

UHNM Charity has prepared financial statements which comply with SORP 2015 (FRS102) for the year ended 31 March 2019. The charity constitutes a public benefit entity as defined by FRS102. The accounts (financial statements) have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014, and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from January 2015.

1.2 Income recognition

All incoming resources are 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 - it is more likely than not that the economic benefits associated with the transaction or gift will flow to the charity;
- iii) measurement - when the monetary value of the incoming resource can be measured with sufficient reliability.

1.3 Legacies

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

1.4 Expenditure recognition

The Charity's 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.

a) Cost of raising funds

The cost of generating funds are the costs associated with generating income for the funds held on trust.

b) Grants payable

Grants payable are payments, made to third parties (including NHS bodies) in the furtherance of the funds held on trust's charitable objectives to relieve those who are sick. 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. This includes grants paid to NHS bodies and relevant allocation of support costs. The majority of grant payments made by the charity have been made to University Hospitals of North Midlands NHS Trust.

c) Support and Governance costs

These are accounted for on an accruals basis and are recharges of appropriate proportions of staff costs from University Hospitals of North Midlands NHS Trust.

1.5 Structure of funds

Where there is a legal restriction on the purpose to which a fund may be put, the fund is classified in the accounts as a restricted fund. Funds where the capital is held to generate income for charitable purposes and cannot itself be spent are accounted for as endowment funds. Other funds are classified as unrestricted funds. Funds which are not legally restricted but which the Trustees have chosen to earmark for set purposes are classified as designated funds. The major funds held are disclosed in note 9.

Notes to the Financial Statements

1.6 Investment Assets

Investment assets are shown at market value.

1.7 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 sales proceeds and opening market value (or date of purchase if later). Unrealised gains and losses are calculated as the difference between market value at the year end and opening market value (or date of purchase if later).

1.8 Change in the Basis of Accounting

There has been no change in the basis of accounting during the year.

1.9 Prior Year Adjustments

There has been no change to the accounts of prior years.

1.10 Pooling Scheme

An official pooling scheme is operated for investments held by the Charity. The scheme was registered with the Charity Commission on 31st March 1998.

1.11 Related party transactions

During the year none of the Trustees or members of the key management staff or parties related to them has undertaken any material transactions with the University Hospitals of North Midlands NHS Trust outside their role as employees of the Trust.

During the year none of the Trustees has received any further remuneration or reimbursement of expenses for the provision of their services as a Trustee of the Charitable Fund outside their role as employees of the Trust.

The charitable trust has made revenue and capital payments to the University Hospitals of North Midlands NHS Trust where the Trustees are also members of the Trust Board.

In year these payments amount to £1,425,806 (2017/18: £1,757,865). Outstanding at the year end was a balance of £432,256 (2017/18: £1,010,851) of which £433,775 is included within creditors falling due within one year, with the remaining £1,518 included in debtors.

1.12 Commitments

Applications for expenditure are treated as commitments as soon as the necessary approval is granted and recipients have received confirmation by the year end in order to create a constructive obligation. The Trustees of these funds will endeavour to encourage spending plans within the forthcoming year.

1.13 Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist.

2 Income

2.1 Donations

	2019			2018		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
In memory of donations	177,726	4,709	182,435	177,200	6,896	184,096
Recognition of Care donations	44,609	1,500	46,109	48,336	-	48,336
Collections	10,461	-	10,461	13,410	262	13,672
Teenage Cancer donation	13,551	-	13,551	14,112	-	14,112
Other specific donation funds	43,262	-	43,262	-	-	-
Arts therapy	-	-	-	10,000	-	-
Research	-	-	-	30,000	-	-
Other donations	90,730	2,955	93,685	144,122	2,372	146,494
Total donations	380,339	9,164	389,503	437,180	9,530	406,710

2.2 Legacies

	2019			2018		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
Legacies	916,091	87,229	1,003,320	264,197	1,405	265,602
Total for the year	916,091	87,229	1,003,320	264,197	1,405	265,602

2.3 Trading activities

Trading activities

	2019			2018		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
Income from Fresh Hair Wig Salon	0	0	0	43,292	-	43,292
Total for the year	0	0	0	43,292	-	43,292

2.4 Income from other trading activities

	2019			2018		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
Charity events and fundraising	237,878	7,374	245,252	312,349	10,189	322,538
Total for year	237,878	7,374	245,252	312,349	10,189	322,538

Income from other trading activities comprises of funds raised through various sporting and other fundraising events.

2.5 Investment income

	2019			2018		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
Income from investments was received as below:						
Income from other investments	179,747	28,473	208,220	188,119	31,188	219,307
Bank interest	7,320	1,160	8,480	2,584	428	3,012
Total for year	187,067	29,633	216,700	190,703	31,616	222,319



3 Expenditure

3.1 Charitable activities

	2019			2018			£
	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £	
Patient welfare and amenities	162,490	14,702	177,192	167,395	2,432	169,827	
Staff welfare and amenities	65,672	9,378	75,050	27,310	-	27,310	
Research	26,473	0	26,473	73,753	-	73,753	
Enhancement of NHS care	630,068	276,192	906,260	938,016	95,503	1,033,519	
Support costs	171,317	29,203	200,520	139,235	23,100	162,335	
Other	474	0	474	12,722	-	12,722	
	1,056,494	329,475	1,385,969	1,358,431	121,035	1,479,466	
3.2 Raising Funds							
Fundraising Trading costs	68,985	4,511	73,496	12,911	847	13,758	
Support costs	29,203	5,142	34,345	73,051	12,120	85,171	
	98,188	9,653	107,841	85,962	12,967	98,929	
3.3 Total expenditure	1,154,682	339,128	1,493,810	1,444,393	134,002	1,578,395	

Included in enhancement of NHS care is the purchase & maintenance of advanced medical equipment, improvements to computer systems and the furtherance of staff education. During the year £906,260 was granted to University Hospitals of North Midlands NHS Trust in respect of the purchase of medical equipment and the County site outpatients refurbishment capital project.

Included in Support costs are external audit fees totalling £11,994 including VAT (£11,994 in 2017/2018).

The charity has no direct employees. Staff involved in the administration of the charity are employees of the University Hospitals of North Midlands NHS Trust. A recharge is made by the Trust to the charity to reflect the cost of administering the charity. Staff costs for the period amounted to £146,399 (£196,124 in 2017/18) and are apportioned between expenditure on raising funds and charitable activities.

4 Net gains/(losses) on investments

	2019 £	2018 £
Net realised gains for the year	0	23,928
Unrealised gains on Investment assets	444,491	92,105
Net unrealised gains for the year	444,491	116,033

In line with FRS102 net gains/losses on investments are now shown before striking a total for net income/(expenditure).

5 Net income/(expenditure) for the year

This is stated after charging:

	2019 £	2018 £
Auditors remuneration:		
Audit fees	11,194	11,194

6 Analysis of Investments

	2019 £	2018 £
Fixed Asset Investments:		
Opening Market value 1 April	5,632,909	5,016,876
Less: Disposals at carrying value	0	(500,000)
Add: Acquisitions at cost	0	1,000,000
Net gain on revaluation	444,491	116,033
Closing Market value at 31 March	6,077,400	5,632,909

The historical cost of the investments held was £4,644,949 (£4,644,949 in 2017/18) and the market value as at 31 March 2019 was £6,077,400 (£5,632,909 in 2017/18).

At 31st March 2019 the mid market value of one Charities Investment Fund Income unit was 1,534.22 pence, 1,422.01 pence as at 31st March 2018.

7 Current assets

7.1 Debtors (falling due within one year)

	2019 £	2018 £
Interest including bank interest	55,180	54,910
Tax credits	2,788	19,850
Debtors	115,836	119,814
Total	173,804	194,574

7.2 Cash at Bank and in hand

	2019 £	2018 £
Cash held at Royal Bank of Scotland	1,466,063	1,680,347

8 Liabilities

8.1 Creditors (falling due within one year)

	2019 £	2018 £
Creditors	866,346	1,418,188
Accruals	41,964	46,633
	908,310	1,464,821

Creditors include the current committed expenditure of the funds amounting to £495,411 (£484,975 in 2017-18)

8.2 Creditors (falling due after more than one year)

	2019 £	2018 £
Creditors (maintenance charges)	74,834	113,419

9 Funds

Designated funds

The income funds of the charity include designated funds comprising unexpended balances of donations and legacies held on trust to be applied wholly or mainly for any charitable purpose or purposes relating to the National Health Service, wholly or mainly for the University Hospitals of North Midlands NHS Trust.

The table below shows all funds with a closing balance of greater than £25,000.

Fund	Balance 01-Apr 2018 £000	Incoming Resources £000	Resources Expended £000	Transfers between funds £000	Gains and losses £000	Balance 31-Mar 2019 £000
UHNM	979	83	(136)	0	65	991
Cancer Centre Fund	613	141	(87)	0	47	714
UHNM Critical Care Fund	250	84	(85)	0	18	267
County Fundraising Appeal	190	150	(197)	0	10	153
UHNM Breast Care Fund	73	25	(19)	0	5	84
Cancer Research	154	1	(11)	(115)	2	31
UHNM Heart Fund	191	51	(9)	0	16	249
Cystic Fibrosis	58	19	(23)	0	4	58
UHNM Children's Centre & Services	243	115	(131)	0	16	243
Respiratory Fund	189	30	(41)	0	13	191
UHNM Gynaecology Fund	59	2	(2)	0	4	63
UHNM Obstetric Fund	80	37	(15)	0	7	109
Neonatal Intensive Care Unit	221	56	(55)	0	16	238
UHNM Neurosciences IP Fund	56	12	(15)	0	4	57
UHNM Trauma and Orthopaedic Fund	68	15	(11)	0	5	77
Renal Fund	99	81	(36)	0	10	154
Imaging Fund	124	28	(5)	0	10	157
UHNM Research and Development Fund	152	5	(5)	0	11	163
UHNM Fresh Hair Fund	204	10	(58)	0	11	167
General Cancer Research Fund	0	140	(9)	115	17	263
County General Fund	74	437	(93)	0	30	448
County Cancer & Haematology Fund	90	31	(4)	0	8	125
Emergency Care Centre	26	8	(9)	0	2	27
UHNM Stroke & AU Fund	34	16	(2)	0	3	51
Art for Life	31	1	(1)	0	2	33
Eye Fund	44	4	(10)	0	2	40
Oral Surgery	41	2	(2)	0	3	44
Colorectal Fund	13	12	(1)	0	2	26
Elderly Care Fund	22	4	(1)	0	2	27
Pot luck patient benefit fund	23	14	(3)	0	2	36
General Medical Fund	23	2	(1)	0	2	26
RSUH General Fund	0	36	(1)	0	2	37
Vascular Research	24	1	(1)	0	2	26
Urology	30	1	(2)	0	2	31
Gastro & Endoscopy Fund	32	5	(5)	0	2	34
All other designated funds (68)	353	62	(68)	0	26	373
Total Funds	4,863	1,721	(1,154)	0	383	5,813

The number of funds remaining at 31st March 2019 was 103 (102 at 31 March 2018).

Restricted Funds

The income funds of the charity include restricted funds comprising unexpended balances of donations and legacies held on trust to be applied wholly or mainly for specific purposes.

The table below shows all funds with a closing balance of greater than £25,000.

	Balance 01-Apr 2018 £000	Incoming Resources £000	Resources Expended £000	Transfers between funds £000	Gains and losses £000	Balance 31-Mar 2019 £000
North Staffs Heart Committee	949	129	(335)	0	52	795
Chemotherapy Legacy	88	3	(3)	0	6	94
All other restricted funds (5)	29	1	(1)	0	3	32
	1,066	133	(339)	0	61	921

The number of funds remaining at 31st March 2019 was 7 (7 at 31 March 2018).

Notes to the Financial Statements

10 Commitments

The funds have the following commitments:

	Total 2019 £	Total 2018 £
Charitable projects	93,590	169,747
Charitable projects over one year	74,834	113,419
Capital	326,987	201,809
	<u>495,411</u>	<u>484,975</u>

The trustees recognise liabilities in the accounts once they have incurred either a legal or constructive obligation to spend the funds. Commitments of £495,411 have been included in this set of accounts as part of Creditors, refer to notes 8.1 and 8.2.

Applications for expenditure are accounted for on an accruals basis. A commitment is created where approval is granted and a constructive obligation has been created. All of the commitments in both 2018/2019 and 2017/18 relate to grants payable.

In previous years the Charity has made a commitment to fund the on-going maintenance for equipment that it has funded through grant payments. From 1 April 2017 the Charity will no longer fund the on-going maintenance for new equipment purchased from grant payments.

11 Five year summary of Income and Expenditure

Financial year	2015 £000	2016 £000	2017 £000	2018 £000	2019 £000
Total Incoming Resources	2,313	1,841	2,069	1,300	1,854
Total Resources Expended	(2,476)	(2,134)	(1,370)	(1,578)	(1,493)
Gains/(losses) on Investment assets	409	(187)	661	116	444
Net movement in funds	<u>246</u>	<u>(480)</u>	<u>1,360</u>	<u>(162)</u>	<u>805</u>

The date of the approval of the accounts by Trust Board was 8 January 2020

Independent auditor's report to the corporate trustee of UHNM Charity

Opinion

We have audited the financial statements of University Hospitals of North Midlands Charity (the 'charity') for the year ended 31 March 2019, which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 Financial Reporting Standard 102; 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice). In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2019 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We have been appointed as auditor under section 149 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. 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

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

- the corporate trustee's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or

- the corporate trustee has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The corporate trustee is responsible for the other information. The other information comprises the information included in the Annual Review including the Trustees' Report, set out on pages 1 to 23 other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Annual Review including the Trustees' Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the corporate trustee for the financial statements

As explained more fully in the Statement of Trustee's Responsibilities set out on page 11, the corporate trustee is responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the trustee determines 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 corporate trustee is 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 corporate trustee either intends to liquidate the charity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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/auditors-responsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Section 154 of the Charities Act 2011. 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 its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Grant Thornton UK LLP

Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Birmingham
24th January 2020

Grant Thornton UK LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.



Grant Thornton

