



Registered Charity Number- 1061812

Annual Report and Accounts 2020-2021





Derby & Burton
Hospitals Charity

Registered Charity Number: 1061812

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Making Lives Better

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Derby & Burton
Hospitals Charity

Registered Charity Number: 1061812

Corporate Trustee Foreword



Making Lives Better

Corporate Trustee Foreword

Welcome to the annual report and accounts for Derby and Burton Hospitals Charity for the year ending 31st March 2021. As Chair of University Hospitals of Derby and Burton NHS Foundation Trust, (UHDB) who act as Corporate Trustee to the Charity, I am delighted to present this report in accordance with the Charities Act 2011. Throughout the year, the Charity has continued to serve the hospitals across the University Hospitals of Derby and Burton NHS Foundation Trust and the wider community, across Derbyshire and East Staffordshire.

The last year has been one we will never forget - the effect of the coronavirus on so many people's lives has been profound, and in some cases, tragic. Many families are now grieving for relatives lost during the pandemic, whilst dealing with the economic consequences of extended periods of lockdown. Derby and Burton Hospitals Charity has witnessed at first hand the heroic efforts of our doctors, nurses and support staff in caring for so many patients seriously ill with COVID.

But this year more than ever we realised we were not alone. So many people gave donations – of money or goods or time - to support our staff and patients. This left us humbled and feeling immense gratitude to the many groups, companies and individuals who stepped in to help where they could.

This report gives an idea of the level of support you gave us over the past year, whether supporting the COVID appeal or giving to other areas of the hospitals' work. We are profoundly grateful and I want to say thank you to everyone who helped in whatever way you could.

The efforts of caring for so many seriously ill patients has taken its toll though, and we recognise that it will be a long time before many of our staff have fully recovered from the physical and psychological impact of what they have been through. We also know that many patients have had treatment delayed as a result of the pressures our service has been under. So our report indicates ways in which we will continue to support our staff, patients and visitors into the future.

We will never forget 2020 – and nor should we. The impact of the pandemic and the outpouring of generosity showed us the real community spirit that surrounds us. So this year we will look again at the work the Charity does - supporting patients, carers, visitors and staff and ask – are there other things we can do to help? Are there other ways the Charity can support those who need us? One thing won't change though, and that is our gratitude to you, and everyone who supported us over the past year. Like dear Captain Sir Tom Moore, you were there when we needed you and for that you have our endless thanks.



Dr Kathy McLean OBE
Chair, University Hospitals of Derby and Burton NHS Foundation Trust

DATE: 6 August 2021



Derby & Burton
Hospitals Charity

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Annual Report



Making Lives Better

a) Mission Statement

To support the Trust in delivering 21st century healthcare, enhancing the patient experience for the people we serve.

b) Our Vision and Strategic Objectives

To become the local Charity of choice for the people of Derbyshire and Staffordshire and surrounding areas.

“For any charitable purpose or purposes relating to the National Health Service wholly or mainly for the services provided by the University Hospitals of Derby and Burton NHS Foundation Trust (UHDB)”

The Charity aims to achieve benefit for the public in all of its activities. UHDB’s Trust Board reviews the Charity Commission’s general guidance on public benefit when setting the terms of reference for the Charitable Funds Committee. The Charitable Funds Committee takes account of the Charity Commission’s guidance on public benefit in planning the budget for each year, and in setting or reviewing the guidelines for Fund Advisors, who allocate charitable spending. The funds of the Charity are comprised primarily of donations and legacies from members of the public and private organisations. The Charity’s overall objective is to use these funds to benefit the public. The Charity achieves this by ensuring that its funds are used for the following purposes:

- To purchase medical, surgical and other equipment and services;
- To purchase or construct assets for donation to the Trust; and
- To fund research projects.

These activities benefit the public. They are not covered, or not fully supported by core NHS funds. The Charity defines “the public” as patients, their carers and the NHS staff who look after them in Derbyshire, East Staffordshire and beyond. All grant applications from the Trust for charitable expenditure are subject to review and challenge before they are approved. All applications are reported to the Charitable Funds Committee or directly to the Trust Board, as Corporate Trustee. This includes confirmation that the expenditure is for public benefit and cannot be met through core NHS funds. Derby and Burton Hospitals Charity is at its most effective when it combines the expertise and commitment of highly skilled NHS staff, with the generous support of the Derbyshire and Staffordshire communities to bring about better quality care and support for patients. UHDB, as Corporate Trustee confirms that it has referred to the Charity Commission’s general guidance on public benefit when reviewing the Charity’s aims and objectives; planning future activities; and setting the grant-making policy for the year.

Annual Report

c) Charitable Funds Committee

As Corporate Trustee, the UHDB Trust Board has established a Charitable Funds Committee (CFC) which monitors the performance of the Charity as well as making decisions on charity funding plans.

The CFC meets at least six times a year, to receive updates on the operational and financial performance of the Charity.

The CFC has delegated responsibility to appoint and revoke the responsibility of a Fund Manager and makes recommendations to the Trust Board on strategic decisions.

d) Charity Structure, Governance and Management

The Charity is governed by Corporate Trustee in which the Board of Directors for the University of Derby and Burton Hospitals NHS Foundation Trust act as agents for the Trustee. The Trust Board members receive no remuneration for their work as agents of the Corporate Trustee.

As Corporate Trustee, the Trust Board has adopted several policies for the effective management of charitable funds and has set up a Charitable Funds Committee to drive these policies forward and make decisions about new policies and their implementation. The Committee now meets at least six times a year, and is made up of representatives of the Trust Board, a Divisional Director, Consultants, Fund Managers, Staff Side representatives, Charity and Finance Department representatives, and representatives from the Council of Governors of the University Hospitals of Derby and Burton NHS Foundation Trust. As Corporate Trustee, the Trust Board approves major decisions and is responsible for the activities of the Charity. The Charity also has a number of working groups to monitor various aspects of the Charity's operations.

Derby & Burton Hospitals Charity's principal office is Royal Derby Hospital, Uttoxeter Road, Derby, DE22 3NE. The Charity registration number is 1061812. The Charity's governing document is the Declaration of Trust dated 13/3/97 as amended by Statutory Instrument of 18 March 1999 together with Supplement Deeds of 16 November 1999 and 17 August 2004, and further amended on 06 Nov 2018 following the merger of Derby and Burton NHS Foundation Trusts in July 2018.

e) Related Parties and Corporate Trustee

The Charity works to support the University of Derby and Burton Hospitals NHS Foundation Trust. The Charity works across all the five sites and the wider community across Derbyshire and East Staffordshire.. Full details of the Trust related parties are disclosed in the UHDB Annual Report and accounts. The current list of Trust Board Members is shown in the table below.

Annual Report

Corporate Trustee Members 2020-21

Executive Directors	Position Held	Change During Year (if applicable)
Gavin Boyle	Chief Executive	N/A
Dr Magnus Harrison	Executive Medical Director and Deputy Chief Executive	N/A
Duncan Bedford	Executive Managing Director - Burton	N/A
Sharon Martin	Executive Chief Operating Officer	N/A
Peter Moore	Executive Director of Strategy and Integration	N/A
Cathy Winfield - MBE	Executive Chief Nurse	N/A
Amanda Rawlings	Executive Director of Workforce	N/A
Simon Crowther	Executive Director- Finance and Performance	Appointed 28/09/2020
Executive Directors Left During the Year	Position Held	Change During Year (if applicable)
Krishna Kallanpur	Interim Executive Chief Nurse	Left the Trust Board on 30/06/2020
Kevin Downs	Executive Director- Finance and Performance	Left the Trust on 30/09/2020
Non-Executive Directors	Position Held	Change During Year (if applicable)
Justin Shannahan	Non - Executive Director	Appointed 01/06/19 and Term Expires 31/05/22
Dr Ian Gell	Non - Executive Director	Appointed 01/07/19 and Term Expires 30/06/22
Dr Kathy McLean - OBE	Chair	Appointed 01/08/19 and Term Expires 31/07/22
Professor Victoria Chapman	Non - Executive Director	Appointed 01/02/20 and Term Expires 31/01/23
Joy Street	Non - Executive Director	Reported 31/03/20 and Term Expires 31/03/23
Christine Fearn	Non - Executive Director	Appointed 01/02/20 and Term Expires 31/01/23
Kathy Fardon	Non - Executive Director	Appointed 01/05/20 and Term Expires 30/04/23
Sardip Sandhu	Non - Executive Director	Appointed 15/02/21 and Term Expires 14/02/24
Stephen Jarratt	Non - Executive Director	Reappointed 01/05/21 and Term Expires 30/04/22
Non-Executive Directors Left During the Year	Position Held	Change During Year (if applicable)
Graham Bragg	Non - Executive Director	Term Expired 30/04/20
Professor Avril Drummond	Non - Executive Director	Term Expired 31/01/20
Dr Stephen Goode	Non - Executive Director	Term Expired 11/02/21

Annual Report

f) Managing the Charity

The Charity Team (led by the Charity Operations Director) are directly employed by the UHDB Trust (with NHS contracts of employment). All of the teams salary is re-charged to the Charity who pay the salary costs through the operational budget funded by the surplus income and unrealised gains from investments.

The Charity also receives financial advice from the University Hospitals of Derby and Burton Foundation Trust. This support is managed and provided by the Executive Director - Finance and Performance and the Assistant Director of Financial Services.

g) Management of the Charity's funds

The Charity's aim is to enhance and improve the experience of patients and visitors using the hospital and to support the Trust staff to enable improved patient care. The funds are held across 230 individual charitable funds.

To be fully effective the Charity will ensure:

- Careful stewardship of donations. We will use the funds effectively and in a timely manner and where appropriate we will see that proactive fundraising is in place to increase income.
- Donations are used according to donors' wishes and that information collected is in accordance with all applicable laws concerning data protection regulations (GDPR) of personal information.
- Support is provided to Fund Managers in the proper discharge of their responsibilities and ensuring that each individual fund prepares an acceptable plan.

Expenditure is reviewed in detail, the costs of running the Charity are minimised through efficient governance and administration purposes and the costs of fundraising are measured against the level of income generation relating to that expenditure.

h) A short operational review of 2020-21 by the Charity Operations Director, Tim Diggle.

2020 was a year like no other. For the Charity, we were faced with managing large volumes of donated goods, whilst supporting fundraisers who had to switch to virtual or online fundraising as one fundraising event after another had to be cancelled. This meant that our income from events was lower than planned. We were fortunate that a combination of our local COVID appeal, and the national appeal through NHS Charities Together brought in sufficient funds to allow us to continue our work, supporting patients and staff throughout the periods of the pandemic. This also meant we received many donations from groups and individuals new to us. We have been really grateful for their support.

With visiting restrictions in place, and many staff required to work from home, the Charity team operated a rota system to make sure we had staff cover every day. The hospitals were much quieter, but there were times when the Charity team were asked to help other areas at short notice. We helped the patient experience team and the mortuary during the height of the pandemic. This meant there were times when charity offices and the Charity Hub at the Royal Derby Hospital were closed for short periods of time.

We said goodbye to the Hub Co-ordinator who managed the Charity Hub until February 2021, and we welcomed our new Head of Fundraising, and our new Charity Finance Apprentice.

Annual Report

Income and Expenditure Summary	2020-21	2019-20
	£000	£000
Opening Fund Balance b/fwd	(9,218)	(9,547)
Plus Income		
Legacies and Income in Memory of	(984)	(1,357)
Donations and Grants	(811)	(622)
Investment Income	(276)	(364)
Other Income	(465)	(319)
Total General Income	(2,536)	(2,662)
Income from the Trust	0	(900)
Total Income	(2,536)	(3,562)
Less Expenditure		
Raising Funds	382	570
Charitable Activities	1,745	2,232
Total Expenditure	2,127	2,802
Net (Gains)/Losses on Investments	(1,997)	1,089
Closing Fund Balance	(11,624)	(9,218)

I) Risk Management

The Risk Management Working Group reviews the risks to which the Charity is exposed. Systems and procedures are in place to manage those risks and reports are regularly presented to the Charitable Funds Committee with any high level risks reported to the Trust Board, as the Corporate Trustee.

m) The Future Plans 2021-22

The change in giving patterns and the cancellation of events during the pandemic meant the Charity had to change its activities. Our experiences during 2020 also acted as a stress test for the Charity's systems and processes. Whilst the Charity coped well with the different stresses it became clear that there is work to do:

- to improve the quality of communication with our supporters,
- to make our fundraising and grant application processes clearer and more detailed
- to ensure our governance process is robust and clearly understood
- to develop a pipeline of projects for which we can raise funds

This will take time, so we will devote time during the coming year to develop a new five year strategic plan. This should be ready by the autumn, and show how we will work in partnership with UHDB, and with other partner organisations in our health economy. We have also committed to continuing support for the hospital staff and patients as we come out of the pandemic and move into the recovery phase, where the hospitals catch up on the backlog of treatment.

Signed on behalf of the Trust Board and the Corporate Trustee



Dr Kathy McLean OBE
Chair of the Trust Board

DATE 6 August 2021

Annual Report

As the vaccination programme moves on, and life begins to return to normal, we have reintroduced an events programme for the coming year, which is already proving popular. We are also taking some time to develop our long term plan, which will inform and guide our work over the next five years.

i) Financial Review of 2020-21

The summary statement below gives a snap shot of the Charity's assets and liabilities and how these are represented by the different classes of funds held by the Charity. These are represented across the 230 individual funds of the Charity. The objective of the balance sheet is to show the resources available to the Charity and whether these are available for all purposes of the Charity (known as unrestricted or designated funds) or have a need for specific purposes of legal restrictions placed on their use. Further details are shown in the notes to the accounts.

Financial Review Summary	2020-21	2019-20
	£000	£000
Investments	9,927	7,905
Cash	1,731	1,684
Debtors	172	42
Stock	5	9
Creditors	(211)	(422)
Net Assets	11,624	9,218
The Funds of the Charity		
Endowments	338	283
Restricted	379	97
Unrestricted	10,907	8,838
Reserves	11,624	9,218

The increase in the investment total in 2020-21 is due to the recovery of the financial markets, which took a decline at the start of the first wave of the pandemic in March 2020. The cash figure above is a combination of the money held in the Charity Main Bank Account and the Charity Lottery Bank Account, both with Lloyds Bank.

During the previous financial year 2019-20 the Charity created a Hub, and began selling charity branded merchandise across all the UHDB hospital sites. This has continued during 2020-21 and charity hoodies and other branded merchandise has shown to be particularly popular with staff who can now be seen wearing them on all five sites. The stock figure in the above table is the value of stock held at the 31st March 2021.

Summary of Income and Expenditure during 2020-21

This table below gives a summary of the Income and Expenditure and Net (Gains) and Losses on investments recognised for the reporting periods. It provides an analysis of the total income received and the expenditure by the Charity on its activities and represents a reconciliation of the movements in the Charity's funds for the reporting period. Further details and breakdown are shown in the notes to the accounts. Donations and grant income include £208,000 received in respect of the local COVID Appeal fund and £212,000 from the national NHS Charities Together COVID Appeal Fund.



Derby & Burton
Hospitals Charity

Registered Charity Number: 1061812

Statement of Responsibilities



Making Lives Better

Statement of Responsibilities

The Trustees are responsible for preparing the Trustees' Report and the Financial Statements in accordance with applicable law and the United Kingdom Accounting Standards known as United Kingdom Generally Accepted Accounting Practice (UKGAAP).

The law applicable to charities in England and Wales required the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of the affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards (comprising of FRS102) have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable organisation will continue to operate.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy, and at any time the financial position of the Charity and to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provision of the trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Signed On behalf of the Corporate Trustee



**Chief Executive
Gavin Boyle**

DATE; 6 August 2021



Derby & Burton
Hospitals Charity

Registered Charity Number 1061812

Independent Auditors Report



Making Lives Better

Independent Auditors Report

Opinion

We have audited the financial statements of Derby & Burton Hospitals Charity (the 'charity') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, Balance Sheet, 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 2021, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. 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 trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

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.

Independent Auditors Report

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 14, the trustees are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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 regulations made under section 154 of that Act.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Based on our understanding of the charity and industry, we identified that the principal risk of fraud or noncompliance with laws and regulations related to:

- management bias in respect of accounting estimates and judgements made;
- management override of control;
- posting of unusual journals or transactions
- significant cash-based transactions
- receipt of cash donations
- use of charitable funds

We focussed on those area that could give rise to a material misstatement in the Charity financial statements. Our procedures included, but were not limited to:

- Enquiry of management and those charged with governance around actual and potential litigation and claims, including instances of non-compliance with laws and regulations and fraud;
- Reviewing Charitable Funds Committee minutes;
- Reviewing legal expenditure in the year to identify instances of non-compliance with laws and regulations and fraud

Independent Auditors Report

- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias. In particular
- Performing tests of control for donation envelopes and review of specific fund expenditure.

It is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

This report is made solely to the 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.



James Delve (Senior Statutory Auditor)
For and on behalf of
Smith Cooper Audit Limited
Chartered Accountants and Statutory Auditors
St Helens House
King Street
Derby
DE1 3EE
Date 6 August 2021



Derby & Burton
Hospitals Charity

Registered Charity Number: 1061812

Main Statements



Making Lives Better

Main Statements

Statement of Financial Activities

The Statement of Financial Activities is a financial report detailing the change in the Charity's net assets during the financial year.

It provides an analysis of the income and endowment funds received and the expenditure by the Charity on its activities, and presents a reconciliation of the movements in the Charity's funds for the reporting period.

	Note	2020-21				2019-20			
		Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds
		£000	£000	£000	£000	£000	£000	£000	£000
Income and Endowments from:									
Donations and Legacies		(1,462)	(396)	0	(1,858)	(1,959)	(20)	0	(1,979)
Charitable Activities		(56)	(50)	0	(106)	(114)	(9)	0	(123)
Other Trading Activities	2	(292)	0	0	(292)	(173)	0	0	(173)
Investment Income		(276)	0	0	(276)	(364)	0	0	(364)
Other Income		(4)	0	0	(4)	(23)	0	0	(23)
Total General Income		(2,090)	(446)	0	(2,536)	(2,633)	(29)	0	(2,662)
Income from the Trust		0	0	0	0	(900)	0	0	(900)
Total Income		(2,090)	(446)	0	(2,536)	(3,533)	(29)	0	(3,562)
Expenditure On:									
Raising Funds		382	0	0	382	564	6	0	570
Charitable Activities	3	1,510	235	0	1,745	2,224	8	0	2,232
Total Expenditure		1,892	235	0	2,127	2,788	14	0	2,802
Net (Gains)/Losses on Investments		(1,942)	0	(55)	(1,997)	1,056	0	33	1,089
Net (Income)/Expenditure		(2,140)	(211)	(55)	(2,406)	311	(15)	33	329
Transfers Between Funds		71	(71)	0	0	(3)	13	(10)	0
Net Movement in Funds		(2,069)	(282)	(55)	(2,406)	308	(2)	23	329
Reconciliation of Funds									
Total Funds Brought Forward		(8,838)	(97)	(283)	(9,218)	(9,146)	(95)	(306)	(9,548)
Total Funds Carried Forward		(10,907)	(379)	(338)	(11,624)	(8,838)	(97)	(283)	(9,218)

Main Statements

Balance Sheet

The balance sheet provides a true and fair view of the Charity's assets and liabilities and how these are represented by the different classes of funds held by the Charity. The objective of the balance sheet is to show the resources available to the Charity and whether these are available for all purposes of the Charity or have to be used for specific purposes because of legal restrictions placed on their use.

	Notes	As at 31 March 2021				As at 31 March 2020			
		Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds March 2021	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds March 2020
		£000	£000	£000	£000	£000	£000	£000	£000
Fixed Assets: Investments	7	9,210	379	338	9,927	7,525	97	283	7,905
Total Non-Current Assets:		9,210	379	338	9,927	7,525	97	283	7,905
Debtors	9	172	0	0	172	42	0	0	42
Stocks	10	5	0	0	5	9	0	0	9
Cash and Cash Equivalents	11	1,731	0	0	1,731	1,684	0	0	1,684
Total Current Assets		1,908	0	0	1,908	1,735	0	0	1,735
Current Liabilities: Creditors	12	(211)	0	0	(211)	(422)	0	0	(422)
Total Current Liabilities		(211)	0	0	(211)	(422)	0	0	(422)
Total Net Assets		10,907	379	338	11,624	8,838	97	283	9,218
The Funds of the Charity:									
Endowment Funds	17	0	0	338	338	0	0	283	283
Restricted Funds	18	0	379	0	379	0	97	0	97
Unrestricted Funds	19	10,907	0	0	10,907	8,838	0	0	8,838
Total Funds		10,907	379	338	11,624	8,838	97	283	9,218

Signed On behalf of the Corporate Trustee



Gavin Boyle

DATE: 6 August 2021

Main Statements

Cash Flow

The Statement of Cashflow aims to show how changes in balance sheet accounts and income affect cash and cash equivalents, and breaks the analysis down to operating, investing and financing activities. Essentially, the cash flow statement is concerned with the flow of cash in and out of the Charity.

	Total Funds 2020-21 £000	Total Funds 2019-20 £000
Cash Outflow from Operating Activities	(204)	629
Net Cash Inflow in Investing Activities	251	331
Net Cash Change in Cash and Cash equivalents	47	960
Cash and Cash Equivalents at the Beginning of the Period	1,684	724
Cash and Cash Equivalents at the End of the Period	1,731	1,684



Derby & Burton
Hospitals Charity

Registered Charity Number: 1061812

Notes to Accounts



Making Lives Better

Notes to the Accounts

Introduction

If at any time this document gives reference to terms which are unclear in their meaning, please refer to the glossary which can be found from page 37 onwards. The Charity acknowledges that from time to time there may be minor rounding differences between notes to the accounts and the main statements. Where those amounts account for less than £5k, the Charity deems them to be insignificant in nature and therefore an acceptable rounding difference.

These accounts have been prepared using the Going Concern convention. The Trustees consider that there are no material uncertainties affecting the current year's accounts. In future years the Trustees have identified that there is a risk of decline in donations; particularly in relation to legacy income. The Trustees have made adequate arrangements to mitigate these risks as outlined in the Annual Report.

1. Changes in Accounting Policy

The Accounting Policies for the Charity form part of the overall Governance Framework document approved by the Charitable Funds Committee. The accounting policies can be found from page 32. There have been no changes in Accounting Policy for 2020-21.

2. Incoming Resources

Income from donations and legacies is further analysed below. The reduction in legacy and in memory of income, is due to the delay in probate due to the pandemic and the reduction of mourners attending funerals due to social distancing guidelines. The donations and grant income includes the £418k received, as a result of the COVID pandemic.

	2020-21	2019-20
	£000	£000
Legacies and Donations In Memory	984	1,357
General Donations	811	481
Fundraising Income - 3rd Party	63	141
Total Donations and Legacies	1,858	1,979

Investment Activities are further analysed as follows:

	2020-21	2019-20
	£000	£000
Bank Interest	3	3
Investment Income	273	361
Total Investment Activities	276	364

Notes to the Accounts

Income from Charitable Activities includes the event registration income and monies received from individuals who raised sponsorship for the events. Income from trading activities includes the Charity lottery, and the sale of merchandise.

	2020-21	2019-20
	£000	£000
Charitable Activities Income	106	123
Other Trading Activities	292	173
Other Income	4	23
Total Other Activities	402	319

3. Resources Expended

Analysis of Charitable Fund Expenditure

	Unrestricted		Restricted		Total	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
	£000	£000	£000	£000	£000	£000
Net Charitable Activities:						
Medical Equipment	237	14	29	0	266	14
Patient Education and Welfare	814	1,277	50	7	864	1,284
Medical Research	24	23	0	0	24	23
Staff Education and Welfare	144	492	156	1	300	493
Net Charitable Activities	1,219	1,805	235	8	1,454	1,813
Plus Support Costs:						
Support Costs	291	419	0	0	291	419
Total Support Costs	291	419	0	0	291	419
Total Charitable Activities Costs	1,510	2,224	235	8	1,745	2,232

Analysis of Expenditure on Raising funds

	2020-21	2019-20
	£000	£000
Fundraising Staff Costs	214	212
Advertising & Marketing Costs	61	55
Fundraising Expenditure	8	22
Lottery - Running Costs	99	280
Total Raising Funds Costs	382	570

Notes to the Accounts

4. Trustees Remuneration, Benefits and Expenses

A number of the members of the Corporate Trustee sit on the Charitable Funds Committee and are eligible to reclaim expenses that they may incur in fulfilling their duties for the Charity. In 2020-21, no expenses were paid in 20-21 by the Charity to any Trustee for this role.

5. Staff Costs and Remuneration to Key Charity Operational Personnel

In 2020-21 the Trust employed 12 employees on behalf of the Charity (10 employees in 2019-20). The salaries are paid by the Trust and then are recharged to the Charity.

The Charity is led by the Charity Operations Director and strategic support is received by the Executive Director of Finance and Performance and the Assitant Director of Financial Services from the Trust. A proportion of their salary is recharged by the Charity. The salaries of of the 12 Charity key operational personnel and the strategic support from the Trust are included in the table below.

	2020-21	2019-20
	£000	£000
Salaries and Wages	278	251
Social Security Costs	26	23
Other Pension Costs	35	32
Total Direct Staff Costs	339	306
Payments to Agency Staff	14	12
Total Staff Costs	353	318

6. Auditors' Remuneration

The external auditors remuneration 2020-21 fee for Smith Cooper Ltd in respect of the statutory audit is estimated at £8k (2019-20 £6k) and is included as an accrual in the accounts.

7. Investments

During the financial year 20-21 the Charity went through an Investment Management Tender exercise in which Cazenove Capital Ltd were appointed as the preferred sole provider. At the end of the financial year, the assets from the former CCLA had been transferred to Cazenove, but the transfer from Rathbones who previously held the majority of the investments had not taken place. These were transferred during April 2021 and will be reflected in the 2021-22 accounts.

The combined total value of the Charity's investments held at the 31 March 2021 is £9.927m and is shown in the table below and these have a Fair Value amount equal to the deposit amount. Movements in the total fair value of Non-Current Investments are recognised as gains or losses in the Statement of Financial Activities. The difference in the value of the investments from the previous financial year 2019-20 is shown in the balance sheet. The increase in the balance of investments is due to the recovery of the financial market that fell at the start of the COVID pandemic in March 2020.

Notes to the Accounts

Asset Class	Rathbones		Asset Class	Cazenove	
	Percentage	2020-21		Percentage	2020-21
	%	£000		%	£000
Fixed Interest	3%	268	Equities	72%	1,035
UK Equities	46%	3,950	Bonds	9%	132
Overseas Equities	24%	2,014	Multi Asset Funds	2%	29
Alternatives	8%	652	Alternatives	14%	192
Cash	19%	1,614	Cash	3%	41
Total	100%	8,498	Total	100%	1,429

8. Financial Instrument Risk Analysis

At the start of the COVID pandemic, the Charity was exposed to a medium level of financial risk relating to liquidity and interest rates on investments. This was managed regularly by the Charity and reported to the Charitable Funds Committee. The external investment management advisors also gave advice to the Charity regarding the management of their investments. The Charity's financial operations are also carried out in accordance with the Charity's Standing Financial Instructions and policies and the Trust Standing Orders and Financial Instructions, as agreed by the Corporate Trustee.

Currency risk

The Charity is principally a domestic organisation with the majority of transactions, assets and liabilities being in the UK and Sterling based. The Charity has no overseas operations and does not invest in currency hedging. The Charity therefore has low exposure to currency rate fluctuations.

Interest rate risk

The Charity's investments are subject to fluctuations in their return in line with the investment portfolio determined by the Trustees. The Charity contracts its Investment Management operations to external companies who manage the portfolio to mitigate as far as possible the fluctuations in interest rates. Current liabilities of the Charity are covered by identified cash resources and are therefore not subject to interest rate risk.

Credit risk

The main income for the Charity is mainly in relation to legacy, grants and donations and sponsorship from the Charity's events. The Charity provides no services under contract. As such income is in the main only recognised as it is given to the Charity meaning that the debtors of the Charity are low. As such the Charity's exposure to credit risk is minimal.

Liquidity risk

As the Charity holds most of its assets in investment funds, its normal day to day expenses are covered through donations, investment income and receipts received during the year. This means that the Charity is exposed to a degree of liquidity risk in that there is a dependance day to day on income being generated into the Charity's bank account. This risk is mitigated through the treasury management section of the Finance Department who monitor daily cashflow forecasts for the Charity. If cash balances are forecasted to low, investments would be realised to increase the cash balance.

Notes to the Accounts

9. Debtors

	2020-21	2019-20
	£000	£000
Legacies	113	39
Debtors - External	59	3
Total Debtors	172	42

The legacies figure above relates to the Pecuniary Legacies where the Charity has been notified of an exact amount from solicitors and legacy notification services.

10. Stock

	2020-21	2019-20
	£000	£000
Merchandise	5	9
Total Stock	5	9

11. Cash and Cash Equivalents

	2020-21	2019-20
	£000	£000
Charity Current Account	1,447	1,555
Charity Lottery Account	284	129
Total	1,731	1,684

12. Creditors

Amounts owed to University of Derby and Burton Hospitals NHS Foundation Trust (UHDB) at the 31 March 2021, relate to the sundry creditor payments made by the Trust on behalf of the Charity that have not been recharged.

	2020-21	2019-20
	£000	£000
Creditors - Amounts due within one year	64	36
UHDB	147	386
Total Creditors	211	422

13. Contingent Asset

The Charity has accrued for the probable legacies where the Charity has been informed of these by Solicitors and a legacy notification services. The estimated probable accrual is £349k (£249k. 2019-20), however the maximum notified income could be as high £1.058m (£753k in 2019-20). The Charity has

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Notes to the Accounts

accrued for £113k (£35k in 2019-20) therefore recognises that there is a possible contingent asset of £946k (£719k in 2019-20).

14. Donated Items

During 20-21, as a result of the COVID pandemic the Charity received a number of donated goods. Management estimated the value of the goods to be around £53k however as these cannot be reliably measured then it has not been recognised in the financial statements.

15. Commitments

Of the total balance held at 31 March 2021, the Charity has £2.598m (£1.891m in 2019-20) that it has designated and committed (not provided for as a liability in the accounts).

16. Related Party Transactions

The Charity has a related party relationship with the University of Derby and Burton Hospitals NHS Foundation Trust. The Trust holds the employment contracts for all Charity staff and provides the Charity with office accommodation, legal services and is the responsible Corporate Trustee for the Charity.

The stakeholders in the Charity are the Patients, Board Members, Governors and staff of the Trust. Patients and Staff of the Trust are the beneficiaries of the Charity's goodwill. Board Members, Governors and Staff of the Trust influence the decisions of the Charity.

Transactions between the Charity and the Trust during the year were mainly in relation to salary payments for its staff and BACS payment of Charity supplier invoices which were initially paid by the Trust and refunded by the Charity on a monthly basis.

The Charity has also reimbursed revenue and capital payments of £226k in 2020-21 (£512k in 2019-20) to the Trust for net payments made on its behalf.

At the end of the financial year £147k (£388k in 2019-20) was owed by the Charity to the Trust.

During the year none of the members of the Corporate Trustee or members of the key management staff or parties related to them has undertaken any material transactions with the Charity (nil in 2019-20)

17. Endowment Funds

The Wilfred Noble Endowment was left to the Charity to generate investment income which is used to provide extra comforts for patients upon their discharge from hospital.

	Endowment
	£000
1 April 2019	(316)
Gains & (Losses)	33
31 March 2020	(283)
Gains & (Losses)	(55)
31 March 2021	(338)

Notes to the Accounts

18. Restricted Funds

The restricted funds held by the Charity are as follows

- The COVID Appeal Fund in respect of the pandemic for income received in support of the pandemic and also the expenditure for patients and staff has been designated a restricted fund.
- The Children's Hospital Patients Restricted Fund, arising from a reversionary legacy that is for the purchase of equipment and services for the direct benefit of children.
- The charity launched a DART appeal (now renamed Combined Cancer Appeal) aimed at raising funds for the purchase of a new Linear Accelerator (Radiotherapy machine) and enhancements to the waiting areas in Radiotherapy. The money raised through this appeal for the radiotherapy is restricted for this purpose.
- The Pears Fund is for volunteer support for meal time activities in the hospital which has been designated a restricted fund.

	Restricted Funds
	£000
31 March 2019	(95)
Income	(29)
Expenditure	14
Transfers	13
31 March 2020	(97)
Income	(446)
Expenditure	235
Transfers	(71)
31 March 2021	(379)

19. Unrestricted funds

The Charity has reported material funds as those which hold 5% or more of the overall value of funds. The UHDB General Funds are those funds for general income and expenditure across the five hospitals within the Trust.

NMU Patients is for the purchase of equipment and/or services directly for patients within palliative care, typically patients who are staying on the Nightingale Macmillan Unit. NMU General is for general purposes within palliative care, typically relating to the Nightingale Macmillan Unit. Other unrestricted funds are designated funds for purposes in keeping with the principals of the Charity and wishes of the donors.

Notes to the Accounts

	UHDB General Funds	NMU Patients	NMU General	Other Unrestricted Funds	Total
	£000	£000	£000	£000	£000
31 March 2019	184	443	1,587	6,932	9,146
Income	270	95	420	2,748	3,533
Expenditure	(168)	(54)	(100)	(2,465)	(2,788)
Transfers	0	0	0	3	3
Gains & (Losses)	0	0	0	(1,056)	(1,056)
31 March 2020	286	484	1,907	6,162	8,838
Income	257	34	250	1,549	2,090
Expenditure	(144)	(25)	(524)	(1,199)	(1,892)
Transfers	0	0	0	(71)	(71)
Gains & (Losses)	0	0	0	1,942	1,942
31 March 2021	399	493	1,633	8,383	10,907

20 Reconciliation of Net (Income) Expenditure to Net Cash Flows from Operating Activities

	2020-21	2019-20
	£000	£000
Net (Income) / Expenditure	2,406	(329)
Less Investing Activities	(276)	(363)
(Increase)/Decrease in Operational Creditors	(211)	178
Increase/ (Decrease) in Stock	4	(9)
Increase/(Decrease) in Operational Debtors	(130)	64
Gain/(Loss) on Investment	(1,997)	1,088
Cash (In)/Out Flow from Operating Activities	(204)	629

	2020-21	2019-20
	£000	£000
Income from Investments	276	363
Funds reinvested	(25)	(32)
Cash (In)/Out Flow from Investing Activities	251	331



Derby & Burton
Hospitals Charity

Registered Charity Number: 1061812

Accounting Policies



Making Lives Better

Accounting Policies

The Charity is required to compile its accounts in accordance with the SORP 2019 based on FRS102. These accounts have been prepared using the Going Concern convention. These accounts have been prepared using the historical cost convention by the revaluation of property plant and equipment. The accounting policies have been applied consistently.

1. Accounting Convention

The financial statements are prepared in accordance with Charity Law. The Charity is considered to be a Going Concern. The accounting policies of the Charity have been written with due consideration to FRS 102 in accordance with the Charity Commission Statement of Recommended Practice (the SORP) 2019.

Where no specific guidance is provided as part of the SORP, then due consideration has been given to relevant accounting standards, further guidance and generally accepted practice when developing a policy for the Charity.

The following accounting policies have been consistently applied to the Charity accounts. The accounting policies are approved by the Charitable Funds Committee preceding the year to which they relate. An update report is then presented to the Committee for any changes during the year.

Where there is a change in accounting policy, from one reportable period to the next, the nature, circumstances and effect of that change is disclosed in the Notes to the Accounts. Where appropriate, previous years financial statements will be restated in line with the new accounting policy.

Where a prior period adjustment takes place, the circumstances, nature and effect of the change will be disclosed in the notes to the accounts. Any restated information within the Statements and Notes will be presented as "RESTATED".

2. Income Recognition

All incoming resources are recognised on an accruals basis and are included in full in the Statement of Financial Activities as soon as the following three criteria have been met:

- Entitlement – control over the rights or other access to the economic benefit has passed to the Charity.
- Probable – it is more likely than not that the economic benefits associated with the transaction or gift will flow to the Charity.
- Measurement – the monetary value or amount of the income can be measured reliably and the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

The main sources of funding for the Charity are:

- Donations, Lottery & Fundraising - typically recognised in the Statement of Financial Activities at the point of receipt. Until such time, the Charity cannot claim entitlement to those funds. However income may be recognised sooner where the three criteria of recognition can be demonstrated.
- Legacies - are recognised in the Statement of Financial Activities once the receipt of the legacy becomes probable. Where conditions attached to the legacy have not been fulfilled, recognition of income is deferred on the balance sheet until such time that the conditions have been met. Residuary legacies are accounted for when the estates accounts are finalised.
- Grants - are recognised in the Statement of Financial Activities once the receipt of the grant becomes probable. Where conditions attached to the grant have not been fulfilled, recognition of income is deferred on the balance sheet until such time that the conditions have been met.
- All other income (including Investment Income, Revaluation Gains and Reclaimed Tax) - recognised in the Statement of Financial Activities on an accruals basis, in the financial period to which it relates.

Where the Charity receives material Gifts or Donations in Kind, these are recorded on the Benefits in Kind register. Where appropriate Gifts of Donations in Kind will be reported in the Notes to the Accounts. The Charity does not defer any income streams.

Accounting Policies

Incoming resources from the endowment fund are unrestricted. Income reported in the Statement of Financial Activities will be shown gross, before any deductions for administration costs or other costs.

3. Resources Expended

All expenditure is recognised on an accruals basis and are included in full in the Statement of Financial Activities as soon as the following three criteria have been met:

Obligation - once there is a legal or constructive obligation to make a payment to a third party;

Timing – there is reasonable certainty when payment will be made;

Amount - when the monetary value of the payment can be measured with sufficient reliability.

The Cost of Raising Funds includes some staff costs and other administrative costs of operating the Charity. Staff costs such as salaries and pensions are recognised in the period to which they relate. Staff costs apportioned to the Charity are based on percentage of time working for the Charity.

This includes the salaries of the Charity Manager and Charity Fundraiser. Where appropriate a proportion of other staff employed by the Trust is also included where time has been spent assisting in generating charitable income.

Other costs include advertising, marketing and fundraising costs, audit fees, banking and legal charges.

Charitable Activities includes some staff costs and payments made from individual funds in the achievement of the Charity's objectives. These costs are directly charged to the fund to which they relate.

4. Provisions

Where recognised expenditure is due for payment more than 12 months from the balance sheet date (such as in the award of an on-going grant), a provision will be created in the Balance Sheet.

A discount rate equivalent to a high quality corporate bond will be used to discount the provision over the period it is expected to relate.

Discounting will be unwound each year and recognised in the Statement of Financial Activities. At such time that payment is expected within 12 months of the Balance Sheet date, the provision shall be fully unwound and reported on the Balance Sheet within Creditors.

5. Fixed Assets

The Charity does not hold any fixed assets directly for the purpose of the Charity, this includes intangible fixed assets.

Expenditure by the Charity which is capital in nature is deemed to be on behalf of University of Derby and Burton Hospitals NHS Foundation Trust. The Trust will recognise and account for any resultant Fixed Asset.

6. Structure of funds

The Charity recognises funds in two categories;

- Restricted Funds - Where there is a legal restriction on the purpose to which a fund may be utilised, the fund is classified in the accounts as a restricted fund. This includes endowment funds, this is where capital is held to generate income for charitable purposes and cannot be spent.
- Unrestricted Funds – all other funds, including any interest or revaluation gain on investments and endowments.

Accounting Policies

The Trustees can agree to earmark unrestricted funds for set purpose, typically with due regard to the wishes of the donor. Any funds which are not earmarked for a specific purpose are classified as for general purpose. At the point that the general purpose funds reach an appropriate level, the Trustees may agree to transfer balances into earmarked funds, after receipt and approval of bids from within the Trust.

Fund classification, balance and purpose is reviewed and approved by the Charitable Funds Committee at least annually. Transfers between funds, including closing funds, should be approved by the Corporate Trustee following Charitable Funds Committee recommendation.

7. Investments

The Charity may invest surplus cash to generate investment income. All investment plans should be approved by the Charitable Funds Committee and reported to the Corporate Trustee at least annually.

The day to day management of Investments is undertaken by a third party investment management company. The contract for the management of the Charity's investments is retendered at least every three years.

Investment fixed assets are recognised in the Balance Sheet at market value. Property investments are revalued by the third party investment management company annually.

All investments are held in Common Investment Funds. Quoted stocks and shares are included in the balance sheet at mid-market price, excluding dividend.

8. Gains and losses

Gains and losses occur due to changes in the value of the Charity's investments including endowments. All gains and losses are taken to the Statement of Financial Activities in the period to which they relate.

Realised gains and losses on investments are calculated as the difference between sales proceeds and the opening market value.

Unrealised gains and losses are calculated as the difference between market value at the year end and the opening market value.

9. Pensions contributions

Pension costs are recorded in the Charity accounts on an accruals basis. Employer pensions contributions payable to the NHS Superannuation and other schemes are charged to the Statement of Financial Activities in the period to which they relate.

Due to immateriality, adjustments to reflect the true cost of pension liabilities (in accordance with IAS19) for Charity employees are included within the Trust accounts.

10. Reserves Policy

This policy sets out the circumstances and limitations for holding of reserves by Derby and Burton Hospitals Charity (the Charity) as required by the Charity Commission Statement of Recommended Practice (SORP) 2019.

Charity Reserves as defined under SORP 2019 are those funds which become available to the Charity to be spent at the Trustees' discretion in furtherance of the Charity's objectives, but which are not yet spent or committed or could only be realised through the disposal of fixed assets. These are therefore classified as 'free'.

Trustees are under a legal duty to apply charity funds within a reasonable time of receiving them. This policy aims to set out:

- The reasons why the Charity holds reserves

*Derby and Burton Hospitals Charity
Annual Report and Accounts 2020-2021*

Accounting Policies

- What level of reserves the Trustees believe the Charity needs.
- Arrangements for maintaining reserves at the agreed level.
- Monitoring and review of policy arrangements.

Reason for Holding Reserves. The Trustees consider it necessary to retain reserves over the longer term to:

- Reduce the impact of risks from the external environment should the levels of income reduce significantly that the charity cannot meet its obligations.
- Continue their programme of support to the Trust.
- Hold sufficient reserves to ensure the charity can cover its ongoing operational costs to process outstanding commitments.
- Meet the cost of closure or transfer of the charity's affairs should the need ever arise.

The Charity will aim to spend at least 33% of the opening balance on Unrestricted - Designated funds within the financial year. This is monitored during the year by the Charitable Funds Committee.

Where it is felt that funds are not assisting in the achievement of the Charity's objectives (i.e. a fund is consistently under achieving the 33% target) the Charitable Funds Committee may agree to release those funds into the generally available funds for reallocation.

Generally available reserves shall maintain a minimum balance sufficient to continue the day to day operations and governance arrangements of the Charity for three years.

Where the generally available reserves are within the minimum balance, the Charitable Funds Committee shall consider alternative funding sources such to maintain the day to day operations and governance arrangements of the Charity for three years.

In the event that it becomes apparent that the Charity is no longer a going concern, the Corporate Trustee may begin proceedings to wind up the Charity, or alter its structure accordingly. A generally available reserve balance of three years, day to day operations and governance arrangements is sufficient to facilitate this process.

Where the generally available reserves are excessive, the Charitable Funds Committee shall consider bids from within the Trust to best utilise the resources.

11. VAT Policy

This policy should be read in conjunction with the VAT policy for University of Derby and Burton Hospitals NHS Foundation Trust.

The Charity is entitled to certain tax exemptions on the purchase of medical equipment and is also able to recover VAT on certain other items of expenditure.

The Charity does not hold an independent VAT registration, however is included within the registration for University of Derby and Burton Hospitals NHS Foundation Trust.

It is the policy of the Charity to recover all VAT possible. The Trust contracts specialist NHS VAT advisors to assist in the accurate recovery of VAT.

The Charity should operate within the VAT policy of the Trust.

12. Stock Policy

Stocks are valued at the lower of cost and net realisable value. Cost is determined on either a first in first out or weighted average basis.



Derby & Burton
Hospitals Charity

Registered Charity Number: 1061812

Glossary



Making Lives Better

Glossary

Accounting Policy

These outline how the Charity treats events or transactions during a financial year within the Financial Statements.

Balance Sheet

The balance sheet provides a true and fair view of the Charity's assets and liabilities and how these are represented by the different classes of funds held by the Charity. The objective of the balance sheet is to show the resources available to the Charity and whether these are available for all purposes of the Charity or have to be used for specific purposes because of legal restrictions placed on their use.

Cash

Amounts held in the bank account of the Charity or in cash holdings.

Cash Equivalents

Investments which can be converted to cash quickly (within 3 months).

Cash Flow Statement

This is a financial statement that shows how changes in balance sheet accounts and income affect cash and cash equivalents, and breaks the analysis down to operating, investing and financing activities. Essentially, the cash flow statement is concerned with the flow of cash in and out of the Charity.

Commitments

Agreed amounts of expenditure which at the balance sheet date have not yet been ordered.

Contingent Asset

Possible amounts due to the Charity at the balance sheet date. These are circumstances where there has been an event causing an amount owing to the Charity however the Charity could not reliably estimate the value of the amount owing.

Corporate Trustee

The Trustee of a charity are those who are responsible for its governance. In the case of the Charity, that is a Corporate Trustee.

Creditors

Amounts due to be paid by the Charity as at the balance sheet date.

Debtors

Amounts owed to the Charity as at the balance sheet date.

Endowment

A financial endowment is a donation of money or property to a nonprofit organisation for the ongoing support of that organization. Usually the endowment is structured so that the principal amount is kept intact while the investment income is available for use, or part of the principal is released each year, which allows for the donation to have an impact over a longer period than if it were spent all at once. An endowment may come with stipulations regarding its usage.

Fixed Assets

These are the long term assets of the Charity which assist in the delivery of its objectives such as land, building, software and equipment.

Gains

An increase to the value of the Charity's financial assets.

Glossary

Incoming Resources

Income due to or received by the Charity. This includes donations, investment income and sales of goods or services.

Investments

Surplus cash amounts which have been used to purchase stocks and shares with the purpose of generating additional cash return to the Charity.

Notes to the Accounts

The Notes to the Accounts provide the reader with additional information to help understand the true financial position of the Charity.

Prior Year Accounts

The financial performance for the year prior to that reported is included in the Annual Report and Accounts to allow the reader of the accounts to make a fair assessment of the ongoing financial performance of the Charity.

Provisions

Amounts set aside by the Charity to finance an event which has taken place to which the Charity is not certain of the exact financial cost. Typically this would be as a result of an ongoing legal case.

Related Party

An individual or entity which is not deemed to be wholly separate from the Charity. This would encompass the Corporate Trustee or any donor who the Charity is reliant upon for the normal operations of the charity to continue.

Remuneration

The amount paid to or on behalf of a person working on behalf of the Charity in exchange for services provided.

Restricted Funds

Charitable donations where their use is bound by legal restriction.

Statement of Financial Activities

This is a financial report detailing the change in the Charity's net assets during the financial year. It provides an analysis of the income and endowment funds received and the expenditure by the Charity on its activities, and presents a reconciliation of the movements in a charity's funds for the reporting period. In the accounts of a company, this would be referred to as a Profit and Loss account.

Stock

Stock are valued at the lower of cost and net realisable value. Cost is determined on either a first in first out or weighted average basis.

Unrestricted funds

Charitable donations which are available to the Charity to use for any purpose which furthers its objectives. Donors typically request areas to which they would like the donation spent, however there is no legal requirement to comply with this.

VAT

Value Added Tax. This is a national tax on goods and services. The Charity is subject to some VAT relief which reduces the cost of delivering its objectives.

Contact Us – Further Information

How to Contact Us



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Derby
DE22 3NE



By Phone:

01332 785731	–	General Enquiries
01332 788861	–	Events and Fundraising
01332 785828	–	Finance

Our office opening hours are Monday – Friday, 9am – 5pm (excludes bank holidays)



Internet:

Email: dhft.charity@nhs.net
Facebook: Derby and Burton Hospitals Charity
Twitter: [@hospitalcharity](https://twitter.com/hospitalcharity)

If you would like any part of this document translated into your own language, or require a version in large print, please contact us.