

FORTH VALLEY NHS BOARD

NHS FORTH VALLEY ENDOWMENT FUNDS

REPORT

AND

FINANCIAL STATEMENTS

31 MARCH 2022

Carseview House
Castle Business Park
Stirling
FK9 4SW

NHS FORTH VALLEY ENDOWMENT FUNDS

Annual Accounts for year ended 31 March 2022

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NHS FORTH VALLEY ENDOWMENT FUNDS

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Trustees Report

REFERENCE AND ADMINISTRATIVE DETAILS

The Charity

NHS Forth Valley Endowment Funds was registered with the Office of the Scottish Charities Regulator with effect from 1st April 2004 under charity number SC035953. The charity is constituted of 176 individual funds (2021: 170) as at 31st March 2022 and the notes to the financial statements distinguish the types of funds held. The Charity's operational name is Forth Valley Giving.

Lead Director:	Jonathan Procter
Principal address:	Forth Valley NHS Board Administration Offices Falkirk Community Hospital Westburn Avenue Falkirk, FK1 5SU

Trustees

Under the revised Standing Orders approved by Forth Valley NHS Board on 11th May 2004, an Endowments Committee was established to manage and direct the conduct of the NHS Forth Valley Endowment Funds. These Standing Orders further defined the membership of the Committee as all members of Forth Valley NHS Board and appointed all members of the Board as ex officio Trustees for the purpose of holding any property which is to be held in trust on behalf of the Board.

The Board members appointed as Trustees of the NHS Forth Valley Endowment Funds during the year ended 31st March 2022 in accordance with the above Orders were:

Executive Members

Mrs. Cathie Cowan	Chief Executive
Mr. Scott Urquhart	Director of Finance
Mr. Andrew Murray	Medical Director
Prof. Angela Wallace	Director of Nursing
Dr. Graham Foster	Director of Public Health and Strategic Planning

Non Executive Members

Ms. Janie McCusker	Chair
Mrs. Julia Swan	Non-Executive Director - Vice Chair (until 31 August 2021)
Mr. John Ford	Non-Executive Director
Dr. Michele McClung	Non-Executive Director
Mr. Allan Rennie	Non-Executive Director
Mr. Stephen McAllister	Non-Executive Director
Mr. Gordon Johnston	Non-Executive Director
Mr. Martin Fairbairn	Non-Executive (from 7 December 2021)
Mr. John Stuart	Non-Executive (from 18 October 2021)

Local Authority Members

Cllr. Susan McGill	Non-Executive Director - Stirling Local Authority
Cllr. Fiona Collie	Non-Executive Director - Falkirk Local Authority
Cllr. Les Sharp	Non-Executive Director - Clackmannanshire Local Authority

Advisory Committee Chairs / Employee Director

Mr. Robert Clark	Non-Executive Director - Employee Director
Mrs. Kirsten Cassells	Non-Executive Director – Chair of Area Clinical Forum

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Principal Professional Advisors:

Investment advisers	Rathbone Investment Management George House, 50, George Square Glasgow, G2 1EH
Auditors:	Dickson Middleton Chartered Accountants and Statutory Auditors 20 Barnton Street Stirling, FK8 1NE
Bankers:	The Royal Bank of Scotland plc 2 Newmarket Centre Falkirk, FK1 1JX

Committee

In accordance with the Board's Standing Orders, Forth Valley NHS Board approved the establishment of an Endowments Committee with effect from 1st April 2004 in order to manage and direct the conduct of the Endowment Fund. Whilst all Directors of the Board were appointed as ex officio Trustees of the Committee, for operational purposes these Orders required that the Chief Executive, Director of Finance and three Non-Executive Members should attend meetings and that Committee meetings would require a minimum of three Committee Members to be quorate.

During 2021/22 the Endowment Fund Committee met on four occasions in order to fulfil its remit and was composed of the following members:

Non-executive Members	Cllr. Les Sharp, (Chair) Mr. Robert Clark (Employee Director) Mr. John Ford Mr. Stephen McAllister Mr. Gordon Johnston
Chief Executive	Mrs. Cathie Cowan
Director of Finance	Mr. Scott Urquhart

A representative from the Endowment Funds Investment Advisors, Rathbone Investment Management attended the Committee meetings held on 21st January 2022. The activities of the Endowment Fund Committee are reported back to all Trustees at Forth Valley NHS Board meetings and all Trustees receive a copy of the minutes of the Endowment Fund Committee meetings.

Expenditure may be incurred for any purposes related to health services that would not ordinarily be provided from Health Board funding. In administering the fund, Trustees must observe, insofar as practicable, the wishes of donors. Income received for the benefit of particular wards or specific purposes is treated as restricted and applied for the use of that ward or project in accordance with the terms of the donor.

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In respect of other income received, Trustees are responsible for ensuring that these monies are used for the benefit of patients and staff and for appropriate research purposes. This unrestricted income is allocated to hospitals and community health services with financial controls in place to ensure that the monies are spent within budget.

The Endowment Committee employs a robust system of budgetary control and financial reporting to ensure that all financial transactions are carried out in accordance with the objectives and priorities agreed by the Committee; that the criteria for spending charitable monies are fully met; that full accounting records are maintained; and that devolved decision making or delegated arrangements are carried out in accordance with the policies and procedures set out by the Committee.

The Committee is required to:

- a) Control, manage and monitor the use of the fund's resources.
- b) Provide support, guidance and encouragement for all its income raising activities whilst managing and monitoring the receipt of all income.
- c) Ensure that the approved policies are adhered to and that performance is continually reviewed.
- d) Keep the Board fully informed on the activity, performance and risks of the charity.

OBJECTIVES AND ACTIVITIES

Objectives

The Charity's main objective is the "the advancement of health," including the prevention or relief of sickness, disease or human suffering within Forth Valley. Endowment Funds may not however be utilised to substitute for a core provision within the NHS Board's financial plans. Nor should endowment funds be used to cover a responsibility of the NHS Board that is a direct requirement of health and safety or employment law or a ministerial policy direction.

An employee of the Board or the Trustees may only benefit from the charity, where such expenditure is incidental to (and necessary for) that public benefit to be realised.

The Charity furthers its charitable objective through the provision of patient welfare & amenities, the purchase of equipment and services, the development of medical research, the support of staff educational opportunities and a number of other social investments. The Charity also provides grants to other non-profit organisations in furtherance of the Charity's objectives.

Grant making policy

Trustees delegate the responsibility for the management of individual funds to named Fundholders who may incur expenditure, subject to the required authorisation process, provided that the expenditure is in accordance with the donor's wishes and the charitable purpose of the fund.

Aims

The key aims for the forthcoming year will be to further enhance facilities available to NHS patients that would not normally be available through NHS funding routes.

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ACHIEVEMENTS AND PERFORMANCE

Charitable activities

In furtherance of the Endowment Fund's Charitable Objectives the Trustees incurred costs of £288,098, (2021 - £272,941) during the year to enhance the care and amenities provided to patients and to offer additional educational opportunities to staff and to encourage and support medical research projects. Included within the total cost of charitable activities is the costs of administering grant making of £51,935 (2021 - £39,412). Further details on the cost of administering grants are provided in note 6 of the financial statements.

Patient welfare and amenities

Patients' welfare grants totalled £235,025 (2021 - £221,286), during the year that included £50,596 (2021 - £30,006) on patient equipment and furnishings; £12,800 (2021 - £12,699) on Christmas activities; £4,046 (2021 - £492) on patient TV and radios; £3,274 (2021 - £2,461) on recreational activities for patients in institutional care. Due to coronavirus restrictions, the weekly concert parties and Christmas outings were not possible this year. However, there was more focus on garden activities which totalled £3,547 (2021 - £1,075). Recreational activities will resume in line with the easing of the coronavirus restrictions, as giving patients the opportunity to take a break from the hospital environment and engage with other patients and enjoy a more relaxing atmosphere is considered an essential therapeutic component of each patient's programme of care.

NHS Charities Together Grant Funding

Stage 1 Urgent Response Grant Funding

In response to the COVID-19 pandemic, Stage 1 Urgent Response Grant funding of £81,000 was awarded in May 2020 by NHS Charities Together to the endowment fund. The committee combined the grant with other donations totaling £25,550 to fund the COVID-19 Urgent Response Grants Programme. The total of £106,550 was used to provide funding to a variety of small projects to address the immediate and long-term needs of staff, volunteers and patients in response to the pandemic. Projects being funded include:

- i) an income maximisation service to support priority patient and staff groups financially impacted by the COVID-19 pandemic;
- ii) Kardia Monitors for GP Practices to obtain heart rhythm information;
- iii) a contribution to Falkirk Community Hospital for new iPad devices to combat digital exclusion in response to COVID-19;
- iv) a contribution for the Forth Valley Royal Hospital Learning Centre Lecture Theatre upgrade; and
- v) a contribution to Livilands Resource Centre for a yoga/mindfulness room for staff & patients.

Included within patient welfare and amenities is expenditure of £56,013 (2021 - £40,279) against this grant funding. NHS Charities Together gave a deadline of 31st October 2021 to have allocated the £81,000 grant monies to projects, however it was understood that spend would happen at a later date. As at 31st March 2022, there was £1,702 of unspent Stage 1 NHS Charities Together Funding.

Second Wave Grant Funding

In December 2020, Second wave grant funding of £50,000 was also awarded by NHS Charities Together to enhance the wellbeing of NHS staff, patients and volunteers impacted by COVID-19. A further NHS Charities Together grant award of £2,100 was also made to the endowment fund following a generous Starbucks donation. This is intended to contribute towards physical and/or mental wellbeing of staff. The Endowment Committee are using these grants (totalling £52,100), along with other donations (£8,074) to fund the COVID-19 Second Wave Grants Programme.

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The total of £60,174 has been awarded to a number of projects including:

- i) Sensory Garden, The Rowans, Bungalow 6 - For patients / carers and families to use as part of their physiotherapy sessions as guided by the physiotherapists.
- ii) Grow & Recover Together - Create a growing space at Forth Valley Royal Hospital (Women & Children) which will offer a quiet; calm; sensory therapeutic area to relax, recover and heal for Staff, Volunteers and patients.
- iii) Trystview Patient & Staff Experience & Wellbeing.
- iv) Livilands Resource Centre adult mental health.

Included within patient welfare and amenities is expenditure of £15,188 (2021 - £0) on the COVID-19 Second Wave Grants Programme. Included within staff education, training & development is expenditure of £5,619 (2021 - £0). NHS Charities Together has given a deadline of 30th June 2022 to spend the £52,100. The monitoring reports indicate that the majority of projects with NHS Charities Together funding are on track to spend the monies by the deadline. Three projects totalling £9,637 have requested an extension to March 2023 to spend the monies.

Artlink

A further £40,000 (2021 - £45,656), was provided to support "Artlink" who are an independent charity that provide therapeutic art projects intended to improve the patient experience and environment through creative collaborations with patients and staff. The patients attending the projects included those with learning disabilities, mental health issues, older people and children and young people. In response to the positive feedback received from patients and staff in respect of the projects delivered by Artlink the Trustees agreed to extend the current service level agreement between the Endowment Fund and Artlink until 31st March 2023.

Staff education, training and development

The Trustees contributed £40,861 (2021 - £51,655) of funding to provide additional learning opportunities for staff. The Trustees made this award in recognition of the benefits to staff and patients of a more highly trained and skilled workforce.

Income from on-line donations

During the year the Charity's Just Giving fundraising web site raised £16,011 (2021 - £35,555), from members of the public. The Trustees would wish to express their thanks to these individuals who have given so much of their time and effort to raise funds for the Charity.

Fundraising Activities

Following the decision of the Charity Trustees to prioritise securing the NHS Charities Together COVID-19 Grants Programme monies, the activities of the Fundraising Manager were restricted to a small number of core tasks. These core tasks were as follows:

- NHS Charities Together Stage 1 COVID-19 Urgent Response Grants Programme.
- NHS Charities Together Second Wave Grants Programme.
- NHS Charities Together Stage 2 Community Partnership and Stage 3 Recovery & Post Pandemic Grants Programmes.
- Fundraising & Donation Enquiries
- Supporting Endowment Team colleagues
- NHS Forth Valley Art Strategy

Working with other voluntary organisations

The Royal Voluntary Service activities for the period 2021-22 were severely restricted due to the impact of Covid-19. As a result, RVS were not in a position to provide a gifting amount for this financial year.

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Legacy donations received during the year

A legacy of £16,364 was donated to general funds in respect of a bequeath originally intended for the Royal Scottish National Hospital. There was also a legacy of £10,000 donated to the Haematology endowment fund to be used to enable the Oncology nurses and Oncology ward A12 staff to attend educational courses and other similar events. The Trustees would wish to express their sincere gratitude for these generous donations that will make a significant contribution to NHS Forth Valley.

Utilisation of significant legacy

Two projects have been identified as appropriate projects to be funded from the significant legacy previously bequeathed to the Oncology department. The first project was completed during 2019/20. The second project is to extend the Oncology waiting area into the Atrium at Forth Valley Royal Hospital to provide a comfortable area for patients and relatives. This project is still ongoing as it has been delayed due to the COVID-19 restrictions.

Small Grants Programme

There was no small grants programme (2021 - £303) during the year due to the focus on the NHS Charities Together Grant funding programmes.

Performance indicators

The return on the investment portfolio for the current year was +10%, (2021: +22%) and the yield was 3% (2021: 3%). Concerns of increasing inflation have led to weakness in companies focussed on growth. The Russian invasion on Ukraine towards the end of 2021/22 has also led to a downward valuation. The Trustees and the committee will continue to monitor the portfolio movement and to seek advice and support from the funds professional investment advisors where necessary.

FINANCIAL REVIEW

Review of financial position

The Trustees are pleased to record the level of income received in the year from donors. It is also encouraging that the investment income is in line with the prior year. The Trustees are grateful to staff, residents and organisations within Forth Valley who support the fund by making donations and taking part in fund-raising events.

Income from Public Donations

The Trustees are pleased to report that £161,864 (2021 - £201,421) of public donations and legacies were received from the local community and staff during 2021/2022 representing a decrease of 20% over 2020/2021. There was also £81,024 (2021 - £78,280) of investment income generated from the endowment funds invested in the stock market during the year, (see additional information in the "Investment Policy" and "Investment Performance" section below). The committee utilised the income received during the year together with other accumulated reserves in order to fund £288,098 (2021 - £272,941), of charitable activities and a further £57,346 (2021 - £42,280) on the cost of raising funds. The net decrease in funds during the year before gains and losses on investments was £77,154 (2021 - £122,580 increase).

Funding contribution toward Artlink

The Endowment Fund also received £25,000, (2021 - £25,000) of funding from Forth Valley Health Board to support the cost of therapeutic art projects and creative collaborations provided to patients and staff by Artlink.

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Investment Policy

The Endowment Committee has agreed a discretionary investment management agreement with its external investment advisors that allows them to carry out a mutually agreed level of investment transactions without the prior approval of the Endowment Committee. A copy of all transaction dealings is notified immediately to the Lead Executive Officer and the Committee receives a full report quarterly from the investment advisors that includes the transactions, valuation and performance of the portfolio.

The investment objective is “to maintain a balance between income and capital growth in the fund with a medium/high degree of risk that is compatible with other policy objectives”. The Fund will not invest in companies whose main activity is the sale of tobacco, alcohol, armaments or gambling. The Committee reviews the performance of the external investment advisors quarterly to ensure that the investment of funds is in accordance with its policy on social and ethical investment. Income funds not required in the coming year are invested in the portfolio.

The Trustees of the Endowment Fund are required to comply with the provisions of the Charities and Trustees Investment (Scotland) Act 2005 with regard to the fund’s investments. Any investments held by the Endowment Fund have been acquired in accordance with the powers available to the Trustees.

Investment Performance

The market value of the portfolio at 31st March 2022 was £3,244,327, (2021 - £3,016,412). This valuation included net gains of £711,849, (2021 - £657,485) on the initial purchase price of these investments. This cumulative gain is held as a separate reserve on the Balance Sheet and is not available for distribution.

Following market weakness in 2020 on the initial global lockdowns due to COVID, there has been strong equity market recovery. This has largely been driven by growth companies with strong returns achieved by technology and healthcare businesses. Towards the end of 2021, concerns of accelerating inflation, which is likely to result in an accelerated pace of interest rate increases, led to weakness in the more growth focused areas of the portfolio. This reflects growth companies generating a greater proportion of longer-term profits further into the future, which is discounted to a greater extent if interest rates are higher. As a result, more ‘value’ focused investments made gains early in 2022. Towards the end of the period, the markets fell again on the Russian invasion of Ukraine. Since then, there has been stabilisation and recovery, with markets back to pre-invasion levels. The committee continues to monitor closely the performance of the portfolio and receive regular updates and advice from the fund’s investment advisors.

Principle sources of funding

The fund receives donations and/or legacies from patients, their relatives, the general public and other organisations.

Reserves Policy

The Trustees have adopted a formal reserves policy in respect of the charities Unrestricted General Reserves. Unrestricted General Reserves are generated from investment income, legacies and donations whose purpose is not specified by the donor. The Restricted Funds, Permanent Funds and the Unrealised Revaluation Reserve balances are excluded from this Policy as they are required to be spent in accordance with the donor’s wishes. Details of fund balances by category and their movement in the year can be found at note 15.

The Unrestricted General Reserves balance at 31.03.2022 that is subject to the Reserves policy is £1,111,997 (2021 - £923,577). General Reserves are utilised at the discretion of the Endowment Committee to fund patient’s charitable activities. These activities are detailed in the Achievements and Performance section of the Trustees Report above.

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At its March 2019 meeting the committee revised the Reserves Policy to include a three year budget plan from 2019/2020 to 2021/2022 that is intended to ensure that by the end of the three year period the annual cost of the recurring activities of the fund are met from the income received in that year. The trustees are pleased to report that this objective has been met with a surplus of funds of £14,238 (prior to realised investment gains) being generated in 2021/22. The budget has been approved for 2022/23, however the budgeted position prior to realised investment gains/losses and investment management fees is a net utilisation of £19,000. The trustees will continue to strive to meet the objective of ensuring the annual cost of activities is met from the income received in the year. A three year budget plan for 2023/24 and 2024/25 will be agreed at the October 2022 committee meeting.

Trustees may continue to utilise the accumulated reserves of the fund at their discretion whilst leaving sufficient reserves to sustain the charities activities thereafter. In determining the Reserves Policy the committee recognised the variability of unrestricted income, particularly legacies and other windfall receipts. The Reserves Policy will be subject to annual review as part of the budget setting exercise.

All funds are invested in accordance with the fund's Investment Policy and are held until required to meet future expenditure commitments as they arise.

PLANS FOR FUTURE PERIODS

The Trustees are encouraged by the continuing contribution made by the Endowment Fund in providing support to hospital and community health services and intend to continue to utilise reserves where suitable projects or programmes can be identified. Facilities have been supplemented and enhanced in particular by the provision of medical and general equipment and furniture and furnishings. Support has also been given to the education and training of staff and to non-commercially sponsored research and development projects.

A key focus for 2022/2023 will be the administration of two further NHS Charities Together funded COVID-19 Grants Programmes. The Stage 2 Community Partnership funding is intended to support the wider NHS and voluntary community in dealing with COVID-19. The Forth Valley Covid-19 Partnership was formed following the approval of the Community Partnership Grants Programme roadmap by the Endowment Committee at its meeting held on 22nd January 2021. Membership of the Partnership is as follows:

- CVS Falkirk
- Clackmannanshire Third Sector Interface
- Stirlingshire Voluntary Enterprise
- Falkirk Health & Social Care Partnership
- Clackmannanshire & Stirling Health & Social Care Partnership

Stage 3 Recovery & Post Pandemic Grant funding is intended to support recovery plans within the NHS boards and wider community as appropriate.

Confirmation of the Stage 2 and Stage 3 funding award was received in late March 2022, however the terms and conditions were not signed until April 2022. The Stage 2 funding award is £131,002, and this includes a £13,366 Operational Support Grant. The Operational Support Grant is intended to be used to cover costs such as bid administration, project implementation, monitoring and evaluation and impact reporting. It can be used for staff resources to provide additional capacity or expertise.

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Projects that have been awarded funding using the Stage 2 grant monies include:

- i) Stirling District Unpaid Carers Specialist Welfare Rights Project
- ii) Resilient Raploch – a project to assist the socially isolated and lonely.
- iii) Go Forth Mental Health and Addiction Recovery Counselling
- iv) Mental Health Matters at Forth Valley College. This new partnership initiative will proactively respond to the changing mental health needs of the learning community at Forth Valley College.
- v) Living With Less Stress project will offer coping mechanisms and strategies to understand, acknowledge and adjust to the challenges cancer brings, and to build resilience.

The projects are expected to start within three months of 28th March 2022. All projects, with the exception of one, are expected to complete within 12 months of the start date. The other project is expected to complete within 24 months of the start date. The funding will be provided by NHS Charities Together in instalments following satisfactory progress reports.

The Stage 3 funding award is £78,311. The funding award is £75,000 lower than the amount applied for as two projects were not approved. The Stage 3 projects will be reviewed in order to identify if there is scope for the unallocated funding to be allocated to approved projects. These proposals would then be submitted to NHSCT for consideration as part of the adaptation process. The adaptation process has an upper limit of £50,000 which means that a minimum of £25,000 would become available for new projects. It is proposed that wards, departments and services will be invited to submit new applications for the remaining NHSCT allocation which will then be submitted to NHSCT for consideration/approval.

Projects that have been awarded funding using the Stage 3 grant monies include:

- i) Reflection, Exploration & Rejuvenation. A project to create outdoor spaces within the Lochview site that provide the opportunity for patients and staff to use outdoor spaces for both reflection and for physical and mental health benefits.
- ii) Ebike Use for Psychological Services Patients.
- iii) Wellbeing Ambassador for Hospital at Home Service. Forth Valley Health Board, Falkirk, Stirling and Clackmannanshire Health and Social Care Partnerships (HSCP) are launching a Hospital at Home (H@H) Service to provide a 25 “virtual” bedded ward for acutely unwell adults living within Forth Valley to allow them to be cared for at home or in their homely setting, to the same standard of care that they would receive within an acute hospital ward settling.

The projects are expected to start within three months of 31st March 2022. All projects are expected to complete within 24 months of the start date. The funding will be provided by NHS Charities Together in instalments following satisfactory progress reports.

The total value of the assets and liabilities of the Endowment Fund at 31st March 2022 is £3,390,566 (2021 - £3,239,174) and this reflects the market value of investments at that date. It is confirmed that the Endowment Fund's assets are available and adequate to fulfil the obligations of the Endowment Fund and the aims and objectives of the Endowment Fund Strategic Policy.

STRUCTURE GOVERNANCE AND MANAGEMENT

Constitution

The National Health Service (Scotland) Act 1978 provides the legal framework within which the Trustees require to operate the Endowment Fund. Cognisance is also taken of the law governing Trusts and charities and appropriate NHS legislation applicable to NHS Boards.

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Forth Valley NHS Board received by transfer on the 1st April 2004 all property (excluding heritable property), rights and liabilities from the Endowment Funds of Forth Valley Acute Hospitals NHS Trust and Forth Valley Primary Care NHS Trust. This transfer was carried out in accordance with the Transfer Orders dated 25th March 2004 issued under paragraph 26 of Schedule 7A to the National Health Service (Scotland) Act 1978 as amended by the National Health Services Reform (Scotland) Act 2004.

In 2019/2020 the Health Secretary established an expert group comprising representatives from the Office of the Scottish Charity Regulator, Scottish Government and Health Board Endowment Funds to consider and provide recommendations on changes that could be enacted to strengthen governance arrangements for NHS Endowment Funds. The National Review of NHS Endowment Funds was published 28th October 2021. The review has found that an inherent conflict of interest exists due to the current structure of funds, whereby the NHS Board is the sole corporate trustee of the related NHS charity. The report sets out a number of recommendations to address this conflict and to strengthen overall governance arrangements, the most significant of which is replacing the existing corporate trustee with a charitable board comprising of an independent chair and a majority of independent members. The report also recommends a number of other changes within the proposed model, including mandates for quora; publicly available and legally governing documents for each endowment fund; and the introduction of limited liability for trustees. Fully adopting the recommendations will require legislative change and this will involve consultation with stakeholders, including NHS Boards and OSCR.

Appointment of Trustees

The Scottish Ministers appoint the Trustees by virtue of their appointment to the Board of NHS Forth Valley.

Under the revised Standing Orders approved by Forth Valley NHS Board on 11th May 2004, all members of Forth Valley NHS Board are appointed as ex officio Trustees of the Endowment Fund for the purpose of holding any property which is to be held in trust on behalf of the Board.

Trustee Induction and Training

Following their appointment, Trustees are provided with an Induction & Training Pack to inform them of the structure and operation of the Endowment Fund and to advise them of their roles and responsibilities as Trustees of the Endowment Fund with regard to charities law, regulations and other guidance. Previous minutes and financial reports are also provided for information on current issues.

Risk Management

Each year the Trustees carry out a formal risk-management process, culminating in a corporate risk register that identifies the top risks, their likelihood of occurrence and impact, and the consequent actions necessary to manage them effectively.

One of the main risks the Charity is exposed to is a significant and sustained fall in the value of the investment portfolio giving rise to a fall in the level of investment income that is currently utilised to provide recurring funding for a number of the Charity's key activities. In order to mitigate this risk, the Trustees have discussed and agreed a Discretionary Portfolio Management Agreement with their Investment Advisors that adopts a medium/high degree of risk with regard to the management of the portfolio. The Investment Advisors provide regular advice and reports on the performance of the investment portfolio and attend at least one committee meeting per year to discuss the performance of the portfolio and review the investment objectives.

One further risk identified by the Trustees is the possibility that the Charity may become engaged in activities that fail to meet conditions of the "Charity Test" as set out in the Charities and Trustee Investment (Scotland) Act 2005. The "Charity Test" states that in order for an organisation to be recognised as charity its activities must be for charitable purposes only and must provide or intend to provide public benefit. In order to mitigate this risk, the Trustees have implemented a number of internal control procedures including scrutiny of transactions by the financial management team and the review of procedures and controls by Internal and External audit.

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Individual Fund Managers also receive regular support and advice from the financial management team to ensure they understand their obligation to comply with the conditions of the Charity Test. The Trustees also receive regular reports of the Charity's activities to ensure they are being conducted in accordance with the terms of the Charity Test.

Connected bodies

In terms of the Charities Accounts (Scotland) Regulations 2006 (as amended), the NHS Forth Valley Endowment Fund and Forth Valley NHS Board are connected bodies.

The Endowment Fund received £25,000 towards its Artlink Project. The Endowment Fund also transferred £10,000 in research grant funding to the health board as the grant income related to a wider project being carried out by the Health board.

The following services were purchased from Forth Valley NHS Board during the year:

	2022 £	2021 £
Administrative support	61,063	46,277
Fundraising support	21,724	20,865
	<u>82,787</u>	<u>67,142</u>
 The balances due to Forth Valley NHS Board at 31 st March are	 49,322	 29,243
 The balances due from Forth Valley NHS Board at 31 st March are	 25,242	 87,210



Stephen McAllister

Trustee and Chairperson of Endowment Committee

Date: 24th June 2022

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Statement of Trustees' Responsibilities

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

The law applicable to charities in Scotland requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Endowment Fund and of the incoming resources and application of resources of the Endowment Fund 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 accounting standards 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 Endowment Fund will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Endowment Fund and enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and appropriate NHS legislation. They are also responsible for safeguarding the assets of the Endowment Fund 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 Endowment Fund and financial information included on the Forth Valley NHS Health Board's web site. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

NHS FORTH VALLEY ENDOWMENT FUNDS

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Independent Auditors' Report to the Trustees of NHS Forth Valley Endowment Funds

Opinion

We have audited the financial statements of NHS Forth Valley Endowment Funds (the 'charity') for the year ended 31st March 2022 which comprise Statement of Financial Activities, Balance Sheet, Statement of Cash Flows 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).

This report is made solely to the charity's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. 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.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31st March 2022, 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 and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

During the course of our audit we did not identify any incidents where the following was not true for the year ended 31st March 2022:

- all funds allocated have been awarded and used appropriately in furtherance of the charitable purposes of the charity;
- that there were no retrospective awards.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

NHS FORTH VALLEY ENDOWMENT FUNDS

Year ended 31st March 2022

Independent Auditor's Report to the Trustees of NHS Forth Valley Endowment Funds (continued)

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.

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 (Scotland) Regulations 2006 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
- proper 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 statement of trustees' responsibilities set out on page 12, 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 44(1) (c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under 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.

NHS FORTH VALLEY ENDOWMENT FUNDS

Year ended 31st March 2022

Independent Auditor's Report to the Trustees of NHS Forth Valley Endowment Funds (continued)

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to any significant unusual transactions and challenging judgements and estimates;
- Reviewing minutes of meetings held by management and those charged with governance to identify any matters including actual or attempted fraud, litigation and noncompliance with laws and regulations;
- Inspecting expenditure incurred in the year while making sure this has been appropriately categorised in the financial statements. This included agreeing a sample from the nominal ledger to purchase invoice while also reviewing post year end transactions and invoices to confirm the completeness of the expenditure was disclosed.

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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

NHS FORTH VALLEY ENDOWMENT FUNDS

Year ended 31st March 2022

Independent Auditor's Report to the Trustees of NHS Forth Valley Endowment Funds (continued)

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



John Watkins (Senior Statutory Auditor)

For and on behalf of Dickson Middleton, Chartered Accountants, Statutory Auditors,
20 Barnton Street, Stirling. FK8 1NE.

Date: 24/6/2022

NHS FORTH VALLEY ENDOWMENT FUNDS

Statement of Financial Activities

for the year ended 31st March 2022

	Note	Unrestricted Funds £	Restricted Funds £	Permanent Funds £	2022 Total Funds £	2021 Total Funds £
Income and Endowments from:						
Donations and Legacies	4	85,142	101,724	0	186,866	226,421
Charitable activities		0	400	0	400	133,100
Other trading activities		0	0	0	0	0
Investments	10	81,024	0	0	81,024	78,280
Total		166,166	102,124	0	268,290	437,801
Expenditure on:						
Raising Funds		(57,346)	0	0	(57,346)	(42,280)
Charitable activities	6	(121,853)	(165,825)	(420)	(288,098)	(272,941)
Total		(179,199)	(165,825)	(420)	(345,444)	(315,221)
Net income/(expenditure) before gains/(losses) on investments		(13,033)	(63,701)	(420)	(77,154)	122,580
Net gains/(losses) on disposal of investments		81,424	0	0	81,424	157,560
Net income/(expenditure)		68,391	(63,701)	(420)	4,270	280,140
Transfers between funds		29,526	(29,526)	0	0	0
Other recognised gains/(losses)						
Gains/(Losses) on revaluation of investments		147,122	0	0	147,122	446,808
Net Movement in funds		245,039	(93,227)	(420)	151,392	726,948
Reconciliation of funds:						
Total Funds brought forward		1,852,830	1,376,782	9,562	3,239,174	2,512,226
Total Funds carried forward		2,097,869	1,283,555	9,142	3,390,566	3,239,174

The notes on pages 20 to 28 form part of these financial statements

NHS FORTH VALLEY ENDOWMENT FUNDS

Balance Sheet as at 31 March 2022

	Note	2022 £	2021 £
Fixed Assets			
Investments	9	3,244,327	3,016,412
Current assets			
Debtors	11	41,606	90,624
Cash at bank	12	191,849	197,419
		233,455	288,043
Liabilities			
Amounts falling due within one year	13	(87,216)	(65,281)
Net current assets/(liabilities)		146,239	222,762
Net Assets		3,390,566	3,239,174
Charitable Funds	15		
Permanent funds		9,142	9,562
Restricted funds		1,283,555	1,376,782
Unrestricted Funds		1,386,020	1,195,345
Revaluation reserve		711,849	657,485
		3,390,566	3,239,174

Approved by the Board of Trustees on 2022 and signed on its behalf:

Stephen McAllister

Trustee and Chairperson of Endowment Committee

Date: 24th June 2022



The notes on pages 20 to 28 form part of these financial statements

NHS FORTH VALLEY ENDOWMENT FUNDS

Statement of Cash Flows

for the year ended 31st March 2022

	<u>Note</u>	<u>2022</u> <u>£</u>	<u>2021</u> <u>£</u>
Cash flows from Operating Activities			
Net cash used in operating activities	17	<u>(87,225)</u>	<u>(10,333)</u>
 Cash flows from investing activities			
Dividend income		81,024	78,280
Proceeds from the sale of investments		813,627	748,909
Purchase of investments		<u>(812,996)</u>	<u>(773,625)</u>
Net cash provided by investing activities		<u>81,655</u>	<u>53,564</u>
 Change in cash in year		(5,570)	43,231
Cash brought forward		<u>197,419</u>	<u>154,188</u>
Cash carried forward		<u>191,849</u>	<u>197,419</u>

The notes on pages 20 to 28 form part of these financial statements

NHS FORTH VALLEY ENDOWMENT FUNDS

Notes to the Financial Statements - 31 March 2022

1. Accounting policies

(a) Basis of preparation and assessment of going concern

The financial statements have been prepared in accordance with the historical cost convention as modified by the revaluation of investments.

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities SORP (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

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

The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern. With respect to the next reporting period, 2022/2023, the most significant area of uncertainty that will affect the carrying value of assets held by the Charity are the level of investment return and the performance of the investment markets (see the investment policy, investment performance and risk management sections of the Trustee's Annual Report for more information) and the risk of activities not being carried out in accordance with the Charity Test as set out in the Charities and Trustee Investment (Scotland) Act 2005.

(b) Funds structure

In accordance with recommended practice, the funds held are identified as restricted or unrestricted dependent on the wishes of the donors. The trustees may set aside designated sums forming part of the accumulated funds to be used for particular purposes in the future; these are classified as designated funds. The purpose of designation is to detail those parts of the accumulated funds that have been non-contractually committed. Permanent endowment funds are particular restricted funds where the capital content must be held permanently although its constituent assets may change from time to time. Where a balance remains in a fund whose purpose can no longer be fulfilled (e.g. due to hospital or ward closure) the Committee should contact the original donor to determine an alternate use for the fund. If the original donor cannot be contacted then the Committee may transfer the funds to an alternate project that is in keeping with the intent of the original donation.

(c) Incoming Resources

All incoming resources are recognised once the charity has entitlement to the resources, it is probable that the resources will be received and the monetary value of incoming resources can be measured with sufficient reliability.

Donations from the public are recorded on a receipts basis. Investment income is recognised on an accruals basis. Income received for specific purposes not applied at the year-end is carried forward within restricted fund balances and expended later as instructed by the donor.

Gifts in kind are goods and services which are provided to the charity as a donation that would normally be purchased from suppliers; this contribution is included in the financial statements at an estimate based on value of the contribution to the charity.

NHS FORTH VALLEY ENDOWMENT FUNDS

Notes to the Financial Statements - 31 March 2022

(continued)

(d) Incoming resources from legacies

Legacies are accounted for as incoming resources either upon receipt or where the receipt of the legacy is probable; this will be following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date.

In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

(e) Incoming resources from endowment funds

The Trustees treat the incoming resources receivable from the investment of endowment funds as accruing to the accumulated funds. These funds are then utilised as a central resource for allocating funds against bids for expenditure made to the Endowment Committee.

(f) Incoming resources from grants

Where entitlement to grants is not conditional on the delivery of a specific performance by the charity, they are recognised when the charity becomes unconditionally entitled to the grant. Where income from grants is related to performance and specific deliverables, they are accounted for as the charity earns the right to consideration by its performance.

(g) Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. All expenditure is recognised once there is a legal or constructive obligation committing the charity to the expenditure.

(h) Irrecoverable VAT

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

(i) Allocation of overhead and support costs

Overhead and support costs have been apportioned between the categories of charitable expenditure. The analysis of overhead and support costs and the bases of apportionment applied are shown in note 5.

(j) Costs of raising funds

The costs of generating funds are those costs attributable to generating incoming resources for the charity, other than those costs incurred in undertaking charitable activities or the costs incurred in undertaking trading activities in furtherance of the charity's objects including investment management fees.

(k) Charitable activities

Costs of charitable activities comprise all costs incurred in the pursuit of the charitable objects of the charity. These costs, where not wholly attributable, are apportioned between the categories of charitable expenditure in addition to the direct costs. The total costs of each category of charitable expenditure therefore include support costs and an apportionment of overheads, as shown in note 6.

(l) Capital expenditure

Capital expenditure is defined as expenditure on acquisitions of new tangible fixed assets and additions, extensions, improvements or replacements to such existing assets. There is no record of capital assets in the balance sheet, apart from those fixed assets disclosed, for any such assets purchased are immediately donated to Forth Valley NHS Board.

NHS FORTH VALLEY ENDOWMENT FUNDS

Notes to the Financial Statements - 31 March 2022

(continued)

(m) Fixed Asset Investments

Investments are stated at market value as at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Quoted stocks and shares are included in the balance sheet at mid-market price, excluding dividends.

(n) 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 purchase cost if later). Unrealised gains and losses are calculated as the difference between the carrying value at the year-end and opening market value (or purchase cost if later).

(o) Continuation of funds

In accordance with the reconfiguration of NHS Health Boards and Trusts in Scotland, Forth Valley Acute Hospital NHS Trust and Forth Valley Primary Care NHS Trust ceased to exist on 31st March 2004 and their endowment funds were transferred on 1st April 2004 to the successor organisation, Forth Valley NHS Board. In view of the terms of these transfers, NHS Forth Valley Endowment Funds has been treated for accounting purposes as a continuation of the predecessor FVAH and FVPC endowment funds.

(p) Pensions

The charity is a grant making charity and has no employees and any pension contribution liabilities that may arise are solely the responsibility of the grant recipient.

2. Funds structure

The nature and purpose of each fund is as follows: -

Restricted

(a) Permanent endowment funds

Shennan Bequest

The income of this fund is to be applied in providing an annual holiday prize draw for nursing staff of Lochview Houses 1 to 3.

Bellsdyke Nurses Scholarship

The income of this fund is to be applied for the professional development of nursing staff at Bellsdyke Hospital.

(b) Ward Funds

They comprise donations received by specific wards and spent in accordance with the wishes of donors and management subject to the discretion of trustees.

(c) Specific funds

These funds have been received and applied for specific projects and activities.

NHS FORTH VALLEY ENDOWMENT FUNDS

Notes to the Financial Statements - 31 March 2022 (Continued)

Accumulated

(d) Accumulated funds

These funds are representative largely of:

- i) accumulated gains and losses on realisation and revaluation of investments made over the years including those made by the predecessor endowment funds.
- ii) investment income and bank interest offset by authorised expenditure.

This part of the funds must be used for the purposes specified in the National Health Services (Scotland) Act 1978, which is for any purpose for which Forth Valley NHS Board was established.

The trustees allocate annually the unrestricted income for the use of the hospitals and the community.

(e) D G Cochrane Fund

This fund is solely for the use of Falkirk Community Hospital and comprises a single legacy.

(f) Unrealised gains on investments fund

When FVAH NHS Trust Endowment Fund and FVPC NHS Trust Endowment Fund were dissolved and replaced by NHS Forth Valley Endowment Funds, the investments held were re-based to reflect the valuation at 1st April 2004 as historical cost.

These funds comprise the unrealised gains and losses, arising since that date. The unrealised gains/losses are transferred to accumulated funds when they have actually been realised.

3. Taxation

The Endowment Fund has charitable status and is exempt from taxation. Covenanted donations, gift aid and legacies attract taxation relief for the donor. The Endowment Fund is not registered for value added tax and accordingly any such irrecoverable tax is included in expenditure incurred.

NHS FORTH VALLEY ENDOWMENT FUNDS

Notes to the Financial Statements - 31 March 2022 (Continued)

	2022	2021
	£	£
4. Analysis of Income		
<i>Donations & Legacies</i>		
Donations	160,439	217,572
Legacies	26,427	8,849
	<u>186,866</u>	<u>226,421</u>
	2022	2021
	£	£
<i>Charitable Activities</i>		
NHS Charities Together C19 Grants Programme	0	133,100
Lochview Food Grant	400	0
	<u>400</u>	<u>133,100</u>
	2022	2021
	£	£
5. Allocation of support costs and overheads		
External audit	8,400	8,400
Financial management salaries	61,063	46,277
Bank charges	37	29
Legal Fees	0	60
	<u>69,500</u>	<u>54,766</u>

The support costs have been allocated to charitable activities based on time spent. The subsequent apportionment across activity is disclosed in note 6.

6. Analysis of charitable expenditure

The charity pursued its charitable activities by making grants and direct charitable activities. Support costs have been apportioned across the categories of charitable expenditure on the basis of the number of individual transactions and the associated transaction cost incurred by the charity.

	Grant Funded Activity	Support Costs	Total
	£	£	£
Year ended 31st March 2022			
Research & Development	10,000	2,519	12,519
Staff Education, Training & Development	32,394	8,160	40,554
Patient Welfare & Amenities	187,739	47,286	235,025
	<u>230,133</u>	<u>57,965</u>	<u>288,098</u>
	Grant Funded Activity	Support Costs	Total
	£	£	£
Year ended 31st March 2021			
Research & Development	0	0	0
Staff Education, Training & Development	42,679	8,976	51,655
Patient Welfare & Amenities	182,841	38,445	221,286
	<u>225,520</u>	<u>47,421</u>	<u>272,941</u>

NHS FORTH VALLEY ENDOWMENT FUNDS

Notes to the Financial Statements - 31 March 2022 (Continued)

There was no patient welfare and amenities expenditure on grants to external organisations during the year.

7. Analysis of Grants

The charity does not make grants to individuals and the total costs of making grants is disclosed on the Statement of Financial Activities, and the actual disbursement for each category of charitable activity is disclosed in note 6. Where earmarked funds are operated under a scheme of delegation approved by the trustees, individual grants are not made by the corporate trustee, instead the fund holder incurs expenses based on the approved purposes of that fund and therefore individual grants are not recorded.

8. Auditors remuneration

	2022	2021
	£	£
Annual Audit	8,400	8,400
Additional work	0	0
	<u>8,400</u>	<u>8,400</u>

9. Fixed Asset Investments

	2021	2020
	£	£
Movement in Fixed Asset Investments		
Market value of investments as at 01.04.21	3,016,412	2,387,328
Acquisitions at cost	812,996	773,625
Disposals at opening book value	(732,203)	(591,349)
Net gain/(loss) on revaluation in year	147,122	446,808
Market value as at 31.03.22	<u>3,244,327</u>	<u>3,016,412</u>
Historical cost as at 31.03.22	<u>2,532,478</u>	<u>2,358,927</u>

Analysis of Fixed Asset Investments (Market Value)

Listed equity investments and unit trusts	2,993,658	2,658,433
Fixed interest bonds	250,669	357,979
	<u>3,244,327</u>	<u>3,016,412</u>

NHS FORTH VALLEY ENDOWMENT FUNDS

Notes to the Financial Statements - 31 March 2022

(Continued)

10. Gross income from investments

	2022	2021
	£	£
Gross income earned from all types of investment		
Listed equity investments	75,813	72,590
Fixed interest bonds	5,194	5,639
Interest on Cash Deposits	17	51
	<u>81,024</u>	<u>78,280</u>

11. Debtors

	2022	2021
	£	£
Prepayments & accrued income	0	3,414
Sums due by Forth Valley Health Board	25,242	87,210
Other Debtors	16,364	0
	<u>41,606</u>	<u>90,624</u>

12. Cash at Bank

	2022	2021
	£	£
Cash at Bank	160,293	144,655
Cash held by Investment Managers	31,556	52,764
	<u>191,849</u>	<u>197,419</u>

13. Current Liabilities

	2022	2021
	£	£
Creditors & Accruals	37,894	36,038
Sums due to Forth Valley Health Board	49,322	29,243
	<u>87,216</u>	<u>65,281</u>

14. Provision for liabilities and charges

There were no provisions made in the current or previous year and all the grants payable have been paid or accrued.

NHS FORTH VALLEY ENDOWMENT FUNDS

Notes to the Financial Statements - 31 March 2022 (Continued)

15. Analysis of charitable funds

	Fund balances 31.03.21 £	Income £	Expenditure £	Fund Transfers £	Realised Gain on sale of Investments £	Unrealised Gains on revaluation of investments £	Fund balances 31.03.22 £
Unrestricted funds							
General Funds	923,577	166,166	(179,199)	120,029	81,424	0	1,111,997
Designated funds:							
D.G. Cochrane	203,635	0	0	0	0	0	203,635
Non-contractual commitments	68,133	0	0	2,255	0	0	70,388
	1,195,345	166,166	(179,199)	122,284	81,424	0	1,386,020
Unrealised revaluation reserve	657,485	0	0	(92,758)	0	147,122	711,849
	1,852,830	166,166	(179,199)	29,526	81,424	147,122	2,097,869
Permanent Funds	9,562	0	(420)	0	0	0	9,142
Restricted Funds	1,376,782	102,124	(165,825)	(29,526)	0	0	1,283,555
	3,239,174	268,290	(345,444)	0	81,424	147,122	3,390,566

16. Analysis of fund balances over the net assets

Year ended 31st March 2022	Permanent £	Restricted £	Unrestricted £	Unrealised Gains on revaluation of investments £	Total £
Investments	0	1,217,638	1,314,840	711,849	3,244,327
Cash at bank	9,142	114,964	67,743	0	191,849
Debtors	0	0	41,606	0	41,606
Liabilities	0	(49,047)	(38,169)	0	(87,216)
	9,142	1,283,555	1,386,020	711,849	3,390,566

Year ended 31st March 2021	Permanent £	Restricted £	Unrestricted £	Unrealised Gains on revaluation of investments £	Total £
Investments	0	1,262,662	1,096,265	657,485	3,016,412
Cash at bank	9,562	116,378	71,479	0	197,419
Debtors	0	10,428	80,196	0	90,624
Liabilities	0	(12,686)	(52,595)	0	(65,281)
	9,562	1,376,782	1,195,345	657,485	3,239,174

NHS FORTH VALLEY ENDOWMENT FUNDS

Notes to the Financial Statements - 31 March 2022

(Continued)

17. Reconciliation of net expenditure to net cash flow from operating activities

	2022	2021
	£	£
Net movement in funds per Statement of Financial Activities	151,392	726,948
Adjustments for:		
Investment income	(81,024)	(78,280)
Gains on disposal of investments	(81,424)	(157,560)
Gains on revaluation of investments	(147,122)	(446,808)
Decrease/(Increase) in debtors	49,018	(47,637)
Increase/(Decrease) in creditors	21,935	(6,996)
Net cash used in operating activities	(87,225)	(10,333)

18. Trustees remuneration and reimbursement of expenses

No trustee or person connected to a trustee has received any remuneration or reimbursement of expenses directly or indirectly from the endowment fund during the year