REMUNERATION REPORT (UNAUDITED)

This part of the Annual Report is unaudited.

Directors’ Remuneration

Full details are given in the Remuneration Report on page 368 of the Accounts.

Median pay analysis

The Trust is required to disclose the relationship between the remuneration of the highest paid Director within the organisation and the median remuneration of the Trust’s workforce.

The banded remuneration of the highest paid Director in the Trust in 2013/14 was £245k-£250k (2012/13 £245k-£250k). This was 8.87 (2012/13 8.96) times the median remuneration of the workforce, which was £27.9k (2012/13 £27.6k).

Terms of Service and Remuneration Committee

The Committee is responsible for determining all elements of Executive Director remuneration as well as the discretionary points payment awards to the senior medical staff. The Committee meets annually.

Membership of the Committee

Membership of the Terms of Service and Remuneration Committee is made up of the Chairman (Mr K W Smith) and two Non-Executive Directors (Mrs H A Parker and Dr B C Dobson). The Chief Executive (Sir Leonard Fenwick) and the HR Director (Mrs D Fawcett) are also in attendance. There was no meeting of the Committee in 2013/14.

The Committee did not receive advice from any other persons, either within or outside the organisation, on this occasion.

Base salary – individual base salaries are reviewed annually and take into account the overall performance of the organisation and any responsibility changes in the context of comparable organisations and the direction being taken by the NHS overall. For Executive Directors, account is taken of the Department of Health guidance on Very Senior Managers Pay.

Executive Directors are subject to individual performance review, conducted by the Chairman and nominated Non-Executive Directors annually. Performance is evaluated in the context of national performance targets and the Annual Health Check. Where applicable, there is some benchmarking or comparison with other NHS Foundation Trusts. The Terms of Service and Remuneration Committee oversees the remuneration for Executive Directors. None of the Executive Directors has a service contract and there are no special provisions for early termination of contract – standard NHS terms apply.

The Chairman and Non-Executive Directors received a fee determined by the Council of Governors.

Other Benefits – as outlined in Note 5.4 to the Accounts.

Pensions - all Executive Directors participate in the NHS Superannuation Scheme.

Service as a Non-Executive Director is not pensionable.

Date of the contracts, notice and termination periods

All Executive Directors have a substantive Contract of Employment with agreed notice periods of between 3 and 6 months. No termination payments were made in the course of 2013/14.

Remuneration and performance conditions

In reviewing the annual salary of Directors, the Committee takes into consideration a number of factors including the overall performance of the organisation as and effective and efficient trading entity, the delivery of agreed corporate objectives for the year and the pattern of remuneration amongst NHS Foundation Trusts and the wider NHS. The pay and employment conditions of other employees are taken into account when determining Directors’ remuneration to the extent appropriate to ensure that levels of responsibility and experience are reflected appropriately.

The Medical Director’s salary is in accordance with the terms and conditions of the National Health Service Consultant Contract plus a responsibility allowance payable for the duration of office.

There are no special contractual compensation issues for the early termination of Executive Director contracts. No awards were made to any past senior managers.

All Executive Directors are subject to performance review and this is undertaken by the Chairman and the Chief Executive. Directors’ salaries have no component of performance-related pay.

Those Executive Directors who serve as Non-Executive Directors elsewhere (i.e. in the spin-off companies in which the Trust has an equity interest) are not remunerated for that responsibility and do not retain any earnings relating to such Non-Executive appointments.

The remuneration for Non-Executive Directors was reaffirmed by the Council of Governors at a meeting held on 17th January 2008. The level of remuneration is paid for a minimum of two and a half days per month for Non-Executive Directors.

A table showing the remuneration of Directors and Non-Executive Directors can be seen in Note 5.4 to the Accounts. This is the only audited section of this report.

Expenses paid to Governors during the financial year were, in aggregate, £1,811 (£2,625 in 2012/13). This sum was dispersed across a total of eight Governors.

Details of amounts payable to third parties for services of a senior manager

Mr E Weir, Non-Executive Director appointed by Newcastle City Council: £11,000

Professor C P Day, Non-Executive Director appointed by Newcastle University: £12,000

“Off-Payroll” Engagements

In compliance with Monitor’s FT Annual Reporting Manual 2013/14, the Trust advises of the following. The Trust has conducted a risk-
based assessment as to whether assurance is required that the individual is paying the right amount of tax and that assurance has been sought and received from the individuals in question with regard to their tax arrangements.

For all new off-payroll engagements, or those that reached six months in duration between 1st April 2013 and 31st March 2014, for more than £220 per day and that last for longer than six months:

<table>
<thead>
<tr>
<th>No. of existing engagements as of 31st March 2014</th>
<th>3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Of which:</td>
<td></td>
</tr>
<tr>
<td>No. that have existed for less than one year at time of reporting</td>
<td>0</td>
</tr>
<tr>
<td>No. that have existed for between one and two years at time of reporting</td>
<td>1</td>
</tr>
<tr>
<td>No. that have existed for between two and three years at time of reporting</td>
<td>0</td>
</tr>
<tr>
<td>No. that have existed for between three and four years at time of reporting</td>
<td>0</td>
</tr>
<tr>
<td>No. that have existed for four or more years at time of reporting</td>
<td>2</td>
</tr>
</tbody>
</table>

No. of new engagements, or those that reached six months in duration, between 1st April 2013 and 31st March 2014: 3

No. of the above which include contractual clauses giving the Trust the right to request assurance in relation to income tax and National Insurance obligations: [3]

No. for whom assurance has been requested: 3

Of which:

No. for whom assurance has been received: [3]

No. for whom assurance has not been received: [0]

No. that have been terminated as a result of assurance not being received: 0

Project Manager, commenced 21st September 2009, engagement ongoing: annual cost in 2013/14 £98,496

Energy Consultant, commenced May 1999, engagement ongoing: annual cost in 2013/14 £58,117

Business Consultant, commenced June 2012, engagement ongoing: annual cost in 2013/14 £114,000

Sir Leonard Fenwick  
Chief Executive  
28 May 2014
Structure, Governance and Management

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

Trustee

The Board of Directors of the Newcastle upon Tyne Hospitals NHS Foundation Trust acts as the “Corporate Trustee”. The Funds are administered by a Standing Committee of the Trust Board and Council of Governors known as the Trust (Charitable) Funds Committee which meets quarterly with other meetings convened as and when necessary. Members of the Trust Board are remunerated by the NHS Trust and Committee members receive no remuneration or expenses from the Charity.

Trust (Charitable) Funds Committee

Non Executive Directors (appointed by the Council of Governors)

Mrs H Parker (Chairman)
Professor P Baylis
Ms S Kler

Executive Directors

Sir L R Fenwick (Chief Executive)
Mr A Welch (Medical Director)
Mrs A Dragone (Finance Director)

Induction of committee members is provided by a detailed information pack containing relevant Charity Commission guidance and information specific to the Charity; ongoing training is provided as required and the Charity subscribe to the Governance publication (Essential Information for Effective Trustees) to supplement Trustee awareness. Guidance is also supplied by the Healthcare Financial Managers Association (HFMA) and the Association of NHS Charities.

Charity Structure

The Charity comprises of a General Purposes Fund (known as the Umbrella Fund), with an additional seventeen subsidiary funds (largely reflecting clinical specialties), which are registered with the Charity Commission. Operationally the subsidiary funds are further subdivided to reflect the wishes of respective donors and the proposed utilisation, and at 31st March 2014 there were 203 such funds, i.e. individual Funds.

Funds have designated advisers to whom balances are communicated on a six-monthly basis. The Funds are administered in accordance with Financial Procedure Notes and Charity Information pack. Adherence to the procedures is monitored by Internal Audit, the Trust’s Audit Committee and ultimately by the Trust Board as part of the structured controls assurance within the Trust.

Principal Professional Advisors

Investment Managers CCLA Investment Management Ltd, 80 Cheapside, London EC2V 6DZ

Bankers HSBC PLC, 110 Grey Street, Newcastle upon Tyne NE1 6JG
Yorkshire Bank, Quayside House, 110 Quayside, Newcastle upon Tyne NE1 3DX

External Auditors PricewaterhouseCoopers LLP, Central Square South, Orchard Street, Newcastle upon Tyne, NE1 3AZ

Internal Audit Northumbria Internal Audit, 3 North Terrace, Newcastle upon Tyne NE2 4AD

Management

A dedicated team provides administration, financial and fundraising support within the Trust; the Charity does not directly employ any members of staff. The Newcastle upon Tyne Hospitals NHS Foundation Trust issues contracts of employment and recharges the Charity for costs incurred in relation to both staffing and non-pay related expenditure.

Official Charity Address: Charitable Funds Office
Room 203, Cheviot Court
Freeman Hospital, High Heaton
Newcastle upon Tyne, NE7 7DN

Telephone: 0191 2231434 (General Enquiries)
0191 2137235 (Fundraising Manager)

Website: www.newcastle-hospitals.org.uk/charity-matters.aspx

Grant Access And Evaluation

The majority of expenditure applications are initiated by Fund advisers and are subject to an approval process identified as part of The Newcastle upon Tyne Hospitals NHS Foundation Trust’s overall Scheme of Delegation and Corporate Governance procedures. The application process uses a standard Case of Need form for all applications over £1,000. Applicants must be able to demonstrate why it is appropriate to use charitable funds in terms of additional benefit or enhancement to the service. This ensures that no expenditure is incurred by the Charity that should have been funded from revenue sources.
Under the Trust Scheme of Delegation, the Head of Charitable Funds can approve applications up to £1,000. Applications between £1,000 - £5,000 require the approval of the Chief Executive and over £5,000, approval of the Chair of the Trust (Charitable) Funds Committee is also required.

Most of the applications over £5,000 are formally discussed at the Trust (Charitable) Funds Committee to allow full consideration of their appropriateness with regard to the objectives of the Charity, relative priority to other applications and the guideline expenditure targets established by the Reserves Policy. Any applications over £5,000 approved outside of the formal meetings are reported to the Committee to ensure that there is full accountability.

The exceptions to this are (i) dedicated Research Funds for which the Joint Research Executive Scientific Committee (advising both the Newcastle upon Tyne Hospitals Charity and The Newcastle Healthcare Charity respectively) considers applications for research projects and makes recommendations to the Trust (Charitable) Funds Committee and (ii) the Charlie Bear for Cancer Care Fund which is administered by a Sub-Committee and which reports to the Trust (Charitable) Funds Committee. In addition (iii) the Sir Bobby Robson Foundation Committee comprising members of the late Sir Bobby’s family and including Executive and non-Executive Trust (Charitable) Funds Committee members, meet regularly to discuss and recommend projects which accord with the Foundation’s Constitution.

The Joint Research Executive Scientific Committee is made up of leading consultants and physicians from the Trust and the University of Newcastle upon Tyne. This Committee carries out a peer review of all research grant applications and considers the suitability, value and quality of the research and the qualifications and academic standing of the researchers.

**Risk Management**

The Corporate Trustee considers the Charity has the necessary practices currently in place to assess Governance, Operational, Financial, External and Compliance risks. These have been identified in a Risk Management Schedule specific to the Charitable Funds, which is updated annually, where it is deemed necessary. This Schedule identifies risk areas, the potential impact of these risks and the steps taken to mitigate the risks to the Charity. Working practices and procedures conform to the Charity Commission’s guidelines and are subject to scrutiny by Internal and External Audit.

**Reserves Policy and Spending Targets**

The Trustee operates a Reserves Policy which is largely designed to provide an appropriate level of support to Newcastle upon Tyne Hospitals, from funds within each of the 17 specialty sub-registrations and the General Purposes Fund.

In formulating the policy it is hoped that the current level of funds can be replenished over a five year period. A guideline expenditure level is set each year, generally at 20% of the value of existing funds. These targets are guidelines only which address the need to spend at least a proportion of the fund in each financial year.

During 2013-14 guideline expenditure targets for non-research based grants (excluding the Sir Bobby Robson Foundation and Charlie Bear for Cancer Care) were set at £1,019k and the level of commitments made against this target was £504k. The under-performance was reflective of the caution exercised by the Charity in committing to large scale projects whilst providing a window of opportunity to allow the funds to regenerate.

The Trustee has different criteria for research funds which allow funds to be spent on the following basis:

- Funds in excess of £200k - 25% of fund value: £50k-£200k - 30% of fund value: £50k-£150k - 60% of fund value: less than £50k-100% of fund value (in a particular financial year). The spending target for Research in 2013/14 was initially £385k and the performance against this target was £188k, a take up of 49%. Demand for grants continues to exceed supply and this is often inhibited by the small number of specialty research funds which are capable of funding yearly projects. The declining level of available research funding is a continuing cause for concern and the position to continue to be monitored during 2014-15.

**Investment Policy Statement**

Of the eighteen registered Funds, the Charlie Bear for Cancer Fund, is reliant on proactive fundraising and because it expends resources significantly faster than the other Funds it is invested via the money market. The Sir Bobby Robson Foundation was established on the same basis and funds are invested via the money market as it is expected that they will be expended in the shorter, rather than the longer term. The Sir Bobby Robson Foundation is partly invested with Yorkshire Bank with a view to obtaining a competitive interest rate. In the case of the other Funds the majority of assets held which are not required to meet outstanding liabilities continue to be invested via the Charities Official Investment Fund (COIF), the majority being held in a diversified Common Investment Fund with a portfolio chosen by the manager, CCLA Investment Management Ltd, and comprising equities, property and cash. The equities comprise shareholdings in public companies with stock market quotations; however the portfolio refrains from the direct investment in companies that derive a substantial amount of their profit from investment in tobacco.

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

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

2) Engagement on corporate governance including proxy voting on issues to protect and enhance shareholder value.

3) Setting appropriate constraints on investment and exposure to activities considered unacceptable by an independent Board.

An independent review of the Charity’s Investment advisors performance was undertaken during 2012/13 to assess performance against both the market and the Charity’s requirements. The Charity has decided to look at alternative provision of investment services and this is likely to be concluded during 2014-15 in conjunction with an independent professional investment advisor.
Newcastle Healthcare Charity

There are additional Trust (Charitable) Funds held for the benefit of services at the Royal Victoria Infirmary, Newcastle General Hospital (now the Centre for Ageing & Vitality) and Community services, which form part of The Newcastle upon Tyne Hospitals NHS Foundation Trust. These funds are held by the Newcastle Healthcare Charity, a separate registered charity, and are not the subject of either this Report or accompanying Accounts. The Newcastle Healthcare Charity has provided a Statement and this is included within the Review of the Year, which supplements the full text of the Foundation Trust’s annual accounts.

Objectives And Activities

“For any charitable purpose or purposes relating to the National Health Service wholly or mainly for the service provided by the Newcastle upon Tyne Hospitals NHS Trust”

The Charity’s aim is to complement NHS resources in The Newcastle upon Tyne Hospitals NHS Foundation Trust to increase patient comfort and enhance facilities for both patients and staff. By complementing NHS resources the Charity enables the Trust to be on the leading edge of both specialised service provision and clinical, scientific and technological developments in the field of health and the promotion of Newcastle’s national and international reputation as a leading academic centre by supporting research.

The Charity

- Purchases service-enhancing equipment enabling medical treatments to be improved.
- Improves amenities for patients so the time spent in hospital is more comfortable.
- Enhances facilities for staff so improving working lives.
- Funds research and development activities which ultimately improve patient care.

These aims and objectives are deemed to satisfy the public benefit guidance issued by the Charity Commission.

Achievements and Performance

During 2013-14 the Trustee agreed commitments (exclusive of research awards) of £747k.

This comprised larger applications as detailed below and many smaller applications, which are designed to support and enhance patient and staff welfare.

Major Grant awards made during the year included:

<table>
<thead>
<tr>
<th>£50k-£99k</th>
<th>£10k-£49k</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cancer (Sir Bobby Robson Foundation)</td>
<td>£50k-£99k</td>
</tr>
<tr>
<td>Freeman Hospital-Staff</td>
<td>£10k-£49k</td>
</tr>
<tr>
<td>Anaesthetics</td>
<td>Cancer (Charlie Bear for Cancer Care)</td>
</tr>
<tr>
<td>Cardiothoracic</td>
<td>Cancer (Charlie Bear for Cancer Care)</td>
</tr>
<tr>
<td>Cancer (Charlie Bear for Cancer Care)</td>
<td>Cardiothoracic</td>
</tr>
<tr>
<td>Renal</td>
<td>Institute of Transplantation</td>
</tr>
<tr>
<td>Cancer (Charlie Bear for Cancer Care)</td>
<td>Rheumatology</td>
</tr>
<tr>
<td>Cardiothoracic</td>
<td>Cardiothoracic</td>
</tr>
<tr>
<td>Cancer (Charlie Bear for Cancer Care)</td>
<td>Cancer</td>
</tr>
<tr>
<td>Anaesthetics</td>
<td>Surgery</td>
</tr>
<tr>
<td>Cancer</td>
<td>Cancer</td>
</tr>
</tbody>
</table>

Maggies Support Specialist Post
Staff Christmas Meals
Sonosite Edge Ultrasound Machine
Sonosite Edge Ultrasound Machine
Brainlab Cones & Iplan Cone Planning
2 x Fresenius multi-filtrate machines
3yr Contribution to Complementary Therapy Services
50% Contribution Nursing Research Post
Refurbishment of Cardio Theatre Changing facilities
ALS Simulator & Accessories
Support for Research Nurse Post
Laser Speckle Perfusion System
Contribution to Complementary Therapy Services

£91,575
£44,341
£33,620
£33,380
£29,600
£26,400
£24,750
£17,192
£15,205
£12,200
£10,000
£10,572
£10,500
The Sir Bobby Robson Foundation continues to go from strength to strength and income received during 2013/14 year (£1.611k) was the highest since the Foundation began in 2008. The family of the late Sir Bobby, including his widow, Lady Elsie Robson and her three sons, continue to provide their full support and are totally dedicated in continuing to deliver Sir Bobby’s aims and aspirations. The Trustee Board of the Newcastle upon Tyne Hospitals NHS Charity wish to record their heartfelt gratitude to Lady Elsie and her family for their support and commitment to the Foundation and the work undertaken to maintain Sir Bobby’s ‘greatest legacy’.

The Charlie Bear Shop (opened in May 2009) continues to flourish and generated income of almost £74k in support of cancer patients attending the Northern Centre for Cancer Care. The shop also provides a welcome diversion for patients and visitors attending the Centre.

## Research & Development

The Joint Research Executive Scientific Committee reviewed many research projects during 2013/14 and the following grant awards were made:

<table>
<thead>
<tr>
<th>Principal Investigator</th>
<th>Title of Project</th>
<th>Amount Awarded £</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dr S Ali</td>
<td>Modulation of wound healing post myocardial infarction</td>
<td>44,314</td>
</tr>
<tr>
<td>Mr R Jones</td>
<td>Videofluoroscopic assessment of silent aspiration in Idiopathic pulmonary fibrosis; a feasibility study</td>
<td>5,000</td>
</tr>
<tr>
<td>Dr N Kanagasundaram</td>
<td>The impact of a decision support tool for the early recognition and management of acute kidney injury: implementation and an analysis of quality care.</td>
<td>23,116</td>
</tr>
<tr>
<td>Dr M Haniffa</td>
<td>Capital equipment cost for immunoSpot s6 Ultra-V EILSpot Analyser</td>
<td>29,000</td>
</tr>
<tr>
<td>Prof J Vormoor</td>
<td>A 3D bone marrow niche model to grow patient specific B-ALL primary cells for pre-clinical drug screening assays.</td>
<td>29,986</td>
</tr>
<tr>
<td>Dr P Lovat</td>
<td>TGFB mediated down-regulation of Amra-1 as a surrogate marker for melanoma ulceration and progression</td>
<td>24,166</td>
</tr>
<tr>
<td>Dr M Pearce</td>
<td>DNA methylation changes following radiation exposure in patients undergoing fluoroscopic cardiology procedures.</td>
<td>16,098</td>
</tr>
<tr>
<td>Dr G Richardson</td>
<td>Identifying the source of cardiomyocyte regeneration in non-ischaemic cardiomyopathy.</td>
<td>16,250</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td><strong>187,930</strong></td>
</tr>
</tbody>
</table>
Fundraising
The Charity utilises the services of a Trust Fundraising Manager, in a collaborative agreement with Newcastle Healthcare Charity. This provides an assurance that any fundraising activity carried out in the Charity’s name, and approved via the Charitable Funds Office, is appropriately managed with regard to adherence to Trust policy, Charity Commission and Institute of Fundraising guidelines.
A highlight of fundraising activities is incorporated in the full text of the Foundation Trust’s annual accounts.

Financial Review 2013/14

Breakdown of Income

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount (£)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Donations</td>
<td>£254,642</td>
</tr>
<tr>
<td>Fundraising/Retail</td>
<td>£1,794,338</td>
</tr>
<tr>
<td>Legacies</td>
<td>£544,108</td>
</tr>
<tr>
<td>Dividends/Interest</td>
<td>£314,253</td>
</tr>
</tbody>
</table>

Breakdown of Expenditure

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount (£)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Patient Education and Welfare</td>
<td>£285,782</td>
</tr>
<tr>
<td>Staff Training and Education</td>
<td>£159,221</td>
</tr>
<tr>
<td>Purchase of New Equipment</td>
<td>£204,052</td>
</tr>
<tr>
<td>Medical Research</td>
<td>£237,679</td>
</tr>
<tr>
<td>Costs of Generating Funds</td>
<td>£141,447</td>
</tr>
<tr>
<td>Governance Costs</td>
<td>£41,218</td>
</tr>
</tbody>
</table>
Income in the year increased by £361k to £2,907k. This increase is particularly heartening in a difficult economic climate and reflects the continuing high levels of support from the general public towards our services.

The income patterns were mixed with fundraising showing a marked increase (£644k) together with increased income streams from retail sales (£9k) and investment income (£4k) whereas donated income fell (£242k) as did legacies (£33k) and grants (£21k).

This continuing uplift in the level of income is gratifying especially during a period in which spendable income has been significantly reduced and social enterprise support from local businesses has also declined.

Expenditure in the year was £1,069k. The decrease in commitments/expenditure of £724k was mainly due to the fact that grants for stereotactic radiotherapy equipment of in excess of £1m were included in the previous financial period whereas the largest award in 2013/14 was £91k. Nevertheless twenty three grants of in excess of £5k were made in 2013/14 as compared with twelve in 2012/13.

Grants in excess of £5k were awarded for both patient education and welfare (£251k) and staff education and welfare (£80k). The majority of awards for patient/staff welfare and amenities are under £5k but which, in total, make a substantial contribution to enhancing the patient experience and raising standards and quality of service delivery. The expenditure on patient welfare includes the provision of quality furniture and furnishings aimed at raising the patient environment. Additionally the provision of comforts, ward decoration and gifts is designed at raising spirits and morale during a period of hospital confinement.

Grants for the provision of new and innovative equipment over and above that available to the NHS totalled almost £140k, the largest being £67k to provide ultrasound machines in the Anaesthetic and Cardiothoracic directorates. Equipment of this nature enhance the quality of service provision and provide speedier diagnosis and delivery of treatment which continues to raise the high standards of treatment and care provided by the Newcastle upon Tyne Hospitals.

The Charity continues to support the training and development of staff members through the attendance at conferences and advanced training courses aimed at increasing the awareness of changes in current practice and new developments in their field of expertise. This knowledge can then be cascaded and adapted with a view to raising the quality of care and delivery.

The Charity awarded five grants totalling £188k in support of medical research, following peer review and recommendation from the Joint Research Executive Scientific Committee. The awards are designed to pump prime more expensive research which will enable the researcher to develop and extend the line of research by obtaining large scale funding. Improving the ultimate standard of care and treatment of patients is a key factor in the decision making process.

Cost of generating funds in 2013/14 amounted to £141k whilst income generated during the period amounted to £1,776k. The Sir Bobby Robson Foundation incurred costs in relation to promotion, public relations and delivering fundraising events of £47k. Income generated during the same period amounted to almost £1.5m (excludes legacy income).

The market value of Funds held at 31st March 2013 was £12,087k, representing an increase of £1,986k since the previous year-end. The increase was a result of net income exceeding expenditure by £1,838k and investment gains of £148k.
Future Plans

“We will continue to enhance the services provided by The Newcastle upon Tyne Hospitals NHS Foundation Trust.”

The Charitable Funds Committee continue to monitor income levels with a view to aligning with related grant activity and ensuring that the optimum use is made of its charitable funds. The Committee is heartened by the continuing high levels of support received from the general public and the esteem in which the Newcastle Hospitals is perceived. This support will enable the Committee to maintain and potentially increase the levels of support currently provided. The Committee will continue to engage with Fund Advisers and Service Areas with a view to aligning objectives with available charitable support.

Statement of Trustee’s Responsibilities

The law applicable to charities in England and Wales requires the Trustee to prepare financial statements for each financial year which give a true and fair view of the charity’s financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the Trustee should follow best practice and:

• select suitable accounting policies and then apply them consistently;
• make judgements and estimates that are reasonable and prudent;
• state whether applicable accounting standards and statements of recommended practice have been followed, subject to any 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 Charity will continue in operation.

The Trustee is responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the Charity and which enables them to ascertain the financial position of the Charity and which enables them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations and the provisions of the trust deed.

The Trustee is responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Provision of Information to Auditors

The Trustee at the date of approval of this report confirms that so far as they are aware, there is no relevant audit information of which the Charity’s auditors are unaware; and they have taken all the steps that they ought to have taken as a Trustee in order to make themselves aware of any relevant audit information and to establish that the Charity’s auditors are aware of that information.

Summary

The members of the Committee on behalf of the Trust wish to record their gratitude to the volunteers, other individuals, families and organisations that have contributed so generously to the Charitable Funds in the form of donations, legacies and fundraising events. The efforts of these people have hugely contributed to the quality of care offered by The Newcastle upon Tyne Hospitals NHS Trust.
INDEPENDENT AUDITORS’ REPORT
TO THE TRUSTEES OF NEWCASTLE UPON TYNE HOSPITALS NHS CHARITY

Report on the financial statements

Our opinion

In our opinion the financial statements, defined below:

- give a true and fair view of the state of the charity’s affairs as at 31 March 2014 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 section 144 of the Charities Act 2011 and Regulation 8 of The Charities (Accounts and Reports) Regulations 2008).

This opinion is to be read in the context of what we say in the remainder of this report.

What we have audited

The financial statements, which are prepared by Newcastle upon Tyne Hospitals NHS Charity, comprise:

- the balance sheet as at 31 March 2014;
- the statement of financial activities for the year then ended;
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Certain disclosures required by the financial reporting framework have been presented elsewhere in the Annual Report rather than in the notes to the financial statements. These are cross-referenced from the financial statements and are identified as audited.

What an audit of financial statements involves

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) (“ISAs (UK & Ireland”). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the charity’s circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the trustees; and
- the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

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

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

We have no exceptions to report arising from this responsibility.

Other information in the Annual Report

Under the Charities Act 2011 we are required to report to you if, in our opinion the information given in the Trustees’ Annual Report is inconsistent in any material respect with the financial statements.

We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the trustees

As explained more fully in the Statement of Trustees’ Responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board’s Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the charity’s trustees as a body in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act (Regulation 27 of The Charities (Accounts and Reports) Regulations 2008) and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Newcastle upon Tyne

20 June 2014

PricewaterhouseCoopers LLP is eligible to act, and has been appointed, as auditor under section 144(2) of the Charities Act 2011.

(a) The maintenance and integrity of Newcastle upon Tyne Hospitals NHS Charity website is the responsibility of the trustees; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

(b) Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2014

Incoming Resources

Incoming Resources from Generated Funds:
Voluntary Income:
Donations 3 6 249 255 497
Legacies 4 32 512 544 577

Activities for generating funds:
Fundraising Events 1 1,701 1,702 1,058
Fundraising Sales 6 0 74 74 65
Investment Income 11 75 239 314 310

Incoming Resources from Charitable Activities
Grants Received 5 0 18 18 39

Total Incoming Resources
114 2,793 2,907 2,546

Resources Expended

Costs of generating funds:
Fundraising Office 0 69 69 76
Fundraising Events 1 47 48 57
Fundraising Sales 6 0 29 29 23
Investment Management Costs 0 (5) (5) 7
Charitable Activities:
Purchase of new Equipment 0 204 204 1,112
Patient Education and Welfare 47 239 286 159
Medical Research 0 238 238 198
Staff Education and Welfare 68 91 159 125
Governance Costs 7 1 40 41 36

Total Resources Expended
117 952 1,069 1,793

Net Incoming Resources before other recognised gains and losses
(3) 1,841 1,838 753

Gains on Investment Assets
Unrealised Gains on Investment Assets 2 146 148 748

Net Movement in Funds
(1) 1,987 1,986 1,501

Fund balances brought forward at 1 April
156 9,945 10,101 8,600

Fund balances carried forward at 31 March
14 155 11,932 12,087 10,101

All of the amounts relate to continuing activities.
There is no material difference between the profit on ordinary activities before taxation and the profit for the financial year stated above and their historical costs equivalent.
The charity has no recognised gains and losses other than those included in the results above, and therefore no separate statement of recognised gains and losses has been presented.
### BALANCE SHEET
**AS AT 31 MARCH 2014**

<table>
<thead>
<tr>
<th></th>
<th>2013/14 Unrestricted</th>
<th>2013/14 Restricted</th>
<th>2013/14 Total</th>
<th>2012/13 Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Fixed Assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investments</td>
<td>11</td>
<td>238</td>
<td>8,505</td>
<td>8,743</td>
</tr>
<tr>
<td><strong>Total Fixed Assets</strong></td>
<td></td>
<td>238</td>
<td>8,505</td>
<td>8,743</td>
</tr>
<tr>
<td><strong>Current Assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stocks and work in progress</td>
<td></td>
<td>0</td>
<td>24</td>
<td>24</td>
</tr>
<tr>
<td>Debtors</td>
<td>12</td>
<td>0</td>
<td>214</td>
<td>214</td>
</tr>
<tr>
<td>Cash at bank and in hand</td>
<td></td>
<td>0</td>
<td>67</td>
<td>67</td>
</tr>
<tr>
<td>Short term Investments and Deposits</td>
<td>11</td>
<td>12</td>
<td>4,680</td>
<td>4,692</td>
</tr>
<tr>
<td><strong>Total Current Assets</strong></td>
<td></td>
<td>12</td>
<td>4,985</td>
<td>4,997</td>
</tr>
<tr>
<td><strong>Creditors: Amounts falling due within one year</strong></td>
<td>13</td>
<td>(95)</td>
<td>(1,447)</td>
<td>(1,542)</td>
</tr>
<tr>
<td><strong>Net Current Assets</strong></td>
<td></td>
<td>(83)</td>
<td>3,538</td>
<td>3,455</td>
</tr>
<tr>
<td><strong>Total assets less current liabilities</strong></td>
<td></td>
<td>155</td>
<td>12,043</td>
<td>12,198</td>
</tr>
<tr>
<td><strong>Creditors: Amounts falling due after more than one year</strong></td>
<td>13</td>
<td>0</td>
<td>(111)</td>
<td>(111)</td>
</tr>
<tr>
<td><strong>Net Assets</strong></td>
<td></td>
<td>155</td>
<td>11,932</td>
<td>12,087</td>
</tr>
<tr>
<td><strong>Total Charity Funds</strong></td>
<td></td>
<td>155</td>
<td>11,932</td>
<td>12,087</td>
</tr>
</tbody>
</table>

The financial statements on pages 412 to 413 were approved by the Trustee on and signed on its behalf by

Hilary Parker  
(Non-Executive Director)  
May 2014
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

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

1. Accounting policies
   (a) Basis of preparation
   The financial statements have been prepared under the historic cost convention (with the exception of investments which are included at market value) and in accordance with applicable United Kingdom Accounting Standards, Accounting and Reporting by Charities: Statement of Recommended Practice (SORP 2005) issued in March 2005 and the Charities Act 2011. The financial statements are prepared on a going concern basis and using consistently applied accounting policies, unless otherwise stated.

   (b) Funds structure
   Where there is a legal restriction on the purpose to which a fund may be put, the fund is classified in the financial statements as a restricted fund. Other funds are classified as unrestricted funds. Funds which are not legally restricted but which the Trustees have chosen to earmark for set purposes are designated funds. The major funds held within these categories are disclosed in note 14.

   (c) Incoming resources
   All incoming resources are included in full in the Statement of Financial Activities as soon as the following three factors can be met:
   i) entitlement - arises when a particular resource is receivable or the charity's right becomes legally enforceable;
   ii) certainty - when there is reasonable certainty that the incoming resource will be received;
   iii) measurement - when the monetary value of the incoming resources can be measured with sufficient reliability.

   (d) Incoming resources from legacies
   Legacies are accounted for as incoming resources once the receipt of the legacy becomes reasonably certain. This will be once confirmation has been received from the representatives of the estate that payment of the legacy will be made or property transferred and once all conditions attached to the legacy have been fulfilled.

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

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

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

   (g) Costs of generating funds
   The costs of generating funds are the costs associated with generating income for funds held on Trust. These are the charity's Fundraising manager and costs relating specifically to the Charlie Bear & Sir Bobby Robson Foundation. There are no direct investment management costs, as the costs relating to CCLA Investment Management for administering the COIF units are absorbed by the overall fund, of which the charity holds a share.

   (h) Governance costs
   Governance costs are those costs incurred in the governance of the charity, including statutory audit.

   (i) Fixed asset investments
   Investments are shown at market value as at the balance sheet date. The Statement of Financial Activities includes any net gains and losses arising on revaluation and disposals throughout the year.

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

   (k) Pooling Scheme
   There is no official pooling scheme operated for investments.
1. **Accounting policies (continued)**

   (l) **Stock**
   
   Stock is valued at the lower of cost and net realisable value.

   (m) **Cash Flow Statement**
   
   The exemption to prepare a cash flow statement under FRS1 has been applied.

2. **Related Party Transactions**

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

3. **Donations**

<table>
<thead>
<tr>
<th></th>
<th>2013/14</th>
<th>2012/13</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Purposes</td>
<td>6</td>
<td>9</td>
</tr>
<tr>
<td>Patients' Welfare</td>
<td>57</td>
<td>73</td>
</tr>
<tr>
<td>Staff Training and Education</td>
<td>9</td>
<td>2</td>
</tr>
<tr>
<td>General Research Purposes</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>Cardiothoracic</td>
<td>51</td>
<td>164</td>
</tr>
<tr>
<td>Medicine</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Surgery</td>
<td>24</td>
<td>27</td>
</tr>
<tr>
<td>Ear, Nose and Throat</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Urology</td>
<td>3</td>
<td>0</td>
</tr>
<tr>
<td>Pathology</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Chapel</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Cancer</td>
<td>15</td>
<td>10</td>
</tr>
<tr>
<td>Anaesthesia</td>
<td>13</td>
<td>8</td>
</tr>
<tr>
<td>Renal</td>
<td>3</td>
<td>6</td>
</tr>
<tr>
<td>Rheumatology</td>
<td>0</td>
<td>3</td>
</tr>
<tr>
<td>Charlie Bear</td>
<td>66</td>
<td>187</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>255</strong></td>
<td><strong>497</strong></td>
</tr>
</tbody>
</table>

4. **Legacies**

<table>
<thead>
<tr>
<th></th>
<th>2013/14</th>
<th>2012/13</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Purposes</td>
<td>32</td>
<td>73</td>
</tr>
<tr>
<td>Patients’ Welfare</td>
<td>108</td>
<td>49</td>
</tr>
<tr>
<td>General Research Purposes</td>
<td>75</td>
<td>72</td>
</tr>
<tr>
<td>Cardiothoracic</td>
<td>71</td>
<td>64</td>
</tr>
<tr>
<td>Ear, Nose and Throat</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Urology</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Orthopaedics</td>
<td>91</td>
<td>11</td>
</tr>
<tr>
<td>Cancer</td>
<td>107</td>
<td>305</td>
</tr>
<tr>
<td>Renal</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Rheumatology</td>
<td>57</td>
<td>0</td>
</tr>
<tr>
<td>Charlie Bear</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>544</strong></td>
<td><strong>577</strong></td>
</tr>
</tbody>
</table>
5. Grants received

Grants of £15k were received in respect of the Complimentary Therapy Service from Bright Red Charity and £3,500 was received from the British Kidney Patient Association in support of the Transplant Games in Sheffield (Young Peoples Kidney Fund).

6. Fundraising Sales

Fundraising sales relates to the stall operated by the Charlie Bear fund at the Northern Centre for Cancer Treatment. This is run by volunteers and overseen by the Charlie Bear Assistant.

7. Allocation of Overhead and Support Costs

Support and overhead costs have been analysed to identify:

- Governance Costs: Apportioned across all funds in proportion to market value as at 30.9.2013
- Costs of Generating Funds: Apportioned across all funds in proportion to market value as at 30.9.2013
- Costs in Support of Charitable Activities: Apportioned across all relevant funds in proportion to the costs of grants made in support of charitable activities

The apportionments excluded any costs which were directly attributable to the Charlie Bear Fund.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Auditors’ Remuneration - Audit Fee</td>
<td>9</td>
<td>0</td>
<td>0</td>
<td>9</td>
<td>7</td>
</tr>
<tr>
<td>Bought-in services from NHS</td>
<td>32</td>
<td>69</td>
<td>67</td>
<td>168</td>
<td>171</td>
</tr>
<tr>
<td>Other</td>
<td>0</td>
<td>72</td>
<td>5</td>
<td>77</td>
<td>94</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>41</strong></td>
<td><strong>141</strong></td>
<td><strong>72</strong></td>
<td><strong>254</strong></td>
<td><strong>272</strong></td>
</tr>
</tbody>
</table>

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

8. Charitable Activities

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchase of new Equipment</td>
<td>188</td>
<td>16</td>
<td>204</td>
<td>1,112</td>
</tr>
<tr>
<td>Patient Education and Welfare</td>
<td>267</td>
<td>19</td>
<td>286</td>
<td>159</td>
</tr>
<tr>
<td>Medical Research</td>
<td>214</td>
<td>24</td>
<td>238</td>
<td>198</td>
</tr>
<tr>
<td>Staff Education and Welfare</td>
<td>146</td>
<td>13</td>
<td>159</td>
<td>125</td>
</tr>
<tr>
<td><strong>Total Grants Payable</strong></td>
<td><strong>815</strong></td>
<td><strong>72</strong></td>
<td><strong>887</strong></td>
<td><strong>1,594</strong></td>
</tr>
</tbody>
</table>

9. Analysis of Grants

All grants are made directly to The Newcastle upon Tyne Hospitals NHS Foundation Trust via a scheme of delegation operated by the corporate trustee. All grant funded activity is managed by fund holders in accordance with standing orders and financial instructions.
10. **Analysis of Staff Costs/Pension Contributions**

There are no staff employed directly by the charity therefore there have been no pension contributions made in the year.

11. **Fixed Asset Investments**

(a) **Movement in Fixed Asset Investments**

<table>
<thead>
<tr>
<th></th>
<th>2013-2014 Total £000</th>
<th>2012-2013 Total £000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market Value at 1 April 2013</td>
<td>8,587</td>
<td>7,824</td>
</tr>
<tr>
<td>Add Acquisitions at Cost</td>
<td>8</td>
<td>15</td>
</tr>
<tr>
<td>Net Gain / (Loss) on Revaluation</td>
<td>148</td>
<td>748</td>
</tr>
<tr>
<td><strong>Market Value at 31 March 2014</strong></td>
<td><strong>8,743</strong></td>
<td><strong>8,587</strong></td>
</tr>
<tr>
<td><strong>Historic Cost at 31 March 2014</strong></td>
<td><strong>4,295</strong></td>
<td><strong>4,287</strong></td>
</tr>
</tbody>
</table>

(b) **Fixed Asset Investments**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2013-2014 Units Held</td>
<td>2013-2014 Held in UK</td>
<td>2013-2014 Held Outside UK</td>
<td>2013-2014 Total £000</td>
<td>2012-2013 Total £000</td>
<td></td>
</tr>
<tr>
<td>Investments in a Common Deposit Fund or Common Investment Fund</td>
<td>602.505</td>
<td>6,955</td>
<td>0</td>
<td><strong>6,955</strong></td>
<td>6,806</td>
<td></td>
</tr>
<tr>
<td>Cash Held as part of the Investment Portfolio</td>
<td>0</td>
<td>1,788</td>
<td>0</td>
<td><strong>1,788</strong></td>
<td>1,781</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>0</td>
<td><strong>8,743</strong></td>
<td>0</td>
<td><strong>8,743</strong></td>
<td><strong>8,587</strong></td>
<td></td>
</tr>
</tbody>
</table>

c) **Short Term Investments Deposits**

A sum of £4,692k is held between HSBC Moneymaster Deposit Account and Yorkshire Bank Deposit Account.

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

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2013-2014 Held in UK</td>
<td>2013-2014 Held Outside UK</td>
<td>2013-2014 Total £000</td>
<td>2012-2013 Total £000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investments in a Common Deposit Fund or Common Investment Fund</td>
<td>285</td>
<td>0</td>
<td><strong>285</strong></td>
<td><strong>290</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash Held as part of the Investment Portfolio *</td>
<td>8</td>
<td>0</td>
<td><strong>8</strong></td>
<td><strong>15</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Investments</td>
<td>21</td>
<td>0</td>
<td><strong>21</strong></td>
<td><strong>5</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Market Value of Fixed Asset Investments</strong></td>
<td><strong>314</strong></td>
<td><strong>0</strong></td>
<td><strong>314</strong></td>
<td><strong>310</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* Interest is paid directly into the COIF Deposit Account for re-investment

12. **Debtors**

<table>
<thead>
<tr>
<th></th>
<th>2013-2014 2012-2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amounts falling due within one year:</td>
<td></td>
</tr>
<tr>
<td>Prepayments and Accrued Income</td>
<td>214</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>214</strong></td>
</tr>
</tbody>
</table>
13. **Creditors**

**Amounts falling due within one year:**

<table>
<thead>
<tr>
<th></th>
<th>2013-2014</th>
<th>2012-2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade Creditors *</td>
<td>925</td>
<td>260</td>
</tr>
<tr>
<td>Accruals and deferred income #</td>
<td>617</td>
<td>1,446</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,542</strong></td>
<td><strong>1,706</strong></td>
</tr>
</tbody>
</table>

**Amounts falling due after more than one year:**

<table>
<thead>
<tr>
<th></th>
<th>2013-2014</th>
<th>2012-2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accruals and deferred income #</td>
<td>111</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>111</strong></td>
<td><strong>0</strong></td>
</tr>
</tbody>
</table>

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

# Accruals of £726k (2012-2013 £1,446k) have been included in the above figures which the Trustee considers to be a legal or constructive obligation because of ongoing or future schemes agreed with the Trust (see Annual Report for details).

14. **Analysis of Charitable Funds**

<table>
<thead>
<tr>
<th></th>
<th>Balance 1 April 2013</th>
<th>Incoming Resources</th>
<th>Resources Expanded</th>
<th>Transfers</th>
<th>Gains and Losses</th>
<th>Balance 31 March 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Patients’ Welfare</strong></td>
<td>1,420 (143)</td>
<td>206 (143)</td>
<td></td>
<td>0</td>
<td>22 (22)</td>
<td>1,505 (22)</td>
</tr>
<tr>
<td><strong>Staff Training and Education</strong></td>
<td>108</td>
<td>12 (2)</td>
<td></td>
<td>0</td>
<td>2 (2)</td>
<td>120 (2)</td>
</tr>
<tr>
<td><strong>General Research Purposes</strong></td>
<td>736</td>
<td>100 (207)</td>
<td></td>
<td>0</td>
<td>16 (16)</td>
<td>645 (16)</td>
</tr>
<tr>
<td><strong>Cardiothoracic</strong></td>
<td>2,211 (123)</td>
<td>225 (123)</td>
<td></td>
<td>0</td>
<td>48 (48)</td>
<td>2,361 (48)</td>
</tr>
<tr>
<td><strong>Medicine</strong></td>
<td>221 (3)</td>
<td>4 (3)</td>
<td></td>
<td>0</td>
<td>2 (2)</td>
<td>224 (2)</td>
</tr>
<tr>
<td><strong>Surgery</strong></td>
<td>471 (6)</td>
<td>80 (6)</td>
<td></td>
<td>0</td>
<td>8 (8)</td>
<td>553 (8)</td>
</tr>
<tr>
<td><strong>Ear, Nose and Throat</strong></td>
<td>282</td>
<td>13 (4)</td>
<td></td>
<td>0</td>
<td>4 (4)</td>
<td>295 (4)</td>
</tr>
<tr>
<td><strong>Urology</strong></td>
<td>228 (7)</td>
<td>27 (7)</td>
<td></td>
<td>0</td>
<td>9 (9)</td>
<td>271 (9)</td>
</tr>
<tr>
<td><strong>Orthopaedics</strong></td>
<td>97 (2)</td>
<td>93 (2)</td>
<td></td>
<td>0</td>
<td>1 (1)</td>
<td>189 (1)</td>
</tr>
<tr>
<td><strong>Pathology</strong></td>
<td>79 (1)</td>
<td>3 (1)</td>
<td></td>
<td>0</td>
<td>2 (2)</td>
<td>83 (2)</td>
</tr>
<tr>
<td><strong>Cancer (see Note D)</strong></td>
<td>2,935 (214)</td>
<td>1,733 (214)</td>
<td></td>
<td>0</td>
<td>20 (20)</td>
<td>4,474 (20)</td>
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<tr>
<td><strong>Chapel Fund</strong></td>
<td>2 (1)</td>
<td>1 (1)</td>
<td></td>
<td>0</td>
<td>1 (1)</td>
<td>4 (1)</td>
</tr>
<tr>
<td><strong>Anaesthesia</strong></td>
<td>166 (54)</td>
<td>17 (54)</td>
<td></td>
<td>0</td>
<td>1 (1)</td>
<td>130 (1)</td>
</tr>
<tr>
<td><strong>Renal</strong></td>
<td>454 (34)</td>
<td>14 (34)</td>
<td></td>
<td>0</td>
<td>5 (5)</td>
<td>439 (5)</td>
</tr>
<tr>
<td><strong>Rheumatology</strong></td>
<td>225 (22)</td>
<td>66 (22)</td>
<td></td>
<td>0</td>
<td>5 (5)</td>
<td>274 (5)</td>
</tr>
<tr>
<td><strong>Charlie Bear (see Note A)</strong></td>
<td>310</td>
<td>199 (144)</td>
<td></td>
<td>0</td>
<td>0 (0)</td>
<td>365 (0)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>9,945</strong></td>
<td><strong>2,793</strong></td>
<td><strong>(952)</strong></td>
<td><strong>0</strong></td>
<td><strong>146</strong></td>
<td><strong>11,932</strong></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Balance 1 April 2013</th>
<th>Incoming Resources</th>
<th>Resources Expanded</th>
<th>Transfers</th>
<th>Gains and Losses</th>
<th>Balance 31 March 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Unrestricted Funds</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Purposes</td>
<td>156 (117)</td>
<td>114 (117)</td>
<td></td>
<td>0</td>
<td>2 (2)</td>
<td>155 (2)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>156</strong></td>
<td><strong>114</strong></td>
<td><strong>(117)</strong></td>
<td><strong>0</strong></td>
<td><strong>2</strong></td>
<td><strong>155</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Balance 1 April 2013</th>
<th>Incoming Resources</th>
<th>Resources Expanded</th>
<th>Transfers</th>
<th>Gains and Losses</th>
<th>Balance 31 March 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Funds</strong></td>
<td><strong>10,101</strong></td>
<td><strong>2,907</strong></td>
<td><strong>(1,069)</strong></td>
<td><strong>0</strong></td>
<td><strong>148</strong></td>
<td><strong>12,087</strong></td>
</tr>
</tbody>
</table>

Notes:

A - Charlie Bear expends resources significantly faster than the other funds. Therefore, it is invested via the money market and not via the Charities Official Investment Fund (COIF); investment gains are not applicable.
14. **Analysis of Charitable Funds (continued)**

B - No endowment funds are held.

C - Funds are shown at Market Value as at 31st March 2014

D - This registration includes the Sir Bobby Robson Foundation which is invested via the money market, not the Charities Official Investment Fund; investment gains are not applicable.

15. **Trustees & Connected Party Transactions**

There were no expenses or remuneration paid to the Trustees during the year (2012-13 NIL).

15.1 There were no transactions with Trustees or connected persons for the year to 31st March 2014 (2012-13 NIL).

15.2 No indemnity insurance was provided to the Trustees in the year to 31st March 2014 (2012-13 NIL).

15.3 There were no loans or guarantees secured against assets of the Charity in the year to 31st March 2014 (2012-13 NIL).

15.4 **Related Party Transactions:**

During the year none of the members of the Trust (Charitable) Funds Committee or members of the key management staff or parties related to them has undertaken any material transactions with Newcastle upon Tyne Hospitals NHS Charity.

During the financial year payments of £1.2m were made to the Newcastle upon Tyne Hospitals NHS Foundation Trust in respect of grants made to the Trust. A further sum of £926k was due for payment at 31st March 2014.

The charges made by Newcastle upon Tyne Hospitals NHS Foundation Trust (£123k) for administrative support and overheads, include the provision of staff and office accommodation, which enables the charity to fulfil its statutory duties and provide support for the day-to-day running of the charity (£119k 2012/13).

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

Information

The Trust is keen to share information and wherever possible respond positively to requests for detail relating to the performance of the organisation and how it operates. The Members Council papers are published routinely on the website and the Trust has a detailed Publication Scheme under the Freedom of Information Act, which makes a significant volume of information readily available, including via the website.

Meetings in Public

The Council of Governors meets at 1-30pm on the third Thursday of alternate months, at the Freeman Hospital. These meetings are open to the public. Details may be found on the website at


Annual General Meeting

The Trust’s Annual General Meeting is held each year on the fourth Wednesday of September at 6-00pm in the Education Centre, Freeman Hospital, Newcastle upon Tyne.

Feedback

Whether it be a complaint or a compliment or simply an enquiry, we do want to hear from you. There are Suggestion Boxes around our sites, or any member of staff would be happy to listen. Alternatively, contact:

Sir Leonard Fenwick  
Chief Executive  

The Newcastle upon Tyne Hospitals NHS Foundation Trust  
Freeman Hospital, High Heaton, Newcastle upon Tyne NE7 7DN  
Telephone: (0191) 233 6161  Fax: (0191) 213 1968
CHARITABLE FUNDRAISING

We are extremely grateful for all the help and support that our hospitals receive from the general public and the local business community. The goodwill that is generated by our hospitals and staff is most gratifying. We are consistently approached by members of the public offering their support, or seeking our advice.
There are many ways to help the Newcastle Hospitals and we have listed here the most common forms of support. We are keen to protect both the hospitals’ good name and integrity as well as those individuals who offer support and we therefore ask that anyone wishing to fundraise in our name seeks permission before the fundraising commences. Help and support is available from the Charity Fund Office and a letter of authorisation will be issued to the fundraiser.

Donation

Single or periodic donations are the most common form of contribution and cheques can be made payable to “The Newcastle upon Tyne Hospitals NHS Charity (no. 1057213)” or “Newcastle Healthcare Charity (no. 502473)”.

All donations should be sent to:
Charity Fund Office
Room 203
Cheviot Court
Freeman Hospital
High Heaton
Newcastle upon Tyne
NE7 7DN

Standing Order forms are available on request from the same address.

Payroll giving

Individuals can elect to make donations to a charity of their choice by having an agreed sum deducted from their salary (weekly/monthly/annually). The effect of this is twofold: the charity receives both the donation and also the tax that would have been deducted on that particular sum. Thus a donation of £50 is increased to £64.10, with the donor only paying the agreed sum of £50 and HM Revenue and Customs providing the difference. Ask your employer for details.

Share giving

Gifts of shares and securities can be transferred to the hospital charities and at the same time offer tax relief for the donor at the date of the transfer. This has become an increasingly popular form of charitable giving and allows individuals to benefit charities, often with minimal impact on income, in a simple and effective manner.

Fundraising

Helping the hospitals in this way can be fun and at the same time generate vital funds for the local hospitals. It is important that fundraisers are aware of local regulations and what is considered acceptable practice. The Charity Fund team will offer advice and support and arrange a letter of authorisation for those involved. Sponsorship forms are available on request.

Gift aid

Any donation made to a registered charity can be increased by 28% by using the Gift Aid Scheme. Anyone who pays income tax (or capital gains tax) can elect to have their donation “Gift Aided” and this will allow the Trust’s charities to recover the tax paid on the contribution. A gift of £250 will be increased to £320 using the Gift Aid Scheme, with the extra £70 coming from HM Revenue and Customs and if the donor pays higher rate tax the personal liability will be reduced by £64.

Legacy

After providing for their family, many people make a gift to their local hospitals in recognition of personal treatment or that provided to a loved one or friend. Help maintain and improve the healthcare for future generations by remembering your local hospital in your Will.

Matched giving

Many local businesses support charities by matching any fundraising efforts by their own staff. This in effect doubles any money raised by those individuals and is an excellent way of inspiring and increasing contributions.

Help and advice

For further information, help and advice, please contact:
Charity Fund Office,
Room 203,
Cheviot Court,
Freeman Hospital,
High Heaton,
Newcastle upon Tyne
NE7 7DN

Tel: 0191 223 1434

Email: Charity.Matters@nuth.nhs.uk
Website: www.newcastle-hospitals.org.uk
HEALTHCARE AT ITS VERY BEST - WITH A PERSONAL TOUCH

www.newcastle-hospitals.nhs.uk