



NHS Grampian
endowment fund
Making a difference...

Annual Report & Accounts

Year Ended 31 March 2021

Grampian Health Board Endowment Fund operating as
NHS Grampian Endowment Funds

Scottish Charity No SC017296

www.nhsgcharities.com





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Making a difference...

**Trustees' Annual Report and Accounts
Year Ended 31 March 2021**

Grampian Health Board Endowment Fund
(Operating as NHS Grampian Endowment Funds)

Charity Number SC017296

Donations can be made online at
www.nhsgcharities.com/donate/

Contents

Message from the Chair	4
Trustees' Report	7
Statement of Responsibilities of the Trustees.....	26
Independent Auditor's Report	27
Financial Statements	32
Balance Sheet	34
Statement of Cash Flows.....	35
Notes to the Accounts	36

A message from the Chair

This past year has been extraordinary in so many ways. Understandably, as a key health sector charity in Grampian we have concentrated our efforts during the year to support staff, patients and local communities as they dealt with the physical and mental health effects of the COVID pandemic.



Throughout this most challenging of years we have been touched by the selfless goodwill and generosity of the people of Grampian, who made possible the range of initiatives we were able to progress. We would like to thank the many individuals, community organisations and local businesses who donated freely of their time and money to the work of the Charity. The caring enthusiasm and fundraising efforts of the children who made bracelets, sold tomato plants, sold lucky numbers and had sponsored cycle runs in aid of Health and Social care staff was particularly humbling. We are so very grateful for the tireless efforts of the many who gave up their own time during the pandemic to raise funds, organising and participating in many different initiatives such as a daily sea swim in January, sale of NHS patches and hug tokens and sponsored walks and runs.



The pandemic had a significant impact on the income profile of the charity as public sentiment leant towards support for COVID response whilst many companies held back on dividend payments to weather the economic downturn. Although overall income levels at £3.5m, remained consistent with last year this included £0.6m donated by our local communities specifically for COVID response and recovery and a further £0.2m received from NHS Charities together, following a national fundraising campaign inspired by the efforts of Captain Sir Tom Moore. Donations, bequests and Dividend income received and available towards the general purposes of the charity were all down compared to the previous year.



The Trustees have been focused throughout the year on ensuring that funds donated to support COVID response and recovery are applied on a timely basis and to best effect in line with the wishes of our donors whilst also that we plan for future commitments. With the support of Evaluation Support Scotland, we agree specific outcomes for the application of COVID related donations, covering staff wellbeing, research and areas of need. Feedback from service users and staff demonstrated how they valued and welcomed the support available from the many initiatives we were able to progress during the year.

I would highlight the reach and impact of the Charity's small grants programme where, with the help of an independent advisory panel, we were able to allocate funding to 48 community projects. We were pleased to fund diverse activities providing support to families with young children, people experiencing mental health issues, young people, people affected by cancer, carers and people with disabilities to list but a few.

I would also like to highlight the staff comfort box project and provision of locally crafted gifts for patients occupying hospital beds at Christmas as two of the most important morale raising initiatives that we were able to progress at key times during the pandemic. The success of these projects was down to the considerable efforts and support of local businesses, community organisations and individual volunteers who went beyond simply donating money but gave of their own time and resources to help procure, pack, organise and distribute the items.

Looking to the future, as our Health and Social care services recover from the pandemic, this next year in particular will be pivotal in setting the future direction of the charity. There are three factors that we as trustees have considered will impact on the future organisation and governance of the charity; we await the outcome of the Scottish Government's review of NHS charity governance arrangements, we are planning for the future of the charity's support team due to retirements and the intent to deliver a shift in the strategic direction of the charity to prioritise health prevention and tackling inequalities.. The Trustees have agreed to a revised workforce model for the support team to enable effective succession planning and to prepare the charity well for the future.



During 2021/22 the Charity will look to maintain our commitment to supporting staff, patients and our local communities to deal with the lasting impact of COVID whilst also seeking to increase strategic investment in self-care, health prevention and to address inequalities in our local communities. To help facilitate this the Trustees have agreed to create a “lasting impact fund” of £2m

using some of the capital growth we have seen on our investment portfolio during the year. The small grants programme implemented in the autumn, has allowed the Charity to continue to grow our links with other Third Sector organisations across Grampian and this will prove invaluable as we seek to support local communities and deliver on our future vision.

We were also delighted recently to receive approval for a further grant of £0.2m from NHS Charities Together. Working in partnership with the three third sector interface organisations covering Aberdeen, Aberdeenshire and Moray the initiative will commence in the late summer and will run over the next two years, delivered through local community groups who will lend a “helping hand” and be a “friendly face” to vulnerable patients and support their early discharge from hospital. We are also progressing, with NHS Charities Together, a further bid for funding to support various initiatives to help staff manage the ongoing effects of COVID on their mental health and we hope to commence these services later in 2021.

I have truly been humbled by the community spirit and generosity demonstrated in so many ways throughout this most challenging of times. It is my privilege to lead the charity and I am pleased that 2020/21, though a challenging year, has demonstrated that we can adapt and respond flexibly to changing needs. None of our achievements however, would have been possible without the individual efforts from so many of you and I, on behalf of all the trustees, thank you for your ongoing support.

Luan Grugeon

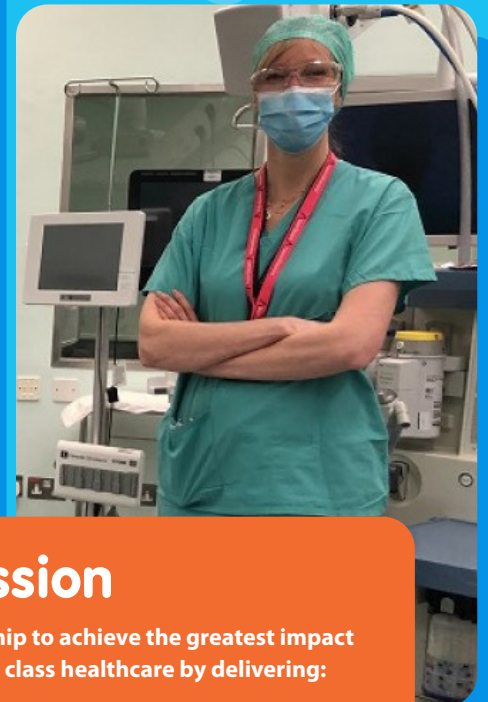
Luan Grugeon
Chair of Trustees
NHS Grampian Endowment Funds

Who we are and what we do

The Grampian Health Board Endowment Funds (NHS Grampian) are a legally registered charity, operating as the NHS Grampian Endowment Funds. The Charity exists to make a difference to the health and wellbeing of people in Grampian.

The charity is administered under the terms of sections 82, 83 and 84A of the National Health Service (Scotland) Act 1978. Accordingly, Grampian Health Board holds the funds and property attributable to the charity on trust as a Corporate Trustee and the members of Grampian Health Board, as those charged with Governance, are the Trustees of the charity.

We use our resources to enhance NHS provision, but not substitute it, by investing in projects which promote better physical and mental health and wellbeing for the people of Grampian.



Our Vision

The enhancement of healthcare and patient welfare in Grampian.



Our Mission

Work in partnership to achieve the greatest impact and promote first class healthcare by delivering:

- Improvement of the physical and mental health of the Grampian Health Board's population and our staff;
- Prevention, diagnosis and treatment of illness;
- Provision of services and facilities in connection with the above; and
- Research into any matters relating to the causation, prevention, diagnosis or treatment of illness, or any other matters relating to the health service as the Trustees see fit.

Trustees' Report for the Year Ended 31 March 2021

The Trustees present their report along with the audited financial statements of the NHS Grampian Endowment Fund (the Charity) for the year ended 31 March 2021.

Achievements and Grant Making Activity

The majority of endowment-funded projects are undertaken within Grampian Health Board and during the year, payments totalling £2.031 million (2019/20: £1.845 million) were made to Grampian Health Board to enable a range of research and other activities for the benefit of patients and £0.099 million (2019/20: £0.152 million) was received from Grampian Health Board mainly relating to income from research activities.



Other charities and local community groups also benefitted from grants during the year to support a range of activities to improve the health and wellbeing of the people of Grampian. Grants made to other charities that directly support Grampian Health Board are detailed in Note 4 to the financial statements.



The following sections summarise the key achievements during 2020/21 identified against the key aspects of our mission statement.

Improvement of the physical and mental health of the Grampian Health Board's population and our staff

Much of the year's focus was on the wellbeing of Health and Social Care staff and supporting them to deliver patient care whether face-to-face or in a role which enabled the delivery of health care.



– The work of the Grampian Area staff Partnership Forum (GAPF) continued throughout the year, making grants to support staff development and adding comfort to staff rest areas. The initial months of the pandemic saw no applications but this picked up from July onwards and grants were equally split between supporting staff development and improving staff rest areas. Staff development included both personal study and courses which provide a direct benefit to patients, i.e. Lee Silverman voice training particularly for Parkinson's patients and Schema Therapy for children and young people.

– The Comfort Box project provided over 900 boxes to health and social care teams throughout Grampian at the height of the first wave of the pandemic in April and May 2020. The boxes provided instant snacks and drinks to hard-pressed staff and toiletries for those working long shifts. The John Clark Group played an integral part in the distribution of the boxes. The Sheddocksley Baptist Church lent their newly refurbished café as our packing centre and also organised a rota of volunteers to pack the boxes. The local media took a keen interest in the project and undoubtedly its supportive reporting encouraged members of the public and organisations to support local NHS staff.



WORK IN PROGRESS!



– Development of a staff garden at ARI – converting an outdoor area adjacent to the main hospital corridor into an accessible sanctuary for staff.



– Staff resilience hubs at Aberdeen Royal Infirmary and Woodend Hospital which were kept stocked with drinks and snacks. The Wingman Project at Woodend Hospital manned by cabin crew from a number of airlines was also kept supplied with refreshments for its duration.

– A number of projects were progressed to enhance the environment for staff to take breaks including creation of outdoor facilities and repurposing and refurbishment of indoor spaces across 15 different hospitals and health centres. These ranged from the Gardeners’ Bothy and the Workshops’ Staff Area at Foresterhill, to picnic benches at community hospitals and health centres throughout Grampian. Two of our most ambitious projects are currently underway: the provision of a reflective space for all the staff based at the Emergency Department and repurposing the Board Room at Aberdeen Royal Infirmary to create a restful environment for staff.



WE CARE
...because you care

– More recently, working with NHS Grampian to complement their “We Care” staff resilience programme, we have enabled every member of staff to receive a mug and pen in bright uplifting rainbow colours but perhaps more importantly emblazoned with the “We Care” website details to allow staff access to the range of resources available to help their personal wellbeing. We also funded commemorative coins which all health and social care staff can claim to remember the extraordinary COVID year.

– For many years, the Endowment Fund has provided funding annually for a Staff Physiotherapy Service to which staff can refer themselves for timeous advice and treatment which reduces absence and can enable staff to remain at work, continuing to care for their patients.



For patients this was also a truly exceptional year and a number of initiatives were progressed to provide support to those isolated in hospital as a consequence of COVID.



– At Christmas, we arranged a small gift for every patient in hospital in Grampian. In partnership with local artists, Christmas baubles and pictures were commissioned and supplemented with copies of the Sandpiper Trust’s “The Swallow, the Owl and the Sandpiper”. Again, our friends at John Clark Group offered their staff and vans to distribute this Christmas cheer.

– 251 iPads, anti-bacterial covers and bedside stands were purchased for the Virtual Visiting scheme which was an invaluable support for those patients isolated in hospital or at home throughout the pandemic, when visiting elderly and unwell relatives in hospital and at home was restricted.



– 100 bags of toiletries for ICU patients, as requested by staff.

– The continuation of support to Grampian Hospital Arts Trust to offer ArtRoom to patients at ARI, Roxburghe House, Royal Aberdeen Children’s Hospital and to staff.

Prevention, diagnosis and treatment of illness

- Automated Sample Management System for the Virology Laboratory to improve processing and storage of samples for molecular testing. This equipment reduces manual handling of samples and can process 200 samples per hour, freeing staff to focus on COVID-19 testing
- Sample Preparation System for the Genetics Laboratory which increased testing capacity for COVID-19 from 200 samples via a staff intensive process to 1000 samples involving minimal staff time. This speeded up the testing capability and results of tests for COVID-19 which had significant benefit in enhancing our support to staff and patients.
- Attachment for operating table at the Children’s Hospital to facilitate orthopaedic procedures.
- Throughout the year, staff have continued to access Endowment Funds to support their professional development to build on their skills and knowledge to care for patients.
- Contribution to funding for a “Skyview” for the new Brachytherapy Suite, a digital virtual skylight to distract and relax patients during treatment.

Provision of services and facilities in connection to the above

- We supported the Aberdeen Football Club Charitable Trust to develop and run a programme, called NHS Mindset aimed at supporting the physical and mental health of children living in disadvantaged areas of Aberdeen and Peterhead. The outcomes thus far evidence a positive effect on the mental health of the children taking part.
- In the autumn, the Trustees agreed to launch a small grants programme targeted at addressing need in the community. Grant applications were invited from community groups, charities and staff and evaluated using a robust selection process by an advisory committee consisting of volunteers representing all sectors of the NHS, Health and Social Care Partnerships and members of the public. The programme has been incredibly successful with a total of 48 grants awarded to a range of beneficiaries from small community organisations to local branches of national charities.
- Repurpose of rooms at Stephen Hospital in Dufftown to increase shower facilities for patients.
- New patient lockers for Dunnottar, Fraser and Fyvie Wards at Royal Cornhill Hospital.
- Conversion of an unused bathroom at Summers Ward, Fraserburgh Hospital to increase ward storage for patient equipment.





Research into any matters relating to the causation, prevention, diagnosis or treatment of illness, or any other matters relating to the health service as the Trustees see fit

- Annual allocation of research funding for one-year projects recommended by NHS Grampian Research and Development Unit: 18 projects totalling £0.199 million.
- Integrating Real Time Surveillance and Dynamic Modelling of Covid-19 in Grampian to Inform an Adaptive Healthcare Response: £0.09 million
- Early Biomarkers of Fibrin Disposition in Covid-19 patients to prevent development of Acute Respiratory Distress Syndrome (ARDS): £0.1 million
- The continuation of funding for a Paediatric Oncology Research Nurse to support children and families during clinical trials and to undertake research
- Despite the focus on Covid-19, over 20 other research projects totalling over £0.45 million were approved during the year including :
- Analysis of high dimensional clinical and eye movement data from psychiatric patients and normal controls;
- Do chlorhexidine daily baths increase emergence and spread of multidrug resistant *Staphylococci* in intensive care units?
- Exploring environmental biofilms in ICU and the use of novel disinfection strategies;
- Renal dialysis research: Role of siglecs in ANCA associated vasculitis;
- Research nurse to support clinical trials in paediatric oncology patients, for three years;
- Determining post-operative morbidity and mortality following gynaecological oncology surgery;
- A collaborative study investigating molecular signatures of radio sensitivity and ipsilateral breast tumour recurrence in breast cancer specimens; and
- Intra-theal administration of investigational medicine in patients with HD.

Review of the Finances of the Charity

Overview

The financial position of the charity is detailed in the Statement of Financial Activities and Balance Sheet on pages 32 and 33 respectively.

Overall, the funds available to the charity increased by £8.674 million over the previous year (2019/20 £3.607 million decrease). This increase related to a net gain on the valuation of investments of £8.326 million (2019/20 £2.417 million loss) and to a small surplus on charitable activities of £0.348 million for the year (2019/20 £1.190 million deficit).

The small surplus of £0.348 million on charitable activities for the year arose mainly due to a drop in grant applications received for general and other specific purposes during the COVID pandemic, when the attention of Health and Social care services and staff were understandably focused on recovery and response. These funds are available moving forward to support charitable activities as services re-mobilise and return to a more normal footing. The deficit of £1.190 million expenditure over income in the prior year reflects the overall positive management of the Fund by Trustees, utilising surpluses available from prior years and ensuring that donated funds are effectively utilised in line with the charitable objectives of the Fund in accordance with donors wishes.

The majority of COVID related donations received during the year were committed quickly for the specified purpose and more detail on the various initiatives progressed during the year to support COVID response and recovery is included on page 10 above.

The increase in the value of the investment portfolio related mainly to the recovery of global investment markets from the initial impact of the COVID 19 pandemic. The previous year end coincided with a significant fall in the markets as a result of the COVID19 pandemic and this was reflected in the valuation of the investment portfolio, at 31 March 2020. The charity's investment strategy targets investments to deliver sustainable long-term capital growth and consistent income generation and the position recovered early in the 2020/21 financial year with the value of the portfolio showing a substantial increase of £8.326 million by 31 March 2021.

Income

The Charity relies upon the generosity of patients, their relatives and friends, who have experienced the care of Grampian Health Board, and other donors who are generous in their support of the Charity. Total income for the year was £3.525 million (2019/20: £3.531 million) and this is analysed between donations, legacies and income from investments in the chart below.



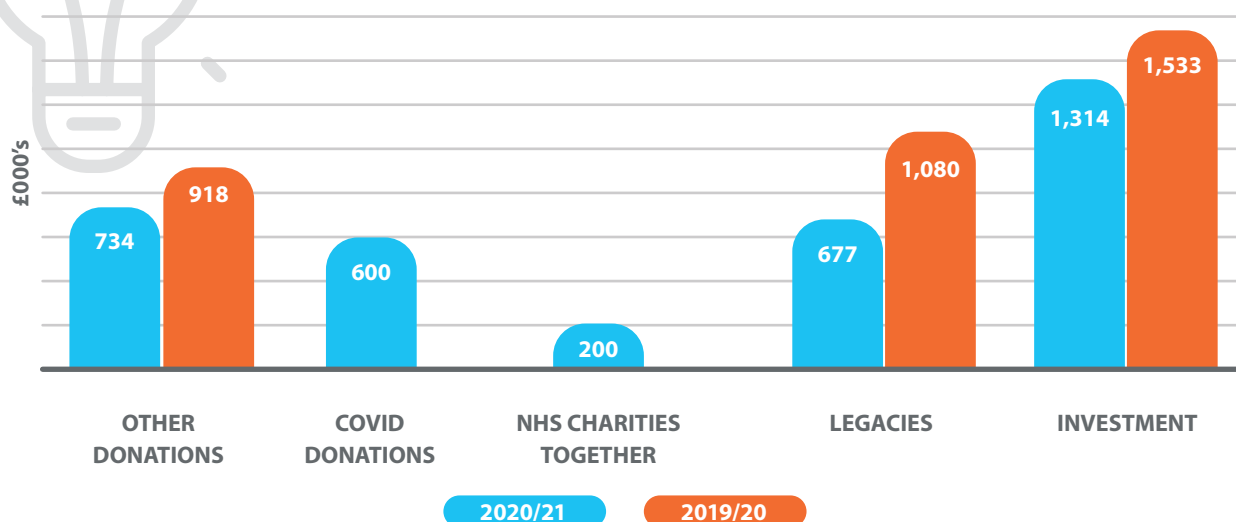
Although overall income levels remained consistent with the prior year, total income for 2020/21 included £0.6m donated by our local communities specifically for COVID response and recovery and a further £0.2m received from NHS Charities together, following a national fundraising campaign inspired by the efforts of Captain Sir Tom Moore. Two specific Covid-19 Support Funds were established to receive these donations locally and to allow disbursement of funds as swiftly as possible for the benefit of staff and patients.



Perhaps understandably, however, the pandemic has had a significant impact on the income profile of the charity as public sentiment leant towards support for COVID response and many companies held back on dividend payments to weather the economic downturn. Consequently income from other donations, bequests and dividends on investments available towards the general purposes of the charity were all down compared to the previous year as demonstrated in the chart below.



NHS Grampian Endowment Funds Income analysis



Expenditure

Total expenditure for the year was £3.177 million (2019/20 £4.721 million), £2.788 million relating to grants for charitable activities as detailed in note 7 to the accounts (2019/20 £4.340 million), £0.187 million on staffing and support costs (2019/20 £0.189 million) and £0.202 on investment management fees (2019/20 £0.192 million).

Prioritisation and Grant Making policy

The Trustees fulfil their legal duty by ensuring that all grant payments are made in line with the wishes of the donors and must be consistent with the charitable purpose of the Charity i.e. to work in partnership to achieve the greatest impact and promote first class healthcare by delivering:

- Improvement of the physical and mental health of the Grampian Health Board's population and our staff;
- prevention, diagnosis and treatment of illness;
- provision of services and facilities in connection to the above; and
- research into any matters relating to the causation, prevention, diagnosis or treatment of illness, or any other matters relating to the health services, as the Trustees see fit.

Trustees delegate responsibility for the management of individual funds to named fund stewards who may incur expenditure, subject to the required authorisation process, provided the expenditure falls within the objects of the fund, that where appropriate the request is supported by Grampian Health Board and that the funds are available to meet the request.

All applications for the use of endowment funds follow an established process which involves a pre-approval assessment against the following criteria :-

- The overall scheme is in line with NHS Grampian's Clinical Strategy.
- The Endowment funded elements are in addition to the core NHS provision.
- The scheme will enable benefits to patients through improvements in the overall quality of care, physical environment and/or amenity.
- The scheme has the agreement of all stakeholders including service users and staff.



To enhance this process, at the beginning of 2020 the Trustees established a short Life working group to review the approach to future prioritisation. The initial recommendations of the group, before work was paused due to the COVID-19 pandemic, were that future strategic use of the funds should be targeted at the following priority areas which work alongside the charitable purpose of the fund with, where permissible, an increase in spend on preventative, self-management, community based initiatives which address health inequalities :

- Prevention
- Self-management
- Planned care
- Unscheduled care
- Staff wellbeing
- Research

During 2020/21 however, it has also been important to ensure that funds donated to support COVID response and recovery are applied on a timely basis and to best effect in line with the wishes of our donors.



With the support of Evaluation Support Scotland, the Trustees agreed specific additional outcomes for the application of COVID related donations, covering staff wellbeing, research and areas of need in line with the above principles, as follows:

- Staff have increased resilience to live with the personal and professional challenges of COVID-19;
- Staff, patients and volunteers feel cared for while carrying out their roles in relation to the COVID-19 pandemic;
- People in Grampian affected by COVID-19 have improved access to interventions which improve self-management and support good physical and mental health; and
- We have a better understanding of the long term impacts of Covid-19 and what we can do in response.

Using these principles a range of grant making activity was enabled throughout the year and feedback from service users and staff has demonstrated how they valued and welcomed the support available from the many initiatives we were able to progress, mainly to support COVID response and recovery but also in maintaining some of the key areas of general purpose support available.

The Endowment Sub-Committee reviews the financial position of the Charity and flow of income and expenditure in order to ensure the affordability of commitments at each of its quarterly meetings.

Net Assets

The Charity had net assets of £45.441 million at 31 March 2021 (2019/20 £36.767 million) as follows:

Summary Net Assets	31 March 2021 £million	31 March 2020 £million
Assets		
Investments	50.151	41.826
Debtors	0.370	0.153
Cash	1.859	1.935
Total Assets	52.380	43.914
Liabilities		
Creditors	(0.905)	(1.095)
Provisions	(6.034)	(6.052)
Total Liabilities	(6.939)	(7.147)
Net Assets (Assets less Liabilities)	45.441	36.767

There are no material commitments that are not provided for as liabilities in the accounts.

Available Funds and Reserves Policy

The net assets of £45.441 million comprise the total funds available to the Charity at 31 March 2021.

With the exception of permanent endowments which are held in perpetuity, all funds are held until required to meet future expenditure commitments which materialise in line with the objectives of the Charity and the specific wishes of the donors. Restrictions can apply to the use of funds in line with the wishes of donors and the total funds available to the charity are further analysed between the different types of fund as follows:

Type of Fund	31 March 2021 £million	31 March 2020 £million
Funds not available for the general purposes of the Charity:		
Restricted Income Funds	23.682	23.375
Permanent Endowment Funds	0.395	0.395
Funds that can only be realised on sale of investments:		
Revaluation Reserve	14.956	9.699
Unrestricted Funds		
Designated for use in specific hospitals	2.034	2.041
General Funds	4.374	1.257
Total	45.441	36.767

Reserves Policy

The Trustees have been suitably focused throughout the year on ensuring the charity remains in financial balance and our reserves are sufficient to ensure we can continue to meet future commitments.

The Trustees have adopted a formal reserves policy in relation to unrestricted funds driven by the investment objectives to achieve a balance between capital growth and the generation of income. The reserves policy stipulates that unrestricted general funds should not fall below £3 million on average in order to provide cover for short term fluctuations in the value of the investment portfolio.

Total unrestricted general endowment funds at 31 March 2021 were £4.374 million and the Trustees have agreed that this reserve level remains appropriate to provide long term sustainability and ensure that sufficient investment income is generated to fund the ongoing healthcare and patient welfare activities that are typically funded through unrestricted funds.

Unrestricted funds may be applied to any use within the purpose of the Charity. The Restricted Funds, Permanent Endowment Funds and Revaluation Reserve are excluded from the reserves policy as they do not come within the definition of "free reserves". The Trustees actively encourage the application of funds in line with the charitable purposes and in a manner that as far as possible meets donors' wishes.

In addition to the restricted and unrestricted funds held in reserves, the Trustees have the power, if they so wish, to use the income generated from permanent endowments as stipulated within the terms of the donations received. For Permanent Endowments, Trustees must preserve the amount of the original donation, based on the terms of the donations.

Investments

Investment Policy

The Charity has a formal Investment Policy, which the Trustees review on a regular basis. The investment objective is to achieve a balance between capital growth and the generation of income. The Charity will not directly invest in the securities of organisations that are involved in activities incompatible with the objective and ethos of the National Health Service.

All funds are invested to achieve a balance of capital growth and income. The Charity's Investment Manager is Aberdeen Standard Capital Limited. For the Charity to achieve its stated investment objective, explained in the paragraph above, the Trustees have authorised its Investment Managers to adopt a medium risk approach. This corresponds to a diversified portfolio invested in a broad spread of equities, invested both directly and indirectly through pooled funds. The portfolio also includes a proportion of fixed-interest securities and cash.

Investment Performance

The market value of the investment portfolio was £50.151 million as at 31 March 2021 (2019/20 £41.826 million). The net difference between the market value and the initial purchase value of investments at 31 March 2021 was £13.974 million (2019/20 £6.564 million). Unrealised losses have been recognised against general funds whereas unrealised gains are held as a separate revaluation reserve on the Balance Sheet, which is detailed on page 34.

During the year, the investment portfolio generated an income from interest and dividends of £1.314 million (2019/20 £1.520 million), a net gain on investments of £8.326 million (net gain on disposal of investments £0.916 million and net gain on in year revaluation of £7.410 million) (2019/20 £2.417 million: net gain on disposal of £0.206 and net loss on revaluation of £2.623 million) as detailed in the Statement of Financial Activities on page 33.

The performance of the investments is reviewed on a regular basis in comparison with an agreed benchmark, which comprises the following elements: the FTA Government All Stocks Index (25%), the FTSE All Share Index (47%), the FTSE World excluding UK Index (25%), and Cash (3%). The performance of the Fund for 2021 against the agreed benchmark was as follows:

	Total Return %
NHS Grampian Charitable Fund Investment Portfolio	8.4
Benchmark Indices	1.2

The previous year end coincided with a significant fall in the investment markets as a result of the COVID19 pandemic and the lockdowns introduced by a number of countries, and this is reflected in the valuation of the portfolio at 31 March 2020. This position recovered early in the 2020/21 financial year with the value of the portfolio showing a substantial increase by 31 March 2021 of £8.360 million. The level of dividend income was £0.206 million less than in 2019/20, although this reduction was expected and taken account of in the Fund's financial planning.

Our investment manager monitors investments to ensure they have an attractive and sustainable long-term return profile with the ability to weather any setback – specifically identifying companies that can generate a long-term attractive return on invested capital and have consistent cash flow generation. The Endowment Sub-committee monitors the portfolio's performance at each quarterly meeting.

The portfolio holdings for the year compared to the benchmark are summarised below:

	Actual Holdings Year to 31 Mar 2021	Benchmark
	%	%
FTA Government All Stocks Index*	16.3	25.0
FTSE All Share Index	35.2	47.0
FTSE World excluding UK Index*	46.1	25.0
Cash	2.4	3.0
TOTAL	100.0	100.0

*reflects the better performance from equities than from bonds during the year.

Principal Risks and Uncertainties

The Trustees continuously assess and address the major risks associated with the operations and finances of the Charity. There is a formal Risk Management process in place including regular review of the risk register by the Endowment sub-committee to identify and assess risks and evaluate the actions required.

The principal risks and uncertainties are:

- the fluctuations in the stock markets which affect the performance of the Charity’s investments;
- ensuring that the Charity is used appropriately through effective financial controls and reporting processes that mitigate error, mistake and fraud; and
- ensuring positive publicity and public perception of the Charity is maintained.

The Trustees have delegated management of these risks and uncertainties to the Sub-committee which has carefully considered these risks and have procedures in place as follows:

- review of the Investment Policy and the performance of the Investment Fund Managers on a regular basis, to ensure that both expenditure and firm financial commitments remain in line with the level of resource available to the Charity. In addition, during times of stock market uncertainty, the portfolio is monitored regularly with a view to reviewing expenditure and commitments if the value of the portfolio falls below a level agreed by the Trustees;
- review of the investment portfolio and factors affecting the global economy to inform decisions to release capital growth of the Charity;
- the operational scheme of delegation for the Endowment Funds minimises the risk of inappropriate use of funds;
- Fund expenditure is subject to regular review and independent scrutiny by Audit;
- all applications for the use of Endowment Funds follow an established process which involves a pre-approval assessment against agreed criteria. This process and the agreed criteria is explained in more detail on page 14 above.
- the Charity liaises with Grampian Health Board’s Corporate Communications team to raise awareness of how the Endowment Fund is used to meet the charitable purposes of the Charity.

Plans for the Future

The advent of the pandemic presented new challenges to the charity which it embraced and responded to, in particular an outcomes framework was developed to ensure the effective targeting of grants to the benefit of local communities and of health and Social Care staff affected by the COVID pandemic. During 2021/22 the Charity will continue to build on this work maintaining the commitment to supporting staff, patients and local communities deal with the lasting impact of COVID. We will also utilise the fortuitous growth in the capital value of the investment portfolio during the year to establish a £2m “lasting impact fund” which will be made available to support increased investment in initiatives to support self-care, health prevention and to address inequalities in local communities. We will also build on the learning from implementation of the expanded small grants programme to continue to develop and grow links with other Third Sector organisations in support of these plans.

We will also continue our partnership with NHS Charities Together, developing proposals as appropriate to ensure that we maximise the benefit available through the generosity of all those who donated through this national organisation in support of staff and patients impacted by COVID. Working in partnership with the three third sector interface organisations covering Aberdeen, Aberdeenshire and Moray we have been granted £0.2m for an initiative that will commence in the late summer and run over the next two years,

delivered through local community groups who will lend a “helping hand” and be a “friendly face” to vulnerable patients and support their early discharge from hospital. We are also progressing, a further bid for funding to support various initiatives to help staff manage the ongoing effects of COVID on their mental health and we hope to commence these services later in 2021.



The charity has always had a commitment to funding research and Trustees are keen, not only to build on the commitment to support clinical research but also to consider opportunities for new areas of social and community based research where this will deliver benefit in line with the strategic vision of improved health prevention and reducing inequalities in local communities. A series of workshops is planned with representatives from a range of different research fields and interested organisations, to review our approach and develop proposals in this area for the consideration of Trustees.

Key challenges in 2021/22 and future years will include implementing the outcome of the Scottish Governments review of NHS charity governance arrangements, the loss of experience from the charity’s support team due to planned retirements and delivering the shift in the strategic direction of the charity as explained above. To successfully manage these challenges and deliver on the agreed strategic work plan for the charity, the Trustees have agreed to a revised workforce model for the support team to enable effective succession planning in to the key leadership roles and also to create additional capacity in our crucial back office administrative functions and ensure we have effective engagement with our donors, local communities and other stakeholders throughout Grampian.

Structure, Governance and Management

Structure

All Health Board members are Trustees of the Charity under the terms of the National Health Services (Scotland) Act 1978. All Trustees carry a legal duty to ensure that all donated funds are used in accordance with the charitable purpose and key principles below.

The results of the Charity are consolidated into the accounts of Grampian Health Board on the basis that all Trustees are also members of the Grampian Health Board so the Charity effectively operates under common control for accounting purposes.

The Charity is made up of 846 individual funds as at 31 March 2021 (31 March 2020: 847), and the notes to the accounts distinguish the different types of funds held.

The Scottish Ministers appoint the Trustees of the Charity by virtue of their appointment to Grampian Health Board. Appropriate training is given to new Trustees following appointment which enables them to carry out their duties as Trustees. The Charity's governance framework is outlined within an agreed Charter and includes a schedule of decisions reserved for Trustees. An Endowment Sub-Committee deals with the operational business of the Charity and robust Operating Instructions for administrative processes are in effect in order that Trustees have assurance on the internal control environment.

The Trustees of the Charity during 2020-21 and up to the date the financial statements were approved are listed below. No key management personnel are directly employed by the Charity.

Grampian Health Board Members

Mrs Luan Grugeon
Chair of Trustees

Mr Sandy Riddell
Mrs Amy Anderson
Mr Dennis Robertson
Mrs Rhona Atkinson
Dr John Tomlinson

Professor Siladitya Bhattacharya
Mrs Susan Webb
Professor Amanda Croft
(to 1 November 2020)

Mrs Kim Cruttenden
Councillor Isobel Davidson
Mr Albert Donald
Ms Joyce Duncan
Professor Nick Fluck
Mr Alan Gray
Professor Caroline Hiscox
Councillor Ryan Houghton
(from 25 May 2021)

Miss Rachael Little
Councillor Douglas Lumsden
(to 19 March 2021)

Professor Lynda Lynch
Councillor Shona Morrison
Mr Roderick Murray
(from 15 April 2021)

Mr Jonathan Passmore
(to 14 April 2021)

Purpose and Principles

Purpose

- To adhere to the vision and mission approved by the Trustees.
- To observe any conditions attached to a donation or legacy prescribed by a donor to the Charity, so far as is reasonably practicable, and consistent with the above purpose and the law.

Principles

- The grant of endowment funds should not substitute for a core provision, nor should endowment funds be used to cover a responsibility of Grampian Health Board that is a direct requirement of health and safety or employment law or a ministerial policy direction.
- An employee of Grampian Health Board may only benefit from the Charity where the expenditure is aimed at improving health, welfare or the prevention, diagnosis or treatment of illness for Grampian Health Board's residents. Any benefit to the employee must be incidental to (and necessary for) that benefit to be realised.

Strategic Objectives and Activities

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

The Trustees hold all donated funds upon trust and apply the income and, at their discretion, so far as may be permissible, the capital, for any charitable purpose or purposes that enhance healthcare and patient welfare in Grampian, through:

- improvement of the physical and mental health of the Grampian Health Board's population and our staff;
- prevention, diagnosis and treatment of illness;
- provision of services and facilities in connection to the above; and
- research into any matters relating to the causation, prevention, diagnosis or treatment of illness, or any other matters relating to the health service as the Trustees see fit.

The Trustees consider the following when discharging their responsibilities in line with the purpose and principles of the Fund:

- observance of any conditions attached to a donation or legacy prescribed by a donor, so far as reasonably practicable and consistent with the charitable purpose and the law;
- the grant of endowment funds should not substitute a core provision nor should endowment funds be used to cover a responsibility of Grampian Health Board that is a direct requirement of health and safety or employment law or a ministerial policy direction;
- an employee of Grampian Health Board may only benefit from the charity where the expenditure is aimed at improving health, welfare or the prevention, diagnosis or treatment of illness for Grampian Health Board residents. Any benefit to the employee must be incidental to (and necessary for) that benefit to be realised; and
- where service changes have taken place or it is impractical to maintain a separate designated fund, the Trustees have the ultimate discretion for the application of the fund, in accordance with the NHS (Scotland) Act 1978, whilst respecting the wishes of the donors.
- the principles of the Charity have been applied consistently and there has been no retrospective approval of endowment funds to cover expenditure that had previously been charged to exchequer funds.

Decisions reserved to Trustees

The following matters are reserved for approval by the Trustees:

- any strategy or policy matters relevant to the Charity including any proposed changes to the Charter;
- the arrangements for governance and management administration of the charity's activities including terms of reference of any committee or sub-committee to be established by the Trustees;
- the investment strategy;
- the reserves policy;
- the annual report and accounts;
- the appointment of the external auditor;
- the appointment of investment managers; and
- membership and constitution of Sub-Committees.

Decisions Delegated to the Endowment Sub-Committee

The Charter provides for delegation of various operational functions to an Endowment Sub-Committee to carry out the day to day business of the charity. These delegated functions include:

- approval of the annual General Endowment Fund income and expenditure budgets;
- monitoring financial performance and ensuring that adequate control arrangements exist to provide assurance to Trustees that:
 - Expenditure is consistent with the defined purpose of the Charity;
 - Expenditure is legally permitted and consistent with the charitable status of the Charity; and
 - The expenditure is consistent with Grampian Health Board policy.
- authorising Endowment Fund expenditure in accordance with the Grampian Health Board Scheme of Delegation; and
- monitoring investment performance.

Endowment Sub-Committee Membership

Mrs Luan Grugeon, Chair
Professor Siladitya Bhattacharya
Mr Alan Gray
Miss Rachel Little
Councillor Douglas Lumsden (*to 19 March 2021*)
Mr John Tomlinson

Mr Alan Gray, Director of Finance for Grampian Health Board has overall responsibility for the management of the Charity. The individual fund stewards have delegated authority to commit expenditure up to £5,000. Thereafter, the Director of Finance approves expenditure up to £15,000 and the Director of Finance and the Chair of Trustees approve all expenditure requests up to £50,000. During periods of absence, the Deputy Director of Finance or the Assistant Director of Finance have delegated authority to act on behalf of the Director of Finance and any other Trustee who is also a member of the Endowment Committee, can act on behalf of the Chair of Trustees. For sums above £50,000, approval from the Endowment Sub-Committee is required.

Mr Garry Kidd, Assistant Director of Finance, acted as the principal officer overseeing the day to day financial management and accounting for the charitable funds during the year. The Operational Manager for Grampian Health Board Charities is responsible for ongoing administration of the Charity, advising and training fund stewards and management teams in the use of endowment funds, and for making recommendations to the Trustees for the use of the Charity's funds.

Reference and Administrative Details

Name

The legally registered name of the Charity is Grampian Health Board Endowment Fund (NHS Grampian).
The Charity operates under the common name of NHS Grampian Endowment Funds.

Charity Number SC017296

Headquarters

The current principal address of the Charity is:
NHS Grampian Endowment Funds
Finance Department, Westholme
Woodend Hospital
Queens Road
Aberdeen. AB15 6LS

Key Advisor Details

Auditor

Azets Audit Services
Statutory Auditor
Exchange Place
3, Semple Street
Edinburgh.
EH3 8BL

Investment Managers

Aberdeen Standard Capital Limited
1 George Street
Edinburgh.
EH2 2LL

Bankers

Government Banking Service – National Westminster Bank
2nd Floor
280 Bishopsgate
London.
EC2M 4RB

Solicitors

Central Legal Office
NHS National Services Scotland
Anderson House, Breadalbane Street
Bonnington Road,
Edinburgh.
EH6 5JR

Turcan Connell
Princes Exchange
Earl Grey Street,
Edinburgh.
AH3 9EE

Going Concern

After making enquiries, the Trustees have a reasonable expectation that the organisation has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis are included in Note 2 Accounting Policies of the financial statements.

Bequests and Legacies

The Charity receives donations from eight Trusts or Legacies which are variable in the amounts and frequency of payments. The Charity has received notification of three legacies and the residue or share of the residue of six estates, three of which is the residue of estates at the termination of a life rent the value of which has not yet been quantified. See Note 2 (d) to the Accounts, for the accounting policy on Income from Legacies.

Acknowledgement

The Trustees would like to thank the many individuals, clubs and societies, work groups and other organisations who have donated generously to the Grampian Health Board Endowment Fund throughout the year. The Trustees are also grateful to a number of independent charities which work in partnership with NHS Grampian Endowment Fund to jointly fund a range of projects.

Appointment of Auditor

On 7 September 2020 Group Audit Services Limited trading as Scott-Moncrieff Audit Services changed their name to Azets Audit Services Limited. The name they practice under is Azets Audit Services and have accordingly expressed their willingness to continue in office as auditor and will be proposed for reappointment at the Annual General Meeting

Statement of Responsibilities of the Trustees

The Trustees are responsible for preparing the Trustees' Annual Report and accounts in accordance with applicable law, regulations and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for maintaining adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the accounts comply with the Charities and Trustee Investment (Scotland) Act 2005, The Charities Accounts (Scotland) Regulations 2006 and the provisions of the Charity's constitution. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Approved by the Trustees on 23 July 2021 and signed on their behalf by:

Luan Grugeon

Luan Grugeon

Chair of Trustees

Grampian Health Board Endowment Fund

(Operating as NHS Grampian Endowment Funds)



INDEPENDENT AUDITOR'S REPORT

**TO THE TRUSTEES OF GRAMPIAN HEALTH BOARD ENDOWMENT FUND
(OPERATING AS NHS GRAMPIAN ENDOWMENT FUNDS)**

**FOR THE YEAR ENDED
31 MARCH 2021**

**Independent Auditor's Report to the Trustees of Grampian Health Board
Endowment Fund (Operating as NHS Grampian Endowment Funds) for the
Year Ended 31 March 2021**

Opinion

We have audited the financial statements of Grampian Health Board Endowment Fund (Operating as NHS Grampian Endowment Funds) for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2021 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our 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 audit opinion.

Conclusions relating to going concern

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

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

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

**Independent Auditor's Report to the Trustees of Grampian Health Board
Endowment Fund (Operating as NHS Grampian Endowment Funds) for the
Year Ended 31 March 2021 (Continued)**

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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 (as amended) 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 the trustees

As explained more fully in the Statement of trustees' responsibilities set out on page 26, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the 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.

**Independent Auditor's Report to the Trustees of Grampian Health Board
Endowment Fund (Operating as NHS Grampian Endowment Funds) for the
Year Ended 31 March 2021 (Continued)**

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 the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at:

www.frc.org.uk/auditorsresponsibilities.

This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we 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. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the charity through enquiry and inspection;

**Independent Auditor's Report to the Trustees of Grampian Health Board
Endowment Fund (Operating as NHS Grampian Endowment Funds) for the
Year Ended 31 March 2021 (Continued)**

- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk 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.

Use of our report

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 (as amended).

Our audit work has been undertaken so that we might state to the charity's trustees, as a body, 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.

Azets Audit Services, Statutory Auditor

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
Exchange Place, 3 Semple Street
Edinburgh
EH3 8BL

Date:



FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31 MARCH 2021**

Statement of Financial Activities for the year ended 31 March 2021

	Note	2021				2020			
		Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	Total £000	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	Total £000
Income and Endowments From:									
Donations and Legacies									
Donations		154	1,380	0	1,534	67	851	0	918
Legacies		0	677	0	677	26	1,054	0	1,080
Total Income from Donations and Legacies		154	2,057	0	2,211	93	1,905	0	1,998
Investment Income	5	1,314	0	0	1,314	1,533	0	0	1,533
Total Income and Endowments		1,468	2,057	0	3,525	1,626	1,905	0	3,531
Expenditure on:									
Raising Funds:									
Investment Management Costs		54	148	0	202	53	139	0	192
Charitable Activities	7	1,016	1,959	0	2,975	1,995	2,534	0	4,529
Total Expenditure		1,070	2,107	0	3,177	2,048	2,673	0	4,721
Net Gains / (Losses) on Investments	10	8,326	0	0	8,326	(2,417)	0	0	(2,417)
Net Income / (Expenditure) for the year		8,724	(50)	0	8,674	(2,839)	(768)	0	(3,607)
Transfers between Funds		(357)	357	0	0	(454)	454	0	0
Net Movement in Funds		8,367	307	0	8,674	(3,293)	(314)	0	(3,607)
Reconciliation of Funds									
Total Funds Brought Forward	16	12,997	23,375	395	36,767	16,290	23,689	395	40,374
Total Funds Carried Forward	16	21,364	23,682	395	45,441	12,997	23,375	395	36,767

All income and expenditure derive from continuing operations. There were no other recognised gains or losses other than listed above and the net income for the year. The notes on pages 36 to 52 form part of these financial statements.

NHS Grampian Endowment Funds

Balance Sheet as at 31 March 2021

	Note	2021 £000	2020 £000
Fixed Assets			
Investments	10	50,151	41,826
Total Fixed Assets		50,151	41,826
Current Assets			
Debtors	11	370	153
Cash at Bank and in Hand	12	1,859	1,935
Total Current Assets		2,229	2,088
Current Liabilities			
Creditors: Amounts falling due within one year	13	(905)	(1,095)
Net Current Assets		1,324	993
Total Assets less Current Liabilities		51,475	42,819
Provisions for liabilities	14	(6,034)	(6,052)
Total Net Assets		45,441	36,767
The Funds of the Charity			
Unrestricted Funds			
General funds	16	4,374	1,257
Designated Hospital Funds	16	2,034	2,041
Revaluation Reserve	16,17	14,956	9,699
		21,364	12,997
Restricted Income Funds	16,18	23,682	23,375
Endowment Funds	16	395	395
Total Charity Funds		45,441	36,767

These financial statements of NHS Grampian Endowments Funds, registered Number SC017296, were approved by the Trustees and authorised for issue on 23 July 2021. They were signed on its behalf by

Luan Grugeon
Chair of Trustees,
Grampian Health Board Endowment Fund (Operating as NHS Grampian Endowment Funds)

The notes on pages 36 to 52 form part of these financial statements.

Statement of Cash Flows for the year ended 31 March 2021

	Note	2021 £000	2020 £000
Net income / (expenditure) for year as per statement of financial activities		8,674	(3,607)
Adjustments for:			
(Gains) / Losses on investments		(8,326)	2,417
Dividends, interest from investments		(1,314)	(1,533)
Increase in debtors		(217)	(126)
(Decrease) / Increase in creditors		(190)	68
(Decrease) / Increase in Provisions for Liabilities		(18)	829
Net cash used in operating activities		<u>(1,391)</u>	<u>(1,952)</u>
Cash flows from investing activities			
Dividends and interest from investments		1,314	1,533
Proceeds from sale of investments		7,118	8,576
Purchase of investments		(7,228)	(8,433)
Net cash provided by investing activities		<u>1,204</u>	<u>1,676</u>
Net decrease in Cash and Cash Equivalents		(187)	(276)
Cash and Cash Equivalents at 1 April		3,197	3,473
Cash and Cash Equivalents at 31 March	12	<u>3,010</u>	<u>3,197</u>
Analysis of Changes in Net Debt			
	At 1 April 2020 £000	Cash Flows £000	At 31 March 2021 £000
Cash	3,197	(187)	3,010
Total	<u>3,197</u>	<u>(187)</u>	<u>3,010</u>

Notes to the Accounts for the year ended 31 March 2021

1. General information

These financial statements are presented in pounds sterling (GBP) as that is the currency in which the Charity's transactions are denominated. They comprise the financial statements of NHS Grampian Endowment Fund.

The objective of NHS Grampian Endowment Fund is to enhance healthcare and patient welfare in Grampian.

NHS Grampian Endowment Fund is an unincorporated Charity, recognised as a Charity for tax purposes by HMRC and registered with the Office of the Scottish Charity Regulator (OSCR) under Charity number SC017296. Details of the principal address can be found on page 24 of these financial statements.

2. Accounting Policies

(a) Basis of accounting

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ("FRS 102") (United Kingdom Generally Accepted Accounting Practice), the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)', the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

NHS Grampian Endowment Fund meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost unless otherwise stated in the relevant accounting policy.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires trustees to exercise their judgement in the process of applying the accounting policies. Use of available information and application of judgement are inherent in the formation of estimates. Actual outcomes in the future could differ from such estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

The principal accounting policies applied in the preparation of these financial statements are noted below. These policies have been applied consistently to all the years presented in dealing with items which are considered material in relation to the Charity's financial statements unless otherwise stated.

(b) Going Concern

The Trustees have assessed the balance sheet and likely future cash flows of the fund at the date of approving the financial statements. The key uncertainty over the next 12 months is the fluctuation in the stock market impacting on the performance of the Charity's investments, which is discussed in the Trustees Report. The Trustees believe that the Charity is well placed to manage its business risks successfully despite the current uncertain economic outlook due to COVID-19. The Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis in preparing financial statements.

(c) Income recognition

Income is recognised when the Charity has legal entitlement to the funds, after any performance conditions attached to the items of income have been met, and it is probable that the income will be received and the amount can be measured reliably.

Notes to the Accounts for the year ended 31 March 2021 (Continued)

2. Accounting Policies (Continued)

(d) Income from Legacies

Income from legacies is credited to the Statement of Financial Activities on an accruals basis when the income can be measured and it is probable that the Charity will receive the income.

Material legacies which have been notified, but not recognised as income in the Statement of Financial Activities, are disclosed in a separate note to the accounts (see Note 21).

(e) Income from Endowment Funds

The income receivable from the investment of endowment funds is either restricted or unrestricted and is ring-fenced in accordance with the donor's stated wishes.

(f) Expenditure recognition

All expenditure as discussed in paragraphs (g) to (j) below, 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, it is probable that settlement will be required and the amount can be measured reliably.

(g) Irrecoverable VAT

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

(h) Allocation of Governance and Support Costs

The Charity incurs staffing and other costs associated with the administration and management of the funds. All staff are employed by Grampian Health Board and the costs are recharged to the Charity. The administration costs are allocated as appropriate across the categories of charitable expenditure. The basis of allocation is explained in Note 6 to the accounts.

(i) Costs of Raising Funds

The costs of raising funds are those costs attributable to generating income for the Charity and represent investment management fees.

(j) Charitable Activities

Costs of charitable activities comprise all costs incurred in the pursuit of the Charity's objectives.

(k) Realised Gains/Losses and Unrealised Gains/Losses

Unrealised gains at the Balance Sheet date are now disclosed separately in a revaluation reserve. This provides a clearer statement of the resources immediately available to fund stewards.

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 the opening market value (or purchase value if later).

Unrealised gains and losses are calculated as the difference between the market value at the year end and opening market value (or purchase date if later). Realised and unrealised gains are not separated in the Statement of Financial Activities. All unrealised gains at the Balance Sheet date are now disclosed separately in the revaluation reserve. Unrealised losses are provided for in the Statement of Financial Activities as part of net gains and losses on investments.

Notes to the Accounts for the year ended 31 March 2021 (Continued)

2. Accounting Policies (Continued)

(l) Pensions

As the Charity does not have any employees (see Note 4 to the Accounts), Grampian Health Board, as employer, is the accountable body in relation to the pension provision for those members of staff whose salary costs are charged to the Charity. Grampian Health Board participates in the National Health Service Superannuation Scheme, and information on this scheme is included in Grampian Health Board's annual accounts.

(m) Taxation

On the basis that our activities fall within the charitable purposes and our funds are applied only for these purposes, no provision for corporation tax is made. This is in accordance with the Charities and Trustee Investment (Scotland) Act 2005 and section 521 to 536 of the Income tax Act 2007.

(n) Funds Structure

Unrestricted Funds are held without restriction, other than that they must be used in support of the Charity's charitable purpose either throughout the Grampian Health Board catchment area or at a particular health location.

Restricted Funds are received by way of donations and legacies where their use is restricted by conditions attached to the gift by the donor.

For Permanent Endowment Funds, the capital sum cannot be expended and only the income attributable to the Fund can be used for expenditure purposes.

(o) 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 disposals throughout the year.

Quoted stocks and shares are included in the Balance Sheet at their value at close of business on 31 March 2021.

(p) Debtors

Short term debtors are measured at transaction price, less any impairment.

(q) Cash and cash equivalents

Cash at bank and in hand includes cash and short term highly liquid investments with a maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

(r) Creditors

Creditors are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

Notes to the Accounts for the year ended 31 March 2021 (Continued)

2. Accounting Policies (Continued)

(s) Contingent Liabilities and Provisions

In accordance with the SORP, a contingent liability is disclosed for those grants, which do not represent liabilities, where the possible obligation, which arises from past events, will only be confirmed by a contractual obligation.

Provisions are recognised for those grants where there is uncertainty as to the timing or amount of the liability. They are only recognised when there is a legal or constructive obligation at the Balance Sheet date as a result of past events, and it is probable that a transfer of economic benefit will be required to settle the obligation and the amount can be reliably estimated.

(t) Financial Instruments

Financial assets and financial liabilities are recognised when the Charity becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs).

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

The present value of material provisions for commitments, where the expected settlement date of the obligation is 12 months or more, are calculated using an appropriate discount rate.

3. Critical Accounting Judgements and Key Sources of Estimation

In the application of the Charity's accounting policies described above, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements include the recognition of legacy income and provisions for liabilities.

Notes to the Accounts for the year ended 31 March 2021 (Continued)

4. Related Parties and Trustees' Remuneration

During the year, payments totalling £2.031 million (2020: £1.845 million) were made to Grampian Health Board to enable a range of research and other activities for the benefit of patients and £0.099 million (2020: £0.152 million) was received from Grampian Health Board mainly relating to income from research activities.

No members or senior staff of Grampian Health Board or parties related to them, were beneficiaries of the Charity. The Trustees of the Charity are also members of the Grampian Health Board and information on the Trustees is included in the Trustees' Report on page 21. The Trustees received no emoluments from the Fund in 2021 or 2020. There were no expenses reimbursed to Trustees or paid on their behalf during the current and prior years.

The Charity does not have any employees. Grampian Health Board employs the equivalent of 3.70 full time members of staff (2020: 4.10) whose time is spent on the provision of support for the administration and governance of the Fund. The salary costs for these staff members are recharged to the Charity on a quarterly basis.

There were no other transactions with related parties during the year, although the Charity made donations totalling £0.394 million (2020: £0.143 million) to the following bodies whose purpose is the provision of charitable support to Grampian Health Board. The total amount owed to Grampian Health Board at 31 March 2021 was £0.477 million (2020: £0.882 million). The total amount owed by Grampian Health Board at 31 March 2021 included within debtors was £0.074 million (2020: nil).

Body	2021 £	2020 £	Objective
Grampian Hospital Arts Trust	53,700	74,778	Provision of art works and related services to within Grampian Health Board and Creative Mobile Unit - on remote: Commission 8 workshops artists and a filmmaker to delivery workshops and create arts sessions which can be accessed online. Art packs will be created and delivered to departments to use alongside the CMU session using online filmed workshops.
Aberdeen FC Community Trust	50,000	-	Delivery of NHS Mindsent Programme to children in Aberdeen and Peterhead
Grampian Regional Equality Council	10,000	5,000	Diversity and Health Champions: develop a network of health champions from diverse range of backgrounds to access those who are hard-to-reach and potentially most negatively affected by Covid-19. 2020 - Counselling and support to children and young people who have been subjected to prejudice.
Lossie 2-3 Group	10,000	-	Lossie Covid-19 Response: Establish a 20 hour post of Community Outreach Development Officer to co-ordinate volunteers.
Denis Law Legacy Trust	10,000	-	Streetsport: Building positive relationships with young people and engaging with them in group based activities. Maintaining significant interaction and engagement by devising and providing a range of services outside normal working practices.
Sensationall	10,000	-	Running costs of regular virtual support groups and sessions for families affected by disabilities and support needs.
VSA	10,000	-	Capital cost for new build facility
Sub Total	153,700	79,778	

Notes to the Accounts for the year ended 31 March 2021 (Continued)

4. Related Parties and Trustees' Remuneration (Continued)

Body	2021 £	2020 £	Objective
Sub total from previous page	153,700	79,778	
Disabled Persons Housing Service	10,000	-	Family Wellbeing Hubs: Support the development of family wellbeing hubs in Tillydrone, Torry and Northfield to support children and young people and their families' mental health and wellbeing during and post Covid.
SACRO	10,000	-	Sacro Transition Project: Continue to support people in home environment by building capacity and enabling them to maintain their tenancy.
Inchgarth Community Centre	10,000	-	Inchgarth Kickstart Project: Funding for dance, exercise, relaxation and wellbeing activities for service users most impacted by Covid.
Coyote Initiatives	10,000	-	Silent Memories: Run Sound Memories sessions in up to 12 care homes and 4 hospitals in Grampian to engage with elderly, particular those with dementia and Alzheimer's.
Networks Of Wellbeing Ltd	9,990	-	Staying Connected - Coping with Covid: Funding to deliver a range of services - counselling, chilling women aromatherapy, dru yoga relaxation, peer support, mindfulness and technological assistance to access these activities.
Moray Wellbeing Hub CIC	9,914	-	Recovering our Peer to Peer Mental Health in Moray: Aims to achieve improved self-management of mental health in Moray through connection, hope, identity, meaningful and empowerment.
Maggies Aberdeen Cancer Centre	9,858	-	Networking Peer to Peer Support Groups for people with Cancer in Aberdeenshire: staff costs
Quarriers	9,828	-	Support for an Art Therapy project for people living with epilepsy and staff.
Moray Wellbeing Hub CIC	9,800	-	Reconnecting to our Wellbeing through COVID@HSCM Workforce: Support for locally based peer support specialists to work in collaboration with HSCM staff support and national partners See Me to undertake peer-led research and delivery self-management activity to understand and address these challenges.
Mearns And Coastal Healthy Liv	9,535	-	Here to Help: Funding to extend Here to Help service for older people living in Kincardine and Mearns especially those who may be at list of Covid-19.
North East Sensory Services	9,460	-	NESS Connect, Include and Support Project - digital inclusion project. Supporting socially isolated people aged 65+ I Aberdeen and Moray who have a significant visual and/or hearing impairment.
Maggies Aberdeen Cancer Centre	9,366	-	Benefits Advice for people affected by cancer during Covid-19: staff costs and consumables
Sub Total	271,451	79,778	

Notes to the Accounts for the year ended 31 March 2021 (Continued)

4. Related Parties and Trustees' Remuneration (Continued)

Body	2021 £	2020 £	Objective
Sub total from previous page	271,451	79,778	
Clan House	9,090	5,000	Light the North Tribute Sculpture: One-off commission sculpture as an NHS tribute to be displayed as part of the Light the North lighthouse trail for 8 weeks next spring across Grampian, Orkney and Shetland. 2020 - Improvements to drop-in area improving levels of comfort and privacy for people affected by cancer.
Elgin Youth Development Group	9,016	-	Eat, Meet and Cook: Expand Eat, Chat and Chill project for 11-18 year olds and to target 18-28 year olds. Cook a meal by participating in virtual cooking sessions, ingredients delivered to participants.
Hope Counselling	9,000	-	Subsidised counselling for vulnerable people with mental health issues and contribution towards counsellors external supervision.
Moray Baby Bank	7,530	-	Funding for running costs and to buy baby equipment in absence of donations.
Russell Anderson Foundation	7,200	-	Staff and equipment costs to delivery health and wellbeing programme to primary school children.
Alzheimer Scotland	7,100	-	Supporting people with dementia and their family carers across Grampian. Equip 10 staff returning from furlough with laptops to support people with dementia and families digitally. Also for staff to complete bespoke training.
Fochabers Men's Shed	6,846	-	Returning for Recovery: adaption of existing spaces and creation of new partitioned area to comply with regulations to restart services and continue work being undertaken on behalf of the community.
Friends Of People First	6,810	-	Lend a Hand Project: Continuation of project and contribution to worker fees, training, travel.
Outfit Moray	6,600	-	
Aboyne And District Men's Shed	5,742	5,000	Provision of social distancing portable room screens. 2020 - Provide a facility for workshop/craft activity and social interaction to address rural isolation
Aberlour Community Association	5,730	-	ACA Foodbank: Continue food support initiative for 6 months to provide food for vulnerable people in community.
Quarriers Carers Support Service Moray	5,500	-	Quarriers Carers Support Service Moray: To support the health and wellbeing of project staff, to increase their resilience and increase their resilience.
Sub Total	357,615	89,778	

Notes to the Accounts for the year ended 31 March 2021 (Continued)

4. Related Parties and Trustees' Remuneration (Continued)

Body	2021 £	2020 £	Objective
Sub total from previous page	357,615	89,778	
Aberdeen Samaritans	5,273	-	Reaching our Local Community During Covid-10: 12 month project to realise awareness of services - 10 talks a year, online or face to face each for 15 people. Music linked to memories using silent disco technology.
Marie Curie	5,080	-	A Month of Care: 30 nights of nursing care
Aberdeen Foyer	5,080	-	Aberdeen Foyer Staff Resilience Programme: Virtual Fund at Work - 2 bespoke sessions for staff, Health Vouchers to support staff access a product or activity, Foyer Fly Cup for staff to meet up over coffee.
Moray Food Plus	5,000	-	HealthEAT: Targeting men with mental health challenges to come together, prepare a healthy lunch and attend fitness session.
Princess Royal Sports and Community	4,600	-	Post-Covid Referrals: increase GP referrals by an additional 2 classes per week.
Ability Net	3,000	-	Free technology support to older and disabled people through online resources and team of volunteers.
Lockdown Babies Buckie	2,000	-	Enable newly formed support group to offer two weekly sessions at a hall in Buckie and purchase appropriate equipment and safety measures to observe the 2m rule.
Fred Watt Opticians	1,705	3,714	Provision of flooring and patient seating
Rafford Village Hall	1,440	-	Re-establishment of Parent and Toddler Group under auspices of Rafford Village Hall. Hall hire, toys for up to 5 households to attend at a time.
Buckies Roots	1,234	-	Keeping Buckie Bonny: Offer PPE to volunteers who can benefit from activities, provide opportunity for people to connect with the community by planting, growing, keeping spaces beautiful.
Samaritans	1,000	-	Reaching our Local Community During Covid-10: 12 month project to realise awareness of services - 10 talks a year, online or face to face each for 15 people. Music linked to memories using silent disco technology.
Cullen Community Allotment	700	-	Covered outside meeting space at Cullen Allotments to enable the community to hold meetings outside in a safe space.
Rothienorman Scout Group	400	-	Health and safety equipment to return to face to face scouting.
Anderson And Spence	-	15,201	Construction of consultation room within pharmacy
Sub Total	394,127	108,693	

Notes to the Accounts for the year ended 31 March 2021 (Continued)

4. Related Parties and Trustees' Remuneration (Continued)

Body	2021	2020	Objective
	£	£	
Sub total from previous page	394,127	108,693	
Banchory And District Men's Shed	-	5,000	Provide a facility for workshop/craft activity and social interaction to address rural isolation
Bridge Of Don And District Mens Shed	-	5,000	Provide a facility for workshop/craft activity and social interaction to address rural isolation
Dance North Scotland	-	5,000	Establishment of singing, exercise and tea groups
Maud Village Trust	-	5,000	Provide exercise programme to those who would benefit after referral by GPs / health professionals and to the older generation.
Grampian Cardiac Rehabilitation Association	-	4,965	Provide defibrilators for instructors currently completing a British Association for Cardiovascular Prevention and Rehabilitation course.
Mearns Minibus Link	-	2,824	Contribution towards purchase of wheelchair accessible community minibus
Varapunya Meditation Centre	-	2,500	Meditation skills and mindfulness course and practice support
Alcohol and Drugs Action	-	1,900	Implement a recovery group focussing on increasing individuals' physical activity levels.
Fancier Foveran	-	1,000	Provision of defibrillator in Foveran village
North East Eating Disorders Support Scotland	-	1,000	Enable volunteer facilitators to attend the Scottish Eating Disorders Conference
Kingswells Medical Practice	-	506	Provision of a music system in the patients' waiting area.
Total	<u>394,127</u>	<u>143,388</u>	

5. Investment Income

	2021	2020
	£000	£000
Dividends and interest from UK equities and fixed interest securities	1,314	1,520
Interest on cash deposits	0	13
	<u>1,314</u>	<u>1,533</u>

Notes to the Accounts for the year ended 31 March 2021 (Continued)

6. Allocation of Governance Costs and Overheads

The Charity incurs staffing and other costs associated with the administration and management of the fund as follows:

	2021	2020
	£000	£000
Staff Costs	127	131
Administration running costs	18	14
Governance costs:		
Staff Costs	33	33
Auditors remuneration - audit fee	9	11
	187	189

All staff are employed by Grampian Health Board and the costs are recharged to the Charity. The cost of administration and management of the Charity and governance costs are allocated across the categories of charitable activities. The basis of apportionment is pro-rata to the total direct expenditure incurred on each activity.

7. Analysis of Charitable Expenditure

2021			2021
	Grant funding	Support costs	Total
	£000	£000	£000
Patient and staff education and welfare	1,193	81	1,274
Research	720	48	768
Purchase of equipment	361	24	385
Infrastructure improvements	514	34	548
	2,788	187	2,975
2020			2020
	Grant funding	Support costs	Total
	£000	£000	£000
Patient and staff education and welfare	1,768	77	1,845
Research	1,079	47	1,126
Purchase of equipment	842	37	879
Infrastructure improvements	651	28	679
	4,340	189	4,529

The grants include payments totalling £2.031 million (2020: £1.845 million) made to Grampian Health Board during the year to enable a range of research and other activities for the benefit of patients and staff. Grants made to other charities directly supporting Grampian Health Board are detailed in Note 4 above. No grants are paid to individuals.

All grant payments by the Charity are made in line with the charitable purpose of the Charity i.e. the enhancement of healthcare and patient welfare in Grampian. Trustees delegate responsibility for the management of individual funds to named fund stewards who may incur expenditure, subject to the required authorisation process, provided the expenditure falls within the objects of the Charity, that the grant request is supported by Grampian Health Board and that the funds are available to meet the request.

Notes to the Accounts for the year ended 31 March 2021 (Continued)

Basis of Allocation of Charitable Expenditure between Restricted and Unrestricted Funds

The grant funding of £2.764 million is charged directly to the fund in which it has been agreed each individual grant will be funded from. Support costs of £0.187 million are apportioned between Restricted and Unrestricted funds using the relative movement between the opening and closing balance of each fund.

8. Analysis of Staff Costs

	2021	2020
	£000	£000
Salaries and wages	124	126
Social Security Costs	13	13
Pension Costs	23	25
	<u>160</u>	<u>164</u>

The staff costs relate to recharges from Grampian Health Board for 3.70 (2020: 4.10) whole time equivalent members of staff - average number of staff 6 (2020: 7) - whose time relates to the provision of administration, planning and strategic management of the Charity, see Note 6 above.

No employees received remuneration in excess of £60,000 (2020: nil).

9. Auditor's Remuneration

The Auditor's remuneration was £10,848 (2020: £10,008) inclusive of VAT. The remuneration is entirely for the audit of the Charity's annual accounts.

10. Fixed Asset Investments

	2021	2020
	£000	£000
Market value of investments at 1 April	40,564	43,124
Additions to investments at cost	7,228	8,433
Disposal of investments	(7,118)	(8,576)
Realised net gain on disposals	916	206
Unrealised net gain / (loss) on revaluation	7,410	(2,623)
Market value of investments at 31 March	<u>49,000</u>	<u>40,564</u>
Cash balance	1,151	1,262
Total	<u>50,151</u>	<u>41,826</u>
Historical cost of investments at 31 March	<u>36,177</u>	<u>35,262</u>

Investments at market value comprised:

	2021	2020
	£000	£000
Cash and cash equivalents	1,151	1,262
Listed investments		
Fixed interest securities	8,229	7,003
Equities	40,771	33,561
	<u>50,151</u>	<u>41,826</u>

The Trustees consider individual investments holdings in excess of 5% of the portfolio to be material. There were no material individual investments.

Notes to the Accounts for the year ended 31 March 2021 (Continued)

11. Debtors

	2021	2020
	£000	£000
Accrued Income	269	129
Other debtors	101	24
	<u>370</u>	<u>153</u>

12. Cash and Cash Equivalents

	2021	2020
	£000	£000
Cash at bank and in hand	1,859	1,935
Cash held for investment (note 10)	1,151	1,262
	<u>3,010</u>	<u>3,197</u>

13. Creditors Falling Due Within One Year

	2021	2020
	£000	£000
Trade Creditors	31	0
Accruals	397	212
Public Sector	477	883
	<u>905</u>	<u>1,095</u>

£0.477 million was due to Grampian Health Board at the balance sheet date. (2020: £0.883 million).

14. Provisions for Liabilities

	2021	2020
	£000	£000
Obligations outstanding at 1 April	6,052	5,223
New obligations arising in the year	2,988	4,277
Obligations paid during the year	(2,282)	(2,921)
Obligations reversed unutilised	(724)	(527)
Obligations outstanding at 31 March	<u>6,034</u>	<u>6,052</u>

The provisions for liabilities related to the funding of posts within Grampian Health Board and committed expenditure resulting from a legal or constructive obligation. At 31 March the Charity had obligations payable as follows:

	2021	2020
	£000	£000
Within 1 year	5,149	4,244
Falling due after 1 year	885	1,808
	<u>6,034</u>	<u>6,052</u>

Notes to the Accounts for the year ended 31 March 2021 (Continued)

15. Financial Instruments

	2021 £000	2020 £000
Financial assets measured at fair value	<u>49,000</u>	<u>40,564</u>

16. Analysis of Charitable Funds

	Balance as at 1 April 2020 £000	Income £000	Expenditure £000	Investment (Losses) & Gains £000	Transfers £000	Balance as at 31 March 2021 £000
<i>Analysis of Fund Movements:</i>						
Unrestricted Funds						
General funds	1,257	1,316	(926)	3,069	(342)	4,374
Designated Hospital Funds	2,041	152	(144)	0	(15)	2,034
Revaluation Reserves	9,699	0	0	5,257	0	14,956
	<u>12,997</u>	<u>1,468</u>	<u>(1,070)</u>	<u>8,326</u>	<u>(357)</u>	<u>21,364</u>
Restricted Funds	23,375	2,057	(2,107)	0	357	23,682
Permanent Endowments	395	0	0	0	0	395
Total	<u>36,767</u>	<u>3,525</u>	<u>(3,177)</u>	<u>8,326</u>	<u>0</u>	<u>45,441</u>

	Balance as at 1 April 2019 £000	Income £000	Expenditure £000	Investment (Losses) & Gains £000	Transfers £000	Balance as at 31 March 2020 £000
<i>Analysis of Fund Movements:</i>						
Unrestricted Funds						
General funds	4,156	1,555	(1,756)	(2,244)	(454)	1,257
Designated Hospital Funds	2,262	71	(292)	0	0	2,041
Revaluation Reserves	9,872	0	0	(173)	0	9,699
	<u>16,290</u>	<u>1,626</u>	<u>(2,048)</u>	<u>(2,417)</u>	<u>(454)</u>	<u>12,997</u>
Restricted Funds	23,689	1,905	(2,673)	0	454	23,375
Permanent Endowments	395	0	0	0	0	395
Total	<u>40,374</u>	<u>3,531</u>	<u>(4,721)</u>	<u>(2,417)</u>	<u>0</u>	<u>36,767</u>

Restricted funds account for a proportion of fixed asset investments and as a result the Board of Trustees has transferred £0.273 million from general funds to restricted funds to allocate a proportion of the investment income received in the year. In addition, £0.069 million was transferred from general funds and £0.015 million from Designated Funds to some Restricted Funds during the year. The Designated Hospital Funds are a part of the Unrestricted Funds that have been designated by the Board of Trustees to be spent on any purpose at specific hospitals.

Notes to the Accounts for the year ended 31 March 2021 (Continued)

17. Revaluation Reserve

The balance on the revaluation reserve reflects any unrealised gains on investments calculated as any positive variance between the market value and the initial purchase value of investments in equities and bonds held at the Balance Sheet date.

18. Restricted Funds

The following analysis highlights all restricted funds with a balance greater than £0.075 million during the year. These funds form part of the total restricted funds of £23.706 million as at 31 March 2021. The previous year's figures are shown in Note 18 on Page 37 of the 2019/20 accounts which can be viewed on the following link: [About Us > NHS Grampian Charities \(nhsgrampian.com\)](#)

Name of Fund	Balance as at 1 April 2020		Income	Expenditure	Transfers Between Funds	Balance as at 31 March 2021
	£000	£000				
Aberdeen Lung Cancer Group Fund	223	4		0	3	230
Aboyne Hospital Patients Fund	125	0		(1)	1	125
Acute Stroke Unit Fund (ARI)	97	1		(7)	1	92
Annie Tweedie Executry	144	0		(2)	2	144
ARI General Purposes Fund	233	224		(23)	3	437
ARI Oncology Research Fund	361	8		(6)	4	367
ARI Patients Fund	97	0		(1)	1	97
ARI Small Donations Fund	147	3		(4)	2	148
ARI Ward 112 Haematology Pat'S	414	2		(126)	4	294
ARI Ward 114 Fund	273	1		(5)	3	272
ARI Ward 310 Patients Fund	81	0		(1)	1	81
Banchory Group Practice	100	0		(13)	1	88
Breast Centre Development & Refurbishment Fund	93	0		(5)	1	89
Breast Research Fund	249	5		100	4	358
Buchan Renal Unit Fund	84	4		1	1	90
Cancer Research Fund	455	26		(15)	6	472
Cardiac Surgical Fund	210	2		(8)	2	206
Chalmers Hospital General Purposes Fund	108	0		(1)	1	108
Clin Biochem Diagnostic Research Fund	120	0		(1)	1	120
Clin Biochem Lab Discretionary Fund	111	17		(3)	1	126
Clinical Microbiology Fund	105	0		(99)	1	7
Colorectal Study Fund	254	22		(6)	3	273
Coronary Care Unit Fund	559	133		70	8	770
Covid 19 Support Fund	0	599		(677)	78	0
Cystic Fibrosis General Fund	124	1		(9)	1	117
Cytology Endowment Fund	176	0		(2)	2	176
D Cameron Exec. (Cancer)	413	0		(3)	4	414
D Cameron Exec. (Heart)	635	0		(6)	7	636
Sub total	5,991	1,052		(853)	147	6,337

NHS Grampian Endowment Funds

Notes to the Accounts for the year ended 31 March 2021 (Continued)

18. Restricted Funds (Continued)

Name of Fund	Balance as		Income Expenditure	Transfers	Balance
	at 1 April	2020			
	£000	£000	£000	£000	£000
Sub total from previous page	5,991	1,052	(853)	147	6,337
David Muiry Exec. (Woodend)	131	0	8	2	141
Depart Of Clinical Oncology Fund	165	28	(2)	2	193
Depart Of Virology R & D Fund	123	11	(2)	1	133
Dermatology Research Fund	120	0	(2)	1	119
Diabetes Centre General Fund	708	2	(12)	8	706
Diabetes Research and Education	100	0	(1)	1	100
Education Staff Development Fund	78	0	(2)	1	77
Elizabeth A Harper Executry	87	0	(1)	1	87
Evelyn Sim Executry	79	0	9	1	89
Fetal & Perinatal Fund	460	0	(5)	5	460
Foresterhill Staff Garden	102	18	(109)	1	12
Gastro General Purposes Fund	121	0	(34)	1	88
Geriatric Medicine Research Fund	93	0	3	1	97
Go+Tu Research Fund	79	1	(1)	1	80
Gordon Renal Dialysis Unit Fund	82	0	(6)	1	77
Gramp Child Cancer + Leukaemia	416	0	149	7	572
Gynae/Oncology Research Fund	108	0	(14)	1	95
Haematology O/P Clinic Fund	126	4	(7)	1	124
Huntingtons Disease Res Fund	123	5	(4)	1	125
Insch General Purposes Fund	89	0	(1)	1	89
Intensive Care Unit Fund	104	11	28	1	144
Inverurie Renal Dialysis Unit	188	0	(2)	2	188
Jubilee General Purposes Fund	107	0	(3)	0	104
Leukaemia Research Fund	222	0	(3)	2	221
Lymphoma Research Fund	267	0	(3)	3	267
Mac_Dem Research and Travel Fund	95	0	(1)	1	95
Margaret Hay Executry	86	0	(1)	1	86
Medical Renal Unit Ward Fund	107	10	(1)	1	117
Miss Alexina E Shand Fund	341	0	(86)	4	259
Miss Elizabeth J Walker Fund	235	0	(3)	2	234
Miss I M Deans Exec (Heart)	178	0	(2)	2	178
Miss I M Deans Exec (Thoracic)	130	0	(1)	1	130
Moray Palliative Care Fund	117	2	(2)	1	118
MRI Education Fund Woodend	81	0	(1)	1	81
Mrs Winifred C Simpson Exec	80	0	(1)	1	80
Mrs. Christina D. Cargill	0	129	(1)	1	129
Mrs. K.M.Munros Fund	311	0	(3)	3	311
Sub total	12,030	1,273	(973)	213	12,543

Notes to the Accounts for the year ended 31 March 2021 (Continued)

18. Restricted Funds (Continued)

Name of Fund	Balance as at 1 April 2020		Income Expenditure	Transfers Between Funds	Balance as at 31 March 2021
	£000	£000			
Sub total from previous page	12,030	1,273	(973)	213	12,543
Neonatal Unit Fund	53	26	(1)	1	79
Neurological Research Fund	142	1	(2)	2	143
Neurology Department Fund	112	4	(12)	1	105
Neurosurgical Unit Fund	81	27	(15)	1	94
NHS Charities Together	0	211	(188)	1	24
Oaks Centre Day Care Fund	712	4	(39)	8	685
Oncology Discretionary Fund	515	187	(169)	7	540
Ophthalmic Research Fund	138	0	(2)	1	137
Ophthalmology Research Fund	93	0	(1)	1	93
Organ Donation Fund	76	1	(5)	1	73
Pathology Depart Discret Fund	87	0	(2)	1	86
Peter Gibb Bequest	175	0	(2)	2	175
Peterh'D Com Hosp General Purposes Fund	430	5	(5)	5	435
RACH General Purposes Fund	108	8	6	1	123
Renal Dialysis Research Fund	101	30	(51)	1	81
Respiratory Medicine Dept Fund	81	1	9	0	91
Rheumatology General Fund	175	5	(5)	2	177
Roxburghe House General Purposes Fund	230	27	(25)	3	235
Royal Cornhill General Purpose Fund	430	0	(168)	6	268
Special Nursery Medical Fund	83	0	(2)	1	82
Sudden Infant Death Fund	82	0	(1)	1	82
Turner General Purposes Fund	99	0	(103)	4	0
Turriff Hosp General Purposes Fund	80	5	(11)	1	75
	16,113	1,815	(1,767)	265	16,426
Other Restricted Funds	7,262	242	(340)	92	7,256
	23,375	2,057	(2,107)	357	23,682

Notes to the Accounts for the year ended 31 March 2021 (Continued)

19. Reconciliation of Funds by Net Assets

	Unrestricted General Funds £000	Designated Hospital Funds £000	Revaluation Reserve £000	Restricted Funds £000	Endowment Funds £000	2021 Total £000
Fixed asset investments	5,036	2,346	14,956	27,356	457	50,151
Current assets	2,517	11	0	(231)	(62)	2,235
Current liabilities	(430)	(7)	0	(474)	0	(911)
Provisions for liabilities	(2,749)	(316)	0	(2,969)	0	(6,034)
	4,374	2,034	14,956	23,682	395	45,441

	Unrestricted General Funds £000	Designated Hospital Funds £000	Revaluation Reserve £000	Restricted Funds £000	Endowment Funds £000	2020 Total £000
Fixed asset investments	1,493	2,422	9,699	27,743	469	41,826
Current assets	2,844	71	0	(753)	(74)	2,088
Current liabilities	(233)	(88)	0	(774)	0	(1,095)
Provisions for liabilities	(2,847)	(364)	0	(2,841)	0	(6,052)
	1,257	2,041	9,699	23,375	395	36,767

20. Consolidation

The results of the NHS Grampian Endowment Fund have been consolidated into the accounts of Grampian Health Board on the basis that all Trustees are also members of Grampian Health Board and therefore effectively operate under common control for accounting purposes. The consolidated accounts are publicly available after they have been laid before parliament, in the autumn of each year and can be accessed on the Grampian Health Board website at <https://www.nhsgrampian.org/about-us/annual-accounts/>.

21. Material Legacies

Legacy income is recognised when the charity has legal entitlement to the funds, it is probable the income will be received and the amount can be measured reliably. At the date of approval of the accounts, the Charity has received notification of three legacies and the residue, or a share of the residue, of six estates, three of which is the residue of estates at the termination of a life rent. The residue of these estates has yet to be quantified.

22. Contingent Liabilities

The Charity has no contingent assets or liabilities.