

**TAYSIDE NHS BOARD
ENDOWMENT FUND
operating as
NHS Tayside Charitable
Foundation**

(SC 011042)

**ANNUAL REPORT
&
ACCOUNTS**

2023/2024

*Tayside NHS Board Endowment Fund
Board of Trustees
13 June, 2024*

INDEX TO THE FINANCIAL STATEMENTS

	Page
Report of the Trustees	2 - 11
Trustees' responsibilities for the preparation of financial statements	12
Report of the Independent Auditors	13 - 15
Statement of Financial Activities	16 - 17
Balance Sheet	18
Cash Flow Statement	19
Reconciliation of Funds	20
Notes to the Financial Statements	21 - 39

REPORT OF THE TRUSTEES

Trustees present their annual report and financial statements of the charity for the year ended 31 March, 2024. The financial statements have been prepared in accordance with the accounting policies set out in note 2 to the accounts, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland effective 1 January, 2019.

OBJECTIVES AND PRINCIPAL ACTIVITIES

Tayside NHS Board Endowment Fund (operating as NHS Tayside Charitable Foundation) charity holds endowment land and funds for purposes relating to the advancement of health, funded by donations and legacies received from patients, their relatives, the general public and other organisations. The overall strategy of the charity is to provide support to Tayside NHS Board, its strategic partners and the community to deliver healthcare for the benefit of the people of Scotland in the area of Tayside. This has been achieved by supporting the purchase of supplementary and complementary equipment and services within this reporting period.

It is the responsibility of Trustees to ensure that funds under their stewardship are administered in accordance with this strategy. Such support may be provided in whatever way Trustees consider appropriate, subject to any specified directions prohibiting such expenditure, which may have been issued by the charity regulator or other statutory bodies, and subject to respecting the expressed wishes of donors. This is outlined within the new Strategy launched on 30 November 2023.

Applications for funding for projects between £10,000 and £25,000, or outwith the budget for unrestricted funds are presented to a newly formed Management Committee consisting of senior staff within the Charity along with the Charity Chief Officer. Applications in excess of £25,000 are presented to Trustees for approval at the Charitable Funds Committee (CFC). Each application must be in line with the objectives and principal activities below. A finance report is also presented to Trustees at each CFC meeting. The finance report summarises financial and investment performance according to each main fund classification and details all projects currently being funded by unrestricted funds, projects funded by restricted funds which have been approved by Charitable Funds Committee/Board of Trustees.

Trustees agreed the designation of funding from unrestricted funds in respect of a new funding programme which includes an Innovation Fund, Prevention Fund and Improvement Fund to support the Foundation's vision to help people of Tayside live better and longer lives.

Trustees consider the Endowment Fund should focus on the following Objectives and Principal Activities:-

- **Patients' expenditure** Purchase of small items of equipment, provision of services and facilities.
- **Staff expenditure** Education of staff by providing non-core training and educational opportunities.
- **Capital Equipment** Purchase of equipment which is additional to that which would be provided in the course of normal service delivery and paid for out of core funding.
- **Research** To provide funds in support of research projects which are supportive of the NHS objectives.
- **Pioneering services** To introduce new styles of service provision or care, not currently funded by the NHS, on a pilot basis, to facilitate clinical evaluation.
- **Environmental** To enhance and improve the environment within which healthcare is delivered.

Trustees are of the view that requests from other charitable bodies should be considered only if they are consistent with the strategic aims and legal responsibilities of Tayside NHS Board.

During the year the Endowment Fund incurred expenditure for charitable activities amounting to £1.6 million and these are detailed in Note 6 to the financial statements. The expenditure related to pioneering services, welfare and amenities of patients and staff, and to staff development and training. In addition to the total cost of charitable activities noted above is £0.3 million of governance costs, as detailed at Note 6.

In respect of Unrestricted Funds, Trustees approve an annual budget which sets out the anticipated attribution of investment income and recurring expenditure commitments. Any excess of income over expenditure is available to be committed at the discretion of Trustees.

REPORT OF THE TRUSTEES (Continued)

ACHIEVEMENTS AND PERFORMANCE

Total incoming resources arising in the year of £1.7 million (2023 - £2.5 million) reflect a combination of donations and gifts, legacies and investment income. Resources used in the year on charitable activities and governance totalled £2.1 million (2023 - £2.7 million).

The strategy of Tayside NHS Board Endowment Fund is to support its related constituent body by providing funds to benefit patients. It does this by purchasing supplementary and complementary equipment and services. Staff benefit from funding to support learning, development and educational opportunities which in turn benefit patients.

In addition, Tayside NHS Board Endowment Fund supports the purchase of equipment which is additional to that which would be provided in the course of normal service delivery and paid for out of core funding, and provides funds for research projects which are of benefit to the NHS. It supports pioneering services to introduce new models of service provision or care, on a pilot basis, to facilitate clinical evaluation. Enhancement and improvement of the environment in which healthcare is delivered is also supported by the Endowment Fund.

The Endowment Fund relies upon active fundraising together with the generosity of patients and their relatives and other donors and organisations who are familiar with, or have experience of the care provided by their local NHS service, or who are sympathetic and generous in their support to their local NHS service.

At the start of 2023/24 the budget for Unrestricted Funds approved by Trustees reflected incoming resources of £0.468m, recurring designated expenditure of £0.433m, and prior commitments of £1.2m, totalling a net deficit of £1.2m. By the end of the year, actual net deficit for Unrestricted Funds was £0.7m.

During 2023/24 there has been a continuing focus on the COVID-19 pandemic, with a range of initiatives agreed by Trustees, including funding for staff and volunteer welfare, Research & Development and further community support. This has partly utilised unrestricted funds already available to Trustees and funds received from the national NHS Charities Together campaign.

During the year new projects totalling £0.7m were approved as chargeable against unrestricted funds. This sum has been committed during the year as follows:-

	Committed £'000	Expenditure £'000	Balance Carried Forward 2024/25
			£'000
Available to Trustees	(739)		
Saving Limbs	6	0	6
Maggie's Dundee	17	17	0
Cadaver Simulation Training	29	25	*0
Get Out Get Active	414	64	350
Child and Adolescent Mental Health Community Event	2	2	0
Care Opinion Leaflets	1	0	1
Values Based Reflective Practice: Evaluating the Impact	111	14	97
Building Capacity, Learning and Awareness of Suicide Prevention in Dundee	13	0	13
Public Protection	1	0	1
Ninewells 50 th Anniversary Celebrations	1	1	0
Evaluation of the Limb-related Complications of Injecting Drugs	20	0	20
Shakti	15	15	0
Gymology	2	2	0
Tayside Arts Healthcare Trust	9	6	3
Patient Liaison	6	0	6
Spiritual Care	8	8	0
Community Innovation Fund	49	0	49
Administration Costs	29	29	0
Total	(6)	183	546

*Denotes project completed

REPORT OF THE TRUSTEES (Continued)

ACHIEVEMENTS AND PERFORMANCE (Continued)

In line with the approved budget for 2024/25, it is anticipated that capital withdrawals amounting to the deficit of £1m will be required.

The status of projects approved in previous years and which are either ongoing or completed during the current year, is as follows:-

	Committed £'000	Expenditure £'000	Balance Carried Forward 2024/25 £'000
Research Grant - Committed not fully spent	15	0	*0
Community Innovation Fund	344	209	135
Children in the Community with Complex Disability – for the purchase of non-core equipment.	95	38	57
Education & Training - non-core education and training of staff.	298	132	166
Package of Enhancements for Patients (Carsview Centre IPCU)	7	6	*0
Modern Apprenticeship Programme Adults 25+	113	0	*12
Art/Design Paediatric Outpatient Department/Plaster Room	6	6	0
Covid-19 Comfort Packs	9	0	*0
District Nurse Training & Development	17	0	*0
Children's Surgery App	5	4	1
Tayside Death Child Review	34	9	25
Clinical Research Transformation/Service Redesign	24	17	*0
An Evaluation of the Health Impact of Intravenous Drug Use on Acute Secondary Care Services in NHS Tayside and Routes to Harm Reduction	11	0	*0
Ninewells Community Garden – Standpipes	8	0	8
NHS Tayside Phage Service	118	99	19
Purchase and Installation of an Art Hanging Rail System	2	1	*0
General Adult In-Patient Mental Health Ward Environments within Murray Royal Hospital and Carseview Centre	37	31	*0
Psychiatry of Old Age Wards – Garden Improvement and Enhancement Project within Murray Royal Hospital	105	102	*0
Study on Passive Impact of Vaping on Young Children and Women	99	0	99
Precision Medicine in Diabetes (iDiabetes)	254	149	105
Robotic Assisted Surgery	213	81	132
CT Scanner Clinical Research Imaging Facility	300	300	0
Total	2,114	1,184	759

The financial planning process in respect of Unrestricted Funds does not anticipate other recognised gains and losses which arise during the year. These comprise a gain of £0.9m made on the sale of investments (2023 £0.9m), and an unrealised gain of £1.9m on the investment portfolio held at the year-end (2023 £1.8m unrealised loss).

Committed expenditure within unrestricted funds has been accrued for all projects which are likely to be expended in future years. No accrual for the Community Innovation Fund has been actioned as the grants awarded are regarded as performance related grants, however a provision has been recorded. Only actual awards within the Education and Training Fund have been accrued.

* Denotes project completed

REPORT OF THE TRUSTEES (Continued)

No plan is prepared in respect of expenditure from Restricted Funds owing to the largely unpredictable nature of such spend. A summary of the main categories of expenditure from Restricted Funds is as follows:-

	2024	2023
	£'000	£'000
Research Projects	(30)	185
Medical Equipment	370	49
Wheelchairs & Therapy Equipment	12	(26)
Other Equipment	13	53
Furniture and Furnishings	19	60
Training	201	98
Books & Publications	2	0
Environmental Enhancements	20	29
Christmas Festivities	9	7
Retiral and Long Service Awards	187	181
Fundraising Office	34	35
Administration	53	35
Shop Expenses	77	67
Other	(171)	88
Total	*796	*861

*Committed expenditure within restricted funds has been accrued for all projects which are likely to be expended in future years. Values in brackets represents projects which are not continuing as per the original approved value.

Tayside NHS Board Endowment Fund has a fundraising office which oversaw a range of fundraising activities by members of the public and staff amounting to £0.098m (2023 - £0.242m), including gift aid. Fundraising activity is promoted and publicised on social media and the intranet accessible by staff. An online giving facility is accessible via the NHS Tayside Charitable Foundation website. Currently there are no material fundraising campaigns from which the fund would benefit.

Investment Strategy and performance

The Endowment Fund's investment powers are broad but subject to the proviso that Trustees obtain and consider expert advice in the exercise of those powers.

During the financial year the Investment Committee met regularly, and a Chair's Assurance Report was submitted after each meeting to the Charitable Funds Committee. An Annual Report for the Investment Committee has been submitted for approval by the Board of Trustees.

The valuation of funds held by the investment manager as at 31 March 2024 was £33.3 million compared with the opening value at 1 April 2023 of £31.5 million. This is not including the segregated account: valued as at 31 March 2024 £4.2 million and at 1 April 2023 £3.9 million. This highlights that active management has been in place over the past 12 months to maximise this fund. A review of the Investment Strategy has started with the updated draft being tabled in July 2024.

The investment portfolio continued to struggle in the first half of the reporting period, faced with the same headwinds as the previous period. Inflation remained high which forced the major central banks to continue increasing interest rates at a pace not seen in decades, causing a sell off broadly across all asset classes. By 31 October 2023 the portfolio was down 3.0%, while the CPI +3% target was up 4.9% over the same period.

October marked a turning point where inflation began slowing and the Bank of England and Federal Reserve stopped increasing interest rates. This spurred a strong rally across the board which was further fuelled by economic data showing stronger than expected resilience in the major economies. The portfolio rallied 13.3% from its 31 October 2023 low to 31 March 2024.

Overall, the main investment portfolio gained 9.9% over the 12 months to 31 March 2024, outperforming the CPI +3% target of 6.2%, the Asset Risk Consultants (ARC) Steady Growth Index at 9.3% and the MSCI UK IMI Equity Index at 8.9%.

REPORT OF THE TRUSTEES (Continued)

Investment Strategy and performance (Continued)

The segregated account returned 7.5% over the period, outperforming the target return of CPI +1% of 4.3% and ARC Cautious at 4.3%.

This year an Ethical Policy was approved by Trustees which outlines the restrictions on investments in alcohol, tobacco, armaments, fossil fuels and gambling.

Performance of investments is continuously monitored and reported to the Investment Committee. On a quarterly basis the Fund's Investment Managers are required to report on the performance of the investment portfolio in relation to pre-determined performance indices, and to provide assurance that the Fund is being managed in accordance with the Investment Strategy set by Trustees. Details of the portfolio are contained in Notes 8, 10 and 11 to the financial statements.

Achievement of Trustees' financial objectives are not entirely within their control, and the volatility of equity markets remain an unpredictable factor which can have a significant impact on the level of investment income.

Income from listed investments of £623,000 compares with the £487,000 estimated by Trustees on the advice of the Fund's Investment Managers. This was on the basis of the asset allocation at the start of the year.

FINANCIAL REVIEW

Reserves

The Trustees have adopted a formal reserves policy in respect of Unrestricted Reserves and have agreed that reserves of at least £12.6 million will be required to provide long term sustainability and to ensure that sufficient investment income is generated to fund ongoing activities that are currently funded from Unrestricted Reserves. The level of reserves is currently under review by the Investment Advisors and the Investment Committee.

As at 31 March, 2024 the balance on the fund stands at £35.9million. Of this £17 million is restricted and £0.8 million is held in a permanent endowment fund and not available for general use. £18.2 million is regarded as unrestricted, however, of this, £1.5 million is designated. It is anticipated that the designated funding will be utilised within the foreseeable future. The uncommitted part of the unrestricted reserves, being £16.7 million, is considered to meet the reserves policy stated above.

The Restricted and Permanent Fund balances are excluded from the Reserves Policy as they are required to be spent in accordance with the donor's wishes. The Trustees carry out a review to these funds periodically in order to identify dormant or slow-moving funds and to encourage their utilisation.

Details of fund balances by category and their movement can be found at note 16-18 Analysis of Charitable Funds.

Going Concern

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.

REPORT OF THE TRUSTEES (Continued)

PLANS FOR THE FUTURE

In the forthcoming year and beyond, NHS Tayside Charitable Foundation is dedicated to furthering its mission by leveraging resources effectively, cultivating impactful partnerships, and expanding its reach to better support the healthcare needs of the community.

Significant work has taken place in the past 12 months to drive forward the vision and priorities of the Charity with a new Strategy and Action Plan there is a greater emphasis on recording impact and change which will help to grow the activities further.

Incorporating prudent financial planning and strategic initiatives, NHS Tayside Charitable Foundation remains steadfast in its commitment to enhancing healthcare services and fostering community well-being for the foreseeable future.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Tayside NHS Board Endowment Fund is a registered charity, operating as NHS Tayside Charitable Foundation. The charity is administered in terms of Sections 82, 83 and 84A of the NHS (Scotland) Act 1978 and the Charity and Trustee Investment (Scotland) Act 2005, and Trustees are those appointed as Tayside NHS Board Members by Scottish Ministers ex officio. Tayside NHS Board is therefore the Corporate Trustee.

Induction and training of Trustees

As part of their induction programme new Trustees are given a briefing by the Charity Chief Officer, at which they are made aware of their responsibilities as Trustees. This briefing emphasises the separate nature of their role as Trustees from that as Non-Executive and Executive Members of Tayside NHS Board.

Board of Trustees hold seminars on an ad hoc basis, which include briefing sessions on the statutory framework and responsibilities of Trustees and the control environment within which they operate. These sessions are facilitated by input from a range of professionals including the charity regulator (the Office of the Scottish Charity Regulator), Statutory Auditors and legal advisers. A seminar wasn't held during the period however, a development session and an investment portfolio workshop took place during the year.

Governance and management arrangements

To accomplish the business of the Endowment Fund, Board of Trustees met five times during the year. Board of Trustees, as corporate trustee of the Endowment Fund aims to ensure that the highest standards of integrity and control are applied in the conduct of its affairs. Board of Trustees is supported in its work by the Charitable Funds Committee and Investment Committee, with remits approved by Board of Trustees. Revised governance arrangements were approved and implemented during the year.

The remit of the full Charitable Funds Committee made provision for six Trustees, representatives from management and staff within Tayside NHS Board and a representative of the public to be members and the Chief Charity Officer. Key objectives of the Charitable Funds Committee were to undertake detailed examination of budgets, fundraising proposals and expenditure proposals and to submit recommendations thereon to Board of Trustees. Charitable Funds Committee met five times during the year.

In carrying out their role, Trustees must ensure that the wishes of donors, in particular, legally binding conditions set out in a will or similar document are respected.

Charitable Funds Committee, restricted fund authorised signatories, the Director of Finance and Charity Chief Officer have delegated authority to approve expenditure according to a Scheme of Delegation approved by Board of Trustees and specified within Code of Corporate Governance (Standing Financial Instructions).

REPORT OF THE TRUSTEES (Continued)

Governance and management arrangements (Continued)

Board of Trustees approval, upon advice of Charitable Funds Committee, is required for:-

- annual budget for Unrestricted Funds;
- items of expenditure in excess of £250,000 out with the annual budget for Unrestricted Funds;
- items of expenditure in excess of £250,000 to be charged against Restricted Funds,
- disposal of properties held by the Endowment Fund; and
- retrospective expenditure proposals*.

*Charitable Funds Committee advice may be accepted at discretion of BOT

The accounting records and day-to-day administration of the Fund is dealt with by the Finance function of Tayside NHS Board.

Relationships with related parties/external bodies

The Tayside NHS Board Endowment Fund charity works closely with, and the majority of its expenditure is provided in support of services provided by, Tayside NHS Board and to individuals who work within these services. Staff within these organisations identify and advise Trustees on local priorities and assist Trustees in monitoring use of the charitable funds.

The charity is a member of the Association of NHS Charities, an umbrella organisation of NHS charities, which operates as NHS Charities Together.

To improve the fundraising and retail offering of the Charity membership of the Dundee and Angus Chamber of Commerce was finalised in October 2023. This has provided development and training opportunities for the team and aims to develop corporate sponsors throughout the area.

Risk management policy and Uncertainties

Trustees operate within the overall risk management policy of Tayside NHS Board which has adopted a rigorous approach to risk management using a computer based system as a tool of management and assurance. The policy details the process to be used in identifying risks and controls, assessing risks and evaluating the actions required. This information is consolidated on to a Risk Register and is reviewed on an annual basis. The mapping of strategic and operational risks within this system allows these risks to be effectively monitored. The work of Internal Audit is informed by an analysis of risk assessment techniques used by NHS Tayside, and Audit Plans approved by the Audit and Risk Committee are based on that risk assessment.

Trustees are conscious of the risk assessment processes and action required to minimise the risk of fraud.

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 Charitable Funds Committee or Investment Committee as appropriate, which have carefully considered these risks and have procedures in place as follows:

- review of the Investment Strategy 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;

REPORT OF THE TRUSTEES (Continued)

Risk management policy and Uncertainties (Continued)

- 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 the following criteria:
 - The scheme is in line with the charitable purposes of the fund
 - The Endowment funded elements do not substitute core NHS provision
 - There is demonstrable benefit to patients or the wider population
- the Charity liaises with Tayside's NHS Board's Corporate Communications team to raise awareness of how the Endowment Fund is used to meet the charitable purposes of the Charity.

The major risks to which the Endowment Fund is exposed have been identified and considered. They have been reviewed and systems established to mitigate those risks. Income and expenditure is monitored in total, and for Unrestricted Funds is compared with the budget approved by Trustees on a periodic basis to detect trends as part of the risk management process to avoid unforeseen calls on reserves.

Acknowledgement

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

REPORT OF THE TRUSTEES (Continued)

REFERENCE AND ADMINISTRATIVE DETAILS

Charitable Status

The Office of the Scottish Charity Regulator recognises Tayside NHS Board Endowment Fund as a "charity" for the purposes of Section 505 Income and Corporation Taxes Act 1988. Due to its entry in The Scottish Charity Register, the Fund is entitled to describe itself as a 'Scottish Charity'. The Endowment Fund's details are shown on below.

ADDRESS:	NHS Tayside Maryfield House, 30 Mains Loan, Dundee DD4 7AA
TRUSTEES:	
Chair	Mr Donald McPherson* Trustee & BOT Chair (from 06/12/22 to 31/3/24) Mrs Lorna Birse-Stewart Chair (from 01/04/24)
Non-Executive Members of Tayside NHS Board	Mrs Jenny Alexander (from 05/07/18) Cllr John Alexander (from 14/06/22) Cllr Julie Bell* (from 08/06/22) Mr Robert Benson *(from 01/11/18) Mrs Lorna Birse-Stewart (Chair from 08/10/20 to 05/12/22 and Vice Chair 18/10/18 to 07/10/2020) Mr Martin Black* (from 01/10/22) Mrs Tracey Bowman (from 01/10/22) Ms Anne Buchanan* (from 01/04/21 to 30/06/23) Mr David Cheape (from 01/02/24) Mr Peter Davidson* (from 01/04/21) Mr Peter Drury (from 27/01/20 to 31/03/24) Mrs Heather Dunk (from 01/02/24) Ms Beth Hamilton* (from 01/04/21) Dr Jacqui Jensen* (from 12/09/22 to 31/03/24) Ms Patricia Kilpatrick (from 01/11/18 to 31/01/24) Cllr Sheila McCole (from 08/06/22) Mr Donald McPherson* Trustee & BOT Chair (from 06/12/22 to 31/03/24) Prof Rory McCrimmon (from 12/12/19) Ms Claire Pearce (from 17/02/20) Mr Sam Riddell* (from 01/09/22) Dr Andrew S Thomson (from 01/06/22)
* Members of Charitable Funds Committee	
Executive Members of Tayside NHS Board	Prof Grant Archibald, Chief Executive (from 01/01/19 to 31/12/23) Dr Emma Fletcher, Director of Public Health (from 01/12/20) Prof Caroline Hiscox, Chief Executive (Interim) (from 11/12/23) Mr Stuart Lyall, Director of Finance (from 09/12/19) Dr Pamela Johnston, Medical Director (from 01/05/22)
CHARITY CHIEF OFFICER:	Mrs Shelley McCarthy (from 15/05/23)
SCOTTISH CHARITY NUMBER:	SC011042
TAX REFERENCE:	CR41430
SOLICITORS	Turcan Connell, Princes Exchange 1 Earl Grey Street Edinburgh EH3 9EE

REPORT OF THE TRUSTEES (Continued)

INVESTMENT ADVISERS	Jagger & Associates Ltd (to 23 October 2023) Exchange Quay Salford M5 3EQ
	First Actuarial (from 24 January 2024) Network House Basing View Basingstoke Hampshire RG21 4HG
	Prydis Wealth (Scotland) Limited (from 24 January 2024) 14-18 Hill Street Edinburgh EH3 3JZ
INVESTMENT MANAGERS:	Evelyn Partners Group Limited. Atria 2, 3 rd Floor 148 Morrison Street Edinburgh EH3 8EX
AUDITORS:	Morris & Young CA Statutory Auditor 6 Atholl Crescent Perth PH1 5JN
BANKERS:	Royal Bank of Scotland Dundee Chief Office (E) Branch 3 High Street Dundee DD1 9LY

Trustees

The Chair, Non-Executive Members and Executive Members of Tayside NHS Board were appointed as Trustees ex officiis of the Endowment Fund by Scottish Ministers. The present Trustees, and any former Trustees who served during the year are shown on page 10, together with the names of the Charity Chief Officer and the Endowment Fund's external advisors.

Mrs Lorna Birse-Stewart
Chair of Trustees

Mr Stuart Lyall
Director of Finance

Date: 13 June, 2024

TRUSTEES' RESPONSIBILITIES FOR THE PREPARATION OF FINANCIAL STATEMENTS

The charity trustees are responsible for preparing the Report of Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Under Charity Law Trustees are required to obtain audited financial statements for each financial year which show a true and fair view of the state of affairs of the Endowment Fund and of the net movement in funds during the year. Trustees have assumed the responsibility for the preparation of the financial statements for audit.

In preparing those financial statements, Trustees are required to:-

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

Trustees are required to act in accordance with the Trust deed of the Endowment Fund and within the framework of charity law. They are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Endowment Fund and to enable them to ensure that the accounts comply with the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. They are also responsible for safeguarding the assets of the Endowment Fund and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as Trustees are aware, there is no relevant audit information of which the Endowment Fund's auditors are unaware, and each Trustee has taken all the steps that he or she ought to have taken as a Trustee in order to make himself or herself aware of any relevant audit information and to establish that the Endowment Fund's auditors are aware of that information.

Signed on behalf of the Trustees

Mrs Lorna Birse-Stewart
Chair of Trustees

Mr Stuart Lyall
Director of Finance

Date: 13 June, 2024

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF TAYSIDE NHS BOARD ENDOWMENT FUND

Opinion

We have audited the financial statements of Tayside NHS Board Endowment Fund for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement, the Reconciliation of Funds 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 2024 and of its incoming resources and application of resources, including 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.

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 Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF TAYSIDE NHS BOARD ENDOWMENT FUND (Continued)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the charity has not kept proper and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees Responsibilities set out on page 12, the Trustees are responsible for the preparation of 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.

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.

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 a Report of the Independent Auditors 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.

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

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

Identifying and assessing potential risks related to irregularities

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

We gained an understanding of the legal and regulatory framework applicable to the Tayside NHS Board Endowment Fund and considered the risk of acts that were contrary to these laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF TAYSIDE NHS BOARD ENDOWMENT FUND (Continued)

We focussed on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, The Charities and Trustee Investment (Scotland) Act 2005, the Charities SORP (FRS102) together with Tayside Health Fund's Operating Instructions. Our tests included agreeing the financial statement disclosures to underlying supporting documentation, agreeing the correct allocation and expenditure of funds in accordance with the operating instructions and enquiries with management. There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud. As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the management that represented a risk of material misstatement due to fraud.

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 Report of the Independent Auditors.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006.

Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' 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 trustee as a body, for our audit work, for this report, or for the opinions we have formed.


Morris & Young, Statutory Auditor
(Eligible to act as an auditor in terms of section 1212 of the Companies Act 2006)

Chartered Accountants
6 Atholl Crescent
Perth
PH1 5JN

Dated: 13.6.24

INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH, 2024

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Total Endowment Funds £'000	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total £'000
Incoming and endowments from:								
Donations and legacies:								
Donations	149	294	-	443	184	234	-	418
Special gifts	-	213	-	213	-	194	-	194
Legacies	11	403	414	414	-	-	1,238	1,238
Charitable activities:								
Shop income	-	43	43	-	-	32	-	32
Investments:								
Income from listed investments	5	528	95	623	476	86	-	562
Bank Interest	11	11	2	13	8	2	-	10
Total Income and Endowments		699	1,050	1,749	668	1,786	2,454	
Expenditure on:								
Raising funds:								
Fundraising costs	-	34	-	-	-	35	-	35
Shop expenses	-	77	77	-	-	67	-	67
Investment management fees	100	18	118	92	16	16	-	108
Charitable activities:	6	<u>1,251</u>	<u>637</u>	<u>1,716</u>	<u>756</u>	<u>2,472</u>	<u>874</u>	<u>2,682</u>
Total Expenditure		1,351	766	2,117	1,808	874	(228)	
Net income/(expenditure) and net movement in funds before other gains & losses on investments		(652)	284	(368)	(1,140)	912	(228)	

INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH, 2024 (Continued)

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total £'000	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total £'000
Net gains/(losses) on investments:	8	2,643	140	2,783	(1,006)	136			(870)
Net income/(expenditure)		1,991	424	2,415	(2,146)	1,048			(1,098)
Transfers Between Funds									
Net Movement of Funds		1,991	424	2,415	(2,146)	1,048			(1,098)
Reconciliation of funds									
Total fund brought forward		16,183	16,583	750	33,516	18,329	15,535	750	34,614
Total funds carried forward		18,174	17,007	750	35,931	16,183	16,583	750	33,516

17.

BALANCE SHEET AS AT 31 MARCH, 2024

	Note	2024 Unrestricted Funds £'000	2024 Restricted Funds £'000	2024 Endowment Funds £'000	2024 Total £'000	2023 Total £'000
Fixed Assets						
Investments	10	19,438	17,272	750	37,460	35,510
Current Assets	12					
Stock		-	6		6	11
Debtors		118	153		271	416
Cash at bank		259	230		489	919
Total current assets		377	389		766	1,346
Current Liabilities						
Creditors: Amounts falling due within						
One year	13	(1,506)	(654)		(2,160)	(3,178)
Provisions for Liabilities	14	(135)	-		(135)	(162)
Net (Liabilities)/Assets	Current	(1,264)	(265)		(1,529)	(1,994)
Total Assets Less Current Liabilities		18,174	17,007	750	35,931	33,516
Total Net Assets		18,174	17,007	750	35,931	33,516
The funds of the charity:						
Unrestricted Funds – General		16,675			16,675	14,639
Designated	16	1,499			1,499	1,544
Restricted Fund	17		17,007		17,007	16,583
Endowment Funds				750	750	750
Total Funds		18,174	17,007	750	35,931	33,516

These accounts were approved by Board of Trustees of Tayside NHS Board Endowment Fund on 13 June, 2024, and signed on their behalf by:

Mrs Lorna Birse-Stewart
Chair of Trustees

Mr Stuart Lyall
Director of Finance

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH, 2024

	Note	2024 £'000	2024 £'000	2023 £'000	2023 £'000
Net cash used in operating activities	A		(1,263)		4,487
Cash flows from investing activities:					
Purchase of investments		(9,626)		(9,330)	
Sale of investments		<u>9,433</u>		<u>6,527</u>	
Net cash provided by investing activities		(193)		(2,803)	
Change in Cash and Cash Equivalents in the year	B	(1,456)			1,684
Cash and Cash Equivalents as at 1 April, 2023			<u>2,045</u>		<u>361</u>
Cash and Cash Equivalents as at 31 March, 2024			<u>589</u>		<u>2,045</u>

NOTES TO THE CASH FLOW STATEMENT

	2024 £'000	2023 £'000
A. Reconciliation of Changes in Resources to Net Cash Inflow From Operating Activities		
Change in resources before revaluations	(368)	(228)
(Decrease)/Increase in creditors	(1,018)	1,020
Decrease/(Increase) in debtors	145	3,746
(Increase)/Decrease in stock	5	8
(Decrease)/Increase in provisions	(27)	(59)
Total	<u>(1,263)</u>	<u>4,487</u>
B. Analysis of Changes in Cash and Cash Equivalents During the Year		
	2024 £'000	2023 £'000
		Change In Year £'000
Short Term Deposits*	100	1,126
Cash at Bank	489	<u>919</u>
Total	<u>589</u>	<u>2,045</u>

*Held with Investment Managers

RECONCILIATION OF FUNDS FOR THE YEAR ENDED 31 MARCH, 2024

	Note	2024 Unrestricted Funds £'000	2024 Restricted Funds £'000	2024 Endowment £'000	2024 Total £'000	2023 Total £'000
Balance brought forward as at 1 April, 2023		16,183	16,583	750	33,516	34,614
Movements In Year						
Net outgoing resources and realised (gain)/loss		254	424		678	823
Net Unrealised Gain/(Loss) on Investments	10	1,872	-		1,872	(1,759)
Provisions for Liabilities	14	<u>(135)</u>	-		<u>(135)</u>	<u>(162)</u>
		<u>1,991</u>	<u>424</u>		<u>2,415</u>	<u>(1,098)</u>
Balance carried forward as at 31 March, 2024		<u>18,174</u>	<u>17,007</u>	<u>750</u>	<u>35,931</u>	<u>33,516</u>
Represented By						
Investments		19,438	17,272	750	37,460	35,510
Current Assets		377	389		766	1,346
Current Liabilities		<u>(1,641)</u>	<u>(654)</u>		<u>(2,295)</u>	<u>(3,340)</u>
Total		<u>18,174</u>	<u>17,007</u>	<u>750</u>	<u>35,931</u>	<u>33,516</u>

The balance carried forward as at 31 March, 2024, includes an Unrealised Gain on Investments of £1.9 million (2023 – loss £1.8 million).

Notes to the Accounts for the year ended 31 March, 2024

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 Tayside NHS Board Endowment Fund.

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

Tayside NHS Board 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 SC011042.

2. Accounting Policies

(a) Basis of preparation and assessment

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 Tayside Endowment Funds 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. 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.

Notes to the Accounts for the year ended 31 March, 2024 (Continued)

2. Accounting Policies (Continued)

(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.

(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 Note 20.

(e) Income from Endowment Funds

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

(f) Listed investments

Investments are stated at market value as at the balance sheet date. Surpluses or deficits on valuation and sales of investments are credited or charged in the Statement of Financial Activities.

(g) Expenditure recognition

All expenditure as discussed in paragraphs (h) 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.

(h) Irrecoverable VAT

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

(i) 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 Tayside NHS 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 7.

(j) Costs of Raising Funds

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

Notes to the Accounts for the year ended 31 March, 2024 (Continued)

2. Accounting Policies (Continued)

(k) Charitable Activities

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

Overhead and support costs have been allocated as a direct cost or apportioned on an appropriate basis (refer to Note 6) between Charitable Activities and Governance Costs. Once this allocation and/or apportionment of overhead and support costs has been made, the cost attributable to Charitable Activities is apportioned across those activities in proportion to total spend.

Governance costs comprise all costs attributable to ensuring the public accountability of the Endowment Fund and its compliance with regulation and good practice. This includes costs related to statutory audit together with an apportionment of overhead and support costs.

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

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and 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. Unrealised losses are provided for in the Statement of Financial Activities as part of net gains and losses on investments.

(m) Pensions

As the Charity does not have any employees, Tayside NHS 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. Tayside NHS Board participates in the National Health Service Superannuation Scheme, and information on this scheme is included in Tayside NHS Board's annual accounts.

(n) 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.

(o) 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 Tayside NHS 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.

Notes to the Accounts for the year ended 31 March, 2024 (Continued)

2. Accounting Policies (Continued)

(p) 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 2024.

(q) Investment Land

Land is valued at cost or open market valuation at the time of receipt if acquired without consideration, less the sale proceeds of any part-disposals plus the cost of subsequent expenditure of a capital nature. Land is revalued on an annual basis with any resulting surplus or deficit being credited or charged to the Statement of Financial Activities.

(r) Debtors

Short term debtors are measured at transaction price, less any impairment (Note 12).

(s) 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 (Note 12).

(t) Stock

Stocks are valued at the lower of cost and net realisable value.

(u) 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 (Note 13).

(v) 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 (Note 14).

Notes to the Accounts for the year ended 31 March, 2024 (Continued)

2 Accounting Polices (Continued)

(w) 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.

3 Critical Accounting Judgements and Key Sources of Estimation

In the application of the Charity's accounting, 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.

4 Related Parties and Trustees' Remuneration

During the year, reimbursements totalling £2.9 million (2023: £1.6 million) were made to Tayside NHS Board to enable a range of research and other activities for the benefit of patients and to reimburse expenses incurred on behalf of the fund. No members or senior staff of Tayside NHS Board or parties related to them, were beneficiaries of the Charity. The Trustees of the Charity are also members of the Tayside NHS Board and information on the Trustees is included in the Trustees' Report on page 10. The Trustees received no emoluments from the Fund in 2024 or 2023. During the year one Trustee was reimbursed to the extent of £110 (2023 £249).

The Charity does not have any employees. Tayside NHS Board employs the equivalent of 6.4 full time members of staff (2023: 5.4) whose time is spent on the provision of management and the administration and governance of the Fund. The salary costs for these staff members are recharged to the Charity on a monthly basis.

There were no other transactions with related parties during the year. Although, committed donations were made totalling £232,373 (2023: 142,049) to the following bodies in respect an Innovation Fund which supports NHS Tayside in its strategic ambition for health equity through working with communities. The total amount owed to Tayside NHS Board at 31 March 2024 was £252,000 (2023: £367,000). There was no outstanding payment due from Tayside NHS Board as at 31 March, 2024 (2023: nil)..

Notes to the Accounts for the year ended 31 March, 2024 (Continued)

4. Related Parties and Trustees' Remuneration (Continued)

Body	2024	2023	Objective
	£	£	
Hope Counselling Dundee	27,900	9,660	Counselling services across Dundee City
Montrose Ymca	24,000		Youth Development and Learning Coordinator
Boomerang Community Project	18,000		Development and Activities Coordinator
Connecting People Café	17,864		Café' worker and volunteer costs
Kirrie Connections	15,950		Dementia Centre
Holistic Care and support Rannoch and Tummel	9,980		Befriending Project
Tayside YMCA T.	9,975		Youth Development and Learning Coordinator
Happy Healthy Lives - Falls	9,950		Coordinator & Volunteer Expenses
Angus Forest Schools	9,950		Feasibility Study
The Growth Partnership	9,500		Feasibility Study
Muslim Women Resource Centre	9,200		Adult support worker
Dundee North West Community Sports Club	8,114		3G Pitch
ADHD Learning Centre - Adult Services	8,000		Adult Development and Learning Coordinator
Angus CAB	7,500		Health eating / Cookery Skills Project
Lochee DVVA Community Hubs	7,334		Development and Activities Coordinator
DD8 MUSIC	7,333		Youth Development and Learning Coordinator
Whitfield DVVA Community Hubs	7,000		Development and Activities Coordinator
Perth Minority Association	6,000		Rent
Monifieth Community Group	5,500		Modernisation of building
The Walled Garden	5,000		Development and Activities Coordinator
Fairfield community sports	3,000		Modernisation of building
Gymology	2,508		Feasibility Study
The Stobswell Forum SIO	2,100		Art Project
Family Ts	715		Café' and volunteer costs
Transition Dundee CIC		24,908	Recycling project/employability programme
Birds Cinema		9,967	Community support network
Just Bee Productions		9,900	Therapeutic and counselling recovery project
Subtotal	232,373	54,435	

Notes to the Accounts for the year ended 31 March, 2024 (Continued)

4. Related Parties and Trustees' Remuneration (Continued)

Subtotal	232,373	54,435	
Rock Solid Dundee		9,500	Community allotment
Dundee Age Concern		9,335	Sensory garden
Art Angel		9,300	Community connection project – art therapy
Funeral Link		8,975	Counselling support network
Strathern Artspace		8,414	Volunteer programme – creative arts
Capability Scotland		7,500	Co-production project
Pink Saltire SCIO		7,450	LGBTQ support network
WPKVAS		7,000	Mental health recovery network – recovery space
Hillcrest Futures		6,480	Employability programme
Faith in Community Dundee		6,460	Mental health recovery project
Perth Parrots Floorball Club		5,000	Peer to peer physical activity programme
Arbroath Football Club Community Trust		2,200	Community connections – walking football programme
Total	232,373	142,049	

5 Income from listed investments

	2024 Unrestricted Funds £'000	2024 Restricted Funds £'000	2024 Total £'000	2023 Total £'000
UK Bonds	30	6	36	33
UK Equities	205	37	242	264
Overseas Bonds	8	1	9	0
Overseas Equities	199	36	235	169
Alternatives	<u>86</u>	<u>15</u>	<u>101</u>	<u>96</u>
Total	528	95	623	562

Notes to the Accounts for the year ended 31 March, 2024 (Continued)

6 Analysis of Charitable Expenditure

Direct Charitable Expenditure	2024 Unrestricted Funds £'000	2024 Restricted Funds £'000	2024 Total £'000	2023 Total £'000
General Medicine		68	68	112
Critical Medicine		26	26	33
Neurosciences		18	18	8
General Surgery		2	2	12
Specialist Services		11	11	4
Orthopaedics		3	3	6
Paediatrics		97	97	39
Obstetrics & Gynaecology		8	8	8
Ophthalmology		38	38	9
Oncology & Radiotherapy		25	25	72
Clinical Radiology		14	14	2
Haematology		(250)	(250)	148
Anaesthetics		0	0	1
Hospital General	186	106	292	209
Perth Wards Departments		189	189	24
Angus Wards Departments		12	12	8
Angus IJB		50	50	52
Dundee IJB		111	111	127
Perth & Kinross IJB		70	70	50
Other Funds	800	4	804	1,359
Subtotal	986	602	1,588	2,283

Analysis of Governance Costs

Administration costs	250	32	282	172
Internal Audit Fee	11	2	13	12
External Audit fee	4	1	5	5
Subtotal	265	35	300	189
Total	1,251	637	1,888	2,472

Notes to the Accounts for the year ended 31 March, 2024 (Continued)

7 Analysis of Staff Costs

	2024 Unrestricted Funds £'000	2024 Restricted Funds £'000	2024 Total £'000	2023 Total £'000
Salaries – management of the charity	250	67	317	208
Salaries – management of Ninewells Gift Shops	—	53	53	52
Total	250	120	370	260

The staff costs relate to recharges from Tayside NHS Board for 6.4 (2023: 5.4) whole time equivalent members of staff, whose time relates to the provision of administration, planning and strategic management of the charity.

The staff costs whose time relates to the running and management of the shops is the equivalent to 0.43 (2023: 1.11) whole time equivalent members of staff. This expenditure was charged to restricted funds as part of fundraising costs.

The staff costs whole time relate to fundraising on behalf of the charity is the equivalent to 1.28 (2023 0.6) whole time equivalent members of staff.

All staff costs include employer costs. Two employee received remuneration in excess of £60,000. (2023: nil).

8. Gains/(Losses) on investments

	Unrestricted 2024 £'000	Restricted 2024 £'000	Total 2024 £'000	Total 2023 £'000
Realised gain on sale of investments	771	140	911	889
Unrealised gain on investment assets	1,872	—	1,872	(1,759)
Total	2,643	140	2,783	(870)

9. Trustees Remuneration and Expenses

During the year one Trustee was reimbursed to the extent of £110 (2023 £249).

Notes to the Accounts for the year ended 31 March, 2024 (Continued)

10. Analysis of Investments

	Investment Land £'000	Endowment £'000	Listed Investments £'000	Short Term Deposits £'000	Total £'000
Market Value at 1 April, 2023	40	750	33,594	1,126	35,510
Additions during the year at cost	-	-	9,626	(9,626)	-
Disposals during the year	-	-	(9,433)	9,433	-
Surplus Cash Transfer		-		(750)	(750)
Investment income net of disbursements		-		(83)	(83)
Realised gain on sale	-	-	911	-	911
Unrealised net increase/(decrease) in Market Value	-	-	1,872	-	1,872
Market Value at 31 March, 2024	40	750	36,570	100	37,460

Included in the above is a segregated fund for the surplus cash transfer.

(i) Investment Land

Investment land was revalued on an open market basis as at 31 March, 2024, by professional valuers Avison Young.

Investment land relate to unrestricted funds in 2024 and 2023.

(ii) Short term deposits

This comprises cash held on deposit by Evelyn Partners Group Limited for the purpose of managing the portfolio.

(iii) Analysis of listed investments

Investments were managed by Evelyn Partners Group Limited.

Notes to the Accounts for the year ended 31 March, 2024 (Continued)

11. Market Value of Investments

	2024 Total Market Value £'000	2023 Total Market Value £'000
UK Bonds	3,126	1,890
UK Equities	4,396	6,233
Subtotal	7,522	8,123
Overseas Equities	7,415	5,695
Overseas Bonds	1,313	389
North American Unit Trusts	8,596	5,309
European Unit Trusts	2,364	2,578
Other Far East Unit Trusts	4,531	4,421
Alternatives	5,206	6,027
Liquidity Funds	373	1,802
Subtotal	29,798	26,221
Total Investments Held by Fund Manager	37,320	34,344

Investments were as follows: unrestricted funds £19,438,000 (2023: £18,383,000), restricted funds £17,272,000 (2023: £16,377,000) and endowment funds £750,000 (2023: £750,000)

12. Current Assets

Stock

Stock is held for resale for Ninewells Gift Shop which is located on level 7 within Ninewells Hospital, Dundee. The stock relates to restricted funds in 2024 £6,000 and 2023 £11,000.

Debtors – amounts falling due within one year

	Unrestricted 2024 £'000	Restricted 2024 £'000	Total 2024 £'000	Total 2023 £'000
Accrued Income	12	135	147	278
Other debtors & prepayments	106	18	124	138
Total	118	153	271	416

Other debtors and prepayments includes legacies received after the year end, but which had been agreed by the personal representatives of the relevant estates prior to that date.

2023 Debtors were as follows:

Accrued income – Unrestricted funds £128,000, Restricted funds £150,000.

Other debtors & prepayments – Unrestricted funds £123,000, restricted funds £15,000.

Notes to the Accounts for the year ended 31 March, 2024 (Continued)

12. Current Assets (continued)

Cash at Bank

Cash at bank were as follows: unrestricted funds £259,000 (2023: £486,000), restricted funds £230,000 (2023: £433,000).

13. Creditors – Amounts falling due within one year

	Unrestricted 2024 £'000	Restricted 2024 £'000	Total 2024 £'000	Total 2023 £'000
Trade creditors	33	8	41	57
Due to related party	95	157	252	367
Accruals and deferred income	1,372	489	1,861	2,725
Grants Payable	6	0	6	29
Total	1,506	654	2,160	3,178

The balance owed to related party represents sums owed at the year-end for expenditure met by Tayside NHS Board on behalf of the Endowment Fund.

2023 Creditors were as follows:

Trade Creditors - Unrestricted funds £44,000 restricted funds £13,000

Due to related party - Unrestricted funds £232,000, restricted funds £135,000

Accruals and deferred income – Unrestricted funds £1,470,000, restricted funds £1,255,000

Grants Payable – Unrestricted funds £29,000, restricted funds nil

14. Provisions for Liabilities

	2024 £'000
Obligations outstanding at 1 April 2023	162
New obligations arising in the year	182
Obligations paid during the year	(209)
Obligations outstanding at 31 March 2024	135

The provisions for liabilities related to the designated fund, the Community Innovation Fund resulting from a legal or constructive obligation. The expenditure for these projects are not accrued as the grants awarded are regarded as performance related grants, subject to retention or clawback. The grants awarded in 2023 and 2022 are listed at Note 4.

As at 31 March 2024 the Charity had obligations payable as follows:

	2024 £'000
Within 1 year	135
Falling due after 1 year	-
Total	135

Notes to the Accounts for the year ended 31 March, 2024 (Continued)

15. Financial Instruments

	2024 £'000	2023 £'000
Cash and cash equivalents	589	2,045
Financial assets measured at amortised cost	271	416
Financial assets measured at fair value	36,570	33,594
Total	37,430	36,055
Financial liabilities measured at amortised cost	2,295	3,340

Financial assets measured at amortised cost comprise of accrued income and other debtors. Financial liabilities measured at amortised cost comprise accruals due to Tayside NHS Board and other organisations.

16. Analysis of Charitable Funds

Investment income and gains and losses on investments are allocated to both restricted and unrestricted funds.

	Balance as at 1 April 2023 £'000	Income £'000	Expenditure £'000	Investment Gains & Losses £'000	Transfers £'000	Balance as at 31 March 2024 £'000
<i>Analysis of Fund Movements:</i>						
Unrestricted Funds						
General Funds	14,639	699	(540)	2,643	(766)	16,675
Designated Funds	1,544	-	(811)	-	766	1,499
	16,183	699	(1,351)	2,643	-	18,174
Restricted Funds	16,583	1,050	(766)	140	-	17,007
Permanent Endowments	750	-	-	-	-	750
Total	33,516	1,749	(2,117)	2,783	-	35,931

	Balance as at 1 April 2022 £'000	Income £'000	Expenditure £'000	Investment Gains & Losses £'000	Transfers £'000	Balance as at 31 March 2023 £'000
<i>Analysis of Fund Movements:</i>						
Unrestricted Funds						
General Funds	16,456	668	(357)	(1,006)	(1,122)	14,639
Designated Funds	1,873	-	(1,451)	-	1,122	1,544
	18,329	668	(1,808)	(1,006)	-	16,183
Restricted Funds	15,535	1,786	(874)	136	-	16,583
Permanent Endowments	750	-	-	-	-	750
Total	34,614	2,454	(2,682)	(870)	-	33,516

There were no transfers between restricted and unrestricted funds within 23/24.

Notes to the Accounts for the year ended 31 March, 2024 (Continued)

17. Restricted Funds

The following analysis highlights all Restricted Funds with a balance greater than £100,000 as at 31 March, 2024. These Funds form part of the total Restricted Funds of £17 million as at 31 March, 2024

Name of Fund	Purpose of Fund	Balance as at 1 April 2023 £'000	Income £'000	Expenditure £'000	Balance as at 31 March 2024 £'000
I W McKenzie Executive	Medicine for the Elderly	3,530	0	0	3,530
Ninewells Ward 34 Haematology	*For the benefit of patients, staff and department.	956	(31)	257	1,182
Ninewells Ward 32 Oncology	* For the benefit of patients, staff and department.	725	37	(20)	742
Ninewells Ophthalmic Fund	To be used for the benefit of the Ophthalmology Department	673	(7)	(13)	653
Disfigurement Trust	For use by the Ninewells Plastic Surgery (Mental Health & Stress) to benefit patients of the service suffering or in need of support with mental health, stress counselling and similar, whenever treated.	601	0	0	601
Ninewells Leukaemia/Haematology Fund	For promoting research and treatment of haematological disorders.	590	3	0	593
Royal Victoria Roxburghe House Training & Miscellaneous	To be used for the benefit of staff and patients.	412	109	(43)	478
Diabetes Service	To be used for the benefit of diabetic patients and research.	179	242	11	432
Ninewells Cardiac Research Fund	To be used for research purposes and also for the benefit of staff and patients.	416	0	(1)	415
Royal Victoria Hospital Palliative Home Care	For the benefit of staff and patients.	353	16	8	377
Cancer and Palliative Care Angus	To be used for the benefit of patients by way of two annual instalments.	316	37	(5)	348
Ninewells Ward 20 Intensive Therapy Unit	For the benefit of patients and staff.	354	3	(15)	342
Ninewells Ward 21 Critical Care Unit	*For the benefit of patients, staff and department.	324	1	(17)	308
Cornhill Centre Perth	To be used for the benefit of patients, staff and department.	245	48	(4)	289
Sub Total		9,674	458	158	10,290

34.

Notes to the Accounts for the year ended 31 March, 2024 (Continued)

17. Restricted Funds

Name of Fund	Purpose of Fund	£'000	£'000	£'000
Sub Total from Previous Page				
Tayside Orthopaedic Rehabilitation Centre Northwood	To be used for Patients Services.	9,674	458	158
Dunn Executive	For the benefit of Cancer Research in NHS Tayside	205	15	(10)
Ninewells MNM Executive Ward 42	For the benefit of Ward 42 at Ninewells Hospital	206	0	0
Perth Royal Infirmary Gillingham Project	To provide medical education facilities at Perth Royal Infirmary.	196	0	0
Tayside Oncology Research	To be used for research.	193	0	0
Renal Dialysis	To be used for research and development purposes.	180	0	0
Ninewells Oral/Maxillo Facial	*For the benefit of patients, staff and department.	165	8	0
	To facilitate the construction and ongoing maintenance of the educational facility at Roxburgh House in accordance with the terms agreed with the executors of the late DC's estate.	156	(1)	0
Roxburgh House Education Facility		164	0	(14)
Ninewells Ward 23b Neurosurgery	*For the benefit of patients, staff and department.	143	3	(1)
Ninewells Intensive Care Unit Fund	For the benefit of patients and staff.	136	2	0
Stracathro Hospital Non-Specific Fund	*For the benefit of patients, staff and department.	126	2	(6)
Angus Cancer & Palliative Care Staff	For the benefit of staff	100	16	0
Perth Royal Infirmary Ortho General	For the benefit of patients and staff.	295	(3)	(178)
Ninewells Ward 27 Plastic and Oral Surgery	*For the benefit of patients, staff and department.	102	1	0
General Medicine Haematology	*For the benefit of patients, staff and department.	97	5	0
Subtotal		12,138	506	(51)
Other Restricted Funds		4,445	659	(690)
Total Restricted Funds		16,583	1,165	(741)

35.

Notes to the Accounts for the year ended 31 March, 2024 (Continued)

17. Restricted Funds (Continued)

*The Endowment Fund does not hold paper work for these funds, therefore funds are given a generic fund purpose of "for the benefit of patients, staff and department".

**Investment income is netted off against gain on sale of investment and shared costs.

The previous year's figures are shown below in Note 18.

There has been no transfer between restricted funds for funds which have a closing balance in excess of £100,000

Notes to the Accounts for the year ended 31 March, 2024 (Continued)

18. Restricted Funds

The following analysis highlights all Restricted Funds with a balance greater than £100,000 as at 31 March, 2023. These Funds form part of the total Restricted Funds of £16.6 million as at 31 March, 2023.

Name of Fund	Purpose of Fund	Balance as at 1 April 2022 £'000	Income £'000	Expenditure £'000	Balance as at 31 March 2023 £'000
I W McKenzie Executive	Medicine for the Elderly	0	3,530	0	3,530
Ninewells Ward 34 Haematology	*For the benefit of patients, staff and department.	810	148	(2)	956
Ninewells Ward 32 Oncology	* For the benefit of patients, staff and department.	734	6	(15)	725
Ninewells Ophthalmic Fund	To be used for the benefit of the Ophthalmology Department	572	105	(4)	673
Disfigurement Trust	For use by the Ninewells Plastic Surgery (Mental Health & Stress) to benefit patients of the service suffering or in need of support with mental health, stress counselling and similar, whenever treated.	578	23	0	601
Ninewells Leukaemia/Haematology Fund	For promoting research and treatment of haematological disorders.	692	11	(113)	590
Ninewells Cardiac Research Fund	To be used for research purposes and also for the benefit of staff and patients.	371	45	0	416
Royal Victoria Roxburgh House Training & Miscellaneous	To be used for the benefit of staff and patients.	361	91	(40)	412
Ninewells Ward 20 Intensive Therapy Unit	For the benefit of patients and staff.	370	3	(19)	354
Royal Victoria Hospital Palliative Home Care	For the benefit of staff and patients.	286	67	0	353
Ninewells Ward 21 Critical Care Unit	*For the benefit of patients, staff and department.	328	(2)	(2)	324
Cancer and Palliative Care Angus	To be used for the benefit of patients by way of two annual instalments.	309	16	(9)	316
Perth Royal Infirmary Ortho General	For the benefit of patients and staff.	295	0	0	295
Cornhill Centre Perth	To be used for the benefit of patients, staff and department.	188	29	28	245
Sub Total		5,894	4,072	(176)	9,790

37.

Notes to the Accounts for the year ended 31 March, 2024 (Continued)

18. Restricted Funds (Continued)

Name of Fund	Purpose of Fund	£'000	£'000	£'000	£'000
Sub Total from Previous Page					
Dunn Executive		5,894	4,072	(176)	9,790
Tayside Orthopaedic Rehabilitation Centre Northwood	For the benefit of Cancer Research in NHS Tayside	206	(14)	14	206
Ninewells MNM Executive Ward 42	To be used for Patients Services.	153	29	23	205
Perth Royal Infirmary Gillingham Project	For the benefit of Ward 42 at Ninewells Hospital To provide medical education facilities at Perth Royal Infirmary.	196	0	0	196
Tayside Oncology Research	To be used for research.	193	0	0	193
Diabetes Service	To be used for the benefit of diabetic patients and research.	181	4	(5)	180
Renal Dialysis	To be used for research and development purposes.	195	4	(20)	179
	To facilitate the construction and ongoing maintenance of the educational facility at Roxburgh House in accordance with the terms agreed with the executors of the late DC's estate.	158	7	0	165
Roxburgh House Education Facility		185	0	(21)	164
Ninewells Oral/Maxillo Facial	*For the benefit of patients, staff and department.	14	143	(1)	156
Ninewells Ward 23b Neurosurgery	*For the benefit of patients, staff and department.	70	74	(1)	143
Ninewells Intensive Care Unit Fund	For the benefit of patients and staff.	134	4	(2)	136
Stracathro Hospital Non-Specific Fund	*For the benefit of patients, staff and department.	129	0	(3)	126
Ninewells Ward 27 Plastic and Oral Surgery	*For the benefit of patients, staff and department.	30	72	0	102
Angus Cancer & Palliative Care Staff	For the benefit of staff	79	23	(2)	100
	Subtotal	7,817	4,418	(194)	12,041
Other Restricted Funds		7,718	(2,542)	(634)	4,542
Total Restricted Funds		15,535	1,876	(828)	16,583

38.

Notes to the Accounts for the year ended 31 March, 2024 (Continued)

19. Consolidation

The results of NHS Tayside Endowment Funds have been consolidated into the accounts of Tayside NHS Board on the basis that all Trustees are also members of Tayside NHS 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 Tayside NHS Board website at www.nhstayside.scot.nhs.uk

20. 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 no material legacies outstanding.

21. Commitments

There were no significant commitments outstanding as a charge against Endowment Funds as at 31 March, 2024.

22. Contingent Liabilities

The Charity has no contingent assets or liabilities.