Lancashire Teaching Hospitals Charity

NHS
Lancashire Teaching Hospitals
NHS Foundation Trust

Annual Report & Accounts 2024/2025

Supporting world class treatment, research and outstanding care

Reg. Charity No. 1051194

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1. Foreword by Chair of Charitable Funds Committee

Welcome to Lancashire Teaching Hospitals Charity's Annual Review 2024/25

It is both an honour and a privilege to take on the role of Chair of the Charitable Funds Committee, and I am delighted to share with you this year's Annual Review.

This review is a chance to reflect on the real and lasting impact our supporters have made - from transforming hospital spaces to funding vital equipment and supporting staff wellbeing. Thanks to your generosity, we've been able to deliver meaningful projects that benefit babies, children, and adults across Royal Preston and Chorley and South Ribble Hospitals.

Over the year, the Charity raised £785k which went towards enhancing patient care and staff support. Every penny raised goes directly into projects that go above and beyond what NHS funding can provide, from the renovation of the Gynaecology and Early Pregnancy Assessment Unit to the purchase of new handheld dynamometers for our physiotherapy team.

Our much-loved fundraising events were back in full swing this year - including the Peel Tower Abseil, Cross Bay Walk, and Jingle Bell Jog - and we were thrilled to introduce The NHS Big Climb, our brand-new climbing wall challenge. We've also seen a fantastic rise in community fundraising activity, with more local people and businesses getting involved to make a difference.

We were proud to secure £305k in grants to support a variety of other charitable projects, including £1,375 from Wonder Wards for LED ceiling tiles in one of the treatment rooms on the Children's Ward, and £1,038 from the Rhodi Charitable Trust towards calming wall art in the Relatives Room of the Emergency Department at Royal Preston Hospital.

Reflecting on 2024/25, I am truly grateful for the unwavering support of our donors, volunteers, corporate partners, and fundraisers. Your generosity has helped enhance patient care and wellbeing - bringing comfort, dignity, and moments of joy to those who need it most.

We ended the year in a strong financial position, ensuring we can continue to deliver impactful projects now and in the future. On behalf of everyone at the Charity and across our hospitals, thank you for making a difference.

With warmest thanks,

Tim Ballard
Chair, Charitable Funds Committee

2. Who we are

Lancashire Teaching Hospitals Charity is registered with the charity commission (registered number 1051194) and we are constituted under the NHS Charities - Corporate Trustee model (see section 7 for details).

The Charity exists to raise funds and receive donations for the benefits of the patients of Lancashire Teaching Hospitals NHS Foundation Trust. By securing donations, legacies and grants the Charity can provide those 'extra touches' to make a real difference for patients, their families and the staff who look after them.

Providing both general and specialist care for the benefit of 1.8m people across Lancashire and South Cumbria, Lancashire Teaching Hospitals NHS Foundation Trust is our key partner in fulfilling our charitable aims.

We welcome all support, as this allows us to invest in clinical excellence and outstanding care, as well as world class research. Please read on to find out more about what we do, what we have achieved and how we invest the money donated to us.

Our Aims and Objectives

Lancashire Teaching Hospitals Charity aims to enhance the services already provided by Lancashire Teaching Hospitals NHS Foundation Trust. Through raising new money and careful management of existing funds, the Charity can provide a public benefit by making grants to the Trust (and the other organisations it works with) to invest in world class research, treatment, and outstanding care. It does this by:

- ✔ **Purchasing the very latest or additional medical equipment**
- ✔ **Providing improvements to patient comfort and wellbeing**
- ✔ **Investing in world class research for the benefit of our patients**
- ✔ **Supporting staff wellbeing in pursuit of their delivery of excellent patient care**

Grants from the Charity to the Trust are made in accordance with the Trust's standing financial instructions as well as charity law, our constitution, and in accordance with the wishes of donors.

When considering where to focus our attention our corporate trustee's board and, particularly, the members of the Charitable Funds Committee, have regard to the Charity Commission for England and Wales's guidance on public benefit and what this means for the Charity.

In making grants, the Charity endeavours to reflect the wishes of patients and staff by directing funds towards areas they tell us are most in need.

Our plans include continuing to grow our fundraising efforts, while also strengthening our role as the lead charity for Lancashire and South Cumbria in partnership with NHS Charities Together.

3. How to support us

The generosity and dedication of our supporters play a vital role in helping us go above and beyond for patients at our hospitals.

Thanks to your fundraising efforts, donations, and gifts of time and talent, we're able to enhance patient care, fund specialist equipment, and support the wellbeing of our incredible NHS staff. Every act of kindness helps us make a real difference to local people when they need us most.

Whether you choose to run, swim, cycle, knit, sing, bake, or find your own creative way to raise funds - there are countless ways to get involved and support your local and specialist hospitals.

Making a Donation

To make a donation please visit
www.lthcharity.org.uk
or call the fundraising team on **01772 528500**.

Gifts in Memory

Each year, we are honoured to receive thousands of pounds from people donating in memory of someone special. These meaningful gifts help us enhance patient comfort and fund equipment that benefits others - creating a lasting legacy in tribute to loved ones.

Legacy Support

Gifts left to the Charity in a Will provide a valuable income source allowing us to plan for the future and benefit as many patients as possible. Even the smallest gift in your will can have a lasting impact. During 2024/25 we received a total of £31,869 in legacy gifts.

Gift Aid

Is the gift that keeps on giving, last year we claimed thousands of pounds in Gift Aid. If you are a UK tax payer and sign up for gift aid with us, we are able to claim an additional 25p for every £1 you donate.

Get in touch – we'd love to hear from you!

For information about Gift Aid, legacy donations and the many other ways you may wish to support, please visit **www.lthcharity.org.uk**
email **charity@lthtr.nhs.uk**
or call the fundraising team on **01772 528500**.

4. Your support and our achievements and performance

We were thrilled to see our fundraising calendar expand in 2024/25, with both new and returning events proving very popular. A heartfelt thank you to all of our amazing supporters for your continued kindness, dedication, and generosity - your efforts truly make a difference to patients, families, and staff across our hospitals.

From the launch of our exciting new mobile climbing wall challenge, the NHS Big Climb, in July, to the return of popular favourites like the Jingle Bell Jog and Peel Tower Abseil, hundreds of supporters got involved and raised vital funds for our services.

Together, our charity-led events raised over £20,000, with highlights including more than 150 walkers taking on the Cross Bay Walk in support of LTH Charity and Baby Beat, 35 brave fundraisers abseiling 128ft from Peel Tower, over 80 festive runners at our first Jingle Bell Jog, and nine teams tackling the Big Climb - raising an impressive £3,356.

We also continued to mark key awareness days, including our fourth annual National Superhero Day in April, which raised over £1,000 with support from schools and businesses - including a fantastic £256 from Whitefield Primary School in Penwortham. In July, we celebrated the NHS's 76th birthday with the NHS Big Tea, raising £1,742 with support from our Allocations Team, SAFE Centre, and Fulwood Clinic.

Community fundraising remained strong, with many local groups, schools, and hospital teams organising their own events. A particular highlight was the MND team's 10th annual Guild Wheel Walk, which raised a brilliant £6,444 for Motor Neurone Disease research.

Our maternity and neonatal fund, Baby Beat, continued to receive strong support. Annual awareness campaigns for Baby Loss Awareness Week and World Prematurity Day raised £2,365 through a sponsored walk, raffle, and remembrance item sales - raising funds while offering space for families to reflect and remember.

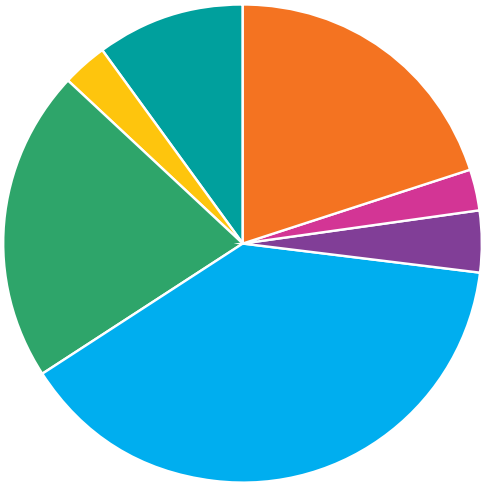
Overall, we were encouraged to see more individuals and groups organising their own fundraising events than ever before, a reflection of the growing awareness of our work and a shared commitment to making a difference across our hospitals.

More details on our fundraising events and activities can be seen on our website **www.lthcharity.org.uk**

5. The difference you made

The Charity is only able to support the work of Lancashire Teaching Hospitals NHS Foundation Trust through the money it receives. We use this in furthering our charitable aims and objectives.

The following chart illustrates the breakdown of the £784,786 charitable income received during this financial year (2024/25).



- Donations **20%**
- Corporate donations **3%**
- Legacies **4%**
- Grants **39%**
- Charitable activities **21%**
- Investments **3%**
- Trading activities **10%**

During 2024/25 total income received from donations and legacies came to £518k (2023/24: £439k). This included legacy income of £32k received (2023/24: £5k). The charity is also very grateful to the many business and individuals who gave gifts in kind totalling £74k (2023/24: £38k). Income raised by events and community fundraising groups totalled £154k (2023/24: £82k)

Charitable Trust activity continued to perform well over this last financial year, with a total of £305k received in grants (2023/24: £255k) which included £134k from NHS Charities Together to support out of hospital healthcare partnerships.

We were delighted to receive grants from different Trusts towards a variety of other charitable projects, including £1,375 from Wonder Wards for LED ceiling tiles in one of the treatment rooms on the Children's Ward, and £1,038 from Rhodi Charitable Trust towards calming wall art in the Relatives Room of the Emergency Department at Royal Preston Hospital.

Furthermore, we received £2,631 from Child's Play Charity towards an interactive projector for the Paediatrics Emergency Department, whilst The Shepherd Street Trust supported their calms room with a grant of £1,225.

The Charity benchmarks fundraising activity with peers across the region and through the NHS Charities Together, membership monitoring comparative success of campaigns and overall fundraising cost to income ratios.

We endeavour to keep our costs to a minimum to ensure maximum charitable impact from the charitable donations received. We underperform for the overall value of donations against the average for an NHS charity with a focus on research. We are therefore seeking to improve in this area.

This year also saw retail trading income of £78k, (2023/24: £69k) which was made possible due to the tenacious support of the 30 Baby Beat Shop volunteers who continue their support year on year.

Investment income of £26k, £17k was received in the form of dividends and £9k in interest (2023/24: £16k and £12k).

What we spent the money on

This year the Charity is delighted to report that it has approved 72 grant applications totalling £384k, with investment in the charity's objectives demonstrating the Charity's continued support for patient wellbeing and its focus, through the Children's Fund and Baby Beat, on the Women's and Children division.

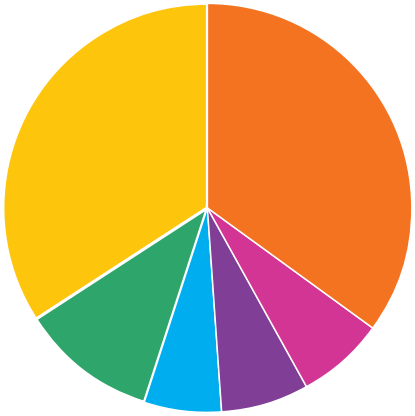
Included in this figure is £88.3k awarded by Volunteering for Health – an exciting programme being delivered in partnership by NHS England, NHS Charities Together and CW+, the official charity of Chelsea and Westminster Hospital NHS Foundation Trust, aimed at testing new models of volunteering through the creation of community volunteer health champions to support the health of children, young people, and adults by addressing health inequalities.

The Volunteering for Health programme is part of NHS England's response to the NHS Volunteering Taskforce, which brought together health charities, volunteers, clinicians, civil servants and policy makers. The Taskforce published its recommendations in June 2023, concluding that more can be done nationally and locally to maximise the benefits of volunteers and volunteering in the NHS, as a vital resource in delivering health and social care nationally and locally, whilst strengthening volunteering infrastructure.

LTHC was one of 15 partnerships across the UK to successfully bid for funding. Partnerships are made up of voluntary, community and social enterprise (VCSE) organisations, NHS Trusts, integrated care boards (ICBs), local authorities (LAs) and NHS charities. Alongside LTHC, the successful partnership is made up of five VCSE organisations, including Community CVS, Cumbria CVS, Lancashire Association of CVS, Spring North, and Volunteer Centre Blackpool, Wyre and Fylde.

Of the total expenditure of £830k (2023/24: £919k), the amount spent on charitable activities, excluding support costs, was £455k (2023/24: £480k). Charitable activities spend covers a wide range of programmes from capital projects to medical equipment as well as additional training and rest areas for staff. Checks are in place to ensure that all expenditure is in line with the Trust's Standing financial instructions and in support of charitable objectives i.e., monies spent are used to purchase additional goods and services not normally provided by, or in addition to the normal NHS service. The Charitable Funds Committee keeps the spirit of public benefit at the forefront of its decision making.

This chart shows our expenditure for 2024/25



- Grants for Patient Environment and Wellbeing **35%**
- Grants for Staff Education and Wellbeing **7%**
- Grants for Medical Research **7%**
- Grants for Medical Equipment **6%**
- Charitable Activities Support Costs **11%**
- Raising Funds **34%**

Here are some of the ways in which donations have been used this year:

1 Weighted Blankets (£856) To support young patients with sensory needs in our Paediatric Emergency Department. Weighted blankets help reduce sensory overload, offering comfort and calm to young patients who may feel overwhelmed. This improves their hospital experience and enables staff to carry out care more safely and effectively.

2 Renovation of the Critical Care patient garden (£16,000) at Royal Preston Hospital into a peaceful, sensory space to support patient rehabilitation. The new garden provides a calm, therapeutic environment with colourful plants, soothing scents and comfortable seating - helping aid recovery and wellbeing during critical care.

3 New specialist seating for stroke patients (£9,072) 'Tilt-in-space' chairs provide vital postural support and pressure relief, designed specifically for patients in the early stages of stroke rehabilitation. These chairs are used multiple times a day to support positioning, improve respiratory function, and encourage social engagement which is all essential to recovery.

4 Two new handheld dynamometers for our physiotherapy department (£1,956) These innovative devices allow clinicians to accurately measure muscle strength in kilograms or pounds of force during rehabilitation. Previously, assessments relied on visual estimations - but now, with these tools, we can precisely track the force patients

produce when pushing against resistance. This means better monitoring of progress and more informed decisions about when patients are ready to move on to the next stage of their recovery.

5 New, comfortable furniture for the paediatrics waiting area (£6,924) Used by more than 40 children and families every day, often around the clock, this space is a key part of the paediatric experience. Thanks to this upgrade, children, new mothers, and families now have a more welcoming, comfortable place to sit - whether they're waiting for results or simply taking a much-needed break. The area also provides a valuable space away from the ward for young patients, making it all the more important to create a child-friendly and calming environment.

6 Transforming the Gynaecology and Early Pregnancy Assessment Unit (£15,242) Thanks to the generosity of our supporters, we've funded calming wall art and comfortable new furniture for the refurbished Gynaecology and Early Pregnancy Assessment Unit.

The unit's new scan suite, walk-in assessment area, waiting room, two treatment rooms, and corridor have all been thoughtfully redesigned with soothing murals and soft seating - helping to create a more welcoming, less clinical environment. These improvements aim to reduce anxiety for patients and their partners during what can be an incredibly sensitive and emotional time.

All items purchased are in addition or above the NHS remit. Visit **lthcharity.org.uk** to see more about the items we fund.

Our fundraising practices

Members of Lancashire Teaching Hospitals Charity team support staff and donors both in the hospital and in the wider community to raise funds on behalf of the Charity. The Charity does not use external professional fundraisers or involve commercial participators. There have been no complaints about fundraising activity this year.

The Charity is signed up to the Fundraising Regulator's Code of Fundraising Practice and is a member of NHS Charities Together. Fundraising staff receive support from and are invited to take part in NHS Charities Together training webinars as well as attend the Institute of Fundraising Conference - Northwest.

All staff follow the Trust's fundraising guidance policy and working practices are reviewed regularly to ensure compliance. They are also required to undertake relevant safeguarding mandatory training to help to recognise and protect vulnerable people. Volunteer fundraisers are given a full briefing and appropriate training before they are able to raise funds for the Charity and they also receive regular updates/reminders. Volunteer fundraisers are always supported and briefed fully with a fundraising handbook before they raise funds for the Charity.

All of our direct marketing is managed by the fundraising team, and we're always careful to make sure it isn't intrusive or persistent. For postal mailings, we operate under a legitimate interest policy, so we don't need prior permission to keep in touch by post. For email marketing, however, we will always ask for consent first. Every piece of communication we send includes clear details on how you can opt out at any time, as we want our supporters to feel completely comfortable with how we stay in touch.

6. Our Future Plans

In the year ahead, we will continue to build on the progress we've made in bringing our Lancashire Teaching Hospitals Charity and Baby Beat brands closer together. We'll expand our jointly branded events and shared materials, moving towards a more unified identity that reflects the collective difference we're making for patients and staff across all areas of care.

We'll invest in our marketing and communications to help us reach more people, raise awareness of our work, and encourage even more supporters, staff, and community groups to get involved in fundraising. We will continue to support and celebrate those who choose to organise their own events, helping them to make the biggest possible impact.

Our staff remain at the heart of our plans. Over the coming year, we'll strengthen relationships with clinical teams and departments, making it easier for them to champion charitable projects, raise funds for their wards, and share the stories of how donations are transforming care.

One of our most exciting developments for the year ahead is the launch of the North West's first Young Parent Maternity Service through Baby Beat. Funded by a grant from NHS Charities Together's Innovation Challenge Fund, this pioneering project – delivered by the Blossom Team of specialist midwives and a maternity support worker – will provide personalised, inclusive care for young parents under 20 across Preston, Chorley, Leyland, and South Ribble. From home visits to tailored antenatal support, the service will ensure young families feel informed, supported, and empowered from pregnancy through to parenthood.

By focusing on these priorities, we aim to grow our impact, create more opportunities for our community to get involved, and deliver projects that make a real difference every day.

7. Structure, Governance and Management

Structure

The Charity follows the NHS Corporate Trustee operational model with members of Lancashire Teaching Hospitals NHS Foundation Trust Board being appointed as its Corporate Trustee. The Corporate Trustee members are appointed upon their appointment to the Board of Directors of Lancashire Teaching Hospitals NHS Foundation Trust.

The overall management and decision-making of the Charity is delegated by the Corporate Trustee to the Charitable Funds Committee.

Charitable Funds Committee

The Charitable Funds Committee meet quarterly and has specific terms of reference; no business may be transacted at a meeting unless two Non-Executive Directors and one Executive Director, who must be the Finance Director (or nominated deputy), are present.

The Charitable Funds Committee is responsible for reviewing and managing its charitable funds in accordance with the Trusts' Standing Financial Instructions and its Scheme of Delegated Powers of Authority.

The Charitable Funds Committee works within the delegated powers granted to it by the Corporate Trustee who retain the right to amend delegated powers and terms of reference as appropriate. As part of its delegated powers, it is responsible for the following:

- To establish a strategy for charitable funds and on the basis of professional advice, determine the investment policy within this strategy.
- To monitor performance and composition of the portfolio to ensure compliance with the investment policy and seek advice from the professional advisor, when required.
- To monitor charitable funds and approve the creation of new funds and ensure a periodic review of existing funds takes place.
- To ensure appropriate procedures are in place to control expenditure and ensure it is in accordance with the objectives of the funds.
- To ensure the requirements of the Charity Commission are complied with.
- To refer any matters arising to the Corporate Trustee.

The Committee is supported in doing so by the Head of Charities and operates within a framework with clear policies on investments, sponsorship, fundraising, expenditure and reserves. Authority to approve expenditure from funds is controlled through delegated limits.

Expenditure	Approval Required
£25,000 +	Approval also needed from Charitable Funds Committee
£10,000 to £24,999	Approval also needed from Assistant Director of Finance
£5,000 to £9,999	Approval also needed from Divisional Director
Up to £5k	Approval needed from fund advisors

The Fund Structure

Lancashire Teaching Hospitals Charity is now governed by a single Trust Deed. Restricted funds continue to be managed under the restrictions that were specified and are used in accordance with the restrictions imposed.

Unrestricted funds comprise of those funds which the Corporate Trustee has discretion to use for any purpose within the objects of the Charity. The trustee respects the wishes of the donors wherever possible, and all unrestricted funds are spent, as far as possible, in the optimum way to further the wider objectives of the Charity.

Connected Parties and Linked Charities

The Charity holds 100% of the share capital in Baby Beat Limited (Company Registration Number 03817502), a retail outlet based in the Sharoe Green Unit at Royal Preston Hospital. All net profits are donated to the Charity under the Gift Aid scheme and the company's accounts have been consolidated with the Charity's accounts this financial year.

The Charity is linked to the separately registered charity, The Rosemere Cancer Foundation. It was established with the same declaration of trust in November 1995 and shares the same Corporate Trustee. The Charity pools its investments with that of The Rosemere Cancer Foundation to form a single investment portfolio, resulting in greater efficiency in the management of the investments.

Wider networks

The Charity is one of over 230 NHS charities in England and Wales who are members of NHS Charities Together. As a member charity, we have the opportunity to discuss matters of common concern and exchange information and experiences, join together with others to lobby government departments and others, and to participate in conferences and seminars which offer support andeducation for our staff and members of the charitable funds committee.

As a member of NHS Charities Together, we also invited to apply for and receive grants from them.

Risk Management and Internal Controls

Due to the close relationship between the Trust and the Charity the risk management process is embedded into that of the Trust's assurance framework and risk management systems.

The Board of Directors of the Trust, who are also the Corporate Trustee, have adopted a formal risk management process to assess business risk and implement risk management strategies. Senior management and the trustee have:

- Identified the types of risk the Trust and Charity faces.
- Prioritised the risks in terms of impact and likelihood of materialising.
- Identified means of mitigating these risks.

A risk register has been prepared to assist in managing risk to which the Trust has been exposed. The risk register is monitored by the Trust's Governance framework who request regular updates on any relevant action plans and ensure that all appropriate controls are in place or have been identified.

Principal risks and uncertainty facing the Charity

While public goodwill toward the NHS remains strong, financial pressures on individuals and organisations may affect their ability to support the charity as generously or as frequently as in previous years. We continue to monitor this closely and adapt our fundraising strategies to ensure we remain resilient and able to meet the needs of our patients, staff, and hospital services.

The Charity's reserves policy is designed to ensure that it can continue to meet its objectives under circumstances such as these, which are carefully considered at all times.

The Charity considers the valuation of its investments and any decline in market values that would negatively affect fund balances, as a risk. The Charitable Funds Committee meet regularly with the investment advisors and receive quarterly updates to allow them to review the performance of the investments and the risk level associated with them as well as how the Ukraine conflict continues to affect the markets. The current category of risk is 4 to 5 (low to moderate). The Charity's reserves and investment policies are designed to ensure that no unnecessary risks are taken, and the investments continue to support the Charity to meet its objectives.

Internal controls

The Corporate Trustee has overall responsibility for ensuring that the organisation operates an appropriate system of financial controls and otherwise to provide reasonable assurance that:

- The Charity is operating efficiently and effectively.
- Its assets are safeguarded against unauthorised use or disposal.
- Proper records are maintained and that financial information used within the Charity or for publications is reliable.
- The Charity complies with relevant UK laws and regulations.

In this regard, the Corporate Trustee places reliance upon the Trust's Audit Committee whose remit is to examine the effectiveness and appropriateness of the system of internal controls. This is achieved by:

- Reviewing and approving the audit plan, determining the types of internal and external audits to be undertaken, the areas of the organisation which are subject to review, and examining any findings that arise.
- Reviewing the nature and scope of internal and external audit, and any matters raised for the attention of management. Any significant findings or identified risks are examined so that appropriate action can be taken.

The systems of financial control are designed to provide reasonable, but not absolute assurance against material misstatement or loss. These include:

- Regular review of the activities of the Fund and of its performance against pre-defined targets set by the Charitable Funds Committee.
- Formal delegation of authority to spend within clearly defined limits.
- Identification and management of risks.
- Scrutiny of internal and external audit.

Trustee and Advisers and Contact Details for the Charity

As the Charity operates under a Corporate Trustee model, the names of the directors are required to be disclosed:

Responsibility	Name	Post From	To
Chief Executive Officer	Silas Nicholls		
Chief Operating Officer	Katie Foster-Greenwood	12/08/2024	
Interim Chief Operating Officer	Emma Ince	10/06/2024	11/08/2024
Interim Chief Operating Officer	Imran Devji		09/06/2024
Acting Chief Finance Officer	Craig Carter	01/05/2025	
Interim Chief Finance Officer	David Stonehouse	02/09/2024	30/04/2025
Chief Finance Officer / Deputy Chief Executive	Jonathan Wood		01/09/2024
Chief Medical Officer	Geraldine Skailes		
Chief Nursing Officer and Deputy Chief Executive Officer from 1st October 2024)	Sarah Morrison		
Chief People Officer	Neil Pease		
Chief Information Officer	Stephen Dobson		30/06/2024
Chief Strategy and Improvement Officer	Ailsa Brotherton		
Director of Strategy and Planning	Gary Doherty		07/01/2025
Director of Communications and Engagement	Naomi Duggan		
Director of Corporate Affairs (SIRO)	Jennifer Foote	01/10/2024	
Company Secretary	Jennifer Foote		30/09/2024
Operational Director of Finance	Angela Mulholland-Wells		06/10/2024
Chair	Mike Thomas	01/01/2025	
Chair	Peter White		31/12/2024
Vice Chair / Non-Executive Director	Paul O'Neill		02/03/2025
Senior Independent Director	Tim Watkinson		31/03/2025
Non-Executive Director	Tim Ballard		
Non-Executive Director	Karen Deeny	01/03/2025	
Non-Executive Director	Adrian Leather	01/03/2025	
Non-Executive Director	John Schorah	01/03/2025	
Non-Executive Director	StJohn Crean	03/03/2025	
Non-Executive Director	Tim Wheeler	01/04/2025	
Non-Executive Director	Uzair Patel	02/07/2024	
Associate Non-Executive Director	Uzair Patel		02/07/2024
Associate Non-Executive Director	Michael Wearden		09/06/2024
Associate Non-Executive Director	Peter Wilson		15/06/2024
Non-Executive Director	Victoria Crorken		07/02/2025
Non-Executive Director	Kate Smyth		28/02/2025
Non-Executive Director	Jim Whitaker		01/07/2024
Non-Executive Director	Tricia Whiteside		28/02/2025

All members have been in post for the whole year unless otherwise stated.

Charitable Fund Committee Members:

Responsibility	Name	Post From	To
Non-Executive Director (Chair of the Committee)	Tim Ballard	01/03/2025	
Non-Executive Director (Chair of the Committee)	Kate Smyth		28/02/2025
Non-Executive Director	Uzair Patel	01/03/2025	
Non-Executive Director	Tim Wheeler	01/03/2025	
Chief Nursing Officer (Deputy Chief Executive Officer from 01/10/2024)	Sarah Morrison		
Acting Chief Finance Officer	Craig Carter	01/05/2025	
Interim Chief Finance Officer	David Stonehouse	02/09/2024	30/04/2025
Chief Finance Officer/Deputy Chief Executive	Jonathan Wood		01/09/2024
Non-Executive Director	Victoria Crorken		07/02/2025
Non-Executive Director	Tricia Whiteside		28/02/2025

All members have been in post since the 1st April 2024 unless otherwise stated.

Registered Charity Number and name:	**1051194 Lancashire Teaching Hospitals Charity**
Principal Office address:	Royal Preston Hospital Sharoe Green Lane Fulwood, Preston PR2 9HT
Head of Charities and Fundraising:	**Daniel Hill** **e: Daniel.Hill@lthtr.nhs.uk**
Finance Office address:	Preston Business Centre Watling Street Road Fulwood, Preston PR2 8DY

The following advisors were retained by the Charity in 2024/25:

Bankers
National Westminster Bank PLC
97 Fishergate
Preston
PR1 2BY

Auditors
Beever and Struthers
Suite 9b
The Beehive Lions Drive
Shadsworth Business Park
Blackburn
BB1 2QS

Investment Advisors
RBC Brewin Dolphin
1 The Avenue
Spinningfields Square
Manchester
M3 3AP

Solicitors
Mills & Reeve
3 Symphony Park
Manchester
M1 7FS

8. Financial Review

The Charity's annual accounts have been produced in accordance with FRS102 as were the previous years. Therefore, no adjusting entries were required for the comparative year.

The charity is reporting a deficit for the year before adjustments for market value gains and losses on investments of £45k. (2023/24: deficit of £292k)

The investment portfolio has continued to experience volatility throughout the year due to international and economic factors. A decrease in market values, gave rise to an unrealised loss of £44k this is offset against the actual net gain on the sale of investments of £59k that resulted in a net gain on investments of £15k (2023/24: £52k gain) for the year.

Incoming resources of £785k were £158k higher than 2023/24. This represents a 25% increase.

- Income from donations, legacies and grants of £518k was £79k more than the previous year. This was due to an increase of £50k in grant income and an increase of £27k in income from legacies.
- Other trading income was £78k, £9k higher than 2023/24. This increase reflects continued increased trading in 2024/25. Dut to the hard work and dedication of our volunteers.
- Investment income was £2k lower than last year mostly due to the charity receiving a slightly reduced share of the dividend income as per the apportionment that is based on the balance of funds for the charities in the investment pool. There was also a reduction in bank interest received due to bank interest rate decreases and holding less cash in the account.
- Income from charitable activities of £163k has increased compared to 2023/24. Most of this difference is within our community fundraising groups. Another busy event calendar has generated £21k more than the previous year across events. Support costs of £141k were £3k higher than 2023/24.

Net current assets of £72k were £61k lower than the prior year mostly due to the reduced cash balance at the end of 2024/25. This is due to greater expenditure than income during the year.

Total Charity funds at the end of the year were £30k lower than 2023/24 at a level of £1,143k; required to fund the Charity's outstanding commitments for various projects and items of equipment.

Going Concern

The Trustees have considered all information available to them and are of a view that there are sufficient reserves to secure the immediate future of the Charity for the next 12 to 18 months. On this basis, the charity continues as a going concern.

In future years, the key risks to the charity are a fall in income from donations or investment income but the trustee has arrangements in place to mitigate those risks.

Reserves Policy

The charity has a reserves policy which was combined with the investment policy and was reviewed in September 2022. The Charity has considered the level of reserves to be held for the prudent management of its working assets, commitments and contingencies.

Reserves are defined as funds that are freely available to fund the day-to-day operation of the charity and are not subject to commitments or other restrictions. The trustee requires that reserves are available to cover the following:

- Unrealised gains on investments recognised in the accounts
- Provision for short-term commitments and ongoing programmes and
- 6 months of operating expenditure

At the 31st March 2025 the Charity held total reserves of £1,143k (2023/24: £1,173k).

The total realised and unrealised gain recognised in 2024/25 is £15k (2023/24: gain £52k). This is the result of a gain on the sale of investments of £59k (2023/24: gain £2k) and a loss on the carrying value of the investments of £44k (2023/24: gain of £50k).

The Charity currently has commitments of £254k of which £245k is to be funded from restricted reserves and £9k from unrestricted reserves.

The Trustee aims to maintain free reserves in unrestricted funds at a level which equates to approximately six months of operating expenditure £166k. The Trustee considers that this level will provide sufficient funds to respond to delays or changes in applications for grants and to ensure that support and governance costs are covered.

The level of reserves is continually monitored by the Trustee and the policy will be reviewed at least every three years.

Investment Policy

The policy is reviewed every three years; it was last reviewed at the Charitable Funds Committee meeting that took place in September 2022. The Charity's investments are held in stocks and shares and are managed by a well-respected investment management company, RBC Brewin Dolphin. The Trust maintains a strict control over investments, laying down a well-structured framework within which Brewin Dolphin must operate in order to minimise the risks associated with investments.

Overseas equities should not exceed 15% of the total holding of equities and investments in negotiable instruments known as "derivatives" are not permitted in any circumstances.

Investment in tobacco, alcohol and armaments is prohibited. If it should come to light that a company has become involved in unethical practices the Corporate Trustee should be consulted with a view to selling the investment.

The market value of managed funds shall not exceed 75% of the total charitable fund reserves.

Corporate Trustee Responsibilities Statement

The Corporate Trustee are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). They are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

- Select suitable accounting policies and apply them consistently
- Observe the methods and principles in the charities SORP (FRS 102)
- 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
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Corporate Trustee is responsible for the maintenance and integrity of the Charity and financial information. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Corporate Trustee confirms that there is no relevant audit information of which the Charity's auditors are unaware and they have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

By order of the Corporate Trustee

Signed:

Mike Thomas
Chair
Date: 16/09/2025

Sarah Morrison
Trustee
Date: 16/09/2025

Independent Auditor's report

Independent Auditor's Report to the trustee of Lancashire Teaching Hospitals Charity.

Opinion

We have audited the financial statements of Lancashire Teaching Hospitals Charity "the parent charity" and its subsidiary "the group" for the year ended 31 March 2025 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Parent Balance Sheet, the Consolidated Cash Flow Statement and the related notes. 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).

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2025 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 Act 2011.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report to you in respect of the following matters in relation to which the ISAs (UK) require us to report to you were:

- the trustee's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustee has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustee is responsible for the other information. 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the Corporate Trustee Responsibilities Statement set out on **page 18**, the trustee is responsible for the preparation of the group and parent charity financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine what 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 Trustee is responsible for assessing the group's and the parent 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 Trustee either intends to liquidate the group or the parent charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with 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 web-site at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the parent charity's Trustee, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustee 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.

Beever and Struthers, Statutory Auditor

Beever and Struthers is eligible to act as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

S Lomax FCA
(Senior Statutory Auditor)
For and on behalf of Beever and Struthers

The Beehive Lions Drive
Shadsworth Business Park
Blackburn
BB1 2QS

Date: 23 September 2025

9. Financial Statements

Consolidated Statement of Financial Activities for the year ended 31 March 2025

	Notes	2024/2025 Unrestricted Funds £000	2024/2025 Restricted Funds £000	**2024/2025 Total Funds £000**	2023/2024 Unrestricted Funds £000	2023/2024 Restricted Funds £000	2023/2024 Total Funds £000
Income and endowments from:							
Donations and legacies	3.1	61	457	**518**	80	359	439
Charitable activites	3.2	13	150	**163**	5	86	91
Other trading activities	3.3	-	78	**78**	-	69	69
Income from Investments	3.4	12	14	**26**	12	16	28
Total incoming resources		**86**	**699**	**785**	97	530	627
Expenditure on:							
Raising funds	4	83	199	**282**	113	241	354
Charitable activities	5	92	455	**548**	79	486	565
Total Expenditure		**176**	**654**	**830**	192	727	919
Net gain on investments	10.1	8	7	**15**	23	29	52
Net (expenditure)		**(82)**	**52**	**(30)**	(72)	(168)	(240)
Transfer between funds	17.3	1	(1)	-	14	(14)	-
Net movement in funds		**(81)**	**51**	**(30)**	(58)	(182)	(240)
Reconciliation of Funds							
Total funds brought forward	17	513	660	**1,173**	571	842	1,413
Total Funds carried forward	17	**432**	**711**	**1,143**	513	660	1,173

Consolidated Balance Sheet as at 31 March 2025

	Notes	Unrestricted Funds £000	Restricted Funds £000	**Total at 31 March 2025 £000**	Total at 31 March 2024 £000
Fixed Assets					
Investments	10	403	668	**1,071**	1,040
Total Fixed Assets		**403**	**668**	**1,071**	1,040
Current Assets					
Inventories	12	-	4	**4**	4
Debtors	13	2	-	**2**	2
Cash and cash equivalents	14	69	100	**169**	240
Total Current Assets		**71**	**104**	**175**	246
Liabilities					
Creditors falling due within one year	16	42	61	**103**	113
Net Current Assets		**29**	**43**	**72**	133
Total Assets less Current Liabilities		**432**	**711**	**1,143**	1,173
Total Net Assets		**432**	**711**	**1,143**	1,173
The Funds of the Charity					
Restricted income funds	17.1	-	711	**711**	660
Unrestricted income funds	17.2	432	-	**432**	513
Total Charity Funds		**432**	**711**	**1,143**	1,173

The financial statements on pages 22 to 37 were approved and authorised for issue by the Board of Trustees on the 16th September 2025 and approved on its behalf by the Charitable Funds Committee.

Signed: SMorrison

Date: 16/09/2025

Parent Balance Sheet as at 31 March 2025

	Notes	Unrestricted Funds £000	Restricted Funds £000	**Total at 31 March 2025 £000**	Total at 31 March 2024 £000
Fixed Assets					
Investments	10	403	668	**1,071**	1,040
Total Fixed Assets		**403**	**668**	**1,071**	1,040
Current Assets					
Debtors	13	2	-	**2**	6
Cash and cash equivalents	14	69	68	**137**	213
Total Current Assets		**71**	**68**	**139**	219
Creditors falling due within one year	16	42	59	**101**	110
Net Current Assets		**29**	**9**	**38**	109
Total Assets less Current Liabilities		**432**	**677**	**1,109**	1,149
Total Net Assets		**432**	**677**	**1,109**	1,149
The Funds of the Charity					
Restricted income funds	17.1	-	677	**677**	636
Unrestricted income funds	17.2	432	-	**432**	513
Total Charity Funds		**432**	**677**	**1,109**	1,149

The financial statements on pages 22 to 37 were approved and authorised for issue by the Board of Trustees on the 16th September 2025 and approved on its behalf by the Charitable Funds Committee.

Signed: SMorrison

Date: 16/09/2025

Consolidated Cash Flow Statement for the year ended 31 March 2025

	Notes	**Total at 31 March 2025 £000**	Total at 31 March 2024 £000
Cash flows from operating activities:			
Net cash used in operating activities	18	**(81)**	**(293)**
Cash flows from investing activities:			
Interest received	3.4	**9**	12
Dividends received	3.4	**17**	16
Proceeds from sale of investments	10.1	**172**	217
Purchase of investments	10.1	**(188)**	(233)
Net cash provided by investing activities:		**10**	12
Change in cash and cash equivalents in the reporting period	15	**(71)**	(281)
Cash and cash equivalents at the beginning of the reporting period	14	**240**	521
Cash and cash equivalents at the end of the reporting period	14	**169**	240

10. Notes to the Financial Statements

1. Accounting policies

1.1 Basis of preparation

The financial statements of the charity are presented in £ Sterling, rounded to the nearest thousand and have been prepared under the historical cost convention, with the exception of investments which are included at fair value.

The accounts (financial statements) have been prepared in accordance with the Statement of recommended practice: 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) issued in October 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019. The Charity constitutes a public benefit entity as defined by FRS102.

1.2 Going concern

The Trustees have considered all information available to them and are of a view that there are sufficient reserves to secure the immediate future of the Charity for the next 12 to 18 months. On this basis, the charity continues as a going concern.

In future years, the key risks to the charity are a fall in income from donations or investment income but the trustee has arrangements in place to mitigate those risks (see the risk management and reserves sections of the annual report for more information).

1.3 Critical judgements in applying accounting policies

In the application of the Charity's accounting policies, which are described in notes 1.1 to 1.21, the Trustee is 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 key judgements are those policies relating to incoming resources (notes 1.7 and 1.8), recognition of expenditure and associated liabilities as a result of grant (note 1.11) and fixed asset investments (note 1.15). The Trustee does not consider there are any sources of estimation uncertainty requiring disclosure beyond the accounting policies listed below.

1.4 Key estimations

The value of potential legacies disclosed in note 19. Contingent assets and liabilities is estimated using information received from solicitors and current property market valuations.

1.5 Funds structure

Where there is a legal restriction on the purpose to which a fund may be put, the fund is classified as a restricted fund or an endowment fund.

Restricted funds are those where the donor has provided for the donation to be spent in furtherance of a specified charitable purpose. Endowment funds arise when the donor has expressly provided that the gift is to be invested and only the income of the fund may be spent.

Lancashire Teaching Hospitals Charity has restricted funds, no endowment funds and one designated unrestricted fund. The material restricted funds held are disclosed in note 17.

Those funds which are neither endowment nor restricted income funds are unrestricted income funds which can be analysed between designated (earmarked) funds where the trustees have set aside amounts to be used for specific purposes or which reflect the non-binding wishes of donors, and unrestricted funds which are at the trustees' discretion.

1.6 Basis of consolidation

The group financial statements consolidate the results of the Charity's trading subsidiary, Baby Beat Limited, on a line by line basis. Advantage has been taken of the SORP and the parent charity's own income and expenditure has not been disclosed in these financial statements. The income of the Lancashire Teaching Hospitals Charity was £785k (2023/24: £627k), giving rise to a deficit of £30k (2023/24: deficit £240k).

Subsidiary companies are exempt from the requirement of the Companies Act 2006 relating to the audit of the individual accounts by virtue of S479A.

1.7 Incoming resources

All incoming resources are recognised once the charity has entitlement to the resources, it is probable that the resources will be received and the monetary value of the incoming resources can be measured with sufficient reliability. Gifts in kind are recognised as a reasonable estimate of their fair value or the amount actually realised.

Where there are terms or conditions attached to incoming resources, particularly grants, then these terms or conditions must be met before the income is recognised as the entitlement condition will not be satisfied until that point. Where terms or conditions have not been met or uncertainty

exists as to whether they can be met then the relevant income is not recognised in the year but deferred and shown on the balance sheet as deferred income.

1.8 Incoming resources from legacies

Legacies are accounted for as incoming resources either upon receipt or where the receipt of the legacy is probable.

Receipt is probable when:

- confirmation has been received from the representatives of the estate(s) that probate has been granted
- the executors have established that there are sufficient assets in the estate to pay the legacy and
- all the conditions attached to the legacy have been fulfilled or are within the charity's control.

If there is uncertainty as to the amount of the legacy and it cannot be reliably estimated, then the legacy is shown as a contingent asset until all of the conditions for income recognition are met.

1.9 Gifts in kind and donated services

Gifts in kind are recognised as a reasonable estimate of their fair value or where the monetary value of gifts cannot be reliably measured, they will be included in the accounts when they are sold and the amount actually realised.

Donated services are measured and included in the accounts on the basis of the value of the gift to the charity. i.e. what the charity would pay in the open market for the services that are being donated.

1.10 Resources expended and irrecoverable VAT

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to each category of expense shown in the Statement of Financial Activities.

Expenditure is recognised when the following criteria are met:

- there is a present legal or constructive obligation resulting from a past event
- it is more likely than not that a transfer of benefits (usually a cash payment) will be required in settlement
- the amount of the obligation can be measured or estimated reliably.

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

1.11 Recognition of expenditure and associated liabilities as a result of grant

Grants payable are payments made to linked, related party or third-party NHS bodies and non-NHS bodies, in furtherance of the charitable objectives of the funds held on trust, primarily relief of those who are sick.

Grant payments are accounted for on an accruals basis where the conditions for their payment have been met or where a third party has a reasonable expectation that they will receive the grant.

The trustee has control over the amount and timing of grant payments and consequently where approval has been given by the charitable funds committee, on behalf of the trustee, grants are considered commitments. An appropriate designation is made for these commitments in the appropriate fund until payment is due to be made at which point the expenditure and liability is recognised in the accounts. Approved commitments of expected future expenditure are disclosed in note 20.

1.12 Allocation of support costs and overheads

Support costs are those costs which do not relate directly to a single activity, including governance costs, that are costs which relate to the strategic as opposed to the day to day management of a charity.

Support costs include some staff costs, costs of administration and external audit costs. They have been apportioned between the cost of raising funds and charitable activities on the basis of expenditure incurred in relation to each category. The analysis of support costs and the apportionment is shown in note 7.

1.13 Fundraising costs

The costs of generating funds are those costs attributable to generating income for the charity, other than those costs incurred in undertaking charitable activities or the costs incurred in undertaking trading activities in furtherance of the charity's objects. The costs of generating funds represent fundraising costs together with investment management fees. Fundraising costs include expenses for fundraising activities and salaries and overhead costs paid to a related party, Lancashire Teaching Hospitals NHS Foundation Trust, shown in note 2.

Quarterly management fees are offset against commission charges. Fees that exceed the commission charge are deducted from the funds on deposit are shown in note 4..

1.14 Charitable activities

Costs of charitable activities comprise all costs incurred in the pursuit of the charitable objects of the charity. These costs, where not wholly attributable, are apportioned between the categories of charitable expenditure in addition to the direct costs. The total costs of each category of charitable expenditure include an apportionment of support costs as shown in note 5.

1.15 Fixed asset investments

Investments are a form of basic financial instrument. Fixed asset investments are initially recognised at their transaction value and are subsequently measured at their fair value (market value) as at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year. Quoted stocks and shares are included in the balance sheet at the current market value quoted by the investment analyst, excluding dividend. Other investments are included at the trustee's best estimate of market value.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

All realised and unrealised gains and losses are combined in the Statement of Financial Activities and are taken as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening carrying value or their purchase value, if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value.

1.16 Inventories

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

1.17 Debtors

Debtors are amounts owed to the charity. They are measured on the basis of their recoverable amount. Prepayments are valued at the amount prepaid.

1.18 Cash and cash equivalents

Cash at bank and in hand is held to meet the day to day running costs of the charity as they fall due. Cash equivalents are short term, highly liquid investments, held in interest bearing savings accounts.

1.19 Creditors

Creditors and provisions are amounts owed by the charity. They are recognised when 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.

Amounts which are owed in more than a year are shown as long term creditors.

1.20 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), except for those financial assets classified at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

The Charity only holds 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.

1.21 Remuneration and benefits

No staff are directly employed by the Charity. All staff engaged in the activities of the Charity are employed by Lancashire Teaching Hospitals NHS Foundation Trust. The Charity is recharged for individuals time spent engaged in either charitable activities, raising funds or providing support (e.g. back office functions) to the Charity.

All recharged staff members belong to the NHS Pension Scheme which is an unfunded defined benefit scheme, accounted for as a defined contribution scheme. The recharge from Lancashire Teaching Hospitals NHS Foundation Trust includes the employer contributions to that scheme. For more information on the NHS Pension Scheme refer to the Lancashire Teaching Hospitals NHS Foundation Trust annual report and accounts.

All recharged staff members belong to the NHS Pension Scheme which is an unfunded defined benefit scheme, accounted for as a defined contribution scheme. The recharge from Lancashire Teaching Hospitals NHS Foundation Trust includes the employer contributions to that scheme. For more information on the NHS Pension Scheme refer to the Lancashire Teaching Hospitals NHS Foundation Trust annual report and accounts

2. Related party transactions

Lancashire Teaching Hospitals Charity is managed by the Corporate Trustee which is also the Board of Directors of Lancashire Teaching Hospitals NHS Foundation Trust which is the main beneficiary of the charity. During the year the Charity made revenue an capital payments to Lancashire Teaching Hospitals NHS Foundation Trust of £652k (2023/24: £947k), including grants of £455k (2023/24: £480k)

The Charity was recharged £269k (2023/24: £315k) for staff working for the charity throughout the year, whose contracts are paid by Lancashire Teaching Hospitals NHS Foundation Trust. This includes accounting and administrative support provided to the Charity at a cost of £21k (2023/24: £23k).

During the year none of the Trustees or members of the key management staff or parties related to them have undertaken any material transactions with the Lancashire Teaching Hospitals Charity. (2023/24: £nil)

As at 31 March 2025 £49k (2023/24: £91k) was owed to Lancashire Teaching Hospitals NHS Foundation Trust.

The Trustees have purchased trustee indemnity insurance of £3k. (2023/24: £3k)

The Charity's investment portfolio is pooled with that of The Rosemere Cancer Foundation. The Charity receives an apportionment of the income and expenditure related to the investments based on its share (69%) of the portfolio (2023/24: 70%).

3. Incoming resources

3.1 Income from donations and legacies

	Unrestricted Funds £000	Restricted Funds £000	**2024/2025 Total £000**	2023/2024 Total £000
Donations	19	138	**157**	154
Corporate Donations	4	20	**24**	25
Legacies	32	-	**32**	5
Grants	6	299	**305**	255
Total	**61**	**457**	**518**	439

Donations of goods £74k (2023/24: £38k) are included in income valued at their market value. All of these donations have been distributed during the year.

3.2 Charitable activities income

	Unrestricted Funds £000	Restricted Funds £000	**2024/2025 Total £000**	2023/2024 Total £000
Events	6	49	**55**	34
Community Fundraising Groups	3	96	**99**	48
Other	4	5	**9**	9
Total	**13**	**150**	**163**	91

3.3 Income from other trading activities

	Unrestricted Funds £000	Restricted Funds £000	**2024/2025 Total £000**	2023/2024 Total £000
Baby Beat Ltd sales total	**-**	**78**	**78**	69

3.4 Investment income

	Unrestricted Funds £000	Restricted Funds £000	**2024/2025 Total £000**	2023/2024 Total £000
Dividend income	8	9	**17**	16
Bank account interest	4	5	**9**	12
Total	**12**	**14**	**26**	28

4. Analysis of expenditure on raising funds

	Unrestricted Funds £000	Restricted Funds £000	**2024/2025 Total £000**	2023/2024 Total £000
Fundraising team	53	99	**152**	199
Fundraising activities	8	7	**15**	36
Advertising / marketing	6	14	**20**	19
Trading activities	-	44	**44**	44
Investment management fees	1	2	**3**	3
Support costs	15	33	**48**	53
Total	**83**	**199**	**282**	354

5. Analysis of expenditure on charitable activities

The charity pursued its charitable activities by making grants. Support costs have been apportioned across the categories of charitable expenditure on the basis of the associated transaction cost incurred by the charity disclosed in note 7.

	Grant funded Activity £000	Support Costs £000	**2024/2025 Total £000**	Grant funded Activity £000	Support Costs £000	2023/2024 Total £000
Patient Environment and Wellbeing	291	59	**350**	400	71	471
Staff Education and Wellbeing	59	12	**71**	42	7	49
Research	58	12	**70**	13	2	15
Medical Equipment	47	10	**57**	25	4	29
Total	**455**	**93**	**548**	480	85	565

Throughout the year the charity received donated gifts in kind that were distributed to staff and patients. The estimated cost of the donated goods £74k (2023/24: £38k) is included in these figures.

6. Analysis of grants

All grants are made to the Lancashire Teaching Hospitals NHS Foundation Trust. The total cost of making grants, including support costs, is shown on the face of the Statement of Financial Activities, and the actual disbursement for each category of charitable activity is disclosed in note 5.

7. Allocation of support costs and overheads

Support and overhead costs are allocated between fundraising activities and charitable activities. Governance costs (£37k) (2023/24: £39k), are those support costs which relate to the strategic and day to day management of a charity.

These costs are apportioned across the charitable activities on the basis of expenditure incurred in relation to each category.

7.1 Analysis of total support costs

	Raising funds £000	Charitable Activities £000	**2024/2025 Total £000**	Raising funds £000	Charitable Activities £000	2023/2024 Total £000
Financial Administration	7	14	**21**	9	14	23
Professional Fees	2	4	**6**	2	4	6
Administration Costs	2	3	**5**	1	1	2
Salary Recharges	33	64	**97**	36	57	93
External Audit	4	7	**11**	5	8	13
Bank Charges	-	1	**1**	-	1	1
Total	**48**	**93**	**141**	53	85	138

	Unrestricted Funds £000	Restricted Funds £000	**2024/2025 Total £000**	2023/2024 Total £000
Governance costs	16	21	**37**	39
Support costs	29	75	**104**	99
Total	**45**	**96**	**141**	138

7.2 Auditor's remuneration

Total Audit Fees for 2024/25 were £11,250 (excluding VAT) which related solely to the audit with no additional work undertaken (2023/24: £10,610 (excluding VAT)). The audit fee is included within governance costs.

7.3 Support cost allocation

	Unrestricted Funds £000	Restricted Funds £000	**2024/2025 Total £000**	2023/2024 Total £000
Raising Funds	15	33	**48**	53
Charitable Activities	30	63	**93**	85
Total	**45**	**96**	**141**	138

8. Trustee remuneration, benefits and expenses

The members of Lancashire Teaching Hospitals NHS Foundation Trust board give their time freely and receive no remuneration for the work that they undertake in relation to the charity. No expense claims were reimbursed to members of the board, by the charity in 2024/25. (2023/24: £nil). For more information on the Board members remuneration refer to the Lancashire Teaching Hospitals NHS Foundation Trust annual report and accounts.

9. Analysis of staff costs and remuneration of key management personnel

	2024/2025 Total £000	2023/2024 Total £000
Salaries and wages	**211**	246
Social Security costs	**29**	34
Employer contributions	**30**	35
Total	**270**	315
Fundraising	**152**	199
Finance administration	**21**	23
Administration support	**97**	93
Total	**270**	315

All staff engaged in the activities of the Charity are employed by Lancashire Teaching Hospitals NHS Foundation Trust. No staff are directly employed by the Charity.

The average number of full-time and part-time employees during the year was 3 and 6 respectively (2023/24: 4/3), an estimated number of full-time equivalent employees of 5 (2023/24: 5). These employees are involved in fundraising and providing support to the charitable activities or the governance of the charity.

Lancashire Teaching Hospitals Charity considers its key management personnel to be the member of the Lancashire Teaching Hospitals NHS Foundation Trust board, acting on behalf of the corporate trustee and the Head of Charities and Fundraising. The total employment benefits included employer pension contributions of the key management personnel, these were £34k (2023/24: £57k).

No employees had emoluments in excess of £60k (2023/24: none).

10. Fixed asset Investments

10.1 Movement in fixed asset investments

	2024/2025 £000	2023/2024 £000
Market value brought forward	**1,040**	972
Add: acquisitions at cost	**188**	233
Less: disposals at carrying value	**(172)**	(217)
Realised and unrealised gain for the year	**15**	52
Market value at 31 March 2025	**1,071**	1,040
Historic cost	**658**	653

	2024/2025 £000	2023/2024 £000
Unrealised (loss) / gain on carrying value of the investments	**(44)**	50
Gain on sale of investments	**59**	2
Total realised and unrealised gain / (loss) for the year	**15**	52

10.2 Fixed asset investments by type

	2024/2025 Market Value £000	2023/2024 Market Value £000
Listed equity investments	**281**	259
Fixed interest investments	**545**	531
Other investment funds	**245**	250
	1,071	1,040

The charity manages these investment risks by retaining expert advisors and operating an investment policy that provides for a high degree of diversification of holdings within investment asset classes. All investments were made in companies listed on a UK stock exchange or incorporated in the UK and therefore all investments are treated as investment assets in the UK.

11. Subsidiaries

Baby Beat Limited (03817502) is registered in England and Wales and is wholly owned by Lancashire Teaching Hospitals NHS Foundation Trust Charity and is a retailer of children's clothing and confectionary. Details of its trading activities are set out below.

11.1 Subsidiary results

	2024/2025 £000	2023/2024 £000
Income	**78**	69
Costs	**(45)**	(45)
Operating profit	**33**	24
Retained in subsidiary at beginning of year	**24**	20
Amount gift aided to Lancashire Teaching Hospitals Charity	**(24)**	(20)
Retained in subsidiary	**33**	24

The £33k profit, retained in the subsidiary will be gift aided to the charity post year end.

11.2 Summarised balance sheet of subsidiary trading company

	2024/2025 £000	2023/2024 £000
Inventories	**4**	4
Cash and cash equivalents	**31**	27
Creditors: amounts falling due within one year	**(2)**	(3)
Creditors: amounts falling due after more than one year	**-**	(4)
Net assets	**33**	24
Capital and reserves	**33**	24

These accounts have been prepared by McMillan & Co LLP, Chartered Accountants, 28 Eaton Avenue, Matrix Office Park, Buckshaw Village, Chorley, Lancashire, PR7 7NA

12. Inventories

Inventories comprise finished goods held for resale.

Group		Parent	
2024/2025 £000	2023/2024 £000	**2024/2025 £000**	2023/2024 £000
4	4	**-**	-

13. Analysis of debtors

Amounts falling due within one year.

	Group		Parent	
	2024/2025 £000	2023/2024 £000	**2024/2025 £000**	2023/2024 £000
Prepayments	**2**	2	**2**	2
Loan due from subsidiary undertaking	**-**	-	**-**	4
Total	**2**	2	**2**	6

14. Analysis of cash and cash equivalents

	Group		Parent	
	2024/2025 £000	2023/2024 £000	**2024/2025 £000**	2023/2024 £000
Charity bank account	**117**	191	**117**	191
Subsidiary bank account	**31**	27	**-**	-
Stockbroker deposit account	**21**	22	**21**	22
Total	**169**	240	**138**	213

15. Analysis of changes in net debt

	At 1 April 2024 £000	Cash flows £000	**At 31 March 2025 £000**
Cash and Cash equivalents	240	(71)	**169**
Total	**240**	**(71)**	**169**

16. Analysis of creditors

Amounts falling due within one year.

	Group		Parent	
	2024/2025 £000	2023/2024 £000	**2024/2025 £000**	2023/2024 £000
Creditors	**50**	94	**48**	91
Accruals and deferred income	**53**	19	**53**	19
Total	**103**	113	**101**	110

The creditor figure represents the sum owed at the end of the year by the charity to a related parties, Lancashire Teaching Hospitals NHS Foundation Trust. There are no creditors falling due after more than one year.

17. Analysis of charitable funds

17.1 Restricted funds

Materiality of restricted funds is considered to be funds with a closing balances greater than £50k for the purpose of this analysis, all other restricted funds are included in other. The £33k retained in the subsidiary has been included in the Baby Beat balance (2023/24 £24k).

	Balance 31 March 2024 £000	Incoming Resources £000	Resources Expended £000	Net Gains on Investment £000	Transfer Between Funds £000	**Balance 31 March 2025 £000**
Baby Beat	153	327	(245)	9	-	**244**
Children's Appeal	76	125	(108)	4	-	**97**
Critical Care	61	24	(34)	3	-	**54**
MND Fund	62	23	(29)	4	-	**60**
Others	308	200	(238)	(13)	(1)	**256**
Total Restricted Funds	660	699	(654)	7	(1)	**711**

17.2 Unrestricted fund

The unrestricted fund is split into designated funds which are used to fund activities that benefit patients of Lancashire Teaching Hospitals NHS Foundation Trust and the staff that deliver patient care to those patients.

	Balance 31 March 2024 £000	Incoming Resources £000	Resources Expended £000	Net Gains on Investment £000	Transfer Between Funds £000	**Balance 31 March 2025 £000**
Unrestricted Funds	513	86	(176)	8	1	**432**
Total Unrestricted Funds	513	86	(176)	8	**1**	**432**

17.3 Unrestricted fund

During the year the Trust has continued to rationalise funds, resulting in movement between funds of net £1k that have been reclassified as unrestricted.

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

	2024/2025 £000	2023/2024 £000
Net expenditure for 2024/25 (as per the SOFA)	**(30)**	(240)
Gain	**(15)**	(52)
Dividends, interest and rents from investments	**(26)**	(28)
Decrease in inventories	**-**	-
Decrease / (Increase) in debtors	**-**	177
Decrease / (Increase) in creditors	**(10)**	(150)
Net cash used in operating activities	**(81)**	(293)

19. Contingent assets and liabilities

	2024/2025 £000	2023/2024 £000
Legacies	**-**	2
Total	**-**	2

These legacies have not been recognised in the financial statements as income as they do not meet the recognition criteria, being subject to conditions outside the charity's control at the reporting date. Legacies will be recognised when the amounts of the legacies can be measured reliably.

The charity has not notified of any entitlements to legacies in 2024/25.

20. Commitments

The Charity has the following outstanding commitments at the end of the year as they have made a provisional agreement to fund various projects and items of equipment. These have not been accounted for in the SOFA.

	Unrestricted Funds £000	Restricted Funds £000	**2024/2025 Total £000**	2023/2024 Total £000
Total commitments as at 31 March 2025	**9**	**245**	**254**	209

As described in note 6, the charity awards a number of grants in the year. Included in commitments are many grants that are awarded and expected to be paid out in the next financial year. The charity has control over the award and timing of payment of grants, they remain commitments until there is certainty about the payment that will be funded from existing and future reserves. No multi-year grants are included in these commitments.

21. Events after the reporting period

There are no adjusting events after the reporting period. However, it should be noted that these accounts have not been consolidated into the main accounts of Lancashire Teaching Hospitals NHS Foundation Trust due to materiality.

The £33k profit, retained in the subsidiary will be gift aided to the charity post year end.

NHS
Lancashire Teaching Hospitals
NHS Foundation Trust

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