Sheffield Hospitals Charity

Annual Report and Statutory Accounts

Year ending 31 March 2026



Registered Charity No. 1169762

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To note: Throughout this document, Sheffield Teaching Hospitals NHS Foundation Trust is referred to as Sheffield Teaching Hospitals or STH, and Sheffield Health Partnership University NHS Foundation Trust is referred to as Sheffield Health Partnership or SHPU.

Welcome from our Chair



It is a privilege to join Sheffield Hospitals Charity as Chair at such an exciting point in its development. This annual report reflects a year of ambition, delivery and strengthened partnership which has helped the charity move confidently through the second year of its 2024–27 strategy.

On behalf of the Board of Trustees, I want to thank Adrian Stone for his thoughtful and steady leadership, and for the time, energy and care he has given to Sheffield Hospitals Charity during his eight-year tenure. The achievements described in this report are a testament to the foundations he helped to build: a charity that is increasingly strategic, ambitious and trusted, and one that is clear about the difference it can make for patients, families and staff across Sheffield's NHS.

This year, the charity awarded £4.25 million in charitable funding, the highest level of grant expenditure in its history. That funding has been directed deliberately through our strategic priorities, supporting work that improves patient experience, cares for the people who care for us, reduces health inequalities, and advances technology, research and innovation. The breadth of impact is striking, with charitable funding reaching patients, families, staff and communities across Sheffield's NHS in ways that are practical, compassionate and ambitious.

Just as importantly, the year has shown how the charity is strengthening the way it works. We have deepened our relationships with Sheffield Teaching Hospitals and Sheffield Health Partnership, expanded our approach to innovation and research, developed more focused funding calls, and continued to make it easier for NHS colleagues to access charitable support where it can make an immediate and meaningful difference.

The development of our Research Strategy and Research Panel, the expansion of Dragon's Den, and our work to tackle women's health inequalities through #NoWomanLeftBehind all demonstrate a charity that is looking ahead while staying rooted in the needs of Sheffield's communities.

Partnership has been central to this progress. We have worked with NHS teams, universities, voluntary and community organisations, local businesses, national partners and supporters to deliver work that reaches further than any one organisation could alone. This collaborative approach is helping the charity play a more strategic role within the local healthcare system, supporting work that can build evidence, create momentum and influence longer-term change.

The charity has also continued to grow its profile and capacity. Strong fundraising performance, new partnerships, continued legacy support, increased lottery participation, and growing recognition for our brand and campaigns all point to a charity with increasing reach and momentum.

Behind this sits important investment in our people, systems, governance and sustainability, ensuring that we are building not only for today's impact but for long-term success.

As I take on the role of Chair, I do so with real optimism. The final year of our current strategy gives us an opportunity to consolidate what has been achieved, continue putting charitable funds to work where they are needed most, and begin shaping the next chapter for Sheffield Hospitals Charity beyond 2027. Our ambition is clear: to be a genuine partner to Sheffield's NHS, working collaboratively to fund projects that benefit people across Sheffield and the wider region.

I am enormously grateful to everyone who makes this work possible: our supporters, donors, fundraisers, lottery players, corporate partners, volunteers, NHS colleagues, charity staff, Trustees and Ambassadors. Thank you for your generosity, your ideas, your challenge and your belief in what Sheffield Hospitals Charity can achieve. I look forward to working with you as we build on the charity's work to date and continue to help Sheffield's NHS go further for everyone who depends on it.

Lawrence Bate
Chair of Trustees

Welcome from our CEO



This has been a year of real progress for Sheffield Hospitals Charity: a year in which we have funded more, reached further, strengthened our foundations and shown what is possible when we work with ambition, focus and care.

I want to begin by thanking Adrian Stone for his leadership as Chair – his support, challenge and commitment have helped us become a more confident, strategic and impactful organisation. I am now eager to work with Lawrence Bate as our new Chair, drawing on his expertise, perspective and energy as we shape the next stage of Sheffield Hospitals Charity's development.

As the official charity partner to Sheffield Teaching Hospitals and Sheffield Health Partnership, our role is to help Sheffield's NHS go further for patients, families, communities and staff. This year we awarded £4.25 million in charitable funding, the highest level of grant expenditure in our history. That is something I am incredibly proud of, not because of the figure alone, but because of what it represents for people across Sheffield and the wider region.

I am particularly proud of the way our work is increasingly shaped by partnership and by a clear understanding of where charitable funding can add the most value. Across the year, we supported projects within the hospitals and beyond – helping under-served communities access specialist mental and physical health support – and showed how targeted charitable funding can respond to need, test new approaches and improve care.

Our funding has supported work that is practical, compassionate and ambitious. In addition to significant investments such as the da Vinci Xi surgical robot that is transforming cancer surgery for our region, we funded work across the breadth of the NHS that makes a tangible difference to people across our region.

We continued to fund the Volunteers and Arts in Health service, which supported more than 134,000 patients and visitors and brought creative activity, companionship and practical help into hospital settings. We funded Eye Care Liaison Officers at the Royal Hallamshire Hospital, supporting people affected by sight loss and degenerative eye conditions from the point of diagnosis and beyond. We funded a therapeutic garden at Forest Lodge, so that people with mental health conditions can connect with nature as part of their healing. We made improvements to Chesterman 4 (cardiology) staff facilities. We funded data-led work to identify chronic kidney disease patients at highest risk. And so much more.

Our fundraising and profile have grown too. Supporters took part in events, community fundraising, Christmas activities and independently organised challenges, while our fundraising with Trusts and Foundations, legacy giving, lottery and business partnerships all contributed to a stronger platform for the future. Every gift, partnership and act of support helps turn ambition into practical benefit for Sheffield's NHS.

None of this happens by accident. Behind the visible impact sits a great deal of work to make sure our systems, processes and governance are sound. This year we strengthened financial reporting and planning, improved the way funds are managed and used, refreshed policies, introduced new operational systems, and gave NHS colleagues clearer information about the charitable funds they can access. These foundations give us the confidence to grow well, make better decisions and steward the generosity of our supporters responsibly.

I want to give my heartfelt thanks to the trustees and the charity team, who are talented, thoughtful and bring our values to life every day. I am grateful too to our NHS colleagues across both NHS Trusts, whose ideas, expertise and commitment ensure charitable funding reaches the places where it can make the greatest difference.

And to everyone who supports us – donors, fundraisers, lottery players, volunteers, Ambassadors, corporate partners, grant funders and community supporters – thank you. Whether you walked in red shoes, recycled your Christmas tree, left a gift in your will, made a donation, played our lottery, attended an event or championed our work, you have helped make this year possible.

I look ahead with real ambition. The final year of our current strategy gives us the opportunity to build on strong foundations, grow our income, deepen our partnerships and continue increasing the impact of charitable funding across Sheffield's NHS.

We have much still to do, but we are clearer, stronger and more confident about the role Sheffield Hospitals Charity can play. I am proud of what we have achieved together this year. Thank you for being part of it.

Beth Crackles
CEO

Why we exist

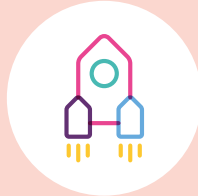
Our vision

For everyone cared for and working in Sheffield's NHS to be treated with compassion, and to have access to the best equipment, treatments and recovery spaces.



Our mission

To cover costs that NHS budgets can't stretch to. To help Sheffield's hospitals, community teams, mental health and specialist services give the best possible care to people in our region, at every stage of life.



With your support, we can improve healthcare throughout every stage of life for the people of Sheffield.

This means our hospitals, community teams, mental health and specialist services can cover costs that NHS budgets can't, so you and your family benefit from the best possible care, research, technology and environments that improve health and wellbeing – from life's first to last moments, and everything in between.

Somewhere along the line, our funding is likely to have helped you, or someone you love.

It's gone into welcoming little ones into the world, dealing with emergencies and routine check-ups, treating long term conditions and improving mental health and end of life care.

We support Sheffield Teaching Hospitals (Jessops, the Royal Hallamshire, Northern General, Charles Clifford and Weston Park), and Sheffield Health Partnership, who provide mental health, learning disability and specialist services.

We also look after the people who look after you – on top of patient care, we support NHS staff with training, equipment and projects that improve their own wellbeing.

All of this is funded through our incredibly generous communities. The ones who play our lottery, raise money by jumping out of planes, running marathons, baking cakes, knitting, leaving gifts in wills, turning up to events and making donations, in moments big and small. With the help of people fundraising both individually and at work, we're able to make sure the care you and your loved ones get is the best it can be.

Everything we do is down to the collective effort of those who care deeply about our local NHS.

Our public benefit

Charity Commission guidance on public benefit states that Trustees have a duty to comply with Section 17 of the Charities Act 2011.

The Trustees of Sheffield Hospitals Charity confirm that the charity has fulfilled this benefit requirement through a robust governance structure and processes.

The charity's strategy lays out five strategic goals and four funding priorities, and all our activities map back to these. Occasionally, funding applications are submitted to the charity and do not support our strategy which aims to support NHS charitable purposes relating to Sheffield Teaching Hospitals and Sheffield Health Partnership and their patients. In such cases, funding requests are refused.







A year in numbers



£4,246,773

given to support Sheffield's NHS



1,074

people took part in fundraising events



2,101

Christmas trees recycled



134,474

patients and visitors supported



14,607

tickets played in Sheffield Hospitals Charity lottery in March 2026



389

active volunteers supported patients and staff across Sheffield Teaching Hospitals



333

therapy dog visits across 72 departments



40,174

pharmacy packages delivered



3

hours on Naga Munchetty's BBC Radio 5 Live show, with CEO Beth Crackles and Professor Bola Owolabi talking about our #NoWomanLeftBehind campaign



1

surprise appearance from The Everly Pregnant Brothers at our Cathedral at Christmas event, hosted by BBC Radio Sheffield's Ellie Colton



388

people took part in our inaugural Red Shoe Walk, launched in partnership with Meadowhall, in support of people living with dementia

Finance review

The net assets of the Charity at 31 March 2026 were £11.22m (£12.42m in 2025).

During the year, income was £3.33m, an increase of £390k on the previous year (2025: £2.94m). This is largely due to additional legacies received during the year, grants awarded and an increase in lottery players.

Expenditure on raising funds and charitable activities for the year was £6.06m, an increase of £720k on the previous year (2025: £5.34m). This increase is mainly due to additional grants awarded.

The charity continues to rely on donations, legacies, investment income and our lottery as the main sources of income. During 2025 – 26, the second year of our strategy and corresponding three-year financial plan, we awarded £1.45m to Sheffield Teaching Hospital towards the funding of a new surgical robot based at the Northern General Hospital.

Total expenditure exceeded income by £2.73m before investment gains. Investment gains of £1.55m reduced the overall decrease in funds to £1.19m (2025: £2.36m).



Fundraising

The administration of our weekly lottery with existing players is carried out by a third party, with whom we have a contract in place and are subject to due diligence and close management.

Sheffield Hospitals Charity is a member of NHS Charities Together. As such, we have the opportunity to benchmark our fundraising activity with our peers, discuss matters of common concern, exchange information and participate in conferences and seminars which offer support and education for our staff and trustees.

We are committed to ensuring that fundraising is carried out in an ethical manner. Our policies and approach to fundraising standards are outlined below:

- We are registered with the Fundraising Regulator, comply with the Fundraising Code of Practice and comply with the Regulator's Fundraising Promise; during the year we received no complaints in relation to our fundraising.
- We have an Ethical Fundraising and Gift Acceptance Policy, giving parameters and processes in line with our mission, values and the reputations of our NHS Trusts.
- We have a Vulnerable Adults and Fundraising Policy; we have checks and balances in place to ensure that all charity and any agency staff we engage with, are aware of signs that may indicate that a person is in vulnerable circumstances.
- We have a Privacy Policy and Gaming and Responsible Gambling Policy.
- We take our responsibilities to protect people seriously and follow Fundraising Regulator and Chartered Institute of Fundraising guidance on treating donors fairly, and ensure all agency partners are provided with our Policies.
- We give our supporters the opportunity to opt out of further contact as part of every approach for a donation.
- We do not share or sell data.
- The privacy of donors is respected at all times. Donor records are confidential and held in compliance with the Data Protection Act 1998 and General Data Protection Regulations 2018.
- Donors have the right to see their own donor record and to challenge its accuracy.
- Donors and prospective donors will be treated with respect. We action all requests people make to:
  - limit the frequency of solicitations.
  - not be solicited by telephone or other technology.
  - limit the amount or frequency of printed or online material that they are sent.

Strategic report

Our strategy 2024–2027

Enabling excellent healthcare
for the people of Sheffield

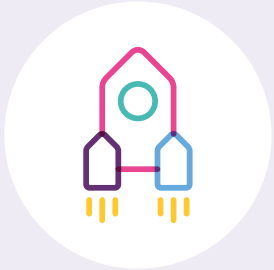
We have five strategic goals:

1. Be a genuine and strategic partner to our beneficiary Trusts
2. Raise more money for our beneficiary Trusts
3. Be a well-known and trusted charity in Sheffield and beyond
4. Be an employer of choice for charity professionals in Sheffield
5. Be a sustainable organisation

These goals are underpinned by our three values:



We do better together



We go the extra mile



We look to the future

Our values were developed with the full staff team and are founded on the principles of collaboration, equity, exceptional patient and supporter experiences, organisational development and sustainability.

Our full strategy can be found on our website:
www.sheffieldhospitalscharity.org.uk/who-we-are/strategy

Delivering against our strategic goals

1. Be a genuine and strategic partner to our beneficiary Trusts

We awarded £4.25m in charitable funding this year, up from £3.3m the previous year and the highest level of grant expenditure in our history. Funding was directed deliberately through our strategic priorities, supporting projects across Sheffield Teaching Hospitals and Sheffield Health and Social Care NHS Foundation Trust that improved patient experience, supported staff wellbeing, advanced research and innovation, and helped reduce health inequalities.

Major grants included £1.45m towards a new da Vinci Xi surgical robot at the Northern General Hospital, the largest single grant in the charity's history; £250,000 for 15 life-saving Impella heart pumps; and £415,000 for autism-friendly bedrooms and therapeutic artwork co-created by patients and local artists on Maple Ward. We also supported enhancements to dementia care, staff wellbeing facilities and rehabilitation environments.

We strengthened our approach to innovation and research by expanding Dragon's Den, receiving a record number of applications from NHS teams, and working with Sheffield Teaching Hospitals to deliver the £300,000 innovation funding round. Importantly, we established a formal Research Strategy and Research Panel to focus future research funding on work with clear benefits for patients and communities – shifting from 'bench to bedside'.

Our partnership with both beneficiary Trusts became more strategic. We introduced focused funding calls for reducing health inequalities in Sheffield and supporting caring and cared-for staff, opened these charity-managed funding calls to both Trusts, continued rolling applications for charitable projects, and launched an annual Travel Scholarship for nurses, midwives and Allied Health Professionals. Our Grants Officer increased site visits to help teams access lower-value grants under £5,000, with particular focus on where small-scale funding can make an immediate difference.



1. Be a genuine and strategic partner to our beneficiary Trusts continued

Through our #NoWomanLeftBehind campaign, tackling women's health inequalities, we worked with Jessop Wing, community organisations and national partners to develop and begin delivering initiatives to support earlier cancer diagnosis, address gender-based violence and tackle inequity in maternal outcomes. Notably, we delivered a community-based programme with The Foundry Primary Care Network to increase uptake of cervical screening, where screening rates are amongst the lowest in the country. We secured £240,000 from NHS Charities Together and developed 'REACH'; a service to identify and support NHS staff experiencing domestic abuse.

The project was co-designed with safeguarding, wellbeing and HR teams across both Trusts and is delivered through a specialist voluntary sector partner (IDAS). In addition to a range of projects we already fund across Jessop Wing, we began to develop a maternal health programme in partnership with Save the Children UK and Public Health colleagues; securing funding for this is a priority for the next financial year.

Through our partnership with Age UK Sheffield, we expanded our work to avoid unnecessary hospital admissions for people living with dementia, from two to seven Primary Care Networks, supporting more than 2,538 people across 39 GP practices. South Yorkshire Integrated Care Board has confirmed it will fund key elements of the programme in future. This demonstrates the value of our approach to working strategically within the local healthcare system; co-creating and delivering innovative work that adds tangible and cost-effective value to the NHS and therefore can ultimately be adopted by NHS budgets.





2. Raise more money for our beneficiary Trusts

We continued to invest in fundraising activity, building new relationships and creating opportunities that will support future growth. Trusts and Foundations fundraising delivered particularly strong results, with more than £315,000 secured specifically for work addressing health inequalities, including major awards from NHS Charities Together and Legal & General in partnership with the UCL Institute of Health Equity. Our lottery continued to provide an important source of unrestricted income and ended the year with almost 15,000 active players. Legacy income performed strongly and remains one of the most important contributors to our long-term financial sustainability, hence our ongoing investment in proactive legacy marketing.

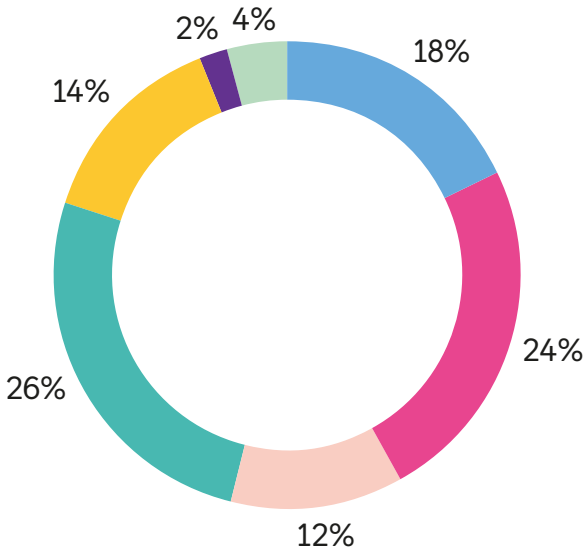
The Master Cutler's Challenge concluded successfully, generating more than £115,000 while introducing the charity to new businesses and strengthening our profile within Sheffield's business community. We also launched new approaches to major donor fundraising, including our unique and creative private dinner co-hosted by the President of the Chamber of Commerce and musician Joe Carnall Jnr., creating a platform for future philanthropic support and engagement.

The launch of our inaugural Red Shoe Walk represented a major milestone, bringing together almost 400 participants and establishing what we expect will become a flagship annual event for Sheffield Hospitals Charity in support of people living with dementia and their families.

Community fundraising remained at the heart of our work. Supporters took part in challenge events, golf days, football collections, Christmas activities and countless independently organised fundraising initiatives. Our annual Cathedral at Christmas event was another sell-out and our Christmas tree recycling initiative grew again this year, with over 2,100 trees collected.

Towards the end of the financial year, we welcomed our new Director of Fundraising, Greg van Heeswijk.

Sources of income for the charity 2025/26



3. Be a well-known and trusted charity in Sheffield and beyond

The charity's profile continued to grow significantly throughout the year, with our work receiving local and national attention. Through media coverage, partnerships and campaigns, we continued to raise awareness of both the charity's impact and some of the major challenges facing local communities.

Particular attention was focused on our work to address health inequalities and support women's health through our #NoWomanLeftBehind programme. The latter was showcased by Naga Munchetty throughout her three-hour BBC 5 Live radio show, which broadcast live from the 83 bus with contribution throughout the show from our CEO, Beth Crackles and Ambassador, Professor Bola Owolabi. Naga then joined us for a book signing event with a private audience, at our home in Leah's Yard.

The Everly Pregnant Brothers surprised and delighted attendees at our sold-out Cathedral at Christmas event, hosted by BBC Sheffield's Ellie Colton. The group performed a rendition of 'Pramlife' – a parody of Blur's Parklife – which was our well-received Christmas video; part of our Christmas appeal in support of Jessop Maternity Wing.

The success of the Red Shoe Walk was made possible through our brand-led partnership with Meadowhall Shopping Centre, which delivered significant fundraising income, awareness and opportunities for engagement across the city.

We strengthened our presence across NHS sites by integrating charity branding into funded projects including a garden space in a neuro-rehabilitation garden and a garden at ICU at the Northern General.

We were particularly proud to win Brand Campaign of the Year at the Sheffield Business Awards, for our Immersive Strategy Launch the previous year. This is reflective of the growing strength of our brand and communications activity across the region. Building on this, we undertook significant audience and brand research to better understand how people perceive the charity and how we can continue to build trust, awareness and support.





4. Be an employer of choice for charity professionals in Sheffield

During the year we continued to invest significantly in our people, recognising that our success depends on attracting, developing and retaining talented charity professionals. We enhanced our employee benefits package through improved family leave policies, increased employer pension contributions and the introduction of Death in Service cover. We also undertook an independent salary benchmarking review and implemented annual salary uplifts to ensure our reward package remained competitive.

Learning and development remained a priority throughout the year, with each employee having a bespoke CPD plan. Staff participated in presentation skills, leadership and equity training, while team away-days and cross-organisational development activities helped strengthen collaboration and understanding of the NHS environment in which we operate. Staff engagement remained strong, with our annual staff survey results informing ongoing organisational development. A highlight in this area was organisation-wide equity training with equitable leadership specialist, Tracie Jolliff, starting with the Board of Trustees. We explored how we can ensure that we centre equity in everything we do; how we communicate, fundraise, co-create projects and deliver our grants programme.

As the charity continued to grow, we successfully recruited a number of strategically important roles, including Director of Fundraising and two new roles – Philanthropy and Partnerships Manager and Marketing and Communications Manager.

Collectively our investment in this space is helping Sheffield Hospitals Charity be a place where talented people can build rewarding careers that improve healthcare across Sheffield.



5. Be a sustainable organisation

During the financial year, we strengthened the systems, controls and working relationships at all levels in the charity, giving the Finance and Performance Committee (F&PC) clearer visibility of performance during the year and providing a stronger basis for budget-setting. Financial reporting and planning also became more detailed and timelier.

We improved the processes that enable funds to be used more effectively, consolidating funds thematically where possible, completing writebacks and introducing a new KPI requested by F&PC to monitor active and unutilised funds; this showed measurable progress across the year. A new detailed fund statement was also produced for Fund Champions (NHS colleagues), giving teams clearer and more regular information about the charitable funds they can access.

Operational systems were strengthened during the year. The HR Toolkit went live, supporting reporting on sickness, annual leave and TOIL. A range of Policies were refreshed and enhanced, including Health and Safety, Leave and Investment Policy updates. Cyber security training was completed by all staff, with annual workshops built into future practice.

External learning and improvement were also part of the year's work for the Finance Team, who visited other NHS charities – including Nottingham Hospitals Charity and CW+ Charity to compare approaches to reporting, funds management, automation, roles and use of AI.

Future plans

As we enter the final year of our 2024–27 strategy, our ambition is clear: to grow towards a £4m turnover while continuing to increase the impact of charitable funding across Sheffield's NHS. The economic climate remains challenging and the NHS continues to face significant operational pressure and change, but we remain committed to working in partnership, investing wisely and building a charity that is trusted, sustainable and ambitious for the people of Sheffield.

During 2026/27, we will focus on:

- Strengthening our relationships with our beneficiary NHS Foundation Trusts and maintaining baseline grant expenditure of more than £2.5m.
- Developing our next strategy beyond 2027 through a collaborative, co-created process with staff, Trustees, NHS partners, and stakeholders across the healthcare system.
- Applying audience insight from our brand and audience research so our work is more focused and distinctive and resonates with the people of Sheffield.
- Investing for future growth by expanding the team and investing in fundraising streams that can generate long-term unrestricted income.
- Continuing to deepen and realise the benefits of partnership working, from Ambassadors and local business leaders supporting Sheffield's NHS to our local VCSOs and infrastructure organisations such as NHS Charities Together, influencing national policy in the NHS charity space.
- Continuing to develop as an employer of choice for charity professionals in Sheffield and beyond, including through ongoing staff development and a bespoke leadership programme.

Our grant making

Grant Investment Panel

The Grant Investment Panel is a sub-committee of the Board of Trustees, with delegated authority to award grants exceeding £5k up to a maximum of £500k. The Panel was established to ensure that grant investment decisions are of high quality and align with the Charity's Objectives, Grant Making Priorities, and Scheme of Delegation.

The Panel comprises several voting members, including the Senior Leadership Team of the charity, a minimum of two Trustees, and at least one representative from both Sheffield Teaching Hospitals and Sheffield Health Partnership. Additionally, the Panel is supported by advisors and may include applicants presenting their cases for particularly complex or high-value applications.

The Panel convenes six times per financial year (every other month). Applications are approved when two-thirds of the voting members support the proposal. Applications valued at £5k and under are approved by the charity's Grants Team, while those exceeding £500k must be submitted to the Board of Trustees for approval, with a recommendation from the Grant Investment Panel.

Advisory Boards

Our Advisory Boards support effective administration of our funding calls. They comprise experts from relevant fields, such as staff wellbeing, health inequalities and research, as well as patient representatives. Alongside representatives from the charity's Senior Leadership Team, the Boards review applications and determine which ones to support.

The Advisory Boards do not have delegated authority to approve applications; all decisions must be ratified by the Grant Investment Panel.

Our grant making continued

Funding Priorities

The charity considers applications from a range of individuals and organisations where the outcome of funding will be of benefit to patients, their families, and staff.

Applications will be considered from NHS colleagues across Sheffield Teaching Hospitals and Sheffield Health Partnership (including honorary contract holders); academic staff from partner universities who work in collaboration with our beneficiary Trusts; and other charities and organisations who are part of the wider community, where there is a direct link back to one or both Trusts.

For an application to be successful it must align with one or more of our funding priorities:



Supporting patient and people centred experiences

This includes improving healing environments, equipment, and services.



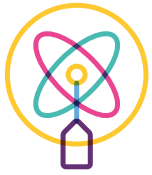
Supporting caring, and cared for staff

We are particularly interested in supporting staff in highly pressurised areas, working alone in the community, and junior/low banded staff. We also fund educational and learning opportunities.



Reducing health inequalities in Sheffield

We aim to support work that addresses the gap in life expectancy, enables better access for marginalised communities, is preventative, and/or is typically under-funded.

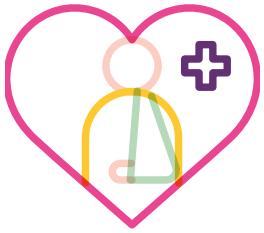


Maximising technology, research, and innovation

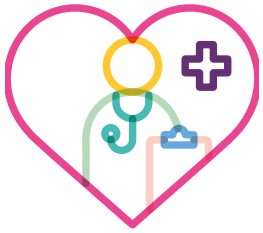
We welcome applications which are likely to translate into patient benefit within 5-7 years, align with areas of tertiary care/ specialisms, improve research infrastructure and encourage widening participation in research.

Our grant making continued

All our grants are categorised by a grant type so our supporters can better understand our grant expenditure:



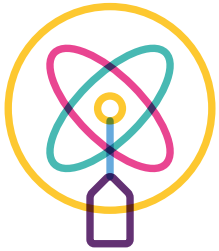
Patient welfare and amenities



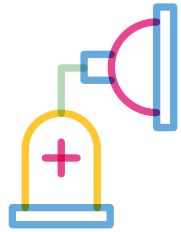
Staff welfare and amenities



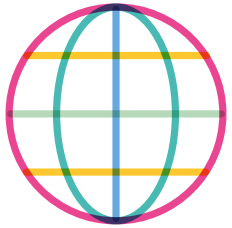
Staff training and courses



Research



Equipment



Environmental improvements

Work that we've funded across our NHS

During the year, we awarded 31 large grants (over £5k), 123 small grants (under £5k) and 149 study leave grants. The charts below show the allocation of the £4,246,773 grant expenditure across our funding priorities and grant types.

	Over £5k	Under £5k	Total £
Supporting patient and people centred experiences	1,854,832	124,644	1,979,476
Supporting caring and cared for staff	412,983	147,144	560,127
Reducing health inequalities in Sheffield	61,596	0	61,596
Maximising technology, research and innovation	1,641,759	3,815	1,645,574
	3,971,170	**275,603**	**4,246,773**

	Total £
Patients welfare and amenities	1,365,091
Staff welfare and amenities	364,991
Staff training and courses	125,581
Research	195,574
Equipment	1,577,838
Environment improvements	617,698
Total	**4,246,773**

31
large grants (over £5k)

123
small grants (under £5k)

149
study leave grants

Supporting patient and people centred experiences



Grant type:
Patient welfare

£321,413

Arts in Health and Voluntary Services

Arts in Health and Voluntary Services provide significant added value beyond core NHS provision by improving the experience and wellbeing of patients, visitors and staff across Sheffield Teaching Hospitals. It combines a large, actively managed volunteer workforce with a diverse creative health programme including live music, visual arts, galleries, and targeted therapeutic projects.

Evaluation data from FY25/26 demonstrates both scale and impact: 389 volunteers contributed over 26,000 hours, supporting more than 134,000 patients and visitors, while arts activity reached nearly 10,000 people through 261 live music performances alone, with 100% of feedback reporting improved mood and wellbeing.

Together, these services create welcoming, calming environments, provide companionship and practical support, reduce pressure on staff, and deliver measurable improvements in emotional wellbeing, patient experience, and staff morale.

Sheffield Hospitals Charity has funded the people, delivery activities and essential running costs.

Did you know?

A UK government evidence review in 2019, which drew on World Health Organisation research, found over 3,000 studies showing that arts and creative activity can help prevent illness, improve mental health, and support recovery, demonstrating that music and art aren't just 'nice to have', but play an important role in healthcare and healing.

Fancourt, D., et al., **Evidence summary for policy: The role of arts in improving health and wellbeing: Report to the Department for Digital, Culture, Media & Sport**, 2020.

Supporting patient and people centred experiences continued



Grant type:
Patient welfare

£81,900

Eye Care Liaison Officers

Two Eye Care Liaison Officers (ECLOs) are based at the Royal Hallamshire Hospital. ECLOs play a vital role in providing patients with sight-affecting conditions, their families and carers with clear information, practical guidance, and emotional support.

They offer a compassionate, reliable point of contact during what can be an overwhelming time, helping individuals understand their diagnosis, navigate available services, and access resources that promote independence and wellbeing. By listening, advising, and connecting people to the support they need, ECLOs empower patients to move forward with confidence.

We funded these roles (delivered by Sheffield Royal Society for the Blind) for an initial two-year period and have continued funding for a further two years.

Did you know?

96% of clinicians say that ECLOs improve patient experience and reduce pressure on NHS staff.

Royal National Institute of Blind People, **Eye Clinic Liaison Officer (ECLO) service UK Evaluation Report**, 2024.

Supporting patient and people centred experiences continued



Grant type:
Patient welfare

£19,526

Forest Lodge Therapy Garden – SHPU

Sheffield Hospitals Charity funded the transformation of an underused garden at Forest Lodge into a therapeutic outdoor space for male mental health inpatients in a low secure setting.

The garden is a calm space that supports de-escalation and helps patients manage distress.

Horticultural therapy uses structured gardening and nature-based activities to support mental health and recovery, helping patients build routine, develop skills, and improve wellbeing.

Did you know?

Research shows that horticultural therapy significantly reduces anxiety in psychiatric inpatients, helping people feel calmer and better able to cope during hospital stays.

Joubert, A., et al., '**Impact of horticultural therapy on patients admitted to psychiatric wards, a randomised, controlled and open trial**', 2024.

Supporting caring and cared for staff

Grant type:
Staff welfare

£235,390

REACH

REACH was co-created with support from wellbeing and safeguarding staff from across both Trusts, individuals with lived experience of domestic abuse, and IDAS (Independent Domestic Abuse Services).

The programme aims to reframe domestic abuse as a workplace issue that disproportionately impacts NHS staff and to deliver an innovative programme that can be scaled across other NHS Trusts.

Reach
Support within reach when you need it

Sheffield Hospitals Charity is funding IDAS to deliver the programme, which comprises one-to-one support, safety planning and training, alongside a wider cultural shift within NHS teams to create a zero-tolerance, safe and supportive workplace where staff feel able to disclose and access help.



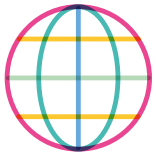
Did you know?

Nurses are three times more likely to experience domestic abuse than the general population, making this a critical issue for the NHS workforce.

For NHS staff experiencing domestic abuse, 85% say it directly affects their work and 92% report a negative impact overall.

Cavell Nurses' Trust, **Skint, shaken, yet still caring. But who is caring for our nurses?**, 2021.

Supporting caring and cared for staff continued



Grant type:
Environment

£49,244

Enhancement of staff room and changing facilities, Chesterman 4

Chesterman 4 sits within Sheffield Teaching Hospitals' specialist cardiothoracic centre at the Northern General Hospital, a regional service serving around 1.8 million people and delivering over 1,700 heart and lung procedures each year. It is a fast-paced, high-pressure environment caring for patients undergoing complex and life-saving treatment, where staff work intensively to provide continuous, specialist care.

Sheffield Hospitals Charity funded improvements to changing facilities and the staff room. With facilities dating back to the 1990s, this investment was made to create a modern, relaxing space that supports staff wellbeing, morale and their ability to deliver high-quality care in a high-pressure environment.

Did you know?

NHS England evidence shows that supportive working environments improve staff wellbeing – and staff who feel well supported are more likely to deliver safer, more compassionate care.

NHS England, **Safety culture**.

Supporting caring and cared for staff continued



Grant type:
Staff training and courses

£11,749

Health Coaching Programme – SHPU

NHS staff face high levels of pressure, stress and poor health, which contribute to significant levels of long-term sickness absence. Many staff on extended leave lack personalised support to help them recover, rebuild confidence and return to work, particularly where physical or mental health issues are involved. This can lead to prolonged absence, reduced wellbeing and wider impacts on workforce capacity and patient care.

Sheffield Hospitals Charity funded a pilot of a health coaching programme for NHS staff on long-term sick leave. Through personalised, one-to-one wellbeing support and vocational rehabilitation, the service helps staff manage their health, build resilience and regain confidence, supporting a safe and sustainable return to work and strengthening the overall workforce.

Did you know?

Around a quarter of all NHS sickness absence is due to stress, anxiety and mental health conditions.

NHS England, **NHS Sickness Absence Rates, May 2025**.

Reducing health inequalities in Sheffield



Grant type:
Patients welfare

£10,000

Data-led Prioritisation to Better Monitor Patients with Chronic Kidney Disease

Chronic Kidney Disease (CKD) is a common long-term condition that can worsen without symptoms, leading to serious complications if not identified early.

Sheffield Hospitals Charity funded the first phase of a data-led prioritisation project using an AI-powered tool to identify CKD patients at highest risk. By helping clinicians prioritise urgent cases and monitor stable patients more efficiently, it supports earlier intervention, reduces unnecessary appointments and aims to improve outcomes while addressing health inequalities; CKD rates are significantly higher in minority ethnic groups and compounded by other health and socioeconomic issues.

Did you know?

Around 1 in 10 people in the UK are living with chronic kidney disease, yet many are unaware they have it until it becomes severe, making early identification critical.

Hill, N.R. et al., **Global prevalence of chronic kidney disease: a systematic review and meta-analysis**, 2016.

Reducing health inequalities in Sheffield continued



Grant type:
Patient welfare and amenities

£40,537

Supporting inclusive access to mental health services – SHPU

People from some under-served communities in Sheffield can face additional barriers to accessing and engaging with specialist mental health services. These barriers can include language and communication challenges, cultural differences, lack of trust in services and difficulties navigating care pathways, leading to inequalities in access and outcomes.

We funded a project to work with people with lived experience, peer support workers and community organisations to identify and test practical ways of improving access to specialist mental health services for under-served communities. The project will develop and pilot culturally appropriate interventions to help people engage with appointments, treatment and support, while generating evidence about what works to reduce inequalities in access and experience of care.

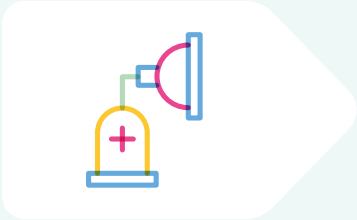
The learning will be used to inform future approaches across mental health services, helping ensure that more people receive timely, equitable and person-centred support.

Did you know?

In the UK, black people are three times more likely than white people to be detained under the Mental Health Act, highlighting ongoing inequalities in how mental health care is accessed and delivered.

Cabinet Office, **Detentions under the Mental Health Act. Ethnicity Facts and Figures**, 2024.

Reducing health inequalities in Sheffield continued



Grant type:
Equipment

£5,000

Supporting pregnant South Asian women with language appropriate information

Pregnant women from South Asian communities face higher risks of poor maternal and neonatal outcomes, alongside barriers such as language, health literacy and access to culturally appropriate information. This can make it harder for women to engage with services and manage their health during pregnancy, contributing to inequalities in outcomes.

Sheffield Hospitals Charity funded one year of access to the Janam App. This is a culturally tailored digital tool designed to support pregnant South Asian women with accessible, language-appropriate information and guidance throughout pregnancy.

By improving understanding, engagement and self-management, the App supports healthier pregnancies, improves outcomes and reduces inequalities in maternal health.

Did you know?

In the UK, women from Asian backgrounds are nearly twice as likely to die during or after pregnancy compared to white women, highlighting persistent inequalities in maternity care.

MBRACE-UK, **Saving Lives, Improving Mothers' Care**, 2024.

Maximising technology, research and innovation



Grant type:
Equipment

£1.45m

Da Vinci Xi surgical system

Surgical services are under increasing pressure to improve precision, reduce recovery times and enhance patient outcomes. Advances in robotic surgery offer greater accuracy, less invasive techniques and improved recovery, but access to this technology remains limited without dedicated investment.

We provided funding of £1.45 million to fund a state-of-the-art da Vinci Xi surgical robot, enabling Sheffield Teaching Hospitals to expand minimally invasive surgery for patients with complex cancers. This supports faster recovery, fewer complications, and shorter hospital stays.

The robot is now in active use at the Northern General Hospital, transforming surgery and care across multiple cancer pathways.

Did you know?

Over 3,600 cancer surgeries take place across Sheffield Teaching Hospitals each year. These take place at the Northern General and Royal Hallamshire Hospitals.

In some cancer pathways robotic surgery can reduce complications by 30-40% meaning fewer infections, readmissions and faster recovery.

Sheffield Teaching Hospitals cancer surgery data, 2024.

Sheffield Teaching Hospitals, **New surgical robot for cancer patients made possible thanks to Sheffield Hospitals Charity**, 2026.

Maximising technology, research and innovation continued



Grant type:
Research

£53,761

TG6 autoimmunity and its role in gluten ataxia

Gluten ataxia is a rare neurological condition where the body's immune system attacks the brain in response to gluten, leading to problems with balance and coordination. It is often under-recognised and poorly understood, meaning diagnosis can be delayed and opportunities for early treatment missed, resulting in irreversible damage for patients.

We fund research into TG6 autoimmunity and its role in gluten ataxia, aiming to improve understanding of how the condition develops and how it can be identified earlier. By advancing knowledge and diagnostic approaches, this work has the potential to improve patient outcomes, enable earlier intervention and prevent long-term disability associated with this condition.

Did you know?

Gluten ataxia can cause measurable shrinkage of the cerebellum. However, a strict gluten free diet can stop the progression of brain damage and may even improve symptoms if started early.

Coeliac UK, **Neurological conditions**.

Maximising technology, research and innovation continued



Grant type:
Patient welfare

£46,450

PRiDE to Breathe pilot

Breathlessness is a common and often complex symptom that can be caused by a range of serious conditions, including heart and lung disease. Patients can experience delays in diagnosis and treatment as they move between services, leading to repeated hospital visits, poorer outcomes and increased pressure on NHS resources

We funded a pilot project providing rapid diagnostic expertise for patients presenting with breathlessness, enabling earlier assessment and more accurate diagnosis. By bringing specialist input closer to the point of care, the project aims to reduce delays, improve patient outcomes and ensure people are directed to the right treatment pathway more quickly.

Did you know?

There are over 850,000 emergency hospital admissions each year for respiratory conditions in England, many of which could be prevented with earlier diagnosis.

Office for Health Improvement and Disparities, **Respiratory disease profile: statistical commentary**, May 2026.

Structure, governance and management

Linked charities

At the Balance Sheet date, there were 12 charities registered with the Charity Commission under the umbrella registration of Sheffield Hospitals Charity. During the year we closed one of the linked charities as they were not externally operational. We occasionally receive legacies for the specific linked charities below and are therefore retaining them to ensure that legacies are directed into the specific NHS areas that the legators intended.

Sheffield Hospitals Charitable Trust: Registered Charity No. 1169762-1

Sheffield Teaching Hospitals Charity: Registered Charity No. 1169762-2

Sheffield Health & Social Care NHS Foundation Trust Charity: Registered Charity No. 1169762-3

Weston Park Hospital Staff Development Fund: Registered Charity No. 1169762-5

Head Injuries Unit Charity: Registered Charity No. 1169762-6

Cancer Research Charity: Registered Charity No. 1169762-7

Royal Hallamshire Hospital Arthritis Fund: Registered Charity No. 1169762-8

Jessop Wing Care and Research Fund: Registered Charity No. 1169762-9

Thomas Blow Patients' Amenities Fund: Registered Charity No. 1169762-10

J Sinclair White Trust: Registered Charity No. 1169762-11

Royal Hallamshire Hospital Rheumatology Fund: Registered Charity No. 1169762-12

Sheffield Kidney Research Foundation: Registered Charity No. 1169762-13

Delegated authority

The charity has established a clear Scheme of Delegation which sets down the authority delegated by the Trustees to the CEO. The Trustees are ultimately accountable for the purpose, strategy and compliance of the charity, but delegate the day-to-day management of the charity and operational decisions to the CEO. Notably, funding and expenditure decisions have thresholds.

Reporting and accountability are achieved through the two sub-committees of the Board – Finance and Performance Committee and Grants Investment Panel – and Board meetings themselves, which are attended by the CEO and broader executive team.

Trustees

Adrian Stone (Chair); also Director of SHCT Trading Limited – resigned 30/06/2026

Lawrence Bate (new Chair); also Director of SHCT Trading Limited – appointed 30/06/2026

Dr Rob Ghosh (Deputy Chair) – resigned 24/04/2025

Steve Matthews (Chair of Finance and Performance Committee); also Director of SHCT Trading Limited – resigned 15/09/2026

Professor Chris Morley

Dr Iolanthe Fowler

Mohammed Mahroof – resigned 10/07/2026

Amy Tingle

Catherine Sinclair

Dr Sarah Molton

James Drury

Tom Elliot

Una Cunningham – appointed 22/12/2025

Adele Sabin – appointed 02/01/2026

Recruitment, appointment and induction of Trustees

In the year, we thanked Dr Rob Ghosh for his long-standing support as trustee, and welcomed two new trustees to our Board; Una Cunningham and Adele Sabin joined from Sheffield Teaching Hospitals and Sheffield Health Partnership respectively.

On 30 June 2026, we thanked Adrian Stone for his leadership and support as Chair during his eight-year tenure, with Lawrence Bate formally starting his Chairmanship the same day. We also thanked Mohammed Mahroof for his time as trustee.

Trustee induction comprised the provision of a Trustee Induction Pack from the charity containing key information about our strategy, plans, budgets, organisational structure, governance structure, the role of Trustees, and guidance from the Charity Commission.

As per our induction for new employees, new Trustees have the opportunity to visit various sites across our beneficiary NHS FTs, to see the real-life impact of our work.

Ambassadors

We remain hugely grateful to our Ambassadors who work to help raise the profile of our work and ensure we have the greatest impact across Sheffield's NHS.

Professor Bola Owolabi, Chief Inspector – Primary Care and Community Services, Care Quality Commission, and Richard Stubbs, CEO of Health Innovation Yorkshire and Humber. Bola and Richard are supporting our work around tackling health inequalities in Sheffield and maximising technology, research and innovation respectively.

Musician Tony Christie performed at our inaugural Red Shoe Walk, entertaining the crowd before the walk began.

Joe Scarborough held his 'Then and Now' art exhibition spanning 60 years of work and containing original works. 10% of sales were gifted to support Sheffield Hospitals Charity's dementia work as part of the Master Cutler's Challenge.

Strategic Leadership Team

During the year, the Strategic Leadership Team comprised:

- Beth Crackles, CEO; also Director of SHCT Trading Limited
- Shasta Ashraf, Director of Grants
- Samantha Earnshaw, Director of Brand and Communications
- Judith Moulsdale, Director of Finance
- Gregory van Heeswijk, Director of Fundraising (appointed 06/01/2026)

Pay for senior staff

The Trustees assess and set remuneration for the CEO and the broader staff team. During the year the charity commissioned Bhayani Law to conduct a benchmarking exercise of its salary bands, which was reviewed by Trustees.

Salaries and employee benefits are considered in the context of the local market in Sheffield, the charity sector nationally, and very specifically, the NHS charity sector, and are based on the following principles:

- Ability to attract and retain staff with the relevant skills, knowledge and experience to drive the charity forward
- Ability to retain such staff
- Affordability within the charity's financial resources.

Reserves Policy

At 31 March 2026, our free reserves stood at £1.7m.

The charity's Reserves Policy takes a three year view, aligning with our 2024-27 strategy on reducing its free reserves to the desired level of £1m. We are delivering this by investing in high impact projects across Sheffield's NHS and, in parallel, supporting the growth and long-term sustainability of the charity.

While not a scenario we anticipate, we have calculated the cost of closing the charity to be in the region of £1m (£983k). This would cover redundancy costs; skeleton staff to administer grants; paying the property lease; staff cost commitments through our grant-making across STH and SHPU. It assumes that the Board of Trustees would fulfil the governance requirements of the charity in such an event.

Investments

The overall investment objective is to protect income from inflationary increases whilst maintaining capital growth in line with the movement in the agreed benchmarks in respect of the equity content of the portfolio.

Both income and capital – other than the permanent endowment – may be used at any time for the furtherance of the charity's aims. However, the unrestricted income delivered by the portfolio is important to the Trustees as a means of funding the charity's core costs.

The charity's approach to risk is moderate. The charity's investment objectives are achieved by investing prudently in a broad range of fixed interest securities and equities which are quoted on a Recognised Investment Exchange and unit trusts which are authorised under the Financial Services and Markets Acts 2000.

Direct investments in negotiable instruments known as 'derivatives' are not permitted in any circumstances. Through negative screening, the charity does not invest directly in the tobacco industry and pornography.

Risk statement

The Risk Register (a) identifies and ranks risks by multiplying the level of likelihood by the potential impact if the risk were to be realised, and (b) details the processes and controls in place to mitigate them. During the financial year, there were no risks that would prevent the charity from delivering its charitable objects.

The Trustees and SLT proactively manage and review the risks to the charity on a regular basis:

- The Risk Register is reviewed and updated monthly (where necessary) by the SLT;
- The Risk Register is reviewed at each Finance and Performance sub-committee meeting (five per year) and reports to Board at each meeting as part of a sub-committee update;
- The full Board of Trustees review the principal risks within Risk Register and the broader uncertainties that the charity faces six-monthly at Board meetings.

Trading subsidiary

Sheffield Hospitals Charity is the sole shareholder of a trading company, SHCT Trading Ltd (company number 6219138). Two Trustees – and the CEO – act as Directors of the company, as noted above. Its accounts and annual returns are filed with Companies House.

Complaints

Sheffield Hospitals Charity welcomes compliments, comments and complaints as an important part of improving the services we provide to patients, supporters, donors, volunteers, partners and members of the public. We are committed to responding to concerns fairly, respectfully and in a timely manner, and use feedback to inform improvements across the charity.

The charity is registered with the Fundraising Regulator and the Gambling Commission. During the year, the charity received one formal complaint relating to the cancellation of a Direct Debit. The matter was investigated, resolved directly with the supporter and was not escalated to either regulator. No complaints were received by the Fundraising Regulator or the Gambling Commission.

Our complaints process can be summarised as follows:

- Complaints can be made by email, post, telephone or in alternative accessible formats where required.
- We aim to acknowledge complaints within three working days and provide a full response within 15 working days. Where a complaint is more complex, we will keep the complainant informed of progress.
- If the complainant is dissatisfied with our initial response, they may request a review by a senior member of staff who was not involved in the original investigation.
- If, after completing our complaints process, the complainant remains dissatisfied, they may refer the matter to the appropriate external body, including the Fundraising Regulator, the Charity Commission, the Information Commissioner's Office, or, for lottery-related disputes, an approved Alternative Dispute Resolution (ADR) provider in accordance with Gambling Commission requirements.

Statement of Trustees' responsibilities

The trustees (who are also directors of the company for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable group's auditor is unaware, and
- the Trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

Sumer Auditco Limited were appointed as auditor to the charitable company following BHP LLP becoming part of the Sumer Group on 31 December 2025, which required a change in audit firm to comply with applicable regulatory requirements.

Approved by order of the members of the board of Trustees and signed on their behalf by:



22 September 2026

Independent auditors report:

Opinion

We have audited the financial statements of Sheffield Hospitals Charity (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2026, which comprise the consolidated statement of financial activities, the consolidated balance sheet, the company balance sheet, the consolidated statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2026, and of the group's 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 Companies Act 2006.

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 responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company 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.

Basis for opinion

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 group and parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Opinions on other matters prescribed by the Companies Act 2006

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or

Matters on which we are required to report by exception

- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the parent charitable company for the purposes of company law) 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 group and parent charitable company'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 group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor responsibilities for the audit of the financial statements

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.

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:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charitable company through discussions with trustees and other management, and from our commercial knowledge and experiences of the sector;
- we focussed on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including the Charities Act 2011, Companies Act 2006, taxation legislation and data protection, employment law and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence throughout; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by;

- making enquiries of management and trustees as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risks of fraud through management bias and override controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the FRC's website 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 charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Sumer Auditco Limited

Signer ID: B71XQS3DFV...

Adrian Staniforth
(Senior Statutory Auditor)

for and on behalf of

Sumer Auditco Limited
Chartered Accountants
Statutory Auditor
Albert Works
Sidney Street
Sheffield
S1 4RG

Date: 01/10/2026 GMT

Consolidated Statement of financial activities

(Including Income & Expenditure Account) for the year ended 31 March 2026

	Note	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	2026 Total Funds £000	2025 Total Funds £000
Income and endowments from:						
Donations and legacies	3.1	349	912	-	1,261	1,036
Charitable activities	3.2	256	158	-	414	267
Other trading activities	3.3	1,032	43	-	1,075	960
Investments	3.4	264	308	-	572	675
Other income	3.5	6		-	6	1
Total Income		**1,907**	**1,421**	**-**	**3,328**	**2,939**
Expenditure on:						
Raising funds	4.1	1,146	405	-	1,551	1,629
Charitable activities	4.2	3,651	917	-	4,568	3,687
Grant write-backs			(59)	-	(59)	28
Total Expenditure		**4,797**	**1,263**	**-**	**6,060**	**5,344**
Net gains/(losses) on investments	7	905	509	132	1,546	44
Net income/(expenditure)		(1,985)	667	132	(1,186)	(2,361)
Transfers between funds	11.4	322	(322)	-	-	-
Net movement in funds	11	**(1,663)**	**345**	**132**	**(1,186)**	**(2,361)**
Reconciliation of funds						
Total funds brought forward	11	4,051	6,912	1,452	12,415	14,776
Total funds carried forward	11	**2,388**	**7,257**	**1,584**	**11,229**	**12,415**

All income and expenditure derives from continuing activities.

The statement of financial activities includes all gains and losses recognised during the year.

The notes on pages 50 – 72 form part of these accounts.

Balance sheet as at 31 March 2026

	Note	Group 2026 £000	Group 2025 £000	Charity 2026 £000	Charity 2025 £000
Fixed Assets					
Tangible assets	5	96	17	96	17
Intangible assets	6	48	53	48	53
Investments	7	15,744	15,691	15,744	15,691
		15,888	15,761	15,888	15,761
Current Assets					
Stock	8	-	6	-	-
Debtors	9	760	400	758	424
Cash at bank and in hand		83	162	82	145
		843	568	840	569
Creditors: Amounts falling due within one year	10.1	3,432	2,486	3,432	2,501
Net Current (Liabilities)		(2,589)	(1,918)	(2,592)	(1,932)
Total Assets less Current Liabilities		13,299	13,843	13,296	13,829
Creditors: Amounts falling due after more than one year	10.2	2,070	1,428	2,070	1,428
Total Net Assets		11,229	12,415	11,226	12,401
Funds					
Endowment funds (incl. revaluation reserve £132k (2025: £227k))	11.1	1,584	1,452	1,584	1,452
Restricted income funds (incl. revaluation reserve £1,421k (2025:£949k))	11.2	7,257	6,912	7,257	6,912
		8,841	8,364	8,841	8,364
Unrestricted funds (incl. revaluation reserve £1,707k (2025: £1,773k)	11.3	2,388	4,051	2,385	4,037
Total Funds		**11,229**	**12,415**	**11,226**	**12,401**

The notes at pages 50 – 72 form part of these accounts.

The charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of financial activities in these financial statements. The deficit of the Charity is £1.19m (2025: deficit of £2.36m).

The financial statements were approved and authorised for issue by the trustees on 22nd September 2026 and signed on their behalf by:

Lawrence Bate

Lawrence Bate
Chair

Company registration number: 10422654

Consolidated Statement of cash flows

For the year ended 31 March 2026

	2026 £000	2025 £000
Net expenditure/income for the year (as per the statement of financial activities)	(1,186)	(2,361)
Adjustments for:		
Depreciation	1	1
Amortisation	5	5
Loss on disposal of fixed assets	-	161
(Gains)/Losses on investments	(1,546)	(44)
Dividends, interest and rents from investments	(572)	(675)
Decrease in stock	6	(2)
Fixed asset adjustment	(81)	-
Increase/(Decrease) in debtors	(360)	(32)
Increase/(Decrease) in creditors	1,588	1,113
Net cash flow from operating activities	(2,145)	(1,834)
Cash flow from investing activities:		
Dividends, interest and rents from investments	572	675
Proceeds from sale of investments	4,698	3,289
Purchase of intangible asset	-	(38)
Purchase of tangible asset	-	(18)
Purchase of investments	(3,242)	(2,436)
Net cash flow from investing activities	2,028	1,472

	2026 £000	2025 £000
Change in cash and cash equivalents in the year	(116)	(362)
Cash and cash equivalents at the beginning of the year	218	580
Cash and cash equivalents at the end of the year	102	218
Analysis of cash and cash equivalents		
Cash in hand	83	162
Cash in investments	19	56
Cash and cash equivalents at 31 March 2026	102	218

Notes to the accounts

1 Accounting policies

1.1 General information and basis of preparation

Sheffield Hospitals Charity is a charity and company limited by guarantee registered in England & Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

The Charity constitutes a public benefit entity as defined by FRS102. The financial statements have been prepared in accordance with 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £000.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

1.2 Group accounting policy

The financial statements consolidate the accounts of Sheffield Hospitals Charity and all of its subsidiary undertakings ('subsidiaries'). The results of the subsidiaries are consolidated on a line-by-line basis.

The Company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own statement of financial activities in these financial statements.

The Group's net income and expenditure account for the year dealt with within the accounts was £1.19m (2025: £2.36m).

1.3 Income recognition

a) All incoming resources are included in full in the Statement of Financial Activities as soon as the following three factors can be met:

   i) entitlement – when control over the rights or other access to this economic benefit has passed to the charity;

   ii) probable – it is more likely than not that the economic benefits associated with the transaction or gift will flow to the charity;

   iii) measurement – the monetary value or amount of income can be measured reliably, and the costs incurred for the transactions and to complete the transactions can be measured reliably.

1 Accounting policies continued

1.3 Income recognition continued

b) Legacies

Receipt of a legacy is recognised when it is probable that it will be received. Receipt is normally probable when there has been grant of probate; the executors have established that there are sufficient assets in the estate, after settling any liabilities, to pay the legacy; and any conditions attached to the legacy are either within the control of the charity or have been met.

c) Incoming resources from endowment funds

Under the terms of the endowments, incoming resources other than investment gains or losses are restricted and are allocated to the appropriate restricted fund.

d) Income from trading activities

Includes income earned from fundraising events and trading activities to raise funds for the charity. Income is exchanged for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

1.4 Expenditure recognition

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

a) Cost of raising funds

The costs of raising funds are the costs associated with generating income for the funds held on trust. This will include the costs associated with fund raising, trading activity, portfolio management and property management.

b) Grants payable

Grants payable are payments made to third parties (including NHS bodies) in the furtherance of the Charity's objectives. They are accounted for on an accruals basis where the conditions for their payment have been met or where a third party has a reasonable expectation that they will receive the grant.

c) Governance costs

These are accounted for on an accruals basis and represent the costs incurred in the organisational administration and compliance with constitutional and statutory requirements. This will include appropriate proportions of salary costs from the following trusts:

- Sheffield Teaching Hospitals NHS Foundation Trust
- Sheffield Health Partnership University NHS Foundation Trust

1 Accounting policies continued

1.4 Expenditure recognition continued

d) Allocation of overhead and support costs

Overhead and support costs have been allocated between costs of raising funds and expenditure on charitable activities. Costs which are not wholly attributable to an expenditure category have been apportioned. The analysis of support costs and the basis of apportionment applied are shown in note 4.3. Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

1.5 Structure of funds

Where there is a legal restriction on the purpose to which a fund may be put, the fund is classified in the accounts as a restricted fund. Funds where the capital is held to generate income for charitable purposes and cannot itself be spent are accounted for as endowment funds. Other funds are classified as unrestricted funds. Funds which are not legally restricted but which the Trustees have chosen to earmark for set purposes are designated funds.

The major restricted funds held are disclosed in note 11.2 and major designated funds are disclosed in note 11.3.

1.6 Fixed assets

a) Capitalisation

All assets falling into the following categories are capitalised:

i) tangible assets which are capable of being used for more than one year and have a cost equal to or greater than £5,000;

ii) groups of tangible fixed assets which are interdependent or would normally be provided or replaced as a group with a total value in excess of £5,000 and an individual value of £250 or more.

b) Valuation

Tangible fixed assets are stated at cost less depreciation.

c) Depreciation

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

	Years
Office and IT equipment	5
Leasehold improvements	15
Fixtures and Fittings	5
Land improvements	Over the length of the lease

1 Accounting policies continued

1.7 Fixed asset investments

Fixed asset investments are shown at fair value at the Balance Sheet date.

a) Property assets are not depreciated but are shown at market valuation. Full valuations, including site visits, are carried out by a professional valuer at five yearly intervals. The last such valuation was carried out during March 2020. Between valuations, the trustees make a best estimate of fair value based on available market data.

   The Trustees have agreed to defer property valuations due to properties and land not yet registered with land registry. When these assets have been registered it will be at this point that valuations will be progressed.

b) Quoted stocks and shares are included in the Balance Sheet at mid-market price, ex-div.

1.8 Realised and unrealised gains and losses

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

1.9 Apportionment

Items of income and expenditure are apportioned on a quarterly basis to qualifying funds, as follows:

a) Dividends, investment gains / (losses) and investment management expenses are allocated to funds in direct proportion to that fund's share of the total investment portfolio at the quarter end.

b) Bank interest is allocated to funds in direct proportion to that fund's share of the total bank balance at the quarter end.

c) Management costs are allocated to funds in direct proportion to the average balance of the fund in the quarter as a proportion of the total average balances.

The apportionment process is managed through individual control funds for each linked charity which sit alongside the underlying funds.

1.10 Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

1.11 Tax

The Charity is an exempt charity within the meaning of Schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

1 Accounting policies continued

1.12 Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the Charity to be able to continue as a going concern.

1.13 Provisions

Provisions are recognised when the Charity has an obligation at the Balance Sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably measured.

1.14 Cash at bank and in hand

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

1.15 Stock

Stocks are stated at the cost price. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

1.16 Employee Benefits (Incl. Pensions)

The charity operates two pension schemes, a defined benefit scheme for employees TUPED from the Sheffield Teaching Hospitals on 1 April 2017 and a defined contribution scheme for employees employed post 1 April 2017.

The defined benefit NHS Pension Scheme is an unfunded scheme therefore contributions to both schemes are expensed as they become payable.

1.17 Leases

Rentals payable and receivable under operating leases are charged to the SOFA on a straight line basis over the period of the lease.

1.18 Judgements and key sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

a) Support costs allocation

Allocation of support costs is estimated based on resources used as detailed in note 4.3. Apportionment of costs is detailed in note 1.8 above.

2 Detailed statement of financial activities

For the year ended 31 March 2025

	Note	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	2025 Total Funds £000
Income and endowments from:					
Donations and legacies	3.1	501	535	–	1,036
Charitable activities	3.2	167	100	-	267
Other trading activities	3.3	882	78	-	960
Investments	3.4	429	246	-	675
	3.5	1	-	-	1
Total Income		**1,980**	**959**	**-**	**2,939**
Expenditure on:					
Raising funds	4.1	1,471	158	–	1,629
Charitable activities	4.2	2,613	1,074	-	3,687
Grant write-backs		92	(64)	-	28
Total Expenditure		**4,176**	**1,168**	**-**	**5,344**
Net gain on investments	7	33	14	(3)	44
Net income		(2,163)	(195)	(3)	(2,361)
Transfers between funds	11.4	(496)	496	-	–
Net movement in funds		**(2,659)**	**301**	**(3)**	**(2,361)**
Reconciliation of funds					
Total funds brought forward	11	6,710	6,611	1,455	14,776
Total funds carried forward	10	**4,051**	**6,912**	**1,452**	**12,415**

All income and expenditure derive from continuing activities.

The statement of financial activities includes all gains and losses recognised during the year.

3 Details of income

3.1 Income from donations and legacies

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	2026 Total £000	2025 Total £000
Donations	240	236	-	476	450
Legacies	109	676	-	785	586
Total	**349**	**912**	**-**	**1,261**	**1,036**

3.2 Charitable activities

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	2026 Total £000	2025 Total £000
Grants received	256	158	–	414	267
Total	**256**	**158**	**–**	**414**	**267**

We would like to express our sincere gratitude to the Trusts and Foundations who enabled us to fund enhanced patient care, innovative staff wellbeing projects and work to tackle health inequity across Sheffield Teaching Hospitals and Sheffield Health Partnership in year ending 31 March 2026. This support, often given quietly and without expectation of recognition, has a lasting impact on the lives of thousands of people who are cared for across our region, by Sheffield's NHS each year.

Hyman Winstone Foundation
Legal & General and UCL Health Equity Fund
Marjorie Coote Old Peoples Charity Fund
Matthew Good Foundation
NHS Charities Together
Nutricia Advanced Medical Nutrition
Redbrik Foundation
ShareGift
Sheffield Church Burgesses Trust
Tesco Stronger Starts
The Barratt Redrow Foundation
The CMS Social Impact Fund
The Duke of Devonshire's Charitable Trust
The Evan Cornish Foundation
The Gripple Foundation
The James Neill Trust Fund
The Sarah Nulty Power of Music Foundation
The Spectris Foundation
The W. G. Edwards Charitable Foundation

3 Details of income continued

3.3 Other trading activities

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	2026 Total £000	2025 Total £000
Income from the provision of education and training					60
Fundraising events	92	43	-	135	132
SHCT Trading Ltd	5	-	-	5	33
SHC Lottery	879	-	-	879	735
Course fee income	56	-	-	56	-
Total	**1,032**	**43**	**-**	**1,075**	**960**

3.4 Investments

Analysis of gross income from investments

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	2026 Total £000	2025 Total £000
Rental income	1	115	–	116	115
Listed investments	262	193	–	455	556
Interest on short term deposits	1	–	–	1	4
Total	**264**	**308**	**–**	**572**	**675**

3.5 Other income

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	2026 Total £000	2025 Total £000
Other income	6	–	–	6	1
Total	**6**	**–**	**–**	**6**	**1**

4 Details of expenditure

4.1 Raising funds

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	2026 Total £000	2025 Total £000
Staff costs	332	171	–	503	492
Fundraising costs	163	85	–	248	199
Investment Manager's fees	35	17	–	52	44
SHC Lottery costs	370	–	–	370	414
Retail costs	2	–	–	2	19
Support costs (see note 4.3)	244	132	–	376	461
Total	**1,146**	**405**	**–**	**1,551**	**1,629**

4.2 Charitable activities

Grants payable 2026

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	2026 Total £000	2025 Total £000
Patients welfare and amenities	1,219	146	-	1,365	1,716
Staff welfare and amenities	131	234	-	365	288
Staff training	30	46	-	76	208
Research	58	138	-	196	204
Capital equipment	1,473	105	-	1,578	453
Building work	488	130	-	618	364
Training course running costs	41	9	-	50	59
Support costs (see note 4.3)	211	109	-	320	395
Total	**3,651**	**917**	**-**	**4,568**	**3,687**

4 Details of expenditure continued

4.2 Charitable activities continued

Grants made to institutions

	2026 £000	2025 £000
Name of recipient:		
Sheffield Teaching Hospitals	2,860	2,880
Sheffield Health Partnership	590	41
British Red Cross		300
University of Sheffield	54	
Age UK Sheffield	358	
Enrichment for the Elderly	18	
Independent Domestic Abuse Services (IDAS)	220	
Total	**4,100**	**3,221**

Grants made to individuals

	Number	2026 £000	2025 £000
Study leave grants	163	75	71
Total	**163**	**75**	**71**

4 Details of expenditure continued

4.3 Allocation of support costs and overheads

Support costs are directly allocated to charitable activities and raising funds where they are wholly attributable to those headings. The balance is then allocated between activities using the following bases:

- Time: based on the best estimate of the time spent on each function by departmental members.
- Department: based on the best estimate of the time spent on each function by the Charitable Funds department as a whole.

a) Analysis of expenditure

	Charitable Activities £000	Raising Funds £000	2026 Total £000	2025 Total £000	Basis of Apportionment
Staff costs	211	211	422	386	Time
Audit and accountancy	20	-	20	20	Grant making
Insurance premiums	4	4	8	8	Grant making
Subscriptions	-	22	22	0	Department
Legal fees	-	2	2	6	Department
Computer maintenance and IT systems	28	28	56	68	Department
Staff training	-	16	16	11	Department
Bank charges	3	3	6	3	Department
Printing and stationery	1	3	4	6	Department
Recruitment	12	12	24	-	Department
Depreciation	4	4	8	1	Department
Amortisation	-	-	-	5	
Loss on disposal	-	-	-	161	
Cash collection fees	-	13	13	14	Department
Cleaning	-	-	-	3	Time
Rent, rates, light & heat	40	40	80	74	Actual
Professional services	-	14	14	24	Actual
Miscellaneous	(2)	3	1	66	Actual
Total	**321**	**375**	**696**	**856**	

b) Support cost allocation summary

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	2026 Total £000	2025 Total £000
Charitable activities	212	109	-	321	395
Raising funds	244	131	-	375	461
Total	**456**	**240**	**–**	**696**	**856**

5 Tangible assets

Group and company

	Leasehold Improvements £000	Fixture and fittings £000	Land Improvements £000	Total £000
Total tangible fixed assets				
Balance at 1 April 2025	–	1	16	17
Additions	81	–	–	81
Disposals	–	–	–	–
Balance at 31 March 2026	81	1	16	98
Accumulated depreciation				
Balance at 1 April 2025	–	–	1	1
Charge for the year	–	–	1	1
Eliminated on disposal	–	–	–	–
Balance at 31 March 2026	–	–	2	2
Net book value at 31 March 2026	81	1	14	96
Net book value at 31 March 2025	–	1	16	17

6 Intangible assets

Group and company

	Systems software £000	Total £000
Total tangible fixed assets		
Balance at 1 April 2025	58	58
Additions	–	–
Balance at 31 March 2026	58	58
Accumulated depreciation		
Balance at 1 April 2025	5	5
Charge for the year	5	5
Balance at 31 March 2026	10	10
Net book value at 31 March 2026	48	48
Net book value at 31 March 2025	53	53

7 Investments

Group and company

Fixed asset investments

	2026 Total £000	2025 Total £000
Market value at 1 April	14,035	14,843
Disposals at carrying value	(4,698)	(3,288)
Acquisitions at cost	3,242	2,436
Net (loss)/gain on revaluation	1,546	44
Market Value at 31 March	**14,125**	**14,035**
Investment cash	19	19
Total Investments	**14,144**	**14,091**

Market value at 31 March:

	Held in UK £000	2026 Total £000	2025 Total £000
Investment properties	1,600	1,600	1,600
Investments listed on Stock Exchange	13,144	13,144	13,691
Cash held as part of the investment portfolio	1,000	1,000	400
Total	**15,744**	**15,744**	**15,691**

8 Stock

	Group 2026 £000	Group 2025 £000	Charity 2026 £000	Charity 2025 £000
Stock of goods for resale	–	6	–	–
	–	**6**	**–**	**–**

9 Debtors

Amounts falling due within one year:	Group 2026 £000	Group 2025 £000	Charity 2026 £000	Charity 2025 £000
Prepayments	30	133	30	133
Accrued income	527	245	527	245
Other debtors	203	22	201	46
	760	**400**	**758**	**424**

10 Creditors

10.1 Amounts falling due within one year

	Group 2026 £000	Group 2025 £000	Charity 2026 £000	Charity 2025 £000
Accruals	3,337	2,403	3,337	2,418
Other tax and social security	27	26	27	26
Other creditors	47	43	47	43
Deferred income	21	14	21	14
	3,432	**2,486**	**3,432**	**2,501**

10.2 Amounts falling due after more than one year

	Group 2026 £000	Group 2025 £000	Charity 2026 £000	Charity 2025 £000
Accruals	2,070	1,428	2,070	1,428
Total creditors	**5,502**	**3,914**	**5,502**	**3,914**

Accruals falling due within one year are £0.86m (2025: £1.37m) for unrestricted funds, and £2.44m (2025: £1.03m) for restricted funds.

Accruals falling due after more than one year are £1.41m (2025: £0.40m) for unrestricted funds and £0.59m (2025: £1.03m) for restricted funds. This relates to charitable grants to be drawn down in years.

11 Funds of the Charity

Group and company

11.1 Endowment funds

Year ending 31 March 2026

	Balance 1 April 2025 £000	Income £000	Expenditure £000	Transfers £000	Gains and losses £000	Balance 31 March 2026 £000
J Sinclair White	818	–	–	–	60	878
Thomas Blow	634	–	–	–	72	706
2026 Total	**1,452**	**–**	**–**	**–**	**132**	**1,584**

Year ending 31 March 2025

	Balance 1 April 2024 £000	Income £000	Expenditure £000	Transfers £000	Gains and losses £000	Balance 31 March 2025 £000
J Sinclair White	819	–	–	–	(1)	818
Thomas Blow	636	–	–	–	(2)	634
2025 Total	**1,455**	**–**	**–**	**–**	**(3)**	**1,452**

Name of fund	Description of the nature and purpose of each fund
J Sinclair White	Promoting the efficient performance of their duties by the nursing staff employed at the Institutions. To assist financially or otherwise nursing staff in necessitous circumstances whether currently or previously employed by the Institutions.
Thomas Blow	For the provision of comforts, services and facilities not readily available from the other sources for patients at the Royal Hallamshire Hospital.

11 Funds of the Charity continued

11.2 Restricted funds

Year ending 31 March 2026

	Balance 1 April 2025 £000	Income £000	Expenditure £000	Transfers £000	Gains and losses £000	Balance 31 March 2026 £000
Sheffield Teaching Hospitals	5,519	1,086	(892)	(199)	460	5,973
Cancer Research	168	12	(5)	-	28	203
J Sinclair White	172	64	(11)	-	-	225
Jessop Wing Care and Research Fund (formerly Ellen Webster)	73	3	(16)	-	10	70
Sheffield Kidney Research Association	38	13	(8)	(1)	7	49
Thomas Blow	461	56	(161)	-	-	356
Head Injuries Unit	325	35	(35)	-	-	325
Sheffield Hospitals Charitable Trust	54	-	(2)	-	-	52
George Blomfield	30	1	(6)	(2)	4	27
Royal Hallamshire Hospital Rheumatology Fund (formerly Jean Margaret Woodhead)	28	-	(6)	-	-	22
Sheffield Health Partnership	3	30	(10)	-	-	23
Royal Hallamshire Hospital Arthritis fund (formerly Ida Siddall)	10	-	(9)	-	-	1
Dementia SHPU	1	2	(2)	-	-	1
NHS Charities Together – Stage 2	9	-	-	-	-	9
NHS CT – REACH	-	120	(100)	(120)	-	(100)
NHSCT Development Grant	21	-	-	-	-	21
2025 Total	**6,912**	**1,422**	**(1,264)**	**(322)**	**509**	**7,257**

11 Funds of the Charity continued

11.2 Restricted funds continued

Year ending 31 March 2025

	Balance 1 April 2024 £000	Income £000	Expenditure £000	Transfers £000	Gains and losses £000	Balance 31 March 2025 £000
Sheffield Teaching Hospitals	5,197	737	(923)	494	14	5,519
Cancer Research	195	12	(39)	–	–	168
J Sinclair White	188	65	(81)	–	–	172
Jessop Wing Care and Research Fund (formerly Ellen Webster)	88	6	(21)	–	–	73
Sheffield Kidney Research Association	85	10	(57)	–	–	38
Thomas Blow	404	57	–	–	–	461
Head Injuries Unit	325	35	(35)	–	–	325
Sheffield Hospitals Charitable Trust	52	4	(2)	–	–	54
George Blomfield	36	2	(8)	–	–	30
Royal Hallamshire Hospital Rheumatology Fund (formerly Jean Margaret Woodhead)	29	–	(1)	–	–	28
Sheffield Health Partnership	(28)	31	–	–	–	3
Royal Hallamshire Hospital Arthritis fund (formerly Ida Siddall)	10	–	–	–	–	10
Dementia SHSC	–	–	(1)	2	–	1
NHS Charities Together – Stage 2	9	–	–	–	–	9
NHSCT Development Grant	21	–	–	–	–	21
2025 Total	**6,611**	**959**	**(1,168)**	**496**	**14**	**6,912**

11 Funds of the Charity continued

11.2 Restricted funds continued

Name of fund	Description of the nature and purpose of each fund
Sheffield Teaching Hospitals	Any charitable purpose relating to the Sheffield Teaching Hospitals.
Cancer Research	Investigation of the causes of cancer, advancement of scientific education and research in cancer, relief for persons suffering from cancer, primarily, but not exclusively, at Weston Park Hospital.
J Sinclair White	Promoting the efficient performance of their duties by the nursing staff employed at the Institutions. To assist financially or otherwise nursing staff in necessitous circumstances, whether currently or previously employed by the Institutions.
Jessop Wing Care and Research Fund (formerly Ellen Webster)	Research and patients' comforts at the Jessop Wing.
Sheffield Kidney Research Association	To promote the relief of suffering and to further medical science by carrying out research on the kidney.
Thomas Blow	For the provision of comforts, services and facilities not readily available from other sources for patients at the Royal Hallamshire Hospital.
Head Injuries Unit	Any charitable purpose relating to the Head Injuries Unit.
Sheffield Hospitals Charitable Trust	Any charitable purpose relating to hospital services.
George Blomfield	Relief of sickness at the Weston Park Hospital.
Royal Hallamshire Hospital Rheumatology Fund (formerly Jean Margaret Woodhead)	Any charitable purpose relating to the Rheumatology department at the Royal Hallamshire Hospital.
Sheffield Health Partnership University Trust	Any charitable purpose relating to the Sheffield Health Partnership University Trust.
Royal Hallamshire Hospital Arthritis Fund (formerly Ida Siddall)	The diagnosis, assessment and treatment of serious mental disorders and behaviour problems in children including autistic and dysphasic children and the purchase and support of clinical equipment for the above. The treatment of arthritis. The provision of kidney machines.
NHS Charities Together	Stage 1 and Stage 3 funding provided by NHS Charities Together to support staff and patient health and wellbeing during the COVID 19 pandemic
NHS Charities Together: Stage 2	Stage 2 funding provided by NHS Charities Together to support community projects
NHSCT Development Grant	Charities together development grant received to cover development cost of the charity
NHS C T – REACH	Funding from NHS Charities Together for Independent Domestic Abuse Services project (IDAS)

11 Funds of the Charity continued

11.3 Unrestricted and designated funds

Year ending 31 March 2026

	Balance 1 April 2025 £000	Income £000	Expenditure £000	Transfers £000	Gains and losses £000	Balance 31 March 2026 £000
Unrestricted funds						
Sheffield Hospitals Charity General Fund	1,738	1,463	(2,281)	336	451	1,707
Total unrestricted funds	1,738	1,463	(2,281)	336	451	1,707
Material designated funds:						
Sheffield Teaching Hospitals Charity Reserve	133	134	(556)	-	442	154
Designated Capital fund	156	-	-	-	–	156
SHC Capital Exp Fund	2,100	-	(1,736)	-	–	363
Other designated funds (126)	(76)	309	(223)	(14)	11	8
Total designated funds	2,313	443	(2,515)	(14)	454	684
2026 Total unrestricted and designated funds	**4,051**	**1,907**	**(4,797)**	**322**	**905**	**2,388**

11 Funds of the Charity continued

11.3 Unrestricted and designated funds continued

Year ending 31 March 2025

	Balance 1 April 2024 £000	Income £000	Expenditure £000	Transfers £000	Gains and losses £000	Balance 31 March 2025 £000
Unrestricted funds						
Sheffield Hospitals Charity General Fund	1,839	1,149	(1,269)	22	(3)	1,738
Total unrestricted funds	1,839	1,149	(1,269)	22	(3)	1,738
Material designated funds:						
Sheffield Teaching Hospitals Charity Reserve	266	167	(312)	–	12	133
Designated Capital fund	161	–	(5)	–	–	156
SHC Capital Exp Fund	2,100	–	–	–	–	2,100
Other designated funds (226)	2,344	664	(2,590)	(518)	24	(76)
Total designated funds	4,871	831	(2,907)	(518)	36	2,313
2025 Total unrestricted and designated funds	**6,710**	**1,980**	**(4,176)**	**(496)**	**33**	**4,051**

The Trustees have set a closing balance of £100,000 or above as the threshold for reporting material designated funds.

In the interests of accountability and transparency a complete breakdown of all designated and earmarked funds is available upon written request.

11 Funds of the Charity continued

11.3 Unrestricted and designated funds continued

Name of fund	Description of the nature and purpose of each fund
Sheffield Hospitals Charity General Fund	Unrestricted Funds for any charitable purposes
Sheffield Teaching Hospitals Charity	Reserve designated for any charitable purpose at the Sheffield Teaching Hospitals
Designated Capital Fund	Designated for capital expenditure
SHC Capital Exp Fund	Designated capital fund for large projects e.g. surgical robot

11.4 Transfer between funds

Transfers identified in note 11.3 reflect the earmarking of grants awarded by the Trustees and the earmarking of grants previously made which are no longer required, together with the consolidation of various previous reserves funds within Sheffield Teaching Hospitals and Sheffield Health Partnership.

12 Staff costs

The average monthly number of employees and full time equivalent (FTE) during the year was as follows:

	2026 Number	2026 FTE	2025 Number	2025 FTE
Raising funds	15	15	16	15
Governance	4	4	3	2
Total	**19**	**19**	**19**	**17**

The total staff costs and employee benefits were as follows:

	2026 £000	2025 £000
Salaries and wages	775	761
Social security costs	101	79
Defined benefit pension costs	14	13
Defined contribution pension costs	35	30
Total	**925**	**883**

The Charity had one staff member receiving remuneration in the range £70,000 – £80,000 and two staff members remuneration in the range of £60,000 – £70,000 during the year (2025 – one staff member between £70,000 – £80,000 and three staff members between £60,000 – £70,000).

12 Staff costs continued

The senior management team of the Charity were considered to be the Chief Executive, Director of Brand and Communications, Director of Grants, Director of Fundraising and the Director of Finance. The costs of these key management personnel charged to the Charity in the period were:

	2026 £000	2025 £000
Salaries and wages	316	312
Social security costs	43	37
Pension costs	22	20
Total	**381**	**369**

13 Commitments, liabilities and provisions

13.1 Grant commitments

As at 31 March 2026 the charity had no grant commitments (2025: Nil)

The Trustees recognise liabilities in the accounts once they have incurred either a legal or

constructive obligation to expend funds.

Creditors of £4.6m (2025 £3.9m) have been included in this set of accounts. These are considered to be a legal or constructive obligation because commitments have been made to fund research projects, salaries and approved non-recurrent expenditure which can be reliably estimated. Invoices have been received and settled since the Balance Sheet date for remaining items in the total.

Of this figure, £766k (2025 £913k) relates to grants payable on research projects and £1.79m (2025 £498k) on capital items.

13.2 Capital commitments

At 31 March 2026 the charity had no capital commitments (2025: Nil)

14 Operating leases

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2026 £000	2025 £000
Not later than one year	59	59
Later than one and not later than five years	137	235
Later than five years	–	–
Total	**196**	**294**

Operating lease payment is rent for Leah's Yard, ten-year lease with five-year break clause.

15 Trustee and connected persons transactions

15.1 Trustee expenses reimbursed

No Trustees received any reimbursement for expenses during the year.

15.2 Trustee remuneration

No Trustee received any payments during the year.

15.3 Trustee indemnity insurance

	2026 £	2025 £
Description of cover: Personal Indemnity Insurance to a maximum of £1m per annum	1,113	1,427
Total	**1,113**	1,427

16 Related party transactions

During the year no Trustees or members of the key management staff or parties related to them has undertaken any transactions with the Sheffield Hospitals Charity.

Transactions with subsidiary undertakings

SHCT Trading Ltd

During the year the Sheffield Hospitals Charity made total payments of £43 (2025: £45,915) on behalf of SHCT Trading Ltd and received amounts totalling £4,710 (2025: £32,950). At the year-end a profit of £2,733 occurred (2025: £13,834 profit was due from SHCT Trading Ltd).

17 Subsidiary companies

17.1 SHCT Trading Ltd – company registration number 06219138

SHCT Trading Ltd is a wholly owned trading subsidiary.

The results of the subsidiary are summarised below:

	2026 £	2025 £
Turnover	4,710	32,950
Cost of sales	1,934	(17,230)
Gross profit	2,776	15,720
Administration	(43)	(1,886)
Net profit	**2,733**	**13,834**

	2026 £	2025 £
Current assets		
Stocks	-	6,187
Debtors	-	-
Cash at bank and in hand	1,069	16,309
	1,069	22,495
Current liabilities		
Creditors	–	691
Other creditors	892	21,804
Net current assets	177	(2,556)
Capital and reserves		
Called up share capital	2	2
Profit & loss reserves	175	(2,558)
Shareholders' funds	177	(2,556)

18 Analysis of net assets between funds

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	2026 Total £000
Fixed Assets	4,711	9,593	1,584	15,888
Cash and current investments	21	61		82
Other current assets	233	527		760
Other current liabilities	(1,591)	(447)		(2,038)
Creditors more than one year	(986)	(2,477)		(3,463)
	2,388	**7,257**	**1,584**	**11,229**

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	2025 Total £000
Fixed Assets	5,700	8,609	1,452	15,761
Cash and current investments	28	118	-	146
Other current assets	161	245	-	406
Other current liabilities	(1,439)	(1,030)	-	(2,469)
Creditors more than one year	(399)	(1,030)	-	(1,428)
	4,051	**6,912**	**1,452**	**12,415**

19 Pensions

19.1 Defined benefit pension scheme

The charity obtained a NHS Pension Scheme Direction, effective from the 1 April 2017, allowing all employees at that date to retain membership of the NHS Pension Scheme.

The scheme is an unfunded, defined benefit scheme accounted for as a defined contribution scheme.

Employer contribution rates are 14.38%. The amount recognised as an expense in the year is £13,553 (2025: £13,286).

19.2 Defined contribution pension scheme

For all staff members employed after 1 April 2017 the charity operates a defined contribution pension plan. The amount recognised in the year was £35,204 (2025: £30,449).

Sheffield Hospitals Charity

Registered Charity No. 1169762

charity@shct.nhs.uk

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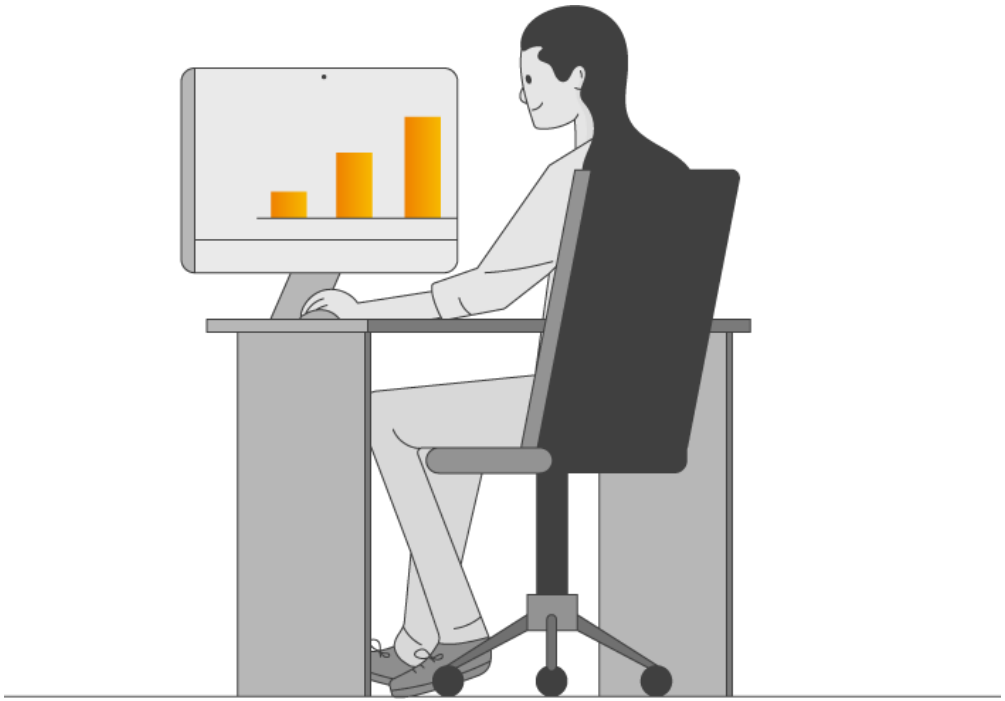
Sheffield Hospitals Charity

Audit Findings Report

Year ended 31 March 2026

BHP

Part of the SUMER Group



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1. Audit Summary

Update on BHP

As communicated in our Audit Planning Memorandum, on 1 January 2026, we joined the Sumer Group, supporting our ambition to be a leading professional services provider in our sector.

This change has resulted in some structural adjustments that you should now be aware of:

- **Audit services** will now be delivered, for regulatory reasons, through **Sumer Auditco Limited**, and our audit opinions will reflect this name.
- **Non-audit services**, such as statutory accounts preparation and corporation tax compliance, will be provided by **BHP Professional Services Limited**.

Please note that these are the same teams you know, continuing to deliver the high standards and client service you value, but operating under different legal entities.

Introduction

This report forms part of the ongoing communication we are required to make under the relevant auditing standard (International Standard on Auditing (UK) 260).

The purpose of this document is to report to those charged with governance, the findings following our audit of the financial statements and receive feedback on the performance of the audit team.

As explained in our audit plan, we are responsible for forming and expressing an opinion on the financial statements that have been prepared by management with the oversight of those charged with governance. The audit of the financial statements does not relieve management or those charged with governance of their responsibilities and details of our respective responsibilities are summarised in our letter of engagement dated 9 March 2026.

We would like to take this opportunity to thank Judith Moulsdale, Tim Hobson, and the extended team at SHC for the assistance that they have provided to us during our audit.

Independence

At planning we communicated to you our review of auditor independence and the safeguards we have put in place to mitigate any actual or perceived threats to our independence.

We confirm that we have reviewed and considered our independence at audit completion, having remained alert throughout the audit, and there are no changes to be brought to your attention since our communications at planning.

1. Audit Summary

Instances of fraud

Our work did not highlight any actual or suspected instances of fraud perpetrated either internally or externally and we have not been made aware of any such instances.

Materiality

Our approach to determining materiality has not changed from planning to completion stage. Our materiality has been set on the benchmark of Gross Assets.

In appendix 2 we report to you all unadjusted misstatements which are not considered trivial. Triviality is usually considered to be 5% of materiality unless the potential errors notes are material by nature.

Related party transactions

The Trustees are required to disclose transactions with related parties of the charitable group where those transactions are material to either the related party or to the Charity. As part of the letter of representation, we ask you, as Trustees, to confirm to us that the related party disclosure in the accounts is complete.

No new related parties were identified during our work.

Audit risks

We have satisfactorily concluded on all audit risks. Section 3 lays out these in detail and sets out both the work done and our conclusions. No new risks were identified during our audit.

Changes to audit approach

There have been no significant changes to the planned audit approach.

Going concern

Our work has confirmed the Trustees' use of the going concern basis is appropriate and that the disclosures within the financial statements fairly reflect the going concern basis of preparation, and we anticipate issuing an unmodified opinion.

Systems and controls

In accordance with the auditing standards, we have documented and evaluated key internal controls which are relevant to the financial reporting process in order design and tailor our audit approach.

Our audit work is not designed to identify all significant weaknesses in the charitable group internal controls but is designed primarily for the purpose of expressing an opinion on the financial statements. However, where, as part of our testing, we identify any control weaknesses, we have reported these to you at section 4. This lays out any systems and controls observations identified during the audit and follows up on observations raised in the previous audit.

Our work did not encompass a detailed review of all aspects of the internal controls and cannot be relied upon to disclose all deficiencies or other irregularities, or to include all improvements in internal control.

The charitable group management is responsible for the identification, assessment, management and monitoring of risk, for developing, operating and monitoring the system of internal control and for providing assurance that it has done so.

1. Audit Summary

Trustees' Annual report (incorporating the Directors' Report)

The charitable group qualifies as small in accordance with Companies Act 2006 and large in accordance with the requirements of Charities Act and SORP (FRS 102).

We are satisfied that the Trustees' Annual report is consistent with the financial statements and has been prepared in accordance with the legal requirements.

Matters of governance interest

We have identified one matter of governance interest to bring to your attention:

- A property valuation was due in March 2025 in accordance with the accounting policy, which requires properties to be revalued every five years. This valuation has not yet been undertaken.

Audit status and expected opinion

Our audit work is now complete and there are no significant matters outstanding.

Outstanding item	Requested from
Receipt of the signed financial statements and letter of representation	Trustees

As part of our audit close out procedures, we will ask the Trustees and management to confirm in writing that there have been no further issues arising since the completion of our fieldwork which could be considered either adjusting post balance sheet events or post balance sheet events which although not adjusting, are of such significance that they should be reported within the financial statements in order to show a true and fair view. We will discuss these matters with management and ask management to confirm on behalf of the Board of Trustees, through a letter of representation.

Subject to the receipt of the signed letter of representation, which includes the specific representations as included in Appendix 3, we can confirm that we anticipate issuing an unmodified opinion on the financial statements.

2. Going concern

Going concern

In our audit planning report dated 24 April 2026, we set out the respective responsibilities of the trustees and auditors in relation to going concern, which is a fundamental principle that underlies the preparation of a charity's financial statements. These are not repeated in this document but should be referred to before the trustees finalise and authorise the charity's annual report for issue.

We are pleased to report that we were provided with the information we requested at the planning stage, and we saw evidence of the policies and procedures being operated as described. Our principal observations arising from our review of the trustees' assessment are:

- Total funds in excess of £11m
- Total unrestricted funds in excess of £1m as specified by the reserves policy
- Total cash balance in excess of £83k
- Strong listed investments portfolio that can be drawn down on as required to meet cashflow demands
- Budgets and forecasts have been prepared covering to March 2029

At this point in the audit, we are therefore able to concur with the directors' assessment that a material uncertainty does not exist.

The current disclosures in the trustees' report and accounting policy adequately cover the challenges and the steps the trustees have taken.

Similarly, we must revisit this matter immediately before we issue our opinion, so if you believe we have misunderstood any aspect, let us know. We request you keep us updated on any favourable or unfavourable developments at the earliest opportunity.

Based on the information above, we anticipate issuing an unmodified audit opinion.

Status of going concern work

Overall, we did not consider the risk that there may be a material uncertainty with regard to going concern to be high.

Our audit work on going concern is complete.

3. Identified Audit Risks

During the course of the audit planning, we identified audit risks and other key matters and considered the impact of these on our approach. These were established through discussion with both those charged with governance and management and also our review of the systems and procedures and a review of the detailed financial information. We set out below the significant audit risks and key accounting estimates that we have focused our work on, in order to reduce the risk of material misstatement in the financial statements. Set out below is the summary of our assessment of the key business and audit risks affecting the financial statements, together with an overview of our planned audit procedures.

Risk	Description	Our approach (how we addressed the risk)	Audit conclusion
Risk of material misstatement arising from income recognition **(Significant risk)**	Auditing standards state that there is a presumed risk that income may be misstated through fraud and / or error. • Completeness of donations and legacy income • Completeness of grant income • Completeness of fundraising and lottery income • Completeness of investment income	For new and existing grants/contracts, we have reviewed the signed agreements and ensure recorded income is in line with these. We have reconciled the lottery income from the lottery reports to the financial statements. We have reconciled the expected investment income from third party sources to that recognised in the accounts. We have further consider cut off and perform tests to ensure income is included in the correct period by reviewing transactions in close proximity to the year end.	Our proof-in-total testing over Beacon has ensured that all income recognised in the Beacon CRM system has been recorded in the financial statements to a material level. This includes income from donations, fundraising, grants, and legacies. Furthermore, our integrity testing has confirmed that sampled donations, fundraising income, grants, and legacies represent genuine sources of income and have been appropriately classified within the accounts. Our completeness testing over legacies has not identified any additional legacies that should be recognised in the financial statements. Separate proof-in-total procedures have also been performed over lottery and investment income. These confirm that income recorded in the lottery reports and investment managers' reports has been appropriately recognised in the financial statements to a material level. Based on the procedures performed, income is not materially misstated.

3. Identified Audit Risks

Risk	Description	Our approach (how we addressed the risk)	Audit conclusion
Risk of material misstatement arising from management override of controls **(Significant risk)**	Auditing standards state that the presumed risk of management override of controls exists in all entities. Due to the size of the organisation, it is not possible for the Charity to have all the controls and segregation of duties in place to ensure there is no opportunity for management over-ride. We therefore consider this is a key business risk.	We used Data Analytics software which scans the whole of each entities financial data set to identify higher risk transactions. We have reviewed the transactions highlighted to ensure they correspond with our expectations. In addition, we have performed the following procedures: Considered the financial reporting process and made inquiries of individuals involved Discussed with management how they identify transactions or other events that give rise to the need for accounting estimates Reviewed accounting estimates for susceptibility to misstatement due to management bias or fraud Performed a retrospective review of management judgements and assumptions relating to accounting estimates recorded in the prior year. Evaluated the business rationale for significant transactions outside the normal course of business.	All identified transactions were within expectation for the entity and where relevant could be agreed to appropriate supporting evidence.
Risk of material misstatement arising from inaccurate fund accounting	Fund accounting is key to true and fair financial reporting for charities and can be a complex area. There is a risk that income and expenditure in relation to restricted funds is not correctly disclosed or spent for the relevant purpose. Additionally the Trustees completed a fund review in the previous year and designated a number of specific ring-fenced funds to be spent down in future periods.	As part of our transaction testing of income we have reviewed the sources of income to assess whether they should be recorded as restricted funds. We have selected a sample of expenditure allocated against restricted funds to ensure the funds have been correctly applied for the purpose for which they were received. We reviewed the calculations supporting any transfers between funds and the use of designated funds. We ensured that material brought forward and carried forward funds are in line with fund allocations approved by the board and that expenditure has only been allocated in line with the specific designation as approved.	Our work on funds has not identified any inaccurate fund accounting. During our funds testing we have reviewed each income stream to ensure that it is correctly recognised in the financial statements.

3. Identified Audit Risks

Risk	Description	Our approach (how we addressed the risk)	Audit conclusion
Risk of incomplete disclosure of related party transactions	Related party transactions may not be correctly disclosed or at an arm's length basis. Disclosure of related party transactions must be in accordance with FRS 102 and SORP 2019.	Register of interest forms have been completed by senior management and trustees prior to commencement of audit fieldwork, and we have complete searches for undisclosed interests. We have tested for related party transactions during out transactional testing for income and expenditure.	Our related party testing has not identified any undisclosed related party transactions. Related parties are not materially misstated.
Risk of non-compliance with laws and regulations	Failure to comply could result in a major financial or reputational impact on the Charity.	We have reviewed the minutes of the Charity, correspondence with the regulators and discuss with management to identify instances of non-compliance and claims.	Our review of the meeting minutes and discussions with management has not identified any instances of noncompliance.
Allocation of support costs (Key estimate)	Support costs allocated to funds on what is considered a 'reasonable basis' dependent on activity in the year. The calculation is performed by an experienced member of staff with knowledge of the charity.	Reasonableness of the allocation has been checked based on the activities performed by the charity. The calculation has been reviewed for accuracy.	Our recalculation of support costs did not identify any issues in relation to the allocation of support costs.

4. Internal Controls

Current year

The purpose of the audit was to form an opinion on the financial statements. As part of our audit, we have considered the internal controls relevant to the preparation of the financial statements, in order to design audit procedures to allow us to express an opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of internal controls. The matters reported are limited to those deficiencies in internal controls which came to our attention during the course of our audit work. This does not constitute a comprehensive statement of all deficiencies that may exist or of all improvements which may be made and has addressed only those matters which have come to our attention as a result of the audit procedures performed.

Our findings and recommendations are noted below. We have assigned a priority indication to each finding to reflect the urgency we consider management should place in addressing each item.

	Implies a high priority issue requiring immediate management attention		**Implies an important issue that should be reviewed and/or implemented at your earliest convenience**		**Implies an advisory issue that is raised purely for management information and possible further discussion**

Observation	Risk	Rating	Recommendation	Managements Response
Our review identified issues over the legal ownership and registration of certain investment properties. Specifically, two properties are not appropriately registered, including land not yet registered with the Land Registry and land still held under previous Trust names with former Trustees listed.	This creates a risk of future disputes or complications relating to ownership, land rights, or potential litigation. Furthermore, where ownership cannot be independently verified through official registry documentation, there is increased risk that property valuations included within the financial statements may not be fully supportable.		We recommend that the Trust prioritises the update of Land Registry documentation to ensure all investment properties are correctly registered in the current legal name of the Charity, with appropriate Trustee details recorded.	As noted in the prior year, the Trust engaged solicitors (Taylor Emmet) to progress the registration of all properties not previously recorded with the Land Registry. Applications have since been submitted, and the Trust is currently awaiting formal responses and confirmation from the Land Registry. The Land Registry has recently raised some queries in respect of these applications, providing assurance that the process is actively being progressed.

4. Internal Controls

Prior year

We have also set out the deficiencies identified in the previous year's audit with an update on the position in the current year.

	Implies a high priority issue requiring immediate management attention		**Implies an important issue that should be reviewed and/or implemented at your earliest convenience**		**Implies an advisory issue that is raised purely for management information and possible further discussion**

Observation	Risk	Rating	Recommendation	Updates in Current Year
Our review identified issues over the legal ownership and registration of certain investment properties. Specifically, two properties are not appropriately registered, including land not yet registered with the Land Registry and land still held under previous Trust names with former Trustees listed.	This creates a risk of future disputes or complications relating to ownership, land rights, or potential litigation. Furthermore, where ownership cannot be independently verified through official registry documentation, there is increased risk that property valuations included within the financial statements may not be fully supportable.		We recommend that the Trust prioritises the update of Land Registry documentation to ensure all investment properties are correctly registered in the current legal name of the Charity, with appropriate Trustee details recorded.	This MLP has been raised again in the current year

Appendix 1: Audit Adjustments and Surplus/(Deficit) Reconciliation

Group

We set out below the identified audit misstatements that have been adjusted in the financial statements and show a reconciliation between the surplus/(deficit) per the trial balance/management accounts provided at the planning stage and that reported in the financial statements.

We have reviewed the disclosures and accounting policies in the financial statements and are satisfied that these are compliant with FRS102 and SORP 2019.

	Total £000s
Deficit per Draft v1 Financial Statements	(1,036)
Robot grant accrual – Recognise the full grant accrual	(150)
Deficit per Final Accounts	(1,186)

On behalf of the board, I hereby approve the adjustments summarised above:

Signed:…… Lawrence 31

Date: 30th September 2026

Name Lawrence Bate……

Appendix 2: Summary of Unadjusted Misstatements

We set out below the misstatements above the level of 'clearly trivial', that we have identified during our audit testing.

These misstatements were not considered material either individually or in aggregate and so have not been adjusted in the financial statements.

Detail	Profit & Loss		Balance Sheet	
	DR £	CR £	DR £	CR £
No unadjusted misstatements to note	-	-	-	-
Total potential adjustments	**-**	**-**	**-**	**-**
Total effect of these misstatements			**SOFA**	**-**

Appendix 3: Specific Representations

Set out below are the proposed Charity's specific paragraphs we intend to include in our letter of representation together with the reason for including them, which we will require management to approve and sign.

Proposed paragraph wording	Reason for inclusion
The charity has title to all investment properties included in the accounts and is currently in the process of having the land registry updated.	An internal control point has been included in this report since it was identified that for three investment properties there was either no title, or the title was under a previous charity name or the name of former trustees.
We confirm that, at year-end, the accrued legacy balance of £271,732 is deemed fully recoverable and should not be treated as a bad debt, comprising £60,000 from the Estate of Brenda Staniforth, £159,000 from the Estate of Dorothy Hopkins, and £52,732 from the Estate of Heather Morris.	As part of accrued legacy testing, a balance of £271,732 was identified as still outstanding at the time of fieldwork.
We confirm that, at year-end, the trade debtor balance of £187,452 is fully recoverable and should not be treated as a bad debt, comprising £177,586 from Sheffield Teaching Hospitals NHS FT, £5,096 from the University of Sheffield, and £4,770 from ScHARR.	As part of trade debtors testing, a balance of £187,452 was identified as still outstanding at the time of fieldwork.
The valuation of investment properties provided as at March 2020 is considered to materially represent the value of investment properties as at 31 March 2026	This has been included as it has been six years since the last formal valuation was performed. Given the passage of time, there is an increased risk that the carrying value may not fully reflect current market conditions; therefore, confirmation is required that the 2020 valuation remains a reasonable approximation at year-end.

Appendix 4: Keeping You Informed

Compliance and Financial Reporting

FRS 102 – Periodic Review

In March 2024, the FRC issued amendments to FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland and other FRSs – Periodic Review 2024.

The revisions in the standard will impact virtually all non-micro UK companies, charities and LLPs. The effective date for most amendments were periods beginning on or after 1 January 2026. Two major changes are in the treatment of leases and revenue recognition, which will both substantially align with International Financial Reporting Standards.

In line with IFRS 16 virtually all **leases** will come onto balance sheet; the distinction between operating and finance leases is removed, and only short-term and leases of low-value assets are exempt (low value being by reference to the nature of the asset, not the value lease payments). This results in all lease assets and liabilities being recognised on the balance sheet with an appropriate discount rate being applied. This could have a significant impact on companies with borrowing covenants or those who are close to audit thresholds for assets.

Income recognition will now be similar to the 5-step model of IFRS 15. For many entities nothing will change, but a few may be heavily impacted by this.

Compliance and Financial Reporting

New SORP

The new Charities SORP was released in Autumn which incorporates the changes from the FRS102 Periodic Review together with a number of other significant changes to financial reporting for charities.

A major structural change is the introduction of a three-tier framework for SORP application based on a charity's income levels:

- Tier 1 – income below £500k
- Tier 2 – income between £500k and £15m
- Tier 3 – income over £15m

Changes to the Trustees Annual Report include:

- Impact reporting for all charities
- Sustainability reporting required for tier 3 charities and encouraged for tiers 1 and 2
- More information on how legacies are included in the accounts for tiers 2 and 3
- A reconciliation of reserves reported in the trustees' report to amounts in the financial statements where those figures don't directly correlate

A cash flow statement will now not be required for tier 1 and tier 2 charities where they are also small under FRS102.

We are running four webinars as part of our Charity SORP transition series:

- A guide to the new Charity SORP for Trustees
- Charity FRS102: Leases
- Charity FRS102: Income
- Charity FRS102: Other significant changes

Appendix 4: Keeping You Informed

Compliance and financial reporting

Companies House filing reforms

Filing changes under The Economic Crime and Corporate Transparency Act, originally planned for April 2027 have now been delayed.

Key details on delays:

- ✓ P&L filing paused – the plan to require micro-entities and small companies to file detailed profit and loss accounts has been paused.
- ✓ Software only filing – the mandate to use commercial software for filing, moving away from web-based or paper methods, is delayed
- ✓ Abridged accounts – proposals to remove the ability for small companies to file "abridged" or "filleted" accounts are on hold.

Companies House has committed to giving at least 21 months' notice before implementing any new filing requirements, ensuring no changes will occur before late 2027 at the earliest.

Identify Verification

From 18 November 2025, identity verification at Companies House became a legal requirement.

Directors can verify their identity online, in person at a Post Office or via an Authorised Corporate Service Provider (ACSP).

Once verified an individual will be provided with a personal code. This code will need providing as part of the company's next confirmation statement.

You can check your deadline date on the company page of the Companies House website.

If you're registering a new company, you'll be asked to provide the Companies House personal code for each director as part of the registration filing.

Compliance and financial reporting

Company Size Thresholds

For periods starting on or after 6 April 2025 (which can be of any length from 1 day up to 18 months), company size gross assets and turnover threshold have increased:

	Micro		Small		Medium	
	Current	New	Current	New	Current	New
Turnover not more than:	£632k	£1m	£10.2m	£15m	£36m	£54m
Balance sheet total *not more than:	£316k	£500k	£5.1m	£7.5m	£18m	£27m
Monthly average number of employees, not more than:	10	10	50	50	250	250

*i.e. total assets

Audit thresholds will continue to align with size thresholds, so any company meeting the micro or small definitions will be eligible for audit exemptions. This may mean that the statutory audit requirement for some entities may fall away as a result of this change.

No early adoption of new size thresholds is allowed.

Charity Financial Thresholds

Charity financial thresholds in England and Wages are also set to rise on 1 October 2026 and will apply to accounting years ending on or after that date.

Key changes include:

- ✓ Audit income threshold rises from £1m to £1.5m
- ✓ Audit asset threshold rises from £3.26m to £5m
- ✓ Independent Examination threshold rises from £25k income to £40k

Appendix 4: Keeping You Informed

Fraud, Crime & Inquiries

Protect your charity from cyber crime

- ✓ The Charity Commission has released guidance which aims to help charities create a culture of cyber awareness and resilience, ensuring they are well-prepared to handle cyber threats. It outlines steps to mitigate risks, such as raising awareness, implementing security measures, and having a response plan.
- ✓ The guide also covers how to respond to and report cyber attacks, emphasising the need for quick action and proper documentation.
- ✓ It offers resources for further training and also mentions various cyber security services and tools available to charities, such as the NCSC's Active Cyber Defence tools.
- ✓ Contact the Action Fraud 24/7 helpline if you are experiencing a live cyber attack.

Online fraud

- ✓ The Charity Commission is warning charities about the risk of online fraud, as a survey found around one in eight charities (12%) had experienced cybercrime in the previous 12 months. 51% of charities surveyed held electronic records on their customers and 37% enabled people to donate online, which increases a charity's vulnerability. However, only 24% of charities have a formal policy in place to manage this risk.
- ✓ The survey also confirmed that there is an under-reporting of incidents when they do occur, with only a third (34%) of affected charities reporting breaches.

Statutory inquiries into charities: guidance for charities

- ✓ The Commission identifies and investigates apparent misconduct or mismanagement in the administration of charities and works to resolve issues of concern.
- ✓ This guidance is to help charities under inquiry understand the process, their rights and what the Commission expects of them.
- ✓

BHP Charity Hub

BHP Charity Hub

During the year, the BHP charity and not-for-profit team release regular articles giving updates on the latest sector developments.

In addition, we also hold regular webinars, Trustee training and our annual conference.

Upcoming events - book here:

Charity Trustee Training 2026

Charity SORP transition series:

- A guide to the new Charity SORP for Trustees
- Charity FRS102: Leases
- Charity FRS102: Income
- Charity FRS102: Other significant changes

Past events:

Charity Trustee Training 2025 – introduction and advanced sessions.

BHP Charity Conference 2025 – recorded sessions

BHP Introduction to Charity Tax and VAT webinar - an introduction to the key concepts in charity VAT and taxation, a critical guide to charity taxation for all finance Trustees

Appendix 4: Keeping You Informed

Trustee Knowledge Bank

Charity trustee welcome pack

As a new trustee, it's crucial to understand your legal duties to effectively run your charity. The trustees welcome pack highlights these duties ensuring your charity's activities support its purposes, benefit the public and that decision-making prioritises your charity's interests. It also includes being aware of conflicts of interest.

5-minute guides

The Commission has developed a collection of short and engaging guidance on issues ranging from safeguarding people to managing conflicts of interest.

Dubbed the '5-Minute Guides', the collection serves as a basic toolkit for trustees who are managing the many demands of running a charity.

The core suite of 5-minute guides includes advice on the following subject areas:

- Delivering purpose
- Managing finances
- Conflicts of interest
- Making decisions
- Reporting information
- Safeguarding people
- Political campaigning

Trustee Knowledge Bank

Trustee expenses: what charities can pay

- ✓ The UK government guide on trustee expenses explains what costs charities can and cannot cover for their trustees.
- ✓ Paying trustee expenses helps attract and retain trustees by ensuring they do not face financial loss for their voluntary work. These expenses are not considered taxable income and do not affect state benefits.
- ✓ The guide also emphasises the importance of having a clear trustee expenses policy and disclosing expenses in the charity's accounts to maintain transparency and public trust.

Code of Fundraising Practice

The updated Code of Fundraising Practice, effective 1 November 2025, introduced a clearer, more principles-based and modernised framework. It's voluntary but widely treated as mandatory for good governance and regulatory confidence.

Key focuses for trustees are maintaining clear records of how fundraising decisions are made and ensuring systems, oversight, and governance are strong enough to justify their judgments if scrutinised.

Appendix 4: Keeping You Informed

Charity Commission updates

Charity fundraising: a guide to trustee duties (CC20)

- ✓ The guidance outlines essential trustee responsibilities for complying with legal requirements, managing risks, and overseeing fundraising.
- ✓ The update in 2026 reflects modern, sustainable, and technology driven fundraising approaches.
- ✓ It also reflects the updated Fundraising Code of Practice which came into effect from November 2025.
- ✓ Core duties cover planning fundraising, overseeing compliance (including data protection) and managing relationships with professional fundraisers.

How charities can make a moral, or 'ex gratia' payment (CC7)

- ✓ Reflecting changes under the Charities Act 2022, trustees are allowed to make small ex gratia payments without Commission authority, based on specific financial thresholds linked to the charity's gross annual income.
- ✓ This updated guidance outlines when you may want to make a payment, deciding if you have a moral obligation, how to record moral payments and a number of examples.

Raising a concern with the Charity Commission (CC47)

- ✓ The guidance explains what the Commission can and cannot investigate.
- ✓ The updated online form now includes new signposting to help trustees, employees, and volunteers raise concerns through appropriate channels, such as whistleblowing or reporting serious incidents.
- ✓ The guide encourages charities to have their own complaints procedures and to resolve issues internally when possible.
- ✓ Additionally, the guide provides information on other organisations that can help if the Commission is not the appropriate body to handle the concern.

Charity Commission updates

Finding and appointing new trustees (CC30)

- ✓ The guidance provides comprehensive advice for charities on recruiting and appointing trustees. It has been refreshed because most trustees are recruited through personal contacts.
- ✓ It emphasises the importance of identifying the skills and experience needed for effective governance. The guide suggests conducting a skills audit to determine gaps and writing clear role descriptions to attract suitable candidates. It encourages charities to advertise widely, using social media and trustee finder services, to reach a diverse pool of applicants.
- ✓ The guide also covers the vetting process, ensuring potential trustees meet legal requirements and align with the charity's values. It stresses the importance of a thorough induction process to help new trustees understand their roles and responsibilities.
- ✓ For trustees to maintain effective governance. It advises charities to regularly review their board's composition and effectiveness, making adjustments as needed to ensure a well-rounded and capable team.

Charities paying a trustee or a connected person: understand the rules (CC11)

- ✓ The guidance outlines the rules and risks involved when using charity funds to pay trustees or connected persons. Trusteeship is generally a voluntary role, promoting trust and confidence in charities. However, payments can be made under specific condition.
- ✓ The guidance clarifies that paying trustees should only occur if it is clearly in the charity's best interests and all other options have been considered. Legal authority is required for such payments.
- ✓ The guidance emphasises the importance of proper procedures, risk assessment, and transparency to maintain public trust.

Appendix 4: Keeping You Informed

Charity Commission updates

Decision-making for charity trustees (CC27)

- ✓ When trustees are making decisions for their charity they must:
  - ✓ act within their powers
  - ✓ act in good faith and only in the interests of the charity
  - ✓ make sure they are sufficiently informed
  - ✓ take account of all relevant factors
  - ✓ ignore any irrelevant factors
  - ✓ manage conflicts of interest
  - ✓ make decisions that are within the range of decisions that a reasonable trustee body could make
- ✓ The guidance explains these principles in more detail and how to follow them, particularly when making significant or strategic decisions. It also explains how to record the decisions you make.

Internal financial controls for charities: protect your charity from fraud and loss (CC8)

- ✓ The guidance emphasises the importance of implementing robust financial controls to manage risks and ensure accurate financial reporting.
- ✓ The guide also includes a checklist for evaluating internal controls and offers resources for further training. Trustees are collectively responsible for establishing, implementing, and monitoring these controls, even if tasks are delegated.

Charity meetings (CC48)

- ✓ This guidance was updated in July 2024 and explains ways charities can hold meetings, such as face to face, virtual or hybrid and how to make sure your charity's governing document has the rules you need to hold meetings.
- ✓ The guidance also includes the types of meeting your charity can hold, such as trustee meetings and annual general meetings (AGM).

Charity Commission updates

Improving your charity's finances (CC12)

- ✓ This guidance provides information about actively managing your charity's finances to ensure trustees have a clear picture of a charity's financial performance and position.
- ✓ It aims to help spot any financial difficulties early on and provides guidance on what to do if your charity is in financial difficulty.
- ✓ There is a checklist to determine if your charity is insolvent, and where this is risk of insolvency or actual insolvency, there is guidance on the steps trustees need to take.

Sales, leases, transfers or mortgages: what trustees need to know about disposing of charity land (CC28)

- ✓ This guidance is separated into 2 sections to provide information on:
  - ✓ Selling, leasing or disposing of charity land; and
  - ✓ Mortgaging charity land
- ✓ In most cases you can sell, lease or otherwise dispose of your charity's land without asking for authority from the Charity Commission but trustees must manage these important transactions appropriately.
- ✓ The same generally applies to mortgaging charity land however a charity must have the power to borrow or to mortgage which can come from law or a charity's governing document.

How to make changes to your charity's governing document (CC36)

- ✓ This guidance explains how charities can make changes to their governing document. For example, the charity's purposes or rules on holding meetings.
- ✓ There is separate guidance for:
  - ✓ Charitable companies
  - ✓ Charitable incorporated organisations (CIO)
  - ✓ Trusts and unincorporated associations
- ✓ The guidance provides information on the powers you can use to make changes, changes that need the Commission's authority and how to apply for it, how to make changes, who to tell about changes and when changes take effect.

Appendix 4: Keeping You Informed

Tax Updates

National Living Wage increase

From April 2026, the National Living Wage increases are as below:

- **Aged 21 or over:** £12.21 to £12.71 per hour
- **Aged 18 to 20 years:** £10.00 to £10.85 per hour
- **Apprentices or 16 and 17 years old:** £7.55 to £8.00 per hour

Taxation of company cars:

- The benefit percentage for zero emission and electric vehicles will increase incrementally to 9% in 2029/30.
- Cars with CO2 emissions of 1 to 50g/km (including hybrid vehicles) will rise to 18% in 2028/29 and 19% in 2029/30. All other bands will increase by 1% per year to a maximum of 38% for 2028/29 and 39% for 2029/30.

Benefits In Kind reporting

- The UK government has delayed the mandatory payrolling of benefits from April 2026 to April 2027 to allow more preparation time. Employers will report taxable benefits in kind (BIKs) through the Full Payment Submission (FPS) with regular payroll, ensuring real-time calculation and payment of Income Tax and Class 1A NICs. This aims to simplify the process and reduce reliance on year-end forms like P11D and P11D(b).

Corporation tax

- Trading subsidiaries unable to fully gift-aid profits will face corporation tax at 19%-25%
- The small trading exemption for charities remains at £80,000

Tax Updates

New legislation to prevent charity tax rule abuses:

- The UK government has introduced new legislation aimed at preventing abuses of charity tax rules. This legislation, set to take effect in April 2026, includes several key measures:
  - **Tainted Donations:** Simplifies the challenge process by
    - replacing the motive test with an outcome test.
  - **Charitable Investments:** Ensures investments are made for the charity's benefit, not for tax avoidance.
  - **Non-Charitable Expenditure**: Includes legacy income in the rules to ensure proper taxation of non-charitable uses.
  - **Compliance and Sanctions**: Introduces new sanctions for charities that fail to meet filing and payment obligations.

Charity VAT Reform for Donated Goods

From April 2026, new legislation allows businesses to donate goods for direct use by the charity without triggering a VAT charge. Value limits are:

- £100 per item
- £200 for essential electrical items

Applies only to HMRC-registered charities and is intended to reduce waste while increasing the flow of surplus goods.

Appendix 4: Keeping You Informed

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Appendix 4: Keeping You Informed

Pensions

Trapped surpluses

Many UK defined benefit schemes now find themselves in a surplus position as a result of the rise in government bond yields over the past few years. On the face of it this is good news for schemes but can be a cause for concern for sponsoring employers if there are not plans in place to access or deal with these surpluses.

A surplus is considered to be “trapped” when the sponsoring employer cannot gain any value from the surplus either due to legislation, the current funding agreement with the scheme or the scheme rules.

Whether the employer can receive any return of a surplus depends on the scheme rules. In many cases and under current legislation, the scheme can only return a surplus to the employer on wind up. However, there may be other mechanisms, again depending on the scheme rules, that an employer could utilise to gain value from any current or future surplus.

These may include:

- Using the surplus to pay for scheme expenses
- Using the surplus to pay for the cost of future accrual (if the scheme is open to accrual)
- Incorporating a “switch off” mechanism into the Schedule of Contributions (where contributions may be reduced or ceased if certain funding targets are met)
  Diverting contributions into escrow

Pensions

Trapped surpluses - continued

The key thing here is to strike a balance between flexibility for the employer and security for the scheme.

The DWP is consulting on pension scheme surpluses and the current proposals could mean significant benefits for employers and schemes, ***but*** no changes are expected imminently, so it's important for trustees and the employer to discuss what can work in their individual circumstances based on the current landscape.