

WESTERN HEALTH AND SOCIAL CARE TRUST

**ANNUAL REPORT AND ACCOUNTS OF THE TRUST FUNDS HELD BY THE WESTERN
HEALTH AND SOCIAL CARE TRUST FOR THE YEAR ENDED 31 MARCH 2022**

Laid before the Northern Ireland assembly under Article 90(5) of the Health and Personal
Social Services (NI) Order 1972 (as amended by the Audit and Accountability Order 2003)
by the Department of Health

On

28 July 2022

INDEX

	Page
Trust Funds (Endowments & Gift Funds) Annual Report 2021/22	
1. Introduction	4
2. Reference and administrative Details	4
3. Address of principal office	4
4. Names of Trustees	4
5. Auditors	5
6. Bankers	5
7. Solicitors	5
8. Investment Managers	6
9. Structure, governance and management	6
10. Objectives and activities	7
11. Summary of main achievements	8
12. Financial review	9
13. Review of 2021/22	10
14. Financial controls	10
15. Statement of risk	10
16. Reserves policy	10
17. Investment policy	10
18. Plans for future periods	11
Accounts of the Trust Funds (Endowments & Gift Funds) held by the Western Health and Social Care Trust for the year ended 31 March 2022	
19. Certificate of Comptroller and Auditor General	13
20. Statement of Financial Activities for the Year Ended 31 March 2022	17
21. Balance Sheet as at 31 March 2022	18
22. Statement of Cash Flows for year ended 31 March 2022	19
23. Notes to the Accounts	20-30

WESTERN HEALTH AND SOCIAL CARE TRUST

TRUST FUNDS (ENDOWMENTS AND GIFT FUNDS)

ANNUAL REPORT FOR YEAR ENDED 31 MARCH 2022

Annual Report of the Trustees of the Trust Funds held by the Western Health and Social Care Trust for the year ended 31 March 2022

INTRODUCTION

This is the annual report for the Trust Funds held by the Western Health and Social Care Trust ('Trust Funds') for the year from 1 April 2021 to 31 March 2022.

Under Article 91 of the Health and Personal Social Services (NI) Order 1972 (as amended by Article 6 of the Audit and Accountability (Northern Ireland) Order 2003), the Western Health and Social Care Trust is required to prepare annual accounts in respect of endowments and other property held on trust by it in a form determined by the Department of Health (DoH). This format is in accordance with the requirements of the 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 (FRS 102) ("the charity SORP").

REFERENCE AND ADMINISTRATIVE DETAILS

Contact Details

Western Health and Social Care Trust, Trust Headquarters
MDEC Building
Altnagelvin Hospital Site
Glenshane Road
Londonderry
BT47 6SB

Telephone: **028 71 345171**

Email: info.enquiry@westerntrust.hscni.net Web: www.westerntrust.hscni.net

Comments

If you have any comments about this report or would like extra copies, please telephone 028 71 345171.

Trustee Arrangements

Under the Health and Personal Social Services (NI) Order 1972, as amended by Article 16 of the Health and Personal Social Services (NI) Order 1991, the Board members of the Western Health and Social Care Trust were the trustees of the Trust Funds during 2021/22. This constituted the following:

Name	Title
Mr S Pollock	Chairman
Mr N Guckian	Chief Executive (from 1 July 2021 - former Executive Director of Finance and Contracting)
Dr A Kilgallen	Chief Executive (retired 30 June 2021)
Mr J Campbell	Non-Executive Director (until 31 December 2021)
Mr S Hegarty	Non-Executive Director
Ms R Laird	Non-Executive Director
Dr J McPeake	Non-Executive Director
Dr C O'Mullan	Non-Executive Director (until 30 September 2021)

Prof H McKenna	Non-Executive Director
Rev Canon J McGaffin	Non-Executive Director
Mrs D Mahon	Executive Director of Social Work and Director of Women and Children's Services from 8 November 2021 (returned from secondment)
Mr T Cassidy	Interim Executive Director of Social Work and Director of Women and Children's Services (16 November 2020 until 7 November 2021)
Dr B Brown	Executive Director of Nursing and Director of Primary Care and Older People's Services (retired 31 January 2022)
Mrs D Keenan	Interim Executive Director of Nursing and Director of Primary Care and Older People's Services (from 13 December 2021)
Mr P Quigley	Acting Executive Director of Finance and Contracting (from 1 July 2021 until 31 October 2021)
Ms E McCauley	Acting Executive Director of Finance and Contracting (from 1 November 2021 to 31 March 2022)
Dr C McDonnell	Medical Director
Mrs T Molloy	Director of Performance and Service Improvement
Mrs K Hargan	Director of Human Resources and Organisational Development (from 17 May 2021)
Mrs M Ward	Acting Director of Human Resources (until 14 May 2021)
Mrs G McKay	Director of Acute Services
Ms K O'Brien	Director of Adult Mental Health and Disability Services
* Mr A Moore	Director of Strategic Capital Development (retired 3 September 2021)

The Trustees have delegated responsibility for the on-going management of funds to the Endowments and Gifts Committee.

The Western Health and Social Care Trust Funds are on the deemed list of charities as they are registered with Her Majesty's Revenue and Customs for charitable tax purposes. The Trust Funds have applied to the Charity Commission for Northern Ireland to register as a charity but this is still under consideration. The charity number is currently outstanding.

The Trustees employed the following professional advisors during the year:

Auditors

Northern Ireland Audit Office
106 University Street
Belfast
BT7 1EU

Bankers

Bank of Ireland
15 Strand Road
Londonderry
BT48 7BT

Solicitors

Directorate of Legal Services
Business Services Organisation
2 Franklin Street
Belfast
BT2 8DQ

Investment Managers

NI Central Investment Fund for Charities (NICIFC)
1-7 Bedford Street
Belfast
BT2 7EG

Structure, Governance and Management

The Trust Funds held by the Western Health and Social Care Trust are governed by the Health and Personal Social Services (NI) Order 1972. The Trust Board acts as “corporate trustee” for the Trust Funds. Trust Board Non-Executive Directors are recruited by the Department of Health in accordance with its recruitment procedures and are appointed by the Minister for Health.

The Endowments and Gifts Committee is the committee responsible for providing assurance to the Trust Board on all aspects of the stewardship and management of funds donated or bequeathed to the Trust.

The committee met on six occasions during 2021/22 and was fully quorate. The membership of the Endowments and Gifts Committee and details of members’ attendance are set out in the table below.

Name	Title	Meetings to attend	Meetings attended
Rev Canon J McGaffin	Non-Executive Director (Chair)	6	6
Mr S Pollock	Chairman	6	4
Dr J McPeake	Non-Executive Director	6	6
Mr N Guckian	Executive Director of Finance and Contracting (until 30 June 2021)	2	2
Mr P Quigley	Acting Executive Director of Finance and Contracting (from 1 July 2021 until 31 October 2021)	1	1
Ms E McCauley	Acting Executive Director of Finance and Contracting (from 1 November 2021 until 31 March 2022)	3	1
Ms K O’Brien	Director of Adult Mental Health and Disability Services	6	3
Mrs G McKay	Director Of Acute Services	6	3
Mrs M Ward	(A) Director of Human Resources Interim Director of Human Resources (until 14 May 2021)	1	1
Ms K Hargan	Director of Human Resources (from 17 May 2021)	5	3

The committee meet to oversee the administration of the Endowments and Gifts Trust funds, their investment and disbursement.

The roles and responsibilities of the Endowments and Gifts Committee in relation to the management and governance of the Trust Funds were as follows:

- Manage funds in line with guidance in the Trust’s Standing Financial Instructions, Departmental guidance and legislation;

- Provide a robust review and approve, on behalf of the Trustees, expenditure proposals, in line with Schedule of Delegated Authority (SODA) limits ;
- Give due consideration to proposals which could be considered novel, contentious or repercussive;
- Ratify the creation of a new fund by the Director of Finance where funds and/or other assets are received from donors in circumstances where the wishes of the donor cannot be accommodated within the scope of an existing fund;
- Consider and approve recommendations on the potential for rationalisation of funds within statutory guidelines;
- Ensure that assets in ownership of, or used by, the fund will be maintained with the Trust's general estate and inventory of assets;
- Ensure that funds are not unduly or unnecessarily accumulated;
- Ensure that expenditure from funds is subject to appropriate value for money considerations including proper procurement procedures where applicable;
- Review the annual statutory Charitable Trust Funds Accounts of the Trust and make recommendations to Trust Board for their approval;
- On behalf of the Trust Board, the Committee will authorise appropriate policies and procedures in relation to funds;
- Move to arrangements for the administration of funds in compliance with the Charities Commission for N.I. requirements and associated legislation.

As the Trustees are directors of the Trust, the policies and procedures followed for recruitment, induction and training of these officers applies also to their role as Trustees. During the year, none of the Trustees or members of the key management staff or parties related to them has undertaken any transactions with the Western Health and Social Care Trust Endowment and Gift funds.

The trustees' delegated authority levels are as follows:

- Expenditure up to £2,500 must be approved by an Assistant Director for the relevant fund
- Expenditure over £2,500 and less than £5,000 must be approved by a Director for the relevant fund
- Expenditure over £5,000 and less than £10,000 must be approved by the Chief Executive; and
- Expenditure over £10,000 must be approved by Endowment and Gifts Committee.

The Director of Finance is responsible for the day-to-day management and control of the administration of the Trust Funds and reports to the Endowments and Gifts Committee. The Director of Finance has responsibility to ensure that Charitable Trust funds are managed appropriately with regard to their purpose and requirements; that full accounting records are maintained and that devolved decision making or delegated arrangements are in accordance with the policies and procedures agreed by the Endowments and Gifts Committee.

Objectives and Activities

The objectives of the Trust Funds held by the Western Health and Social Care Trust in 2021/22 were to ensure that charitable donations received by the Trust were appropriately managed, invested, expended and controlled, in a manner that was consistent with the purposes for which they were given and with the Trust's Standing Financial Instructions and Departmental guidance and legislation.

During the year, Endowment and Gift monies were expended in accordance with the wishes of the original donors of the funds to further the education and welfare of staff and patients/clients and in purchasing new equipment.

Summary of Main Achievements

The Trust completed another successful year in the management of funds that were donated by patients, clients, the general public and other donors in the Western Trust area. The Trust's Endowment and Gifts Committee took a lead role in overseeing the arrangements to ensure that every opportunity was taken to encourage utilisation of the monies by fund signatories. There has been a renewed focus on expenditure from funds this year and whilst the accounts indicate a reduction in actual expenditure for the period, commitments of *£2.151m have been made in the period for which expenditure will be incurred into future years. Funds have been utilised to support a number and diverse range of worthwhile initiatives such as :

- A trauma training manikin for South West Acute Hospital;
- Training for Obstetrics staff to improve neonatal outcomes;
- an ECG Machine to streamline workflow in ICU;
- four alternating pressure mattress systems to minimise the risk of pressure injury to patients with limited mobility in the Geriatric Unit;
- provision of LED phototherapy blankets for new born therapy to promote mother-child bonding.

Funds have also been utilised to support a number of services such as:

- Cardiology;
- Pharmacy;
- the Macmillan Health & Wellbeing Centre that supports patients with Cancer
- Improved access for patients with long-term conditions to a range of support services such as counselling and complimentary therapies;
- specialist nursing support for patients living with inflammatory bowel disease
- the Macmillan Benefits service which has helped 326 Western Trust Cancer patients access £3.2m of financial support during the last year.

In August 2021, a formal sub-committee of the Endowments & Gifts Committee was established to undertake the planning, development, implementation and monitoring of plans to utilise the £3m donation for support of staff within the Trust (£2m for general support and £1m for support to nursing) which was received during 2020/21. Membership of this sub-committee includes the Chief Executive, Directors, other senior staff as well as representation from Trade Union staff-side, the Volunteering Service, the Chaplaincy Service and the Ethnically Diverse Staff network. Proposals amounting to £1.5m have been reviewed and approved by this sub-committee for recommendation to the Endowments & Gifts Committee and include:

- £0.3m to provide a psychological support service for staff;
- £0.5m to support team development;
- £0.7m to support staff health and wellbeing through the development of an accessible, holistic Occupational Health and Wellbeing Service.

*These £1.5m of commitments from this fund are included in the figure noted above and included in Note 14 of the financial statements and will be spent over the next two years.

The Trust has also been successful during 2021/22 in securing Stage 2 funding of £0.131m from NHS Charities Together. Stage 2 funding is aimed at supporting the wider NHS and voluntary community dealing with COVID-19 and plans are in place to deliver against the objectives of this fund during 2022/23.

The Trust has also been approved for Stage 3 funding in 2022/23 from NHS Charities Together amounting to £0.253m which relates to COVID-19 recovery.

The committee oversees the progress of a project in relation to Trust compliance with Charities Commission N.I. legislative requirements for funds. Limited progress has been made during 2021/22 due to the impact of COVID-19 on staffing levels however plans are in place for 2022/23.

Financial Review

The Endowment and Gift funds financial statements have been prepared in accordance with the Charities Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in January 2015, applicable to charities preparing their accounts in accordance with FRS 102 in the UK and Republic of Ireland, and with relevant guidance issued by the Department of Health.

There are no changes in accounting policies and there are no numerical changes in the previously reported results and total funds, therefore no reconciliation in results is required.

The principal sources of income to the Endowment and Gift funds are donations from patients, clients or members of the Public and income received from investment of Endowment and Gift monies.

Where there is a legal restriction on the purposes for which a fund may be used, 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 themselves be spent, are accounted for as endowment funds. Other funds are classified as unrestricted funds.

There are a number of funds for which the Trust is unable to use the funds for the originally intended purpose. A review of these funds has been carried out and we are working through a process to reduce the number of current Trust funds from 175 to 12 Superfunds.

This will require a review of original fund paperwork to see if the original donor's wishes can still be followed. If the donor's wishes cannot be followed then the Trust will need to engage our legal advisors to determine if these funds can transfer to the new super funds or if they need to follow the legal Cy-près doctrine. The Trust will engage with fund managers, staff and donors as part of this process. After implementing the new funds, a way forward will be pursued with the Charities Commission NI and the Trust's legal advisors as part of the project to implement a new funds model in compliance with Charities legislation. The Trust submitted CCNI registration application a number of years ago, and it has been agreed that CCNI will work through the complete CCNI registration process with the one of the Trusts to inform the process for completing rollout in the other organisations.

Review of the year 2021/22

The achievements and financial performance of the Trust with regard to management of Endowment and Gift funds are set out in individual sections below.

Achievements and Performance

During the year, the Trust Funds delivered against activities in line with their objectives. £0.515m was expended on such activities, in accordance with the Trust's policies and procedures. In addition the Trust has committed £2.151m of expenditure against fund balances, an increase from the committed level of £0.324m in the prior year. See Note 14 for more detail.

The net market value of funds invested in the Central Investment Fund for Charities increased by £0.189m, contributing to an overall market value of £3.014m at 31 March 2022. Investment income of £0.099m was received during the year.

Income

Income from donations totalling £0.546m was received, a decrease of £3.067m compared to prior year. This reduction is due to the donation of £3m from DoH in 2020/21.

Expenditure

Total direct charitable expenditure for the year amounted to £0.515m, a decrease of £0.060m from 2021/22. The Committee will continue to focus on ensuring that the monies donated are being utilised in line with donor intentions. Governance costs for the financial administration of the funds amounted to £0.010m, being the audit fee for 2021/22. In addition, there were investment management costs of £0.013m. Other support costs, included within direct charitable expenditure, were £0.051m.

Financial position at year-end

Total fund balances were £6.659m, consisting of £6.224m of restricted funds, £0.141m of unrestricted funds and £0.294m of endowment funds. This is a total increase of £0.316m from the previous year.

Financial Controls

The Trustees of the funds are aware of their financial responsibilities for the money that is held on trust. Appropriate policies and procedures were in place during the year to ensure these responsibilities were adequately discharged, and these are reviewed where appropriate.

Statement of risk

The management of risk in relation to the Trust Funds (Endowment and Gift funds) is handled under the Trust's risk management policy and procedures.

Reserves policy

The Trust Funds (Endowment and Gift funds) do not currently enter into future commitments and so there has been no requirement to create any reserves for this. Activities are only authorised when funding is available.

Investment Policy

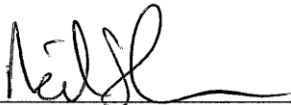
For investment purposes, the available balances on the Trust Funds (Endowment and Gift funds) are placed in bank deposits either for short-term funds or for longer-term investments in the Northern Ireland Central Investment Fund for Charities, which was established under the Charities Act (NI) 1964, and is managed by the Department of Communities.

Plans for future periods

The Trust has been approved for Stage 3 funding in 2022/23 from NHS Charities Together amounting to £0.253m which relates to COVID-19 recovery. Plans are in place to expend these monies in line with the objectives of the application.

The committee will continue to oversee the project to move towards compliance with the Charities Commission for N.I. legislative requirements for Trust funds. Charities Commission for N.I. are content at the pace by which this is being progressed.

The Trust Funds (Endowment and Gift Funds) Committee will put in place plans for effectively managing funds in 2022/2023 and for ensuring that funds are utilised effectively and appropriately. The Committee has a particular focus on ensuring that appropriate plans are developed to make use of the monies and it closely monitors progress in this regard at each Committee meeting.

Mr N Guckian, (Chief Executive): 

Date: 27 June 2022

WESTERN HEALTH AND SOCIAL CARE TRUST

TRUST FUNDS (ENDOWMENTS AND GIFTS) ACCOUNTS FOR THE YEAR

ENDED 31 MARCH 2022

WESTERN HEALTH AND SOCIAL CARE TRUST – CHARITABLE TRUST FUNDS

THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE NORTHERN IRELAND ASSEMBLY

Opinion on financial statements

I certify that I have audited the financial statements of the Western Health and Social Care Trust's Charitable Trust Funds for the year ended 31 March 2022 under the Health and Personal Social Services (Northern Ireland) Order 1972, as amended. The financial statements comprise: the Statement of Financial Activities, the Balance Sheet, Statement of Cash Flows and the related notes including significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom accounting standards including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In my opinion the financial statements:

- give a true and fair view of the state of the Western Health and Social Care Trust's Charitable Trust Fund's affairs as at 31 March 2022 and of its incoming and expenditure of resources for the year then ended; and
- have been properly prepared in accordance with the Health and Personal Social Services (Northern Ireland) Order 1972, as amended and Department of Health directions issued thereunder.

Opinion on regularity

In my opinion, in all material respects the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK), applicable law and Practice Note 10 'Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom'. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of this certificate.

My staff and I are independent of the Western Health and Social Care Trust's Charitable Trust Funds in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK, including the Financial Reporting Council's Ethical Standard, and have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my opinions.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the Western Health and Social Care Trust's Charitable Trust Fund's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

Health and Social Care Trust's Charitable Trust Fund'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.

The going concern basis of accounting for the Western Health and Social Care Trust's Charitable Trust Funds is adopted in consideration of the requirements set out in the Government Reporting Manual, which require entities to adopt the going concern basis of accounting in the preparation of the financial statements where it anticipated that the services which they provide will continue into the future.

My responsibilities and the responsibilities of the Trust and the Accounting Officer 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 Annual Report other than the financial statements and my audit certificate and report. The Trust and the Accounting Officer are responsible for the other information included in the annual report. My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

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

I have nothing to report in this regard.

Opinion on other matters

In my opinion based on the work undertaken in the course of the audit, the information given in the Trustee's Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which I report by exception

In the light of the knowledge and understanding of the Western Health and Social Care Trust's Charitable Trust Funds and its environment obtained in the course of the audit, I have not identified material misstatements in the Trustee's Annual Report.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- I have not received all of the information and explanations I require for my audit.

Responsibilities of the Trust and Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer Responsibilities, the Trust and the Accounting Officer are responsible for the preparation of the financial statements and for:

- the preparation of the financial statements in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- such internal controls as the Trust Accounting Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error;
- assessing the Western Health and Social Care Trust's Charitable Trust Funds' 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 Trust and Accounting Officer anticipates that the services provided by the Western Health and Social Care Trust's Charitable Trust Funds will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Health and Personal Social Services (Northern Ireland) Order 1972, as amended.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue a certificate that includes my 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.

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulation, including fraud.

My procedures included:

- obtaining an understanding of the legal and regulatory framework applicable to the Western Health and Social Care Trust's Charitable Trust Funds through discussion with management and application of extensive public sector accountability knowledge. The key laws and regulations I considered included the Health and Personal Social Services (Northern Ireland) Order 1972, as amended and Department of Health directions issued thereunder;
- making enquires of management and those charged with governance on the Western Health and Social Care Trust's Charitable Trust Funds' compliance with laws and regulations;
- making enquiries of internal audit, management and those charged with governance as to susceptibility to irregularity and fraud, their assessment of the risk of material misstatement due to fraud and irregularity, and their knowledge of actual, suspected and alleged fraud and irregularity;
- completing risk assessment procedures to assess the susceptibility of the Western Health and Social Care Trust's Charitable Trust Funds' financial statements to material misstatement, including how fraud might occur. This included, but was not limited to, an engagement director led engagement team discussion on fraud to identify particular areas, transaction streams and business practices that may be susceptible to material misstatement due to fraud. As part of this discussion, I identified potential for fraud in

the following areas: revenue recognition, expenditure recognition and posting of unusual journals;

- engagement director oversight to ensure the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with the applicable legal and regulatory framework throughout the audit;
- designing audit procedures to address specific laws and regulations which the engagement team considered to have a direct material effect on the financial statements in terms of misstatement and irregularity, including fraud. These audit procedures included, but were not limited to, reading board and committee minutes, and agreeing financial statement disclosures to underlying supporting documentation and approvals as appropriate;
- addressing the risk of fraud as a result of management override of controls by:
 - performing analytical procedures to identify unusual or unexpected relationships or movements;
 - testing journal entries to identify potential anomalies, and inappropriate or unauthorised adjustments;
 - assessing whether judgements and other assumptions made in determining accounting estimates were indicative of potential bias; and
 - investigating significant or unusual transactions made outside of the normal course of business.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my certificate.

In addition, I am required to obtain evidence sufficient to give reasonable assurance that the financial statements conform to the authorities which govern them.

Report

I have no observations to make on these financial statements.



KJ Donnelly
Comptroller and Auditor General
Northern Ireland Audit Office
1 Bradford Court, Galwally
BELFAST
BT8 6RB
22 July 2022

TRUST FUNDS (ENDOWMENT AND GIFT FUNDS) OF THE WESTERN HEALTH AND SOCIAL CARE TRUST

Statement of Financial Activities for the year ended 31 March 2022

	Note	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	2022 Total Funds £000	2021 Total Funds £000
Income and endowments from:						
Donations and Legacies	2	71	475	0	546	3,613
Investments	3	10	89	0	99	88
Total Income		81	564	0	645	3,701
Expenditure on:						
Charitable Activities	6	(49)	(466)	0	(515)	(575)
Raising funds	5	(1)	(12)	0	(13)	(13)
Total resources expended		(50)	(478)	0	(528)	(588)
Net Gains on investments	9.1	4	171	14	189	447
Net Income and Net Movement in Funds		35	257	14	306	3,560
Adjustment to add back:						
Notional Audit Fee		10	0	0	10	7
Net Movement in Funds excluding Notional Audit Fees		45	257	14	316	3,567
RECONCILIATION OF FUNDS						
Total Fund balances brought forward at 1 April	12	96	5,967	280	6,343	2,776
Total Fund balances carried forward at 31 March	12	141	6,224	294	6,659	6,343

The notes at pages 20 to 30 form part of this account.

All gains and losses recognised in the reporting period are included in the SoFA and relate to continuing activities.

There is no material difference between the net incoming/ (outgoing) resources for the reporting period stated above and their historical cost equivalents.

TRUST FUNDS (ENDOWMENT AND GIFT FUNDS) OF THE WESTERN HEALTH AND SOCIAL CARE TRUST

Balance Sheet as at 31 March 2022

	Notes	31 March 2022 £000	31 March 2021 £000
Fixed Assets:			
Investments	9	3,014	2,825
Total Fixed Assets		3,014	2,825
Current Assets:			
Debtors	10	18	3,042
Cash at bank and in hand		3,665	513
Total Current Assets		3,683	3,555
Liabilities:			
Creditors: Amounts falling due within one year	11	(38)	(37)
Net Current Assets		3,645	3,518
Total Assets less Current Liabilities			
Total Net Assets		6,659	6,343
Funds of the Charity			
Endowment funds	12	294	280
Restricted income funds	12	6,224	5,967
Unrestricted income funds	12	141	96
Total charity funds		6,659	6,343

The notes at pages 20 to 30 form part of this account.

The financial statements were approved and authorised for issue by the Trustees on 27 June 2022 and have been signed on their behalf by:

Signed: 

Name: Mr N Guckian, Chief Executive

Date: 27 June 2022

TRUST FUNDS (ENDOWMENT AND GIFT FUNDS) OF THE WESTERN HEALTH AND SOCIAL CARE TRUST

Statement of Cash Flows for the Year ended 31 March 2022

	Note	31 March 2022 £000s	31 March 2021 £000s
Net Cash provided by (used in) operating activities		3,053	(3)
Cash flows from investing activities:			
Dividends, interest and rents from investments	3	99	88
Net Cash provided by (used in) investing activities		99	88
Change in cash and cash equivalents in the reporting period		3,152	85
Cash and cash equivalents at the beginning of the reporting period		513	428
Change in cash and cash equivalents due to exchange rate movements		0	0
Cash and cash equivalents at the end of the reporting period		3,665	513

Analysis of cash and cash equivalents

	31 March 2022 £000s	31 March 2021 £000s
Cash in hand	3,655	121
Notice deposits (less than 3 months)	10	392
Total cash and cash equivalents	3,665	513

TRUST FUNDS (ENDOWMENT AND GIFT FUNDS) OF THE WESTERN HEALTH AND SOCIAL CARE TRUST

Notes to the accounts

1. Accounting policies

1(a) Basis of preparation

The financial statements have been prepared under the historic cost convention, with the exception of investments, which are included at market value. The financial statements have been prepared in accordance with the Charities Statement of Recommended Practice (SORP) with additional disclosures as required by FRS 102 and with relevant guidance issued by the Department of Health.

Update Bulletin, issued February 2016, amended the Charities SORP and a Statement of Cash Flows is now only required for larger charities. Larger charities are those charities with a gross income exceeding £500,000 in the reporting period. The Trust Funds meet the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note. The financial statements have been prepared on a going concern basis.

1(b) Incoming resources

All incoming resources are included in full in the statement of financial activities as soon as the following three factors can be met:

- i) entitlement – arises when a particular resource is receivable or the charity's right becomes legally enforceable;
- ii) probability – where there is reasonable certainty that the incoming resource will be received;
- iii) measurement – when the monetary value of the incoming resources can be measured with sufficient reliability.

1(c) Income from donations and legacies

This includes all income received by the Trust funds which are gifts or bequests made on a voluntary basis.

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

1(c) (iv) Investment Income

This is income earned from holding assets for investment purposes and includes dividends and interest.

1(d) Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. All expenditure is recognised once there is a legal or constructive obligation committing the charity to the expenditure.

TRUST FUNDS (ENDOWMENT AND GIFT FUNDS) OF THE WESTERN HEALTH AND SOCIAL CARE TRUST

1 (e) Charitable activities

Costs of charitable activities comprise all costs incurred in the pursuit of the charitable objects of the charity. These costs, where not wholly attributable, are apportioned between the categories of charitable expenditure, as shown in Note 6.

1 (f) Allocation of support costs and overheads

Support costs and overheads have been allocated between Charitable Activities. Costs which are not wholly attributable to an expenditure category have been apportioned. The analysis of support costs are shown in Note 4. Where costs are shared by two or more charitable activities, support costs have been apportioned between categories and this is analysed in Note 4.

1 (g) Investments

Investments are stated at market value as at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

1 (h) Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening market value (purchased date if later). Unrealised gains and losses are those gains/losses arising from increases or decreases in the value of investments that have not been sold (hence unrealised at the reporting period end). These are calculated as the difference between the carrying value at the year-end and opening market value (or purchase date if later). Unrealised gains and losses are allocated across the appropriate funds (i.e. those funds for which investments are held) according to the closing value of funds at the year-end.

1 (i) Funds structure

Where there is a legal restriction on the purposes 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 classified as designated funds.

The major funds held in each of the categories are disclosed at Note 12.

1(j) Critical accounting judgement and key sources of estimation uncertainty

In the process of applying the Trust Funds accounting policies, which are described above, management has not made any critical judgements nor estimations that have a significant effect on the amounts recognised in the Financial Statements.

TRUST FUNDS (ENDOWMENT AND GIFT FUNDS) OF THE WESTERN HEALTH AND SOCIAL CARE TRUST

1(k) Financial Instruments

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

1(l) Going concern

There are no material uncertainties about the ability of the Trust to continue operating as a going concern.

1(m) Debtors

Debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1(n) Cash

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

1(o) Creditors and provisions

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

TRUST FUNDS (ENDOWMENT AND GIFT FUNDS) OF THE WESTERN HEALTH AND SOCIAL CARE TRUST

2. Analysis of income from Donations and Legacies

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	Total 2022 Funds £000	Total 2021 Funds £000
Donations from individuals	28	346	0	374	473
Legacies	43	128	0	171	31
Donations – Other*	0	1	0	1	3,000
Grant income – COVID-19	0	0	0	0	109
Total	71	475	0	546	3,613

*The Donations – Other £3m relates to a donation from DoH received in April 2021.

3. Gross Investment Income

	2022 Unrestricted Funds £000	2022 Restricted Funds £000	2022 Total Funds £000	2021 Total Funds £000
Gross income earned from:				
Fixed asset equity and similar investments	10	89	99	88
Total	10	89	99	88

4. Analysis of support and governance costs across expenditure

	Staff costs £000	Audit £000	2022 £000	2021 £000
Purchase of new equipment	23	0	23	18
Staff education and welfare	15	0	15	11
Patient education and welfare	1	0	1	1
Other	13	10	23	17
Total	52	10	62	47

Staff costs represent a charge for resources of the financial administration of the Trust Funds. There are no key management personnel and there are no employees within Trust Funds (Endowment and Gifts Funds). Trustees of the Trust Funds do not receive expenses. (See Note 6)

TRUST FUNDS (ENDOWMENT AND GIFT FUNDS) OF THE WESTERN HEALTH AND SOCIAL CARE TRUST

5. Expenditure on raising funds

	Unrestricted	Restricted	2022 Total Funds	2021 Total Funds
	£000	£000	£000	£000
CIFC Investment Management fee	1	12	13	13
Total	<u>1</u>	<u>12</u>	<u>13</u>	<u>13</u>

The expenditure of £12,824 (2021: £13,021) was incurred for portfolio management for CIFC investments.

6. Analysis of charitable expenditure

	Charitable activities	Support Costs (See Note 4)	2022 Total	2021 Total
	£000	£000	£000	£000
Purchase of new equipment	196	23	219	263
Staff education and welfare	38	15	53	152
Patient education and welfare	42	1	43	16
Other	177	23	200	144
Total	<u>453</u>	<u>62</u>	<u>515</u>	<u>575</u>

In 2021/22, expenditure of £196k was made from charitable trust funds for the purchase of equipment. This equipment has been donated to and is for use by Western Health and Social Care Trust. The unconditional legal title of these assets has passed to Western Health and Social Care Trust. The expenditure in respect of these items is included in the above analysis under “purchase of new equipment”.

7. Auditor’s remuneration

The auditor’s remuneration of £10,000 (2021: £7,000) related solely to the audit with no other additional work undertaken.

8. Analysis of fixed asset investments

Fixed asset investments are measured initially at cost and subsequently at fair value (market value) at the balance sheet date.

TRUST FUNDS (ENDOWMENT AND GIFT FUNDS) OF THE WESTERN HEALTH AND SOCIAL CARE TRUST

9.1 Movement in fixed asset investment

	2022	2021
	£000	£000
Market value at 1 April	2,825	2,378
Net gain on revaluation	189	447
Market value at 31 March 2022	3,014	2,825
Historic cost at 31 March 2022	827	827

Funds are invested in the Northern Ireland Central Investment Fund for Charities, (CIFC).

9.2 Market value as at 31 March 2022

	Held in	2022	2021
	UK	Total	Total
	£000	£000	£000
Investments in a Common Deposit Fund or Investment Fund	3,014	3,014	2,825
Total market value of fixed asset investments	3,014	3,014	2,825

10. Analysis of debtors

	2022	2021
	£000	£000
Amounts falling due within one year		
Other debtors*	18	3,042
Total	18	3,042

* £3m of Other debtors relates to the donation due from DoH at the 31 March 2021.

11. Analysis of creditors

Amounts falling due within one year

	2022	2021
	£000	£000
Trade creditors	38	37
Total	38	37

TRUST FUNDS (ENDOWMENT AND GIFT FUNDS) OF THE WESTERN HEALTH AND SOCIAL CARE TRUST

12. Analysis of charitable funds

There are 175 individual funds held within the Trust Funds (Endowment and Gift Funds) of the Western Health and Social Care Trust as at 31 March 2022 held between unrestricted, restricted and Endowment funds.

Analysis of movements in Unrestricted funds

	Balance at 1 April 2021	Incoming resources	Resources expended	Transfers	Gains and losses	Fund at 31 March 2022
	£000	£000	£000	£000	£000	£000
Unrestricted and material designated funds						
Other (individually less than 5%)	96	81	(40)	0	4	141
Total	96	81	(40)	0	4	141

Analysis of movements in Unrestricted funds – previous year

	Balance at 1 April 2020	Incoming resources	Resources expended	Transfers	Gains and losses	Fund at 31 March 2021
	£000	£000	£000	£000	£000	£000
Unrestricted and material designated funds						
Other (individually less than 5%)	72	44	(28)	0	8	96
Total	72	44	(28)	0	8	96

Analysis of movements in Restricted funds*

	Balance at 1 April 2021 £000	Incoming resources £000	Resources expended £000	Transfers £000	Gains and losses £000	Fund at 31 March 2022 £000
74020120 Staff Support Fund	3,000	0	(78)	0	0	2,922
45020004 Cancer Fund	354	64	(77)	0	124	465
Other (individually less than 5%)*	2,613	500	(323)	0	47	2,837
Restricted Funds Total	5,967	564	(478)	0	171	6,224

TRUST FUNDS (ENDOWMENT AND GIFT FUNDS) OF THE WESTERN HEALTH AND SOCIAL CARE TRUST

Analysis of movements in Restricted funds – previous year*

	Balance at 1 April 2020 £000	Incoming resources £000	Resources expended £000	Fund transfer reclassifica tion £000	Gains and losses £000	Fund at 31 March 2021 £000
74020120 Staff Support Fund	0	3,000	0	0	0	3,000
45020004 Cancer Fund	402	66	(205)	0	91	354
Other (individually less than 5%)	2,066	591	(348)	0	304	2,613
Restricted Funds Total	2,468	3,657	(553)	0	395	5,967

Analysis of movements in Endowment funds

	Balance at 1 April 2021 £000	Incoming resources £000	Resources expended £000	Gains and losses £000	Fund at 31 March 2022 £000
Endowment Funds					
Other (individually less than 5%)	280	0	0	14	294
Endowment Funds Total	280	0	0	14	294

Endowment funds are permanent funds of the Trust Funds and provide for a variety of patient care.

Analysis of movements in Endowment funds – previous year

	Balance at 1 April 2020 £000	Incoming resources £000	Resources expended £000	Gains and losses £000	Fund at 31 March 2021 restated £000
Endowment Funds					
Other (individually less than 5%)	236	0	0	44	280
Endowment Funds Total	236	0	0	44	280

Nature of Restricted Funds:

Staff Support Fund

General Support to Staff.

Cancer Fund

For the treatment and benefit of cancer patients enhancing quality of patient care.

TRUST FUNDS (ENDOWMENT AND GIFT FUNDS) OF THE WESTERN HEALTH AND SOCIAL CARE TRUST

13. Analysis of net assets between funds

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	Total £000
Fixed Assets	48	2,672	294	3,014
Current Assets	101	3,582	0	3,683
Liabilities	(8)	(30)	0	(38)
Total	141	6,224	294	6,659

Analysis of net assets between funds – previous year

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	Total £000
Fixed Assets	54	2,491	280	2,825
Current Assets	57	3,498	0	3,555
Liabilities	(15)	(22)	0	(37)
Total	96	5,967	280	6,343

14. Commitments

The Trusts' funds have the following commitments:	2022 £000	2021 £000
Other	2,151	324
Total Commitments	2,151	324

The increase during 2022 includes £1.5m of commitments from the Staff Support fund which will be spent over the next two years as well as commitments arising from other targeted committee activities.

15. Financial guarantees, indemnities and Letters of Comfort

The Charitable Trust Fund has not entered into any quantifiable financial guarantees, indemnities or provided letters of comfort in the years ended 31 March 2021 or 31 March 2022.

TRUST FUNDS (ENDOWMENT AND GIFT FUNDS) OF THE WESTERN HEALTH AND SOCIAL CARE TRUST

16. Related party transactions

During the year, none of the Trustees or members of the key management staff or parties related to them has undertaken any transactions with the Trust Funds of the Western Health and Social Care Trust.

No key management personnel are employed by the charity.

Board Members (and other senior staff) take decisions both on Charity and Exchequer matters but endeavour to keep the interests of each discrete and do not seek to benefit personally from such decisions. Declarations of personal interest have been made in both capacities and are available to be inspected by the public.

No Trustees have received honoraria, emoluments or expenses in the year.

17. Financial Instruments

	2022 Total £000	2021 Total £000
Financial Assets measured at fair value through the SOFA	6,679	3,338
Financial Assets measured at amortised cost	18	3,042
Total	6,697	6,380

	2022 Total £000	2021 Total £000
Financial Liabilities measured at fair value through the SOFA	-	-
Financial Liabilities measured at amortised cost	38	37
Total	38	37

Financial assets measured at fair value through the SOFA comprise cash in bank and at hand and Fixed Asset Investments.

Financial assets measured at amortised cost comprise of other debtors.

TRUST FUNDS (ENDOWMENT AND GIFT FUNDS) OF THE WESTERN HEALTH AND SOCIAL CARE TRUST

There are no financial liabilities measured at fair value through the SOFA. Financial liabilities measured at amortised cost comprises of other creditors.

18. Date Authorised for Issue

The Accounting Officer authorised these financial statements for issue on 22 July 2022.

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