

Charitable Trust Funds

**Annual Report and Accounts
for the year ended 31 March 2018**



respect & dignity



openness & trust



leading edge



learning & development



accountability

The Annual Report and Accounts of the Charitable Trust Funds held
by the Belfast Health and Social Care Trust
for the year ended 31 March 2018

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

29 June 2018

Annual Report of the Trustees of the Charitable Trust Funds held by the Belfast Health and Social Care Trust for the year ended 31 March 2018

Introduction

This is the annual report for the Charitable Trust Funds held by the Belfast Health and Social Care Trust ('Charitable Funds') for the year from 1 April 2017 to 31 March 2018.

Under Article 91 of the Health and Personal Social Services (NI) Order 1972 (as amended by Article 6 of the Audit and Accountability (NI) Order 2003), the Belfast 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. This format is in accordance with the requirements of the Charities Statement of Recommended Practice (SORP) (FRS 102).

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 of the Belfast Health and Social Care Trust are the trustees of the Trust Fund. During 2017-18 the following acted as Trustees:

Chairperson

Mr Peter McNaney

Non-Executive Directors

Professor Martin Bradley
Mrs Nuala McKeagney
Dr Patrick Loughran
Ms Anne O'Reilly
Mrs Miriam Karp
Mr Gordon Smyth
Professor David Jones

Executive Directors

Chief Executive	Mr Martin Dillon
Deputy Chief Executive/Medical Director	Dr Cathy Jack
Director of Finance	Mrs Maureen Edwards
Director of Nursing	Miss Brenda Creaney
Director of Social Work	Mr Cecil Worthington (<i>until September 2017</i>)
Interim Director of Social Work	Mr John Growcott (<i>from October 2017</i>)

Address of Principal Office

A Floor
Belfast City Hospital
Lisburn Road
Belfast BT9 7AB

Charity Number: XT1874

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
Belfast City Branch
Belfast BT1 2BA

Solicitors

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

(Advisors in relation to the Charitable Funds Review)

Cleaver Fulton Rankin
50 Bedford Street
Belfast BT2 7FW

Principal Advisors

(Advisors in relation to the Common Investment Fund)

Brewin Dolphin Limited
Waterfront Plaza
8 Laganbank Road
Belfast BT1 3LR

Investment Arrangements

In order to maximise the total return from investment of the Charitable Funds, the Northern Ireland Health and Social Services Charities Common Investment Fund was established by an Order dated 30 March 1995, made by the Department of Health under Section 25 of the Charities Act (Northern Ireland) 1964. The Charitable Funds of the Belfast Health and Social Care Trust are invested within this Common Investment Fund. A committee has been established to manage the operations of the Common Investment Fund. During 2017-18 this committee consisted of the following individuals:

Mr Peter McNaney	Belfast HSC Trust, Chairman
Mr Martin Dillon (<i>until Jun-17</i>)	Belfast HSC Trust, Chief Executive
Mrs Maureen Edwards (<i>from Jun-17</i>)	Belfast HSC Trust, Director of Finance
Mrs Fiona Cotter	Belfast HSC Trust Co Director Accounting & Financial Services
Mrs Nuala McKeagney	Belfast HSC Trust, Non-Executive Director
Mr Neil Guckian	South Eastern HSC Trust Director of Finance
Mrs Helen Minford	South Eastern HSC Trust, Non-Executive Director

Since 1st April 2012 the Belfast Health and Social Care Trust has had responsibility for the administration of the Common Investment Fund.

Structure, governance and management

The Trust Board acts as “corporate trustee” for the Charitable Funds and is responsible for ensuring that these funds are held and managed separately from public funds.

The Trust Board has established a Charitable Funds Advisory Committee, which is authorised by the Board to undertake any activity within its terms of reference. It is authorised to seek advice from whatever source it deems to be appropriate in order to fulfil its function. Membership of the Charitable Funds Advisory Committee during 2017-18 was as follows:

Mr Peter McNaney	Chairman
Mrs Nuala McKeagney	Non-Executive Director
Mr Martin Dillon	Chief Executive
Mrs Maureen Edwards	Director of Finance
Miss Brenda Creaney	Director of Nursing
Dr Cathy Jack	Medical Director
Mr Cecil Worthington	Director of Social Work <i>until 30 Sept 17</i>
Mr John Growcott	Interim Director of Social Work <i>from 1 Oct 2017</i>
Dr Gavin Dalzell	Chair of Medical Staff Committee
Dr Peter Watson	Chair of Medical Staff Committee
Dr Fiona Stewart	Chair of Medical Staff Committee

The roles and responsibilities of the Charitable Funds Advisory Committee in relation to the management and governance of the Charitable Funds are as follows:

- Oversee Charitable Funds in line with guidance in the Trust’s Standing Financial Instructions, Departmental guidance and legislation
- Ratifying the creation of new funds 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
- Make recommendations on the potential for rationalisation of funds within statutory guidelines
- Ensure that assets in ownership of, or used by, the Charitable Funds will be maintained with the Trust’s general estate and inventory of assets
- Ensure that funds are not unduly or unnecessarily accumulated
- Ensure that a Trustees Report is produced as part of the production of annual accounts for the Charitable Funds
- Ensure that expenditure from the Charitable Funds is subject to appropriate value for money considerations including proper procurement procedures where applicable
- Ensure that Annual accounts are prepared in accordance with Department of Health guidelines and submitted to the Trust Board within agreed timescales
- On behalf of the Trust Board, and on the advice of the Senior Management Team, the Committee will authorise appropriate policies and procedures in relation to the Charitable Funds.

The Trustees have delegated the authority for expenditure decisions to the Charitable Funds Advisory Committee. The Trustees have also delegated expenditure decisions to specific individuals within the Trust to recommend expenditure from restricted funds.

The Trust operates under a scheme of delegation approved by the Trust Board in June 2007. This authorised the extant local arrangements for approval to Trust Fund expenditure requests. These arrangements are regularly reviewed and updated by the Charitable Funds Advisory Committee

These recommendations were approved by the Trust Board in June 2007. This authorised the extant local arrangements for approval to Trust Fund expenditure requests. These arrangements are regularly reviewed and updated by the Charitable Funds Advisory Committee.

From 1st December 2008, the following arrangements for approval apply:

<u>Expenditure Range</u>	<u>Approval Level</u>
£0 to £1,000	Co-Director of Accounting and Financial Services
£1,001 to £4,999	Director of Finance
£5,000 to £24,999	Chief Executive
£25,000 to £99,999	Charitable Funds Advisory Committee
£100,000 and above	Trust Board

All Charitable Funds expenditure requests are checked by the Charitable Funds team to ensure:-

- The proposed expenditure meets the objectives of the fund in question
- There are sufficient funds to cover the expenditure proposed in full
- Any revenue consequential are clearly identified and have a recurring funding source.

The Charitable Funds Advisory Committee recognise the current and ongoing economic conditions in investment markets and its impact on the Charitable Fund's investments. The Charitable Funds Advisory Committee will continue to ensure that there is:

- Continued representation on behalf of the Charitable Funds on the Common Investment Fund Committee
- Continued discussion and review of Investment Management performance reports and forecasts.

As the Trustees are directors of the Belfast Health and Social Care Trust, the policies and procedures followed for recruitment, induction and training of these officers applies also to their duties as Trustees.

During the year, none of the Trustees or members of the key management staff or parties related to them have undertaken any material transactions with the Belfast Health and Social Care Trust's Charitable Funds.

Objectives and Activities

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

The aim of the Trustees is to enhance the patient experience within the hospital through planned expenditure from the funds available. Charitable Funds expenditure for 2017-18 has been summarised below:

	£000
<i>Medical Research</i>	249
<i>Purchase of New Equipment</i>	385
<i>Building and Refurbishment</i>	426
<i>Staff Education and Welfare</i>	567
<i>Patient Education and Welfare</i>	433
<i>Other</i>	9
Total	2,069

The Trustees have not undertaken any fundraising activities in 2017-18 and relied on voluntary contributions and donations.

Achievements and Performance

The Trustees policy is to seek to balance the use of the Charitable Funds capital and income in a way which maximises the benefits to the hospital and patients and which sustains historical levels of income.

During the year the Charitable Funds continued to engage in activities commensurate with its objectives. Over £2m was expended on charitable activities, in accordance with the Trust's policies and procedures in relation to expenditure from Charitable Funds.

Examples of improvements made across the Belfast Health and Social Care Trust as a result of donations and legacies received during 2017-18 include:

- The provision of a Therapeutic Garden in Muckamore Abbey Hospital
- The purchase of a Pill Packing facility for pharmacy, to allow patients to be discharged with their medication in blister packs
- The introduction of the Belfast Bike Scheme onto BHSCT location to be used by patients and staff
- The provision of a dedicated staff member to work with patients using art therapy as a medium of rehabilitation and the provision of equipment to be used
- Additional seating areas for the oncology department for patients and visitors comforts
- The refurbishment of the West Wing RVH for the provision of a research and teaching facility of medical staff
- The refurbishment of the Medical Outpatients Centre in Musgrave Park Hospital to improve the patient experience
- The purchase of tattoo equipment to be used with burns and oncology patients
- The publication of a book depicting the history of the Belfast City Hospital
- Purchase of additional ventilators
- Purchase of reclining chairs for patient comforts
- The facilitation of a Nursing celebration day to recognise the work and achievements of the nursing staff within the Trust.

Financial Review

Introduction

The financial statements have been prepared in accordance with the Charities Statement of Recommended Practice (SORP), previously SORP 2005, applicable to charities preparing their accounts in accordance with FRS102 in the UK and Republic of Ireland and with relevant guidance issued by the Department of Health.

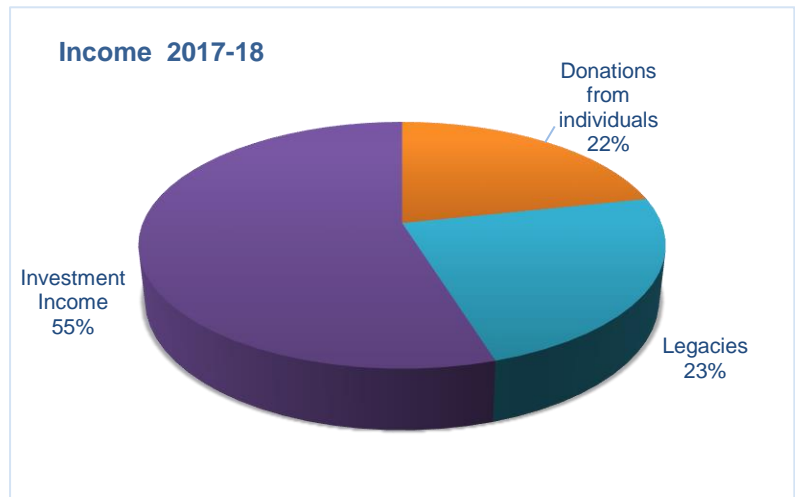
Where there is a legal restriction on the purposes to which a fund may be put, the fund is classified in the accounts as a restricted fund. Funds where the capital is held to generate income for charitable purposes and the capital cannot be spent are accounted for as endowment funds. Other funds are classified as unrestricted funds.

Review of the year

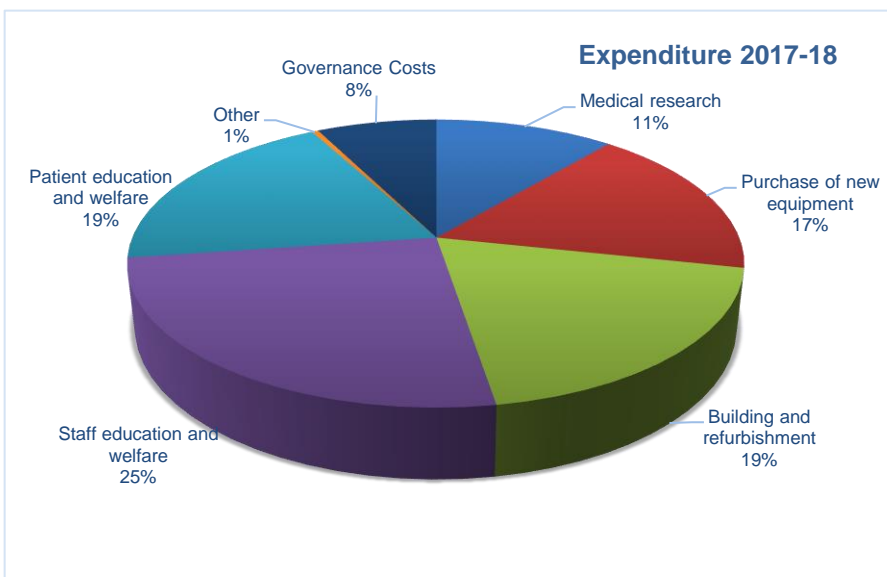
Income

During the year income totalling £2.18m was received, a decrease of £225k compared to the prior year. £985k was received in donations and legacies compared to £1.322m in 2016-17. The donated income is received mainly from former patients, clients and their relatives in recognition of the Trust's work.

Investment income rose by £112k to £1.195m for the year compared to £1.083m in 2016-17.



Expenditure



The total resources expended during the year was £2.236m (£2.153m in 2016-17) of which direct charitable expenditure accounted for £2.069m (£1.999m in 2016-17).

Governance costs for financial administration of the fund amounted to £167k (£154k). Audit remuneration fee of £5.2k is included in this total.

Financial position at year-end

The total fund balance at 31 March 2018 was £48.453m, consisting of £33.257m of restricted funds, £13.641m of unrestricted funds and £1.555m of endowment funds. This is a decrease of £1.217m on the fund balance of £49.670m at 31 March 2017.

The £1.217m decrease in funds is primarily due to unrealised losses on investments assets of £1.166m.

Financial Controls

The Trustees are aware of their financial responsibilities for the money that is held on trust. Appropriate policies and procedures are in place to ensure these responsibilities are adequately discharged, and these are reviewed on a regular basis.

The Trust utilises an internal audit function which operates to defined standards and whose work is informed by an analysis of risk to which the body is exposed and annual audit plans are based on this analysis.

Internal Audit reviewed the Charitable Funds system and procedures in 2016-17 and a satisfactory level of assurance was provided.

Statement of risk

The management of risk in relation to the Charitable Funds is closely aligned with the Belfast Health and Social Care Trust's risk management strategy and procedures.

The major risks to which the Charitable Funds are exposed have been reviewed by the Charitable Funds Advisory Committee and systems have been established to mitigate these risks. The major risks identified are falls in income due to the fluctuation of legacy and donations received and an adverse change in the stock market conditions. These risks are mitigated by the reserves policy below, and by regular reviews of income and expenditure and expenditure requests and forecasts, and by the investment performance reviews by the Common Investment Fund trustees. This may result in the portfolio being changed if the trustees consider the investments held are exposed to unnecessary risks.

Reserves policy

The Charitable Funds do not currently enter into future commitments and so has not created any reserves for this. Activities are only authorised when funding is available.

Investment policy

For investment purposes the balances on the Charitable Funds of a number of Trusts are pooled and invested in the Northern Ireland Health and Social Services Charities Common Investment Fund.

Where there are cash balances surplus to requirements the Trust transfers such balances to the Common Investment Fund, in order to maximise the return on investments.

Introduction of the Charities Act (NI 2008)

The Charities Act (NI) 2008 provides the broad legislative framework for charities in Northern Ireland. It established the requirement for a compulsory register of all charities operating in Northern Ireland, it provided a charity test to define what is and what is not a charity, it put in place new requirements for all public collections and it established a Charity Commission. While the legislation provides this broad framework, amendments are required to the legislation which have not yet been approved by the Assembly. There is currently a register in place.

The test to define what constitutes a charity under the legislation requires two criteria to be met; namely to be established for charitable purposes and to provide a public benefit. An examination of the Act and the draft guidance from the Charity Commission indicates that the Trust's Charitable Funds meet these criteria and therefore is required to register as a charity. The Trust has engaged with the Charities Commission Northern Ireland and secured agreement to delay the registration process until the restructuring of the Charitable Funds is complete.

Plans for future periods

Charitable Funds review

During the 2017-18 financial year the Trust concluded its work with its legal advisers and the Attorney General's office in relation to the review of the Charitable Funds. The outcome of this work was a successful application to the Chancery Division of the High Court in June 2017.

The Court approved the Proposed New Governance Arrangements, the proposed mapping of the unrestricted charitable funds and the proposals for the future use of those restricted charitable funds that were established to create prizes and scholarships. It also ordered modifications and Cy-pres applications to the purposes of some individual funds.

The Charitable Funds Advisory Committee has established a project to implement the changes required and anticipates that this work will be completed over the course of the 2018-19 financial year.

The table below illustrates the proposed allocation of the gross fund balances at year end across the new funds structure:

New Fund	Balance as at 01/04/2017 £000	Balance as at 31/03/2018 £000
<i>Critical care</i>	594	569
<i>Diagnostics &AHP</i>	2,259	2,216
<i>General purposes</i>	5,267	4,747
<i>Medical and Surgical</i>	6,777	6,298
<i>Medical Specialties</i>	4,527	4,511
<i>Mental Health and Learning and disability</i>	833	762
<i>Obstetrics and Gynaecology</i>	4,277	4,247
<i>Oncology</i>	3,440	3,360
<i>Paediatrics</i>	10,637	10,345
<i>Research & Development</i>	7,401	7,761
<i>Restricted Funds</i>	3,658	3,637
Grand Total	49,670	48,453

Funds held as Custodian Trustee on behalf of others

The Belfast Health and Social Care Trust does not act as Custodian Trustee on behalf of others.

Approved by the Trustees at a meeting of the Board on 7th June 2018

Signed: Mr Peter McNaney


Chairman

Mr Martin Dillon


Chief Executive

BELFAST 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 Belfast Health and Social Care Trust – Charitable Trust Funds for the year ended 31 March 2018 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, the Statement of Cash Flows and the related notes. These financial statements have been prepared under the accounting policies set out within them.

In my opinion the financial statements:

- give a true and fair view of the state of the Belfast Health and Social Care Trust’s Charitable Trust Funds’ affairs as at 31 March 2018 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 of opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs) and Practice Note 10 ‘Audit of Financial Statements of Public Sector Entities 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 Belfast Health and Social Care Trust in accordance with the ethical requirements of the Financial Reporting Council’s Revised Ethical Standard 2016, 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.

Other Information

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

In connection with my audit of the financial statements, 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, 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 the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Responsibilities of the Trust and Accounting Officer for the financial statements

The Trust and the Accounting Officer are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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.

I am required to obtain evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of 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.

Matters on which I report by exception

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; or

Report

I have no observations to make on these financial statements.



KJ Donnelly
Comptroller and Auditor General
Northern Ireland Audit Office
106 University Street
Belfast
BT7 1EU

22 June 2018

Belfast Health and Social Care Trust

Charitable Trust Funds Accounts for the year ended 31 March 2018

Statement of Financial Activities

	Note	Unrestricted funds £000s	Restricted funds £000s	Endowment funds £000s	2018 Total funds £000s	2017 Total funds £000s
Income and endowments from:						
Donations and legacies	2	136	849	0	985	1,322
Charitable activities	3	0	0	0	0	0
Other trading activities		0	0	0	0	0
Investments	4	351	844	0	1,195	1,083
Other		0	0	0	0	0
Total income		487	1,693	0	2,180	2,405
Expenditure on:						
Raising funds	5	0	0	0	0	0
Governance costs	6	(44)	(123)	0	(167)	(154)
Charitable activities	7	(1,013)	(1,056)	0	(2,069)	(1,999)
Other		0	0	0	0	0
Total resources expended		(1,057)	(1,179)	0	(2,236)	(2,153)
Net income/(expenditure)		(570)	514	0	(56)	252
Transfers between funds	15	0	0	0	0	0
Other recognised gains/(losses):					0	
Gains/(losses) on revaluation of fixed assets		0	0	0	0	0
Gains/(losses) on investment assets	11	(344)	(822)	0	(1,166)	6,863
Net movement in funds		(914)	(308)	0	(1,222)	7,115
Adjustment to add back notional audit fee	8	1	4	0	5	5
Net movement in funds excluding notional audit fee		(913)	(304)	0	(1,217)	7,120
Reconciliation of funds: -						
Fund balances brought forward at 1 April 2017		14,554	33,561	1,555	49,670	42,550
Total funds carried forward at 31 March 2018		13,641	33,257	1,555	48,453	49,670

The notes on pages 17 to 26 form part of these accounts

Belfast Health and Social Care Trust

Charitable Trust Funds Accounts for the year ended 31 March 2018

Balance Sheet

	Notes	31 March 2018 £000s	31 March 2017 £000s
Fixed assets			
Intangible assets		0	0
Tangible assets	10	0	0
Heritage assets		0	0
Investments:	11	47,884	49,005
Total fixed assets		47,884	49,005
Current assets			
Stocks		0	0
Debtors	12	76	19
Investments (short term)		0	0
Cash at bank and in hand		692	979
Total current assets		768	998
Current liabilities			
Creditors: Amounts falling due within one year	13	(199)	(333)
Net current assets/(liabilities)		569	665
Total assets less current liabilities		48,453	49,670
Non current liabilities			
Creditors: Amounts falling due after one year	13	0	0
Provisions for liabilities and charges		0	0
Total net assets		48,453	49,670
Funds of the charity:			
Endowment funds	14	1,555	1,555
Restricted income funds	14	33,257	33,561
Unrestricted funds	14	13,641	14,554
Revaluation reserve		0	0
Total charity funds		48,453	49,670

The notes on pages 17 to 26 form part of these accounts

The financial statements were approved and authorised for issue by the Trustees on 7 June 2018 and have been signed on their behalf by:

Chairman:

Paul Nanny

Date:

7 June 2018

Chief Executive:

Yvonne Diller

Date:

7/6/2018

Belfast Health and Social Care Trust

Charitable Trust Funds Accounts for the year ended 31 March 2018

Statement of Cash Flows

	Note	31 March 2018 £000s	31 March 2017 £000s
Cash flows from operating activities:			
Net cash provided by (used in) operating activities		(1,437)	(1,518)
Cash flows from investing activities:			
Dividends, interest and rents from investments	11	1,195	1,083
Proceeds from the sale of property, plant and equipment		0	0
Purchase of property, plant and equipment		0	0
Proceeds from the sale of investments	11	0	567
Purchase of investments		(45)	0
Net cash provided by (used in) investing activities		1,150	1,650
Cash flows from financing activities:			
Repayments of borrowing		0	0
Cash inflows from new borrowing		0	0
Receipt of endowment		0	0
Net cash provided by (used in) financing activities		0	0
Change in cash and cash equivalents in the reporting period		(287)	132
Cash and cash equivalents at the beginning of the reporting period		979	847
Change in cash and cash equivalents due to exchange rate movements		0	0
Cash and cash equivalents at the end of the reporting period		692	979
Reconciliation of net income/(expenditure) to net cash flow from operating activities			
		31 March 2018 £000s	31 March 2017 £000s
<i>Net income/(expenditure) for the reporting period (as per the statement of financial activities)</i>		(1,217)	7,120
Adjustments for:			
Depreciation charges		0	0
(Gains)/losses on investments	11	1,166	(6,863)
Dividends, interest and rents from investments	11	(1,195)	(1,083)
Loss/(profit) on the sale of fixed assets		0	0
(increase)/decrease in stocks		0	0
(increase)/decrease in debtors	12	(57)	28
increase/(decrease) in creditors	13	(134)	(720)
Net cash provided by (used in) operating activities		(1,437)	(1,518)
Analysis of cash and cash equivalents			
		31 March 2018 £000s	31 March 2017 £000s
Cash in hand		692	979
Notice deposits (less than 3 months)		0	0
Overdraft facility repayable on demand		0	0
Total cash and cash equivalents		692	979

The notes on pages 17 to 26 form part of these accounts

Belfast Health and Social Care Trust

Charitable Trust Funds Accounts for the year ended 31 March 2018

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. Where appropriate prior year figures have been restated to give comparative values.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The Charitable Funds meet the definition of a public benefit entity under FRS 102.

The financial statements have been prepared on a going concern basis.

1(b) Structure of funds

Where there is a legal restriction on the purpose for which a fund may be used, the fund is classified either as an endowment fund, where the donor has expressly provided that only the income of the fund may be expended, or as a restricted fund, where the donor has provided for the donation to be spent in furtherance of a specified charitable purpose.

The major funds held in each of these categories are disclosed in Note 14.

1(c) 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 - arise when a particular resource is receivable or the charity's right becomes legally enforceable
- ii. probability - where there is a 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.

(i) Income from donations and legacies

This includes all income received by the Charitable Funds that is a gift or bequest made on a voluntary basis, for any purpose.

Legacies are recognised when it is probable that they will be received.

(ii) Income from charitable activities

This included income earned both from the supply of goods or services under contractual arrangements and from performance-related grants which have conditions specifying the provision of particular goods or services by the charitable funds.

(iii) Other income

This includes income from groups that have undertaken fundraising activities, income from charity vouchers and any other miscellaneous income.

(iv) Investment income

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

1(d) Resources expended and irrecoverable VAT

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. All expenditure is recognised once there is a legal or constructive obligation committing the charity to the expenditure. Irrecoverable VAT is charges against the category of resources expended for which it was incurred.

(i) Expenditure on raising funds

This includes all expenditure incurred by the Charitable Funds on the management of its investment funds.

(ii) Expenditure on charitable activities

This includes all expenditure by the Charitable Funds in undertaking activities that further its charitable aims for the benefit of its beneficiaries as shown in Note 7. These costs where not wholly attributable, are apportioned between the categories of charitable expenditure.

(iii) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include the Management Fee paid to the Belfast Health and Social Care Trust for provision of clerical and administration support. These costs have been allocated between expenditure on charitable activities. The bases on which support costs have been allocated are set out in Note 6.

1(e) Fixed assets

There are no fixed assets held by the Charitable Funds.

1(f) Donated assets

There are no donated assets held by the Charitable Funds.

1(g) Fixed asset investments

Investments are stated at market value as at the Balance Sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year. Details of movements in fixed asset investments during the year are shown in Note 11.

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 (purchase date if later). Unrealised gains and losses are those gains or losses arising from increases or decreased 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 late). Unrealised gains and losses are allocated across the appropriate funds (ie those funds for which

investments are held) according to the closing value of funds at the year end.

1(i) Cash and cash equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

1(j) Gifts in kind

Assets given for distribution by the charity are included in the Statement of Financial Activities only when distributed. Assets given for use by the charity (eg property for its own occupation) are included in the Statement of Financial Activities as incoming resources within Corporate Donations when receivable.

Gifts made in kind but on trust for conversion into cash and subsequent application by the charity are included on the accounting period in which the gift is sold.

In all cases the amount at which the gifts are brought into the account is either a reasonable estimate of their value to the charity or the amount actually realised. The basis of the valuation is disclosed in the Trustees' Annual Report.

1(k) 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(l) Creditors

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

1(m) Financial instruments

The Charitable Funds only have financial assets and liabilities that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1(n) Going concern

There are no material uncertainties about the Charitable Funds ability to continue as a going concern.

1(o) Key judgements and assumptions

The Charitable Funds make estimates and assumptions concerning the future. The resulting accounting estimate will, by definition, seldom equal the related actual results. The most significant areas of uncertainty that affects the carrying value of assets held by the Charitable Funds are the level of investment return and the performance of investment markets.

Belfast Health and Social Care Trust

Charitable Trust Funds Accounts for the year ended 31 March 2018

Notes to the Accounts

2 Analysis of income from donations and legacies

	Unrestricted funds £000s	Restricted funds £000s	2018 Total funds £000s	2017 Total funds £000s
Donations from individuals	108	364	472	863
Corporate donations	0	0	0	0
Legacies	28	485	513	457
Other	0	0	0	2
Total	136	849	985	1,322

3 Incoming resources from charitable activities

There is no Income from charitable activities for the Charitable Funds for year ended 31 March 2018 (2017: Nil).

4 Gross investment income

	2018 Total funds £000s	2017 Total funds £000s
Gross income earned from:		
Fixed asset equity and similar investments	1,195	1,083
Fixed asset cash on deposit	0	0
Current asset investments	0	0
Other	0	0
Total	1,195	1,083

Belfast Health and Social Care Trust

Charitable Trust Funds Accounts for the year ended 31 March 2018

Notes to the Accounts

5 Expenditure on raising funds

	Allocated to Other £000s	Charitable activities £000s	2018 Total funds £000s	2017 Total Funds £000s
Investment management fees	0	0	0	0
Fundraising costs	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

6 Analysis of governance and support costs across expenditure

	2018 Total funds £000s	Allocated to governance £000s	Charitable activities £000s	<i>Basis of apportionment</i>	2017 Total funds £000s
Financial	0	0	0		0
Administration	162	162	0	<i>Usage</i>	149
Salaries and related costs	0	0	0		0
External audit	5	5	0	<i>Usage</i>	5
Other	0	0	0		0
Total	<u>167</u>	<u>167</u>	<u>0</u>		<u>154</u>

The average number of employees on a full-time basis in the year was Nil (2017: Nil). The Charitable Trust is recharged a portion of Belfast Trust staff costs as administration charges each year.

7 Analysis of expenditure on charitable activities

	Grant funded activity £000s	Support costs £000s	2018 Total £000s	2017 Total £000s
Medical research	249	0	249	361
Purchase of new equipment	385	0	385	352
Building and refurbishment	426	0	426	467
Staff education and welfare	567	0	567	473
Patient education and welfare	433	0	433	331
Other	9	0	9	15
Total	<u>2069</u>	<u>0</u>	<u>2069</u>	<u>1,999</u>

8 Auditor's remuneration

The auditors' remuneration of £5,200 (2017: £5,200) related solely to the audit with no other additional work undertaken.

9 Trustees' remuneration

During the year the trustees received no remuneration or expenses reimburses (2017: nil).

Belfast Health and Social Care Trust

Charitable Trust Funds Accounts for the year ended 31 March 2018

Notes to the Accounts

10 Tangible fixed assets

There are no fixed assets held by the Charitable Funds (2017: Nil)

11 Analysis of fixed asset investments

11.1 Investments in a Common Investment Fund

	2018 £000s	2017 £000s
Market value at 1 April	49,005	42,709
Net Cash inflow/(outflow)	(1,150)	(1,650)
Share of income	1,195	1,083
Share of realised gains/(losses)	62	199
Share of unrealised gains/(losses)	(1,228)	6,664
Market value at 31 March	47,884	49,005

11.2 Movement in fixed asset investment

	2018 £000s	2017 £000s
Market value at 1 April	0	0
Less: Disposals at carrying value	0	0
Add: Acquisitions at cost	0	0
Net gain/loss on revaluation	0	0
Market value at 31 March	0	0
Historic Cost at 31 March	0	0

11.3 Market value at 31 March

	Held in UK £000s	Held outside UK £000s	2018 Total £000s	2017 Total £000s
Investment Properties :				
Investments listed on Stock Exchange	0	0	0	0
Investments in CIF - EHSSB area only	47,884	0	47,884	49,005
Investments in a Common Deposit Fund or Investment Fund	0	0	0	0
Unlisted securities	0	0	0	0
Cash held as part of the investment portfolio	0	0	0	0
Investments in connected bodies	0	0	0	0
Other investments	0	0	0	0
Total market value of fixed asset investments	47,884	0	47,884	49,005

Belfast Health and Social Care Trust

Charitable Trust Funds Accounts for the year ended 31 March 2018

Notes to the Accounts

12 Analysis of Debtors

	2018 £000s	2017 £000s
12.1 Amounts falling due within one year :		
Trade debtors	0	0
Prepayments	0	0
Accrued income	0	0
Other debtors	76	19
Total	76	19
12.2 Amounts falling due after more than one year :		
Trade debtors	0	0
Prepayments	0	0
Accrued income	0	0
Other debtors	0	0
Total	0	0

13 Analysis of Creditors

	2018 £000s	2017 £000s
13.1 Amounts falling due within one year :		
Loans and overdrafts	0	0
Trade creditors	0	0
Other creditors	199	333
Accruals	0	0
Deferred income	0	0
Total	199	333
13.2 Amounts falling due after more than one year :		
Loans and overdrafts	0	0
Trade Creditors	0	0
Other creditors	0	0
Accruals	0	0
Deferred income	0	0
Total	0	0

Belfast Health and Social Care Trust

Charitable Trust Funds Accounts for the year ended 31 March 2018

Notes to the Accounts

14 Analysis of charitable funds

Restricted Funds are funds where the donor has placed a legal restriction to either only utilise income generated from the donation (endowment) or to only be spent in furtherance of a specific charitable purpose.

14.1 Endowment funds

	Fund at 1 April 2017 £000s	Incoming resources £000s	Resources expended £000s	Transfers £000s	Gains and losses £000s	Fund at 31 March 2018 £000s
RVH General C.I.P.	420	0	0	0	0	420
Frederick Street Nurses (Cap) RVH	182	0	0	0	0	182
BOAG Trust (Capital) RVH	339	0	0	0	0	339
EM Wiles Fund (Capital) RVH	117	0	0	0	0	117
Other (individually less than 5%)	497	0	0	0	0	497
Endowment funds total	1,555	0	0	0	0	1,555

14.2 Restricted funds

	Fund at 1 April 2017 £000s	Incoming resources £000s	Resources expended £000s	Transfers £000s	Gains and losses £000s	Fund at 31 March 2018 £000s
Renal BCH	1,750	98	(81)	0	(44)	1,723
Other (individually less than 5%)	31,811	1,595	(1,094)	0	(778)	31,534
Restricted funds total	33,561	1,693	(1,175)	0	(822)	33,257

14.3 Analysis of unrestricted and material designated funds

	Fund at 1 April 2017 £000s	Incoming resources £000s	Resources expended £000s	Transfers £000s	Gains and losses £000s	Fund at 31 March 2018 £000s
RVH General	1,590	55	(63)	0	(51)	1,531
RMH General	2,877	74	(14)	0	(73)	2,864
RBHSC General	6,860	231	(338)	0	(170)	6,583
Mater General Fund	1,151	25	(421)	0	(19)	736
NICC General Fund	861	24	(40)	0	(21)	824
Other (individually less than 5%)	1,215	78	(180)	0	(10)	1,103
Unrestricted funds total	14,554	487	(1,056)	0	(344)	13,641

Grand total	49,670	2,180	(2,231)	0	(1,166)	48,453
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Belfast Health and Social Care Trust

Charitable Trust Funds Accounts for the year ended 31 March 2018

Notes to the Accounts

15 Transfer between funds

There were no transfers between funds during the year ended 31 March 2018.

16 Financial guarantees

The Charitable Funds have not entered into any financial guarantees, indemnities or provided letters comfort during the year ended 31 March 2018.

17 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 material transactions with the Belfast Health and Social Care Trust Charitable Funds. 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.

Some of the Trust's Directors have disclosed interests with organisations from which the Trust purchased services from or supplied services to during 2017-18. Set out below are details of the amount paid to these organisations during 2017-18. In none of these cases listed did the Directors have any involvement in the decisions to procure the services from the organisations concerned.

	Payments to Related Party	Income from Related Party	Amounts owed to Related Party	Amounts due from Related Party
	£000s	£000s	£000s	£000s
2017-18				
Belfast Health & Social Care Trust	1,029	0	105	0
University of Ulster	14	0	0	0
Queens University Belfast	107	0	16	0
2016-17	£000s	£000s	£000s	£000s
Belfast Health & Social Care Trust	1,245	0	273	0
University of Ulster	0	0	0	0
Queens University Belfast	204	0	7	0

Interests in the above organisations were declared by the following Board members:-

All Trustees of the Charitable Funds are executive or non executive directors of the Belfast Health and Social Care Trust.

Prof M Bradley (Non-Executive Director) is a Visiting Professor - Nursing at the University of Ulster.

Prof D Jones (Non-Executive Director) is a Professor at Queens University Belfast

Transactions with these related parties are conducted on an arm's length basis. The purchase of goods and services are subject to the normal tendering processes under Northern Ireland Public Procurement Policy, Trust Standing Orders and Standing Financial Instructions. There are no provisions for doubtful debts against the related party balances owed. In addition, the Trust has not provided or received any financial guarantees in respect of any related parties identified.

The charitable funds of the Belfast Health and Social Care Trust are invested within a Common Investment Fund. Mr P McNaney, Chairman; Mr M Dillon, Chief Executive (until 19 June 2017), Mrs M Edwards, Director of Finance (from 20th June 2017) and Mrs F Cotter (Co-Director of Accounting & Financial Services) are members of the committee established to manage this Fund. Since 1st April 2012 the Belfast Health & Social Care Trust has had responsibility for the administration of the Fund. Details of the investments with this fund can be found at Note 11.

Belfast Health and Social Care Trust

Charitable Trust Funds Accounts for the year ended 31 March 2018

Notes to the Accounts

18 Financial commitments

The Charitable Funds have no contingencies or commitments at year ended 31 March 2018 (2017: £Nil).

19 Financial instruments

The Charitable Funds have no financial instruments at year ended 31 March 2018 (2017: £Nil).

20 Ultimate holding organisation and registered address

The ultimate controlling party of the Charity is Belfast Health and Social Care Trust. Copies of the Belfast Trust's 2017-18 Annual Report and Financial Statements can be obtained by writing to Director of Finance, Belfast Health and Social Care Trust at the address below.

Registered Address of Charity: Belfast Health and Social Care Trust
A Floor, Belfast City Hospital
Lisburn Road
Belfast BT9 7AB

21 Post Balance Sheet events

There have been no material events after the Balance Sheet date which would have a material effect on the accounts.

22 Date Authorised For Issue

The Accounting Officer authorised these financial statements for issue on 22 June 2018.