

**Belfast Health and Social Care Trust**

**Charitable Trust Fund  
Annual Accounts**

**For the year ending 31 March 2011**

# Belfast Health and Social Care Trust

## Charitable Trust Fund Annual Accounts

For the year ending 31 March 2011

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

On

21st February 2012

**BELFAST HEALTH & SOCIAL CARE TRUST**

**TRUST FUNDS**

**INDEX**

**ANNUAL ACCOUNTS**

	Page
1. Statement of Accounting Officer Responsibilities	1
2. Certificates of Director of Finance, Chairman and Chief Executive	2
3. Statement on Internal Control	3 - 10
4. Certificate and Report of the Comptroller and Auditor General	11 - 12
5. Statement of Financial Activities	13
6. Balance Sheet	14
7. Notes to the Accounts	15 – 25

**TRUSTEE REPORT**

8. Charitable Trust Funds Trustees Report (separate document)	1 - 7
---------------------------------------------------------------	-------

# **Belfast Health & Social Care Trust**

## **Charitable Trust Funds Accounts for the year ended 31 March 2011**

### **Statement of Accounting Officer Responsibilities**

Under the Health and Personal Social Services (Northern Ireland) Order 1972, (as amended by Article 6 of the Audit and Accountability (Northern Ireland) Order 2003), the Department of Health, Social Services and Public Safety has directed the Belfast Health & Social Care Trust to prepare for each financial year a statement of accounts in respect of endowments and other property held on trust by it in a form determined by the Department of Health, Social Services and Public Safety. The financial statements are prepared on an accrual basis and must provide a true and fair view.

In preparing the financial statements the Accounting Officer is required to;

- observe the accounts direction issued by the Department of Health, Social Services and Public Safety including relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in Charities SORP 2005 have been followed, and disclose and explain any material departures in the financial statements
- keep proper accounting records
- ensure an effective system of internal control and establishing arrangements for the prevention and detection of fraud and corruption


The Permanent Secretary of the Department of Health, Social Services and Public Safety as Accounting Officer for health and personal social services resources in Northern Ireland has designated Mr Colm Donaghy of the Belfast Health & Social Care Trust as the Accounting Officer for the Belfast Health and Social Care Trust. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the Belfast Health and Social Care Trust assets as set out in the Accounting Officer Memorandum, issued by the Department of Health, Social Services and Public Safety.

# Belfast Health & Social Care Trust

## Charitable Trust Funds Accounts for the year ended 31 March 2011

### Certificates of Director of Finance, Chairman and Chief Executive

I certify that the annual accounts set out in the financial statements and notes to the accounts ( pages 15 to 25 ) which I am required to prepare on behalf of the Belfast Health & Social Care Trust have been compiled from and are in accordance with the accounts and financial records maintained by the Belfast Health & Social Care Trust and in accordance with the accounting policies for HSC Charitable Trust Funds as approved by the Department of Health, Social Services and Public Safety.

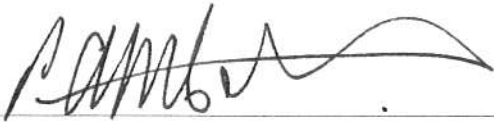
  
\_\_\_\_\_

**Director of Finance**

3. 11. 11.

**Date**

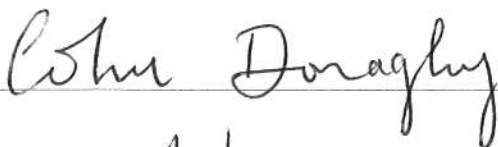
I certify that the annual accounts set out in the financial statements and notes to the accounts (pages 15 to 25 ) as prepared in accordance with the above requirements have been submitted to and duly approved by the Board.

  
\_\_\_\_\_

**Chairman**

3. 11. 11

**Date**

  
\_\_\_\_\_

**Chief Executive**

3/11/11

**Date**

# **Belfast Health & Social Care Trust**

## **Charitable Trust Funds Accounts for the year ended 31 March 2011**

### **Statement On Internal Control**

#### **Scope of Responsibility**

The Board of the Belfast HSC Trust is accountable for internal control. As Accounting Officer and Chief Executive of the Trust, I have responsibility for maintaining a sound system of internal control that supports the achievement of the organisations policies, aims and objectives, whilst safeguarding the public funds and assets for which I am personally responsible in accordance with the responsibilities assigned to me by the Department of Health, Social Services and Public Safety (DHSSPS).

Specifically, the Trust has the following key relationships through which it must demonstrate a required level of accountability:-

- with HSC Board commissioners, through service level agreements, to deliver health and social services to agreed specifications;
- with local communities, through holding public board meetings, and publishing an annual report and accounts;
- with patients, through the management of standards of patient care; and
- with the DHSSPS, through the performance of functions and meeting statutory financial duties.

#### **The purpose of the system of internal control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to:-

- identify and prioritise the risks to the achievement of organisational policies, aims and objectives;
- evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The system of internal control has been in place in the Trust for the year ended 31 March 2011, and up to the date of approval of the Trustee annual report and accounts, and accords with DHSSPS guidance.

The Board of the Trust exercises strategic control over the operation of the organisation through a system of corporate governance which includes:-

- a schedule of matters reserved for Board decisions;
- a scheme of delegation, which delegates decision making authority within set parameters to the Chief Executive and other officers;
- Standing Orders and Standing Financial Instructions;
- an Audit Committee;
- an Assurance Committee;
- a Remuneration Committee;
- a Complaints Review Committee;
- a Charitable Trust Fund Advisory Committee.

# **Belfast Health & Social Care Trust**

## **Charitable Trust Funds Accounts for the year ended 31 March 2011**

### **Statement On Internal Control**

The system of internal financial control is based on a framework of regular financial information, administrative procedures including the segregation of duties and a system of delegation and accountability. In particular it includes:-

- comprehensive budgeting systems with an annual budget which is reviewed and agreed by the Board;
- regular reviews by the Board of periodic financial reports which indicate financial performance against the forecast;
- setting targets to measure financial, clinical and other performance;
- clearly defined capital investment control guidelines;
- as appropriate, formal budget management disciplines;
- a requisition and approval system for procuring goods and services;
- a system of detailed recording and notification to protect the Trust's assets.

The Trust Board acts as “Corporate Trustee” for the Charitable Trust 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.

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

- Oversee charitable funds in line with guidance in the Trust’s Standing Financial Instructions, Departmental guidance and legislation;
- Ratify 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 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 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 DHSSPS guidelines and submitted to the Trust Board within agreed timescales; and
- 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 charitable funds.

# Belfast Health & Social Care Trust

## Charitable Trust Funds Accounts for the year ended 31 March 2011

### Statement On Internal Control

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. These recommendations were approved by a designated Director of the Trust.

In the Belfast HSC Trust, the delegated authorities are contained in the Terms of Reference for the Charitable Funds Advisory Committee.

The Trust operates under a scheme of delegation approved by the Trust Board in June 2007. This authorised the extant local arrangements for approval of Trust Fund expenditure requests. These arrangements are regularly reviewed and updated by the Charitable Funds Advisory Committee. From 1<sup>st</sup> 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 Trust Fund expenditure requests are checked by the Charitable Trust Funds team to ensure:-

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

The Trust has an internal audit function which operates to defined standards and whose work was informed by an analysis of risk to which the body was exposed and annual audit plans were based on this analysis. Internal Audit last reviewed the Charitable Funds system and procedures in 2009/10 and a satisfactory level of assurance was provided. Internal Audit reviewed the following systems in 2010/11 of which elements were relevant to the Charitable Trust Funds:-

- Cash Management in Social Services facilities;
- Bank and Cash;
- Risk Management;
- Acute Services - Financial Controls.

The Head of Internal Audit reported that there is a satisfactory system of internal control designed to meet the Trust's objectives for the year ended 31 March 2011. Certain weaknesses and issues were identified by audit and recommendations to address these control weaknesses have been or are being implemented.

# **Belfast Health & Social Care Trust**

## **Charitable Trust Funds Accounts for the year ended 31 March 2011**

### **Statement On Internal Control**

Internal Audit conduct formal follow-up reviews in respect of the implementation of the priority one and two internal audit recommendations agreed in the Internal Audit reports. Internal Audit presented a full Report which showed that the majority of agreed actions have been fully or partially implemented.

With regard to the wider control environment, the Trust has in place a range of organisational controls, commensurate with the assessment of risk, designed to ensure the efficient and effective discharge of its business in accordance with the law and Departmental direction. Every effort is made to ensure that the objectives of the Trust are pursued in accordance with the recognised and accepted standards of public administration.

### **Our approach to fraud**

The Trust continues to participate in the National Fraud Initiative which is overseen by a Project Board including Director of Finance, Director of Human Resources and the Trust's Data Protection Manager. The Audit Committee is regularly updated with progress and to date no fraudulent activity has been identified.

The Trust had a Fraud Policy and Fraud Response Plan in place during 2010/11. In addition fraud awareness training has been offered and provided to managerial staff and to all new starts via the Corporate Induction Programme.

During 2010/11 the Trust dealt with twelve incidents of theft with a total value of £15,966.61, none of which related to Charitable Trust Funds. All cases have been thoroughly investigated with the assistance of PSNI and Internal Audit where appropriate. The results of investigations have lead to improved and/or new controls and disciplinary action.

### **Capacity to handle risk**

The Trust is committed to providing high quality patient and client services in an environment that is both safe and secure. The Trust Board has approved an Assurance Framework and a Risk Management Strategy and has established an Assurance Committee whose membership includes all Non Executive Directors. This Committee reports directly to the Trust Board. The Assurance Framework outlines the Chief Executive's overall responsibility and accountability for risk management. The Framework also sets out a system of delegation of responsibility at Trust Board, Executive Team and Directorate levels. While ensuring local ownership in managing and controlling all elements of risk to which the Trust may have been exposed, there is a clear line of accountability through to Trust Board.

Risk management is at the core of the Trust's performance and assurance arrangements and the Assurance Committee, chaired by the Trust's Chairman, provides Board level oversight in this key area. This Committee has scrutinised the effectiveness of the Risk Management Strategy.

# **Belfast Health & Social Care Trust**

## **Charitable Trust Funds Accounts for the year ended 31 March 2011**

### **Statement On Internal Control**

The Trust acknowledges that it is impossible to eliminate all risks and that systems of control should not be so rigid that they stifle innovation and imaginative use of limited resources. Inevitably the Trust may have to set priorities for the management of risk. There is a need to balance potentially high financial costs of risk elimination against the severity and likelihood of potential harm. The Trust will balance the acceptability of any risk against the potential advantages of new and innovative methods of service. The Trust recognises that risks to its objectives may be shared with or principally owned by other individuals or organisations. The Trust involves its service users, public representatives, contractors and other external stakeholders in the implementation of the Risk Management Strategy.

Risk management is integral to the training for all staff as relevant to their grade and situation, both at induction and in service. To support staff through the risk management process, expert guidance and facilitation has been available along with access to policies and procedures, outlining responsibilities and the means by which risks are identified and controlled. Actions taken to reduce risk have been regularly monitored and reported with trends being analysed at Directorate and Board levels. Dissemination of good practice has been facilitated by a range of mechanisms including systems for the implementation and monitoring of authoritative guidance, clinical supervision and reflective practice, performance management, continuing professional development, management of adverse events and complaints, multiprofessional audit and the application of evidence based practice.

#### **The risk and control framework**

The Assurance Framework describes the relationship between organisational objectives, identified potential risks to their achievement and the key controls through which these risks will be managed, as well as the sources of assurance surrounding the effectiveness of these controls. The Assurance Framework incorporates the Risk Management Policy and establishes the context in which the Trust Management Plan was developed, as well as determining the mechanism through which assurances were provided to the Trust Board.

The Assurance Framework was revised in 2010/11 to take account of organisational restructuring and a change in roles and responsibilities of executive and non executive directors. The Assurance Committee Sub Committee structure was also revised and new Terms of Reference were developed for the Assurance Committee and Sub Committees. The revised Assurance Framework and Terms of Reference were approved by the Assurance Committee of the Trust Board on the 2nd June 2010. The Assurance Framework allows an integrated approach to performance, targets and standards which include controls assurance standards and quality standards for health and social care.

# **Belfast Health & Social Care Trust**

## **Charitable Trust Funds Accounts for the year ended 31 March 2011**

### **Statement On Internal Control**

The Assurance Committee established a revised agenda and schedule of annual reports during 2010/11 to take account of the development of the new Sub Committees structure. These committees report through the Assurance Group to Executive Team. They are generally expert groups that are responsible for developing assurance arrangements within specific areas of Trust activity and provide the necessary scrutiny of practice. The Assurance Group reviewed its membership and terms of reference and is now chaired by the Chief Executive. The Risk Register Review Group continues to meet on a quarterly basis to scrutinise the evaluation of all significant risks arising from Directorate and Controls Assurance Risk Registers. Each Directorate has maintained and further developed systems to identify risk, assess impact and likelihood of harm occurring, and to maintain control in line with the Assurance Framework and the Risk Management Strategy. These risks are used to populate Service Group risk registers, which are updated on an ongoing basis and which feed into the Belfast Trust's Assurance Framework Principal Risks and Controls document.

The Trust is also informed by the reports and inspections carried out by a range of independent bodies, including RQIA and Social Services Inspectorate. The Trust engages proactively with all such reviews and the Board is assured that appropriate actions are taken, by the Assurance Committee.

The Trust is committed to ensuring that Personal and Public Involvement (PPI) is embedded into all aspects of its business. The Trust's approach to user involvement is detailed in "Involving You", the Trust framework for community development and user engagement. There is a PPI steering group which meets regularly to guide and challenge the Trust in relation to this work. There are wide range of user engagement opportunities throughout the Trust, both corporately and within clinical directorates, which allow people to become involved in the development, improvement and evaluation of Trust services.

### **Information Governance Arrangements**

The management of information within the Trust remains a high priority. The agenda is managed by the Information Governance Board (IGB) which is chaired by the Director of Performance and Service Delivery and is attended by the Medical Director (Trust's Data Guardian), Director of Social and Primary Care Services (Deputy Data Guardian) and a range of senior staff from other Directorates.

Beneath this the Operational Working Group (OWG) has wide representation from Directorates, risk and governance, Corporate Records, data quality, data protection, ICT security, Information, Human Resources and Corporate Communication. This group is responsible for working through the agreed governance action plan and reporting back to the IGB. Work from the IT technical security group and the health and social care corporate records group is also incorporated into the OWG. In addition to these Groups it is now been agreed to greatly expand the information governance community within the Trust. Forty Information Asset Owners have been identified mainly at Co-Director level and these staff will have a key responsibility for ensuring the governance of information assets within their area of responsibility.

# **Belfast Health & Social Care Trust**

## **Charitable Trust Funds Accounts for the year ended 31 March 2011**

### **Statement On Internal Control**

The Trust has policies to cover Data Protection, ICT Security, storage, retention and management of records, access to data from external organisations and access to records. A number of other policies are currently being drafted to ensure that all areas of data processing are adequately covered. There are a number of projects ongoing to review and improve the technical security of data, ensure data is accurate and up to date and increase staff awareness to information governance issues.

The monitoring of all information related adverse incidents by the IGB is now a well established. In each case remedial action is prescribed and learning is communicated throughout the Trust. During the year the IGB considered thirty one incidents of which six resulted in data lost. A number of these incidents were referred to the Information Commissioner's Office and advice sought on the effectiveness of our response and risk mitigation plans.

The Trust continues to promote awareness of information governance issues though induction training for new staff, "My Data Your Business" training sessions for other staff and via leaflets, articles and intranet information.

The civil service audit tool originally developed as part of a self assessment data protection review has resulted in the formation of an action plan which addresses a number of information governance issues. This is kept under review and also informs the Corporate Risk Register.

The Trust assessed its compliance with the 22 Controls Assurance Standards which were defined by the Department. All standards achieved substantive compliance in 2010/11.

### **Review of Effectiveness**

As Accounting Officer, I have responsibility for the review of effectiveness of the system of internal control within the Belfast HSC Trust. My review is informed by the work of the internal auditors and the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework and comments made by the external auditors in their management letter and other reports.

Throughout the year the Trust Board has been briefed on control issues by the Chairs of the Audit Committee and Governance Committee. Within the context of the Audit Committee the work of the Internal Audit and External Audit functions was fundamental to providing assurance on the ongoing effectiveness of the system of internal financial control. In addition, the controls assurance standards and the annual self-assessment against the standards provided an important assurance to the Governance Committee.

# Belfast Health & Social Care Trust

## Charitable Trust Funds Accounts for the year ended 31 March 2011

### Statement On Internal Control

During the year there were six Internal Audit reports that received limited assurance none of which were relevant to the Charitable Funds system. Also a number of reports received overall satisfactory assurance with limited assurance in specific areas. The Finance Directorate's Governance & Audit Team has embedded an audit process which ensures that all Directorates are aware of their responsibilities for effective internal controls. The Governance & Audit Team have been issuing Action Plans throughout 2010/11 and monitor the implementation of all audit recommendations, in line with the agreed timetable. Those areas that received limited assurance Internal Audit reports in 2010/11 are closely monitored and regular progress reports are provided to the Audit Committee to demonstrate compliance with Action

I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Trust Board, Audit Committee, Assurance Committee and sub committees. There is a process in place to instigate Action Plans, address weaknesses and ensure continuous improvement to the system of internal control. Follow up audits are carried out and the Trust will continue to implement the compliance regime during 2011/12.

The Charitable Trust Fund Advisory Committee of the Belfast HSC Trust was in place for 2010/11.


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

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

The Charitable Trust Fund Advisory Committee will continue to meet on a regular basis in 2011/12 to discharge its duties and responsibilities, including the monitoring and oversight of new procedures as they continue to be embedded within the organisation.

---

Mr Colm Donaghy  
Accounting Officer

  
3/11/11

**Date:**

## **BELFAST HEALTH AND SOCIAL CARE TRUST**

### **CHARITABLE TRUST FUNDS**

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

I certify that I have audited the financial statements of Belfast Health and Social Care Trust for the year ended 31 March 2011 under the Health and Personal Social Services (Northern Ireland) Order 1972, as amended. These comprise the Statement of Financial Activities, the Balance Sheet, and the related notes. These financial statements have been prepared under the accounting policies set out within them.

#### **Respective responsibilities of the Accounting Officer and auditor**

As explained more fully in the Statement of Accounting Officer Responsibilities, the Trust is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. My responsibility is to audit the financial statements in accordance with Health and Personal Social Services (Northern Ireland) Order 1972, as amended. I conducted my audit in accordance with International Standards on Auditing (UK and Ireland). Those standards require me and my staff to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining 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. This includes an assessment of: whether the accounting policies are appropriate to the Belfast Health and Social Care Trust's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition I read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my certificate.

In addition, I am required to obtain evidence sufficient to give reasonable assurance that the incoming and outgoing resources reported in the financial statements and the financial transactions conform to the authorities which govern them.

#### **Opinion on Regularity**

In my opinion, in all material respects the incoming and outgoing resources and the financial transactions conform to the authorities which govern them.

#### **Opinion on financial statements**

In my opinion:

- the financial statements give a true and fair view, of the state of Belfast Health and Social Care Trust's affairs as at 31 March 2011 and of its incoming and outgoing resources, net movement in funds and fund balances for the year then ended; and
- the financial statements have been properly prepared in accordance the Health and Personal Social Services (Northern Ireland) Order 1972, as amended, and Department of Health, Social Services & Public Safety directions issued thereunder.

### **Opinion on other matters**

In my opinion:

- the information given the Structure, Governance and Management, Objectives and Activities, Achievement and Performance and Financial Review sections of the Trustees' 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**

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
- the Statement on Internal Control does not reflect compliance with Department of Finance and Personnel's guidance.

### **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

14 December 2011

# Belfast Health & Social Care Trust

## Charitable Trust Funds Accounts for the year ended 31 March 2011

### Statement of Financial Activities

	Note	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	2011 Total Funds £000	2010 Total Funds £000
<b>INCOMING RESOURCES</b>						
Incoming resources from generating funds						
Voluntary income	2	191	900	0	1,091	1,682
Activities for generating funds		0	0	0	0	0
Investment income	3	258	570	0	828	781
Incoming resources from charitable activities	4	0	0	0	0	0
Other Incoming Resources		0	0	0	0	0
<b>Total Incoming Resources</b>		<b>449</b>	<b>1,470</b>	<b>0</b>	<b>1,919</b>	<b>2,463</b>
<b>RESOURCES EXPENDED</b>						
Costs of generating funds						
Costs of generating voluntary income		0	0	0	0	0
Fundraising trading: Costs of goods sold and other costs		0	0	0	0	0
Investment management costs		0	0	0	0	0
Charitable activities	6	(368)	(1,495)	0	(1,863)	(1,920)
Governance Costs	5	(45)	(124)	0	(169)	(167)
Other resources expended		0	0	0	0	0
<b>Total Resources Expended</b>		<b>(413)</b>	<b>(1,619)</b>	<b>0</b>	<b>(2,032)</b>	<b>(2,087)</b>
<b>Net incoming/(outgoing) resources before transfers</b>		<b>36</b>	<b>(149)</b>	<b>0</b>	<b>(113)</b>	<b>376</b>
<b>TRANSFERS</b>						
Gross transfer between funds	8	0	0	0	0	0
<b>Net Incoming/(Outgoing) Resources before other recognised gains and losses</b>		<b>36</b>	<b>(149)</b>	<b>0</b>	<b>(113)</b>	<b>376</b>
<b>OTHER RECOGNISED GAINS/LOSSES</b>						
Gains/(losses) on revaluation of fixed assets for charity's own use		0	0	0	0	0
Gains/(losses) on investment assets	12	648	1,384	0	2,032	6,261
<b>Net Movement in Funds</b>		<b>684</b>	<b>1,235</b>	<b>0</b>	<b>1,919</b>	<b>6,637</b>
<b>Adjustment to add back: Notional Audit Fee</b>		<b>2</b>	<b>6</b>	<b>0</b>	<b>8</b>	<b>10</b>
<b>Net Movement in Funds excluding Notional Audit Fee</b>		<b>686</b>	<b>1,241</b>	<b>0</b>	<b>1,927</b>	<b>6,647</b>
<b>RECONCILIATION OF FUNDS</b>						
<b>Fund balances brought forward at 1 April 2010</b>		<b>9,558</b>	<b>21,123</b>	<b>1,555</b>	<b>32,236</b>	<b>25,589</b>
<b>Fund balances carried forward at 31 March 2011</b>		<b>10,244</b>	<b>22,364</b>	<b>1,555</b>	<b>34,163</b>	<b>32,236</b>

The notes at pages 15 to 25 form part of this account

# Belfast Health & Social Care Trust

## Charitable Trust Funds Accounts for the year ended 31 March 2011

### Balance Sheet

	Notes	31 March 2011 £000	31 March 2010 £000
<b>Fixed Assets</b>			
Intangible assets		0	0
Tangible assets	11	0	0
Heritage assets		0	0
Investments:			
Investments	12	32,917	30,874
Programme related investments		0	0
<b>Total Fixed Assets</b>		<b>32,917</b>	<b>30,874</b>
<b>Current Assets</b>			
Stocks		0	0
Debtors	13	142	129
Short term investments and deposits		935	1,293
Cash at bank and in hand		393	579
<b>Total Current Assets</b>		<b>1,470</b>	<b>2,001</b>
<b>Creditors : Amounts falling due within one year</b>	14	<b>(224)</b>	<b>(639)</b>
<b>Net Current Assets/(Liabilities)</b>		<b>1,246</b>	<b>1,362</b>
<b>Total Assets less Current Liabilities</b>		<b>34,163</b>	<b>32,236</b>
<b>Creditors : Amounts falling due after more than one year</b>	14	<b>0</b>	<b>0</b>
Provisions for liabilities and charges		0	0
<b>Net Assets</b>		<b>34,163</b>	<b>32,236</b>
<b>Funds of the Charity</b>			
Restricted Income Funds	15	22,364	21,123
Endowment Funds	15	1,555	1,555
Unrestricted Income Funds			
Unrestricted Income Funds	15	10,244	9,558
Revaluation reserve		0	0
<b>Total unrestricted funds</b>		<b>10,244</b>	<b>9,558</b>
<b>Total charity funds</b>		<b>34,163</b>	<b>32,236</b>

The notes at pages 15 to 25 form part of this account

Chairman: 

Date: 3.11.11

Chief Executive: 

Date: 3/11/11

# **Belfast Health & Social Care Trust**

## **Charitable Trust Funds Accounts for the year ended 31 March 2011**

### **Notes to the Accounts**

#### **1 Accounting policies**

##### **1(a) Basis of preparation**

The financial statements have been prepared in accordance with 'Accounting and Reporting by Charities' The Statement of Recommended Practice issued in March 2005, and with relevant guidance issued by the DHSSPS.

##### **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) certainty – 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) Incoming resources from legacies**

All incoming resources are recognised once the charity has entitlement to the resources, it is certain that the resources will be received and the monetary value of incoming resources can be measured with sufficient reliability.

##### **1(d) Gifts in kind**

- (i) Assets given for distribution by the charity are included in the Statement of Financial Activities only when distributed.
- (ii) Assets given for use by the charity (e.g. property for its own occupation) are included in the Statement of Financial Activities as incoming resources when receivable.
- (iii) Gifts made in kind but on trust for conversion into cash and subsequent application by the charity are included in the accounting period in which the gift is sold.

In all cases the amount at which the gifts in kind are brought into 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 Report.

**1(e) Intangible income**

Intangible income (e.g. the provision of free accommodation) is included in the accounts with an equivalent amount in outgoing resources, if there is a financial cost borne by another party. The value placed on such income is the financial cost of the third party providing the resources.

**1(f) 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 charged against the category of resources expended for which it was incurred.

**1(g) Allocation of support costs and overheads**

Support costs and overheads have been allocated between Governance Costs and Charitable Activities. Costs which are not wholly attributable to an expenditure category have been apportioned. The analysis of support costs and the bases of apportionment applied are shown in note 5. Where costs are shared by two or more charitable activities, support costs have been apportioned between categories and this is analysed in note 6.

**1(h) Costs of generating funds**

The costs of generating funds are the cost of Investment management fees.

**1(i) Charitable activities**

Costs of charitable activities comprise all costs incurred in the pursuit of the charitable objects of the charity. These costs comprise direct costs and an apportionment of overhead and support costs as shown in note 5.

**1(j) Governance costs**

Governance costs comprise all costs incurred in the governance of the charity. These costs include costs related to statutory audit together with an apportionment of overhead and support costs.

**1(k) Fixed assets**

There are no fixed assets held by the Charitable Trust Funds

**1(l) Donated assets**

There are no donated assets held by the Charitable Trust Funds

### **1(m) Investment fixed assets**

Investment Fixed Assets are shown 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.

Property assets are not depreciated but are shown at market valuation.

Quoted stocks and shares included in the balance sheet are carried at market value based on the closing market value at the year end.

Other investment fixed assets are included at trustees' best estimate of market value.

### **1(n) 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 calculated as the difference between the market value at the year end and opening market value (or purchase date if later).

### **1(o) 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 fund. 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.

### **1(p) Pensions**

The Charitable Trust Fund has no employees.

# Belfast Health & Social Care Trust

## Charitable Trust Funds Accounts for the year ended 31 March 2011

### 2 Analysis of voluntary income

	Unrestricted Funds £000	Restricted Funds £000	2011 Total Funds £000	2010 Total Funds £000
Donations from individuals	22	697	719	888
Corporate donations	0	83	83	278
Legacies	165	91	256	477
Grants	0	0	0	0
Other	4	29	33	39
<b>Total</b>	<b>191</b>	<b>900</b>	<b>1,091</b>	<b>1,682</b>

### 3 Gross investment income

	2011 Total Funds £000	2010 Total Funds £000
<b>Gross income earned from:</b>		
Fixed asset equity and similar investments	810	762
Fixed asset cash on deposit	0	0
Current asset investments	18	19
Other	0	0
<b>Total</b>	<b>828</b>	<b>781</b>

### 4 Incoming resources from charitable activities

There is no Income from charitable activities for Charitable Trust Funds for year ended 31 March 2011 (2010: Nil)

# Belfast Health & Social Care Trust

## Charitable Trust Funds Accounts for the year ended 31 March 2011

### 5 Allocation of support costs and overheads

	2011 Total Funds £000	Allocated to Governance £000	Charitable Activities £000	Basis of apportionment	2010 Total Funds £000
Financial	0	0	0		0
Administration	161	161	0	Usage	157
Salaries and related costs	0	0	0		0
Staff training	0	0	0		0
Staff recruitment	0	0	0		0
Office rent	0	0	0		0
Internal Audit	0	0	0		0
External Audit	8	8	0	Usage	10
Telephone, Postage & Stationery	0	0	0		0
Bank Charges	0	0	0		0
Other professional expenses	0	0	0		0
Insurance	0	0	0		0
Other	0	0	0		0
<b>Total</b>	<b>169</b>	<b>169</b>	<b>0</b>		<b>167</b>

### 6 Analysis of charitable expenditure

	Grant funded activity £000	Support Costs £000	2011 Total £000	2010 Total £000
Medical research	0	621	621	563
Purchase of new equipment	0	430	430	716
Building and refurbishment	0	96	96	0
Staff education and welfare	0	295	295	333
Patient education and welfare	0	352	352	180
Other	0	69	69	128
<b>Total</b>	<b>0</b>	<b>1,863</b>	<b>1,863</b>	<b>1,920</b>

# Belfast Health & Social Care Trust

## Charitable Trust Funds Accounts for the year ended 31 March 2011

### 7 Analysis of grants

The Charitable Trust Funds have no grants in year ended 31 March 2011 (2010: Nil)

### 8 Transfer between funds

	2011 £000	2010 £000
Restricted Funds	0	0
Unrestricted Funds	0	0
Endowment	0	0
	<hr/>	<hr/>
<b>Total</b>	<b>0</b>	<b>0</b>
	<hr/> <hr/>	<hr/> <hr/>

### 9 Analysis of staff costs

The average number of employees on a full-time basis in the year was Nil (2010: Nil). The Charitable Trust is recharged a portion of Belfast Trust staff costs as administration charges each year.

### 10 Auditor's remuneration

The auditor's remuneration of £8,473 (2010: £9,284) related solely to the audit with no other additional work undertaken.

# Belfast Health & Social Care Trust

## Charitable Trust Funds Accounts for the year ended 31 March 2011

### 11 Total tangible fixed assets

There are no fixed assets held by Charitable Trust Funds (2010: Nil)

### 12 Analysis of Fixed Asset Investments

#### 12.1 Investments in a Common Investment Fund

	2011 £000	2010 £000
Market Value at 1 April 2010	30,874	23,851
Net Cash Inflow/(Outflow)	(800)	0
Share of income	811	762
Share of realised gains/(losses)	153	209
Share of unrealised gains/(losses)	1,879	6,052
<b>Market Value at 31 March 2011</b>	<b><u>32,917</u></b>	<b><u>30,874</u></b>

#### 12.2 Movement in fixed asset investment

	2011 £000	2010 £000
<b>Market Value at 1 April 2010</b>	0	
Less: Disposals at carrying value	0	
add: Acquisitions at cost	0	
Net gain / loss on revaluation	0	
<b>Market value at 31 March 2011</b>	<b><u>0</u></b>	
<b>Historic Cost at 31 March 2011</b>	<b><u>0</u></b>	

#### 12.3 Market Value as at 31 March 2011

	Held in UK £000	Held outside UK £000	Total £000	2010 Total £000
<b>Investment Properties :</b>				
Investments listed on Stock Exchange	0	0	0	0
Investments in CIF - EHSSB area only	32,917	0	32,917	30,874
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
<b>Total market value of fixed asset investments</b>	<b><u>32,917</u></b>	<b><u>0</u></b>	<b><u>32,917</u></b>	<b><u>30,874</u></b>

# Belfast Health & Social Care Trust

## Charitable Trust Funds Accounts for the year ended 31 March 2011

### 13 Analysis of Debtors

	2011 £000	2010 £000
<b>13.1 Amounts falling due within one year :</b>		
Trade debtors	0	0
Prepayments	0	0
Accrued income		0
Other debtors	142	129
	<hr/>	<hr/>
<b>Total</b>	<b>142</b>	<b>129</b>
	<hr/>	<hr/>
<b>13.2 Amounts falling due over one year :</b>		
	2011 £000	2010 £000
Trade debtors	0	0
Prepayments	0	0
Accrued income	0	0
Other debtors	0	0
	<hr/>	<hr/>
<b>Total</b>	<b>0</b>	<b>0</b>
	<hr/>	<hr/>

### 14 Analysis of Creditors

	2011 £000	2010 £000
<b>14.1 Amounts falling due within one year :</b>		
Loans and overdrafts	0	0
Trade creditors	0	0
Other creditors	224	639
Accruals	0	0
Deferred income	0	0
	<hr/>	<hr/>
<b>Total</b>	<b>224</b>	<b>639</b>
	<hr/>	<hr/>
<b>14.2 Amounts falling due after more than one year :</b>		
Loans and overdrafts	0	0
Trade Creditors	0	0
Other creditors	0	0
Accruals	0	0
Deferred income	0	0
	<hr/>	<hr/>
	<b>0</b>	<b>0</b>
	<hr/>	<hr/>

# Belfast Health & Social Care Trust

## Charitable Trust Funds Accounts for the year ended 31 March 2011

### 15 Analysis of charitable funds

	Balance at 1 April 2010 £000	Incoming resources £000	Resources expended £000	Transfers £000	Gains and losses £000	Fund at 31 March 2011 £000
<b>Endowment Funds</b>						
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
<b>Endowment funds total</b>	<b>1,555</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,555</b>
<b>Restricted Funds</b>						
Cardiac Fund No. 2 RVH	1,239	56	(369)	0	0	926
Other (individually less than 5%)	19,884	1,414	(1,244)	0	1,384	21,438
<b>Restricted funds total</b>	<b>21,123</b>	<b>1,470</b>	<b>(1,613)</b>	<b>0</b>	<b>1,384</b>	<b>22,364</b>
<b>Total</b>	<b>22,678</b>	<b>1,470</b>	<b>(1,613)</b>	<b>0</b>	<b>1,384</b>	<b>23,919</b>

<b>Analysis of unrestricted and material designated funds</b>	Balance at 1 April 2010 £000	Incoming resources £000	Resources expended £000	Transfers £000	Gains and losses £000	Fund at 31 March 2011 £000
RVH General	677	61	(7)	0	107	838
RMH General	1,732	0	(56)	0	158	1,834
RBHSC General	4,763	6	(98)	0	437	5,108
Mater General Fund	846	0	(14)	0	75	907
NICC General Fund	688	8	(197)	0	54	553
BCH General Fund	416	2	(27)	0	37	428
Other (individually less than 5%)	436	372	(12)	0	(220)	576
<b>Total</b>	<b>9,558</b>	<b>449</b>	<b>(411)</b>	<b>0</b>	<b>648</b>	<b>10,244</b>
<b>Total Funds</b>	<b>32,236</b>	<b>1,919</b>	<b>(2,024)</b>	<b>0</b>	<b>2,032</b>	<b>34,163</b>

# Belfast Health & Social Care Trust

## Charitable Trust Funds Accounts for the year ended 31 March 2011

### 16 Contingencies

The Trust Funds have no contingencies at year ended 31 March 2011 (2010: Nil)

### 17 Commitments

The Trust Funds have no commitments at year ended 31 March 2011 (2010: Nil)

### 18 Financial Guarantees

The Belfast HSC Trust Charitable Trust Funds have not given any financial guarantees as at 31st March 2011 (2010 : £nil)

### 19 Related Party Transactions

The Trust is required to disclose details of transactions with individuals who are regarded as related parties consistent with the requirements of IAS 24 – Related Party Transactions. This disclosure is recorded in the Trust's Register of Interests which is maintained by the Office of the Chief Executive and is available for inspection by members of the public.

During the year the Belfast Health and Social Care Trust entered into the following material transactions with the following related parties.

The Belfast Health and Social Care Trust is an arms length body of the Department of Health, Social Services and Public Safety and as such the Department is a related party and the ultimate controlling parent with which the Trust has had various material transactions during the year. During the year the Belfast Health and Social Care Trust has had a number of material transactions with other entities for which the Department is regarded as the ultimate controlling parent. These entities include the Health and Social Care Board, the five HSC Trusts and the Business Services Organisation.

#### Non Executive Directors

Some of the Trust's Non Executive Directors have disclosed interests with organisations from which the Trust purchased services from or supplied services to during 2010/11. Set out below are details of the amount paid to these organisations during 2010/11. In none of these cases listed did the Non Executive Directors have any involvement in the decisions to procure the services from the organisations concerned.

	<b>Payments to Related Party</b>	<b>Income from Related Party</b>	<b>Amounts owed to Related Party</b>	<b>Amounts due from Related Party</b>
	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>
Queen's University Belfast	128	3	7	0
Belfast City Council	1	0	0	0

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

Mr JPJ O'Kane (Non Executive Director) holds the position of Registrar for Queen's University Belfast.

Mr T Hartley (Non Executive Director) currently holds the position of Councillor for Belfast City Council.

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.

### **Other Board Members and Senior Managers**

In a similar way, some other Trust Board members and Senior Managers have disclosed interests in organisations from which the Trust purchased services in 2010/11. The details are set out below. Again, the officers listed had no involvement in the decisions to procure the services from the organisations concerned.

	<b>Payments to Related Party  £000s</b>	<b>Income from Related Party  £000s</b>	<b>Amounts owed to Related Party  £000s</b>	<b>Amounts due from Related Party  £000s</b>
NI Hospice	0	0	0	0
Action Cancer	15	0	0	0

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

Ms B McNally (Executive Director) is a Trustee for NI Hospice.

Mr B Barry (Acting Director) is a Council member for Action Cancer.

**Belfast Health and Social Care Trust**

**Charitable Trust Fund  
Trustee Report**

**For the year ending 31 March 2011**

## **Annual Report of the Trustees of the Trust Funds held by the Belfast Health & Social Care Trust for the year ended 31 March 2011**

### **Background**

Under the Health and Personal Social Services (NI) Order 1972 (as amended by Article 6 of the Audit and Accountability (NI) Order 2003), the 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 DHSSPS. Further, under the requirements of the Statement of Recommended Practice (SORP) 2005 "Accounting and Reporting by Charities", is the requirement to produce an Annual Report.

### **Investment Arrangements**

In order to maximise the total return from investment of the Trust 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 and Social Services under Section 25 of the Charities Act (Northern Ireland) 1964. The charitable funds of the Belfast Health & 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 2010/11 this committee consisted of the following individuals:

Mr C Jenkins (Chairman)	BHSCT, Non Executive Director
Mr L Drew	BHSCT, Non Executive Director
Mrs W Galbraith	BHSCT, Deputy Chief Executive/Director of Finance (until 18 <sup>th</sup> October 2010)
Mr M Dillon	BHSCT Director of Finance (appointed 11 <sup>th</sup> October 2010)
Mr N Guckian	South Eastern HSC Trust Director of Finance
Mr N Mansley	South Eastern HSC Trust, Non Executive Director (appointed 01 April 2010)

## **Names of trustees**

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 & Social Care Trust are the trustees of the Trust Fund. During 2010/11 the following acted as Trustees:

### **Chairman**

Mr Pat McCartan

### **Non Executive Directors**

Ms Joy Allen

Mr Les Drew

Professor Eileen Evason

Dr Val McGarrell

Councillor Tom Hartley

Mr Charles Jenkins

Mr James O'Kane

## **Executive Directors**

### **Chief Executive**

Mr William McKee (Until 30 Sept 2010)

Mr Colm Donaghy ( appointed 1<sup>st</sup> Oct 2010)

Deputy Chief Executive/Director of Finance Mrs Wendy Galbraith (Until 18 Oct 2010)

### **Director of Finance**

Mr Martin Dillon (appointed 11 Oct 2010)

### **Director of Social and Primary Care**

Ms Bernie McNally

### **Medical Director**

Dr Tony Stevens

### **Director of Nursing and User Experience**

Miss Brenda Creaney

## **Address of Principal office**

Roe Villa

Knockbracken Health Care Park

Saintfield Road

Belfast

BT8 8BH

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  
Central Services Agency  
2 Franklin Street  
Belfast BT2 8DQ

## **Principal Advisors**

(Advisors in relation to the Common Investment Fund)

Cunningham Coates Stockbrokers  
19 Donegall Street  
Belfast  
BT1 5BX

## **Structure, governance and management**

The Trust Board acts as "corporate trustee" for the Charitable Trust 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 2010/11 was as follows:

Mr L Drew (Chair)	Non Executive Director
Mr W McKee	Chief Executive (until 30 Sept 2010)
Mr C Donaghy	Chief Executive (appointed 1 Oct 2010)
Mrs W Galbraith	Deputy Chief Exec/Director of Finance (until 18 Oct 2010)
Mr M Dillon	Director of Finance (appointed 11 Oct 2010)
Miss B Creaney	Director of Nursing and User Experience
Dr T Stevens	Medical Director
Miss B McNally	Director of Social and Primary Care

The roles and responsibilities of the Charitable Funds Advisory Committee in relation to the management and governance of the Trust Fund 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 Fund will be maintained with the Trust's general estate and inventory of assets.
- Ensure that funds are not unduly or unnecessarily accumulated
- Produce an annual statement on internal control over Charitable funds, being informed by reports from Management, the Internal Auditor and the External Auditor
- Ensure that a Trustees Report is produced as part of the production of annual accounts for charitable funds.
- Ensure that expenditure from 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 DHSSPS 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 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. These recommendations were approved by a designated Director of the Trust.

In the Belfast Trust the delegated authorities will be contained in the Terms of Reference for the Charitable Funds Advisory Committee.

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

- Continued representation on behalf of the Belfast Charitable Trust 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 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 has undertaken any material transactions with the Belfast HSC Trust's Charitable Trust Funds.

### **Objectives and Activities**

The objectives of the Belfast Health & 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. The Trustees have not undertaken any fundraising activities in 2010/11 and relied on voluntary contributions and donations.

### **Achievements and Performance**

The Trustees policy is to seek to balance the use of the Trust 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 Trust Fund continued to engage in activities commensurate with its objectives. Over £1.8m was expended on charitable activities, in accordance with the Trust's policies and procedures in relation to expenditure from Trust Funds.

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

### **Financial Review Introduction**

The financial statements have been prepared in accordance with 'Accounting and Reporting by Charities' The Statement of Recommended Practice issued in March 2005, and with relevant guidance issued by the DHSSPS.

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 fund. 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.

## **Review of the year**

### **Income and Expenditure**

For the year ended 31 March 2011 there was net income of (£105k) (after excluding the notional audit fee).

For 2010/11 income totalling £1,919k was received in comparison to £2,463k in 2009/10. Donations from individuals, corporate donations, legacies and other voluntary income accounted for £1,091k (£1,682k in 2009/10) and investment income was £828k (£781k in 2009/10).

The total resources expended for the year were £2,032k (£2,087k in 2009/10) of which total direct charitable expenditure for the year accounted for £1,863k. Of the remaining expenditure, governance costs for the financial administration of the fund amounted to £169k representing 8.3% of total incoming resources.

### **Financial position at year-end**

The total fund balance at 31 March 2011 was £34,163k. This represents an increase of £1,927k against the March 2010 fund value of £32,236k. The increase in the value of the fund reflects the upward trend in equity markets which resulted in unrealised and realised gains of £1,879k and £153k respectively. When the net income deficit (£105k) is deducted from these gains this represents the increase of £1,927k on the 2009/10 position.

### **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.

### **Statement of risk**

The management of risk in relation to the Trust Funds is closely aligned with the Belfast Health & Social Care Trust's risk management procedures. These are outlined in detail in the Statement on Internal Control contained within the Trust Fund's annual financial statements.

### **Reserves policy**

The Trust Fund does not currently enter into future commitments and so has not created any reserves for this.

### **Investment Policy**

For investment purposes the balances on the Trust funds of all Trusts in the old EHSSB area are pooled and invested in the Common Investment Fund.

**Charitable Trust Funds Review**

During the year 2010/11 the Trust continued to work on the advice and guidance of Cleaver Fulton Rankin in respect of the review of funds. The Charitable Trust Funds team carried out a mapping process of current funds and broad speciality areas have been proposed. A draft governance paper has also been produced. Both the mapping process and proposed governance arrangements have been shared with fund signatories.

**Plans for future periods**

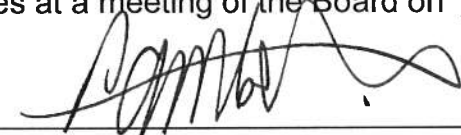
The responses from the fund signatories in relation to the proposed new arrangements will be collated and a paper prepared. Further work will be carried out to refine the mechanics of the mapping process and governance arrangements, once this work has been completed it is planned to meet with the legal advisors and prepare a cy-pres application if appropriate.

**Funds Held as Custodian Trustee on Behalf of Others**

The Belfast HSC Trust does not act as Custodian Trustee on behalf of others.

Approved by the Trustees at a meeting of the Board on 3 November 2011

Signed : P. McCartan



Chairman

C. Donaghy



Chief Executive