

**Belfast Health and Social Care Trust**

**Charitable Trust Fund**

**Annual Accounts**

**For the year ending 31 March 2013**

**BELFAST HEALTH AND SOCIAL CARE TRUST**  
**TRUST FUNDS**

**ANNUAL REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDING 31 MARCH 2013**

**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**

**1st November 2013**

**BELFAST HEALTH & SOCIAL CARE TRUST**

**TRUST FUNDS**

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**ANNUAL ACCOUNTS 2012/13**

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## **Belfast Health & Social Care Trust**

### **Charitable Trust Funds Accounts for the year ended 31 March 2013**

#### **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;

- follow the guidance within the HSC Manual of Accounts 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 governance framework 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 are 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 2013**

**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 16 to 26 ) 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.

*Mic Dillo*  
11/10/13

**Director of Finance**

**Date**

I certify that the annual accounts set out in the financial statements and notes to the accounts (pages 16 to 26 ) as prepared in accordance with the above requirements have been submitted to and duly approved by the Board.

*Chairman*

**Chairman**

11/10/2013

**Date**

*John Donaghy*

**Chief Executive**

11-10-2013

**Date**

# **Belfast Health & Social Care Trust**

## **Charitable Trust Funds Accounts for the year ended 31 March 2013**

### **Governance Statement**

#### **Introduction/Scope of Responsibility**

The Board of the Belfast Health and Social Care (HSC) Trust is accountable for the internal governance framework. As Accounting Officer and Chief Executive of the Trust, I have responsibility for maintaining a sound governance framework that supports the achievement of the organisation policies, aims and objectives, whilst safeguarding the public funds and assets for which I am 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. The Trust has established engagement processes with the HSC Board (which includes the Public Health Authority (PHA) for appropriate areas). For example regular meetings are held with Local Commissioning Group (LCG) representatives to discuss local services and a Specialist Services Liaison Group (with representatives from the Trust, HSC Board and PHA) meets to review issues associated with regional services. A range of other engagement processes are in place i.e. Transforming Your Care (TYC) Collaboration Board, to address specific areas of service with HSC Board and other appropriate agencies;
- with colleague agencies in the HSC, through close and positive working arrangements;
- 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. These are monitored through formal reporting mechanisms and Accountability Review meetings which are held twice yearly and relevant Trust senior staff are in attendance.

#### **Compliance with Corporate Governance Best Practice**

The Trust applies the principles of good practice in Corporate Governance and continues to strengthen its governance arrangements. The Trust does this by undertaking continuous assessment of its compliance with Corporate Governance best practice e.g. CIPFA carried out a Strengthening Governance in Belfast Trust Review during 2012/13. The Trust has developed an Action Plan to address the recommendations contained in the report. In addition the Trust receives assurance from external and internal auditors through the Report to those Charged with Governance and Internal Audit Reports. The Trust has also recently completed and submitted to the DHSSPS its first Board Governance Self-Assessment.

#### **Governance Framework**

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;

## **Belfast Health & Social Care Trust**

### **Charitable Trust Funds Accounts for the year ended 31 March 2013**

- An Audit Committee;
- An Assurance Committee;
- A Remuneration Committee;
- A Governance Steering Group;
- A Safety & Quality Steering Group;
- A Serious Adverse Incident Review Board;
- A Social Care Steering Group;
- An Equality, Engagement & Experience Steering Group incorporating a Complaints Review Group;
- A Charitable Trust Fund Advisory Committee.

The role of the Trust Board is to consider the key strategic and managerial issues facing the Trust in carrying out its statutory and other functions. Throughout the year the Trust Board has been briefed on control issues by the Chairs of the Audit Committee and Assurance Committee. The Trust held eight public Trust Board meetings and three Trust Board workshops during 2012/13. Standing agenda items included report from the Chief Executive, performance and quality and financial performance. No performance related issues were identified during the year.

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 Term 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 2013**

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 to 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.

During 2012/13 the Belfast Trust has taken on responsibility for the administration of the Common Investment Fund.

The Audit Committee provides the Trust Board with an independent and objective review on its financial systems of internal control. This committee met four times during the year. The Audit Committee completes the National Audit Office Audit Committee self-assessment checklist on an annual basis to assess its effectiveness. The results are submitted to the DHSSPS and an action plan is drawn up for any areas that require improvement. No performance related issues were identified as part of this review. The work of the Internal Audit and External Audit functions is fundamental to providing assurances on the on-going effectiveness of the system of internal financial control. In addition, the controls assurance standards and the annual self-assessment against the standards provide an important assurance to the Assurance Committee.



## **Belfast Health & Social Care Trust**

### **Charitable Trust Funds Accounts for the year ended 31 March 2013**

The Assurance Committee met on three occasions during the year and is comprised of Non-Executive Directors only. The Head of Internal Audit is now also in attendance and reports directly on any risk or governance related Internal Audit reports. The Assurance Committee's role is to assist the Board of Directors in ensuring an effective Assurance Framework is in operation for all aspects of the Trust's undertakings, other than finance. The Assurance Committee is also responsible for ensuring there is a robust system in place for identifying principal risks and significant gaps in controls/assurance for consideration by the Board of Directors. No performance issues were identified during the year.

Attendance records of key committees, including the Charitable Funds Advisory Committee, have been reviewed and the Trust routinely meets its requirements for a full quorum.

#### **Business Planning**

Business planning and risk management is at the heart of governance arrangements to ensure that statutory obligations and ministerial priorities are properly reflected in the management of business at all levels within the organisation.

The Trust's Corporate Plan sets out the vision and purpose, core values and long term objectives that will shape the strategic direction and priorities for the Trust over the next 3 - 5 years. The Corporate Plan and the Trust Delivery Plan set out annual targets to progressively deliver the corporate objectives.

The Trust Delivery Plan is developed annually as a response to the Department's performance indicators and the commissioning plans of Health and Social Care Board in their annual Health and Wellbeing Improvement Plans. While the Corporate Plan incorporates these Departmental/commissioner targets, it takes a wider view of the organisational responsibilities of the Trust, setting a range of local targets under each corporate objective. The Corporate Objectives and associated annual targets (regional and local) are cascaded throughout the Trust by:

- Directorate Annual Performance Plans;
- Service/Team annual plans;
- Individual objectives.

This process forms an integral part of the Trust's Performance Management and Assurance Framework. Review and monitoring of progress against priorities and objectives (linked to DHSSPS/HSC Board priorities, the Trust Business/Management Plan (including the Trust Delivery Plan)) is carried out through;

- Trust Board Performance reports (monthly related to key performance indicators), to provide assurance at Board level;
- Regular accountability/review meetings with Directorates to monitor progress against organisational and Directorate key priorities;
- Individual Personal Contribution Plans and Learning and Development Plans objectives to ensure learning and development supports the delivery of Directorate and organisational objectives.

## **Belfast Health & Social Care Trust**

### **Charitable Trust Funds Accounts for the year ended 31 March 2013**

#### **Risk Management**

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 on-going 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 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, along with the Audit Committee, has scrutinised the effectiveness of the Risk Management Strategy.

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, Corporate and Board levels.

## **Belfast Health & Social Care Trust**

### **Charitable Trust Funds Accounts for the year ended 31 March 2013**

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 Trust seeks to ensure that its medical workforce is equipped to provide the best health care that can be achieved through investment in education, appraisal, appropriate job planning and where issues arise that are appropriate to maintaining high professional standards these are dealt with using the appropriate procedures, involvement of National Clinical Assessment Service where necessary and regulatory bodies such as the General Medical Council and General Dental Council.

#### **Information Risk**

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 Planning, Performance and Informatics 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.

The Trust Director of Planning, Performance and Informatics is also the Trust Senior Information Risk Owner (SIRO). Approximately thirty-five Trust officers, mainly at Co-Director level have also been identified as Information Asset Owners (IAOs) who are accountable to the SIRO and the IGB for the management of information within their service areas. Both the SIRO and all IAOs have received training, internal and regional, to help them understand and discharge their roles.

The Trust has policies to cover Data Protection, Decommissioning policy in respect of vacated buildings and departments, ICT Security, storage, retention and management of records, access to data from external organisations, transportation of records and access to records.

The monitoring of information related adverse incidents by the IGB is now well established. In each case remedial action is prescribed and learning is communicated throughout the Trust. During the year seventeen incidents were referred to the Information Commissioner's Office (ICO) for consideration. In all cases learning from the incidents has been widely disseminated throughout the organisation via newssheets or as new guidance for staff.

The Trust has received the final report from the ICO audit. The ICO concluded that there was a reasonable level of assurance that processes and procedures are in place for delivering data protection compliance. The audit identified some scope for improvement in existing arrangements and the recommendations have been incorporated into an action plan which is currently being implemented.

The Trust continues to promote awareness of information governance issues through induction training for new staff, "My Data Your Business" and "Be Data Wise & Data Secure" training sessions for other staff, undertaking Information Governance Initial Visits (IGIV'S) and via leaflets, articles, Chief Executive Briefings and intranet information.

## **Belfast Health & Social Care Trust**

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#### **Public Stakeholder Involvement**

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 group which meets regularly to guide and challenge the Trust in relation to this work and is also now included within the Assurance Framework committee structure. There are a 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.

#### **Assurance**

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 lays out the sources of evidence which the Board will use to be assured of the soundness and effectiveness of the systems and processes in place to meet objectives and deliver appropriate outcomes. The Assurance Committee regularly challenges or seeks verification of the quality of evidence coming to it.

The Assurance Framework was revised in 2012/13 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 was approved by the Assurance Committee of the Trust Board on the 12<sup>th</sup> February 2013. 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.

The Assurance Committee established a revised agenda and schedule of annual reports 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 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 Directorate risk registers, which are updated on an on-going basis and which feed into the Belfast Trust's Assurance Framework Principal Risks and Controls document

The Trust assessed its compliance with the 22 Controls Assurance Standards which were defined by the Department. All standards achieved substantive compliance in 2012/13.

## **Belfast Health & Social Care Trust**

### **Charitable Trust Funds Accounts for the year ended 31 March 2013**

#### **Sources of Independent Assurance**

The Trust obtains Independent Assurance from the following main sources:

- Internal Audit – through a programme of annual audits based on an analysis of risk;
- Northern Ireland Audit Office; through audit of the annual accounts and subsequent report to those charged with governance alongside any value for money (VFM) studies and subsequent reports;
- Regulation and Quality Improvement Authority (RQIA); through regular inspections and subsequent reports;
- Social Services Inspectorate for older people and children's services;
- Medicines and Healthcare products Regulatory Agency (MHRA) through regular inspections and reports;
- General Medical Council (GMC), General Dental Council (GDC), NI Medical and Dental Training Agency (NIMDTA) and various Royal Colleges.

The Trust engages proactively with all such reviews and the Board is assured that appropriate actions are taken, by the Assurance and Audit Committees.

#### **Internal Audit**

The Trust has 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 last reviewed the Charitable Funds system and procedures in 2009/10 and a satisfactory level of assurance was provided. In 2012/13 Internal Audit reviewed the following systems of which elements were relevant to the Charitable Trust Funds:-

- Key Financial Controls (Satisfactory Assurance)
- Bank & Cash (Satisfactory Assurance)
- Cash Management in Social Services facilities (Satisfactory Assurance)

In his annual report, the Internal Auditor reported that the Belfast Trust had a satisfactory system of internal control designed to meet the Trust's objectives for the year ended 31 March 2013.

Certain weaknesses and issues were identified by audit and recommendations to address these control weaknesses have been or are being implemented. The Audit Committee have reviewed management responses to Internal Audit recommendations and monitor progress with the implementation of recommendations.

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 96% of agreed actions have been fully or partially implemented.

## **Belfast Health & Social Care Trust**

### **Charitable Trust Funds Accounts for the year ended 31 March 2013**

#### **Review of Effectiveness of the System of Internal Governance**

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

I have been advised on the implications of the result of my review of the effectiveness of the system of governance framework by the Trust Board, Audit Committee, Assurance Committee and sub committees, and a plan to address weaknesses and ensure continuous improvement to the system is in place.

Follow up audits are carried out and the Trust will continue to implement the compliance regime during 2013/14.

The Charitable Trust Fund Advisory Committee of the Belfast HSC Trust was in place for 2012/13.

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 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 2013/14 to discharge its duties and responsibilities, including the monitoring and oversight of new procedures as they continue to be embedded with the organisation.

There were no internal control divergences identified during the year in relation to Charitable Trust Funds.

#### **Conclusion**

The Trust has a rigorous system of accountability which I can rely on as Accounting Officer to form an opinion on the probity and use of Charitable Trust Funds, as detailed in Manage Public Money NI. Further to considering the accountability framework within the Trust and in conjunction with assurances given to me by the Head of Internal Audit, I am content that the Trust has operated a sound system of internal governance during the period 2012/13.



Mr Colm Donaghy  
Accounting Officer

Date 11-10-2013

**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 the Belfast Health and Social Care Trust for the year ended 31 March 2013 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 the Accounting Officer's Responsibilities, the Accounting Officer 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 examine, certify and report on the financial statements in accordance with the 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 Financial Reporting Council'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 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 recorded in the financial statements have been applied to the purposes intended by the Assembly and the financial transactions recorded in the financial statements conform to the authorities which govern them.

**Opinion on Regularity**

In my opinion, in all material respects the incoming and outgoing resources recorded in the financial statements have been applied to the purposes intended by the Assembly and the financial transactions recorded in the financial statements 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 Charitable Trust Fund's affairs as at 31 March 2013 and of its incoming and outgoing resources for the year then ended; and
- the financial statements have been properly prepared in accordance with 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 in 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 Governance Statement 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

31 October 2013



# Belfast Health & Social Care Trust

## Charitable Trust Funds Accounts for the year ended 31 March 2013

### Statement of Financial Activities

	Note	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	2013 Total Funds £000	2012 Total Funds £000
<b>INCOMING RESOURCES</b>						
Incoming resources from generating funds						
Voluntary income	2	259	1,509	0	1,768	1,310
Activities for generating funds		0	0	0	0	0
Investment income	1	312	680	0	992	929
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>571</b>	<b>2,189</b>	<b>0</b>	<b>2,760</b>	<b>2,239</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	(246)	(1,070)	0	(1,316)	(1,698)
Governance Costs	5	(48)	(120)	0	(168)	(165)
Other resources expended		0	0	0	0	0
<b>Total Resources Expended</b>		<b>(294)</b>	<b>(1,190)</b>	<b>0</b>	<b>(1,484)</b>	<b>(1,863)</b>
<b>Net incoming/(outgoing) resources before transfers</b>		<b>277</b>	<b>999</b>	<b>0</b>	<b>1,276</b>	<b>376</b>
<b>TRANSFERS</b>						
Gross transfer between funds	8	(151)	15	0	0	0
<b>Net Incoming/(Outgoing) Resources before other recognised gains and losses</b>		<b>262</b>	<b>1,014</b>	<b>0</b>	<b>1,276</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	1,407	2,999	0	4,406	635
<b>Net Movement in Funds</b>		<b>1,669</b>	<b>4,013</b>	<b>0</b>	<b>5,682</b>	<b>1,011</b>
<b>Adjustment to add back: Notional Audit Fee</b>	10	<b>3</b>	<b>7</b>	<b>0</b>	<b>10</b>	<b>9</b>
<b>Net Movement in Funds excluding Notional Audit Fee</b>		<b>1,672</b>	<b>4,020</b>	<b>0</b>	<b>5,692</b>	<b>1,020</b>
<b>RECONCILIATION OF FUNDS</b>						
Fund balances brought forward at 1 April 2012		10,555	23,073	1,555	35,183	34,163
Fund balances carried forward at 31 March 2013		12,227	27,093	1,555	40,875	35,183

The notes at pages 16 to 26 form part of this account

# Belfast Health & Social Care Trust

## Charitable Trust Funds Accounts for the year ended 31 March 2013

### Balance Sheet

	Notes	31 March 2013 £000	31 March 2012 £000
<b>Fixed Assets</b>			
Intangible assets		0	0
Tangible assets	11	0	0
Heritage assets		0	0
Investments:			
Investments	12	38,948	33,717
Programme related investments		<u>0</u>	<u>0</u>
<b>Total Fixed Assets</b>		<b>38,948</b>	<b>33,717</b>
<b>Current Assets</b>			
Stocks		0	0
Debtors	13	266	171
Short term investments and deposits		966	949
Cash at bank and in hand		<u>960</u>	<u>641</u>
<b>Total Current Assets</b>		<b>2,192</b>	<b>1,761</b>
<b>Creditors : Amounts falling due within one year</b>	14.1	<u>(265)</u>	<u>(295)</u>
<b>Net Current Assets/(Liabilities)</b>		<u>1,927</u>	<u>1,466</u>
<b>Total Assets less Current Liabilities</b>		<b>40,875</b>	<b>35,183</b>
<b>Creditors : Amounts falling due after more than one year</b>	14.2	0	0
<b>Provisions for liabilities and charges</b>		<u>0</u>	<u>0</u>
<b>Net Assets</b>		<u><b>40,875</b></u>	<u><b>35,183</b></u>
<b>Funds of the Charity</b>			
Restricted Income Funds	15	27,093	23,073
Endowment Funds	15	1,555	1,555
Unrestricted Income Funds			
Unrestricted Income Funds	15	12,227	10,555
Revaluation reserve		0	0
<b>Total unrestricted funds</b>		<u>12,227</u>	<u>10,555</u>
<b>Total charity funds</b>		<u><b>40,875</b></u>	<u><b>35,183</b></u>

The notes at pages 16 to 26 form part of this account

Chairman: *G. L. O'Connell*

Date: *11/10/2013*

Chief Executive: *Colin Donaghy*

Date: *11-10-2013*

# **Belfast Health & Social Care Trust**

## **Charitable Trust Funds Accounts for the year ended 31 March 2013**

### **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 Annual Report.

**1(c) 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) 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 less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

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

**1(p) 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(q) Pensions**

The Charitable Trust Fund has no employees.

## Belfast Health & Social Care Trust

### Charitable Trust Funds Accounts for the year ended 31 March 2013

#### 2 Analysis of voluntary income

	Unrestricted Funds £000	Restricted Funds £000	2013 Total Funds £000	2012 Total Funds £000
Donations from individuals	79	488	567	621
Corporate donations	0	83	83	140
Legacies	179	904	1,083	487
Grants	0	0	0	0
Other	1	34	35	62
<b>Total</b>	<b>259</b>	<b>1,509</b>	<b>1,768</b>	<b>1,310</b>

#### 3 Gross Investment Income

	2013 Total Funds £000	2012 Total Funds £000
Gross income earned from:		
Fixed asset equity and similar investments	975	915
Fixed asset cash on deposit	0	0
Current asset investments	17	14
Other	0	0
<b>Total</b>	<b>992</b>	<b>929</b>

#### 4 Incoming resources from charitable activities

There is no Income from charitable activities for Charitable Trust Funds for year ended 31 March 2013 (2012: £Nil)

## Belfast Health & Social Care Trust

### Charitable Trust Funds Accounts for the year ended 31 March 2013

#### 5 Allocation of support costs and overheads

	2013 Total Funds £000	Allocated to Governance £000	Charitable Activities £000	
Financial	0	0	0	
Administration	158	158	0	Usage
Salaries and related costs	0	0	0	
Staff training	0	0	0	
Staff recruitment	0	0	0	
Office rent	0	0	0	
Internal Audit	0	0	0	
External Audit	10	10	0	Usage
Telephone, Postage & Stationery	0	0	0	
Bank Charges	0	0	0	
Other professional expenses	0	0	0	
Insurance	0	0	0	
Other	0	0	0	
<b>Total</b>	<b>168</b>	<b>168</b>	<b>0</b>	

#### 6 Analysis of charitable expenditure

	Grant funded activity £000	Support Costs £000	2013 Total £000
Medical research	0	423	423
Purchase of new equipment	0	331	331
Building and refurbishment	0	23	23
Staff education and welfare	0	293	293
Patient education and welfare	0	212	212
Other	0	34	34
<b>Total</b>	<b>0</b>	<b>1,316</b>	<b>1,316</b>

## Belfast Health & Social Care Trust

### Charitable Trust Funds Accounts for the year ended 31 March 2013

#### 7 Analysis of grants

The Charitable Trust Funds have no grants in year ended 31 March 2013 (2012: £Nil)

#### 8 Transfer between funds

	2013 £	2012 £
Restricted Funds	15,118	49,000
Unrestricted Funds	(15,118)	(49,000)
Endowment	<u>0</u>	<u>0</u>
<b>Total</b>	<b><u>0</u></b>	<b><u>0</u></b>

#### 9 Analysis of staff costs

The average number of employees on a full-time basis in the year was Nil (2012: 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 £9,750 (2012: £8,727) 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 2013

### 11 Total tangible fixed assets

There are no fixed assets held by Charitable Trust Funds (2012: £Nil)

### 12 Analysis of Fixed Asset Investments

#### 12.1 Investments in a Common Investment Fund

	2013 £000	2012 £000
Market Value at 1 April 2012	33,717	32,917
Net Cash Inflow/(Outflow)	(150)	(750)
Share of income	975	915
Share of realised gains/(losses)	83	80
Share of unrealised gains/(losses)	<u>4,323</u>	<u>555</u>
Market Value at 31 March 2013	<u><u>38,948</u></u>	<u><u>33,717</u></u>

#### 12.2 Movement in fixed asset investment

	2013 £000	2012 £000
Market Value at 1 April 2012	0	0
Less: Disposals at carrying value	0	0
add: Acquisitions at cost	0	0
Net gain / loss on revaluation	<u>0</u>	<u>0</u>
Market value at 31 March 2013	<u><u>0</u></u>	<u><u>0</u></u>
Historic Cost at 31 March 2013	<u><u>0</u></u>	<u><u>0</u></u>

#### 12.3 Market Value as at 31 March 2013

	Held in UK £000	Held outside UK £000	Total £000	2012 Total £000
Investment Properties :				
Investments listed on Stock Exchange	0	0	0	0
Investments in CIF - EHSSB area only	38,948	0	38,948	33,717
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	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total market value of fixed asset investments	<u><u>38,948</u></u>	<u><u>0</u></u>	<u><u>38,948</u></u>	<u><u>33,717</u></u>

## Belfast Health & Social Care Trust

### Charitable Trust Funds Accounts for the year ended 31 March 2013

#### 13 Analysis of Debtors

	2013 £000	2012 £000
<b>13.1 Amounts falling due within one year :</b>		
Trade debtors	0	0
Prepayments	0	0
Accrued income	0	0
Other debtors	266	171
<b>Total</b>	<u>266</u>	<u>171</u>
<b>13.2 Amounts falling due over one year :</b>		
	2013 £000	2012 £000
Trade debtors	0	0
Prepayments	0	0
Accrued income	0	0
Other debtors	0	0
<b>Total</b>	<u>0</u>	<u>0</u>

#### 14 Analysis of Creditors

	2013 £000	2012 £000
<b>14.1 Amounts falling due within one year :</b>		
Loans and overdrafts	0	0
Trade creditors	0	0
Other creditors	265	295
Accruals	0	0
Deferred income	0	0
<b>Total</b>	<u>265</u>	<u>295</u>
<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
<b>Total</b>	<u>0</u>	<u>0</u>

## Belfast Health & Social Care Trust

### Charitable Trust Funds Accounts for the year ended 31 March 2013

#### 15 Analysis of charitable funds

	Balance at 1 April 2012 £000	Incoming resources £000	Resources expended £000	Transfers £000	Gains and losses £000	Fund at 31 March 2013 £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>						
Renal DCII	795	648	(37)	0	113	1,519
Other (individually less than 5%)	22,278	1,541	(1,146)	15	2,886	25,574
<b>Restricted funds total</b>	<b>23,073</b>	<b>2,189</b>	<b>(1,183)</b>	<b>15</b>	<b>2,999</b>	<b>27,093</b>
<b>Total</b>	<b>24,628</b>	<b>2,189</b>	<b>(1,183)</b>	<b>15</b>	<b>2,999</b>	<b>28,448</b>
<b>Analysis of unrestricted and material designated funds</b>						
	Balance at 1 April 2012 £000	Incoming resources £000	Resources expended £000	Transfers £000	Gains and losses £000	Fund at 31 March 2013 £000
RVH General	897	111	(6)	0	175	1,177
RMH General	1,894	54	(6)	0	243	2,185
RBHSC General	5,227	151	(147)	(15)	661	5,877
Mater General Fund	934	45	(32)	0	118	1,065
NICC General Fund	636	148	(28)	0	87	843
Other (individually less than 5%)	967	62	(72)	0	123	1,080
<b>Total</b>	<b>10,555</b>	<b>571</b>	<b>(291)</b>	<b>(15)</b>	<b>1,407</b>	<b>12,227</b>
<b>Total Funds</b>	<b>35,183</b>	<b>2,760</b>	<b>(1,474)</b>	<b>0</b>	<b>4,406</b>	<b>40,875</b>

# Belfast Health & Social Care Trust

## Charitable Trust Funds Accounts for the year ended 31 March 2013

### 16 Contingencies

The Trust Funds have no contingencies at year ended 31 March 2013 (2012: £Nil)

### 17 Commitments

The Trust Funds have no commitments at year ended 31 March 2013 (2012: £Nil)

### 18 Financial Guarantees

The Belfast HSC Trust Charitable Trust Funds have not given any financial guarantees as at 31st March 2013 (2012 : £Nil)

### 19 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 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.

#### 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 2012/13. Set out below are details of the amount paid to these organisations during 2012/13. 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.

	Payments to Related Party £000s	Income from Related Party £000s	Amounts owed to Related Party £000s	Amounts due from Related Party £000s
Queen's University Belfast	220	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.

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**

No other Trust Board members and Senior Managers have disclosed interests in organisations from which the Trust purchased services relating to Charitable Trust Funds during 2012/13.



**Belfast Health and  
Social Care Trust**

***Charitable Trust Funds***

***Trustees Report***

***Year Ended 31 March 2013***

**Annual Report of the Trustees of the Trust Funds held by the Belfast Health & Social Care Trust for the year ended 31 March 2013**

**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 2012/13 this committee consisted of the following individuals:

<b>Mr Charles Jenkins (Chairman)</b>	<b>BHSCT, Non Executive Director</b>
<b>Mr Les Drew</b>	<b>BHSCT, Non Executive Director</b>
<b>Mr Martin Dillon</b>	<b>BHSCT Director of Finance</b>
<b>Mrs Fiona Cotter</b>	<b>BHSCT Co Director Accounting &amp; Financial Services</b>
<b>Mr Neil Guckian</b>	<b>South Eastern HSC Trust Director of Finance</b>
<b>Mr Nigel Mansley</b>	<b>South Eastern HSC Trust, Non Executive Director</b>

During 2012/13 the Belfast Health & Social Care Trust has taken on responsibility for the administration of the Common Investment Fund.

## **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 2012/13 the following acted as Trustees:

<b>Chairman</b>	<b>Mr Pat McCartan( Retired 31/12/12)</b>
<b>Non Executive Directors</b>	<b>Ms Joy Allen</b>
	<b>Mr Les Drew</b>
	<b>Prof Eileen Evason (Acting Chair</b>
	<b>01/01/13)</b>
	<b>Dr Val McGarrell</b>
	<b>Councillor Tom Hartley</b>
	<b>Mr Charles Jenkins</b>
	<b>Mr James O'Kane</b>

## **Executive Directors**

<b>Chief Executive</b>	<b>Mr Colm Donaghy</b>
<b>Director of Finance</b>	<b>Mr Martin Dillon</b>
<b>Director of Social and Primary Care</b>	<b>Ms Bernie McNally (seconded to</b>
	<b>NICO NI 03/09/12)</b>
	<b>Replaced by</b>
	<b>Mr C Worthington (appointed</b>
	<b>1/09/12)</b>
<b>Medical Director</b>	<b>Dr Tony Stevens</b>
<b>Director of Nursing and User Experience</b>	<b>Ms Brenda Creaney</b>

**Address of Principal office**  
**A Floor**  
**Belfast City Hospital**  
**Lisburn Road**  
**Belfast BT9**

**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 Trust Funds Review)

Cleaver Fulton Rankin  
50 Bedford Street  
Belfast BT2 7FW

**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 2012/13 was as follows:

<b>Mr Les Drew (Chair)</b>	<b>Non Executive Director</b>
<b>Mr Colm Donaghy</b>	<b>Chief Executive</b>
<b>Mr Martin Dillon</b>	<b>Director of Finance</b>
<b>Miss Brenda Creaney</b>	<b>Director of Nursing and User Experience</b>
<b>Dr Tony Stevens</b>	<b>Medical Director</b>
<b>Miss Bernie McNally</b>	<b>Director of Social and Primary Care to: 03/12/12</b>
<b>Mr Cecil Worthington</b>	<b>From 01/09/12</b>
<b>Ms Joy Allen</b>	<b>Non Executive Director</b>

**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 2012/13 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 £1.3m 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 the Trust transfers such balances 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 2013 there was net income surplus of £1,286k (after excluding the notional audit fee).

Total income of £2,760k was received in comparison to £2,239k in 2011/12 representing an overall increase of £521k in 2012/13.

Voluntary income accounted for £1,768k of the total income  
Investment income accounted for £992k.

Voluntary income increased £458k on the 2011/12 figure of £1,310k.  
Investment income increased £63k on the 2011/12 figure of £929k.  
The increase in investment income is due to the additional return from a higher amount being invested in 2012/13 than in 2011/12.

The increase in total income in 2012/13 is primarily due to an increase of £596k in legacies received by the Belfast Trust in year, giving a total for legacies received of £1,083k for 2012/13 as compared to £487k for 2011/12. When legacy entries are removed from the income total, the overall trend is downwards for donations to the Belfast HSC Charitable Trusts in 2012/13 and this is evidenced through a decrease of £54k in donations from individuals and a decrease of £57k in Corporate Donations as compared to the prior year, this reflects the overall trend in the current economic climate.

The total resources expended for the year were £1,484k ( £1,863k in 2011/12) of which total direct charitable expenditure for the year accounted for £1,316k, a reduction of £382k on 2011/12.

Expenditure in all areas of direct charitable expenditure decreased in comparison to 2011/12, research decreased by £73k, building ,equipment & other decreased by £124k, staff education and welfare decreased by £145k, patients welfare decreased by £40k. Of the remaining expenditure, governance costs for the financial administration of the fund amounted to £168k representing 6.1% of total incoming resources.

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

The total fund balance at 31 March 2013 was £40,875k an increase of £5,692k on the fund balance of £35,183k at March 2012.

In 2012/13 the equity market unrealised and realised gains increased to £4,406k from £635k in 2011/12, these gains when added to the net income surplus of £1,286k resulted in the total increase of £5,692k to the fund. This is a significant increase to the fund compared to £1,020k of an increase in 2011/12. This increase reflects the continued recovery in equity market returns and some improvements to the current economic climate worldwide at present as compared to 2011/12.

#### **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 greater Belfast area are pooled and invested in the Common Investment Fund.

#### **Charitable Trust Funds Review**

The Trust continued to work on the advice and guidance of Cleaver Fulton Rankin Solicitors in respect of the review of funds. Files have been submitted to the Attorney General Office in January 2013 and the Trust is currently waiting on his comments. As part of the process the Charitable Trust Funds review working group regularly update and advise the Charitable Funds Advisory Committee of progress to date.


**Plans for future periods**


- Prepare for the implementation of the proposed new funding arrangements by communicating the proposed changes to Trust Staff.
- Provide training for the new fund committees and the Charitable Trust Fund Team.
- Work with the Charities Commission when it is fully established and ensure that the registration process required under legislation is completed.

**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 11/10/2013

Signed :Prof Eileen Evason   
Chair

C. Donaghy   
Chief Executive