

The Whittington Hospital
NHS Trust Charitable Funds
Draft Annual Report for the
year ending 31 March 2009



Registered charity number
1056452

The Whittington Hospital NHS Trust
Magdala Avenue
London N19 5NF
Tel. 020 7288 5641

A message from the Chairman of the Trust Board

In the last twelve months the charitable funds have enabled a number of departments and other areas to benefit in a variety of ways.

I am delighted that the Building for Babies Appeal to raise £600,000 for the neonatal intensive care unit met its target during 2008/09 This money is being used to improve the hospital's existing neonatal intensive care unit where sick and premature babies are treated.

In April, a new fundraising appeal was launched for the Care of Older People Unit. The appeal will raise £100,000 to improve the treatment and rehabilitation equipment available for elderly patients, in addition to upgrading the ward facilities in the Jeffrey Kelson Unit. New medical equipment is needed, as is rehabilitation equipment to help strengthen limbs. More recreational activities are to be provided in the day rooms and more family facilities to make visits more comfortable.

I would like to extend my most sincere gratitude on behalf of the hospital and the Trustees to all patients, friends and staff who have contributed to fundraising over the course of this last year.

Joe Liddane
Chairman
The Whittington Hospital NHS Trust

Foreword

The Charity's annual report and accounts for the year ended 31 March 2009 have been prepared in accordance with the Charities Act 1993 and the Charities (Accounts and Reports) Regulations 2005, and with the Charity's governing document.

The Whittington Hospital NHS Trust is the corporate trustee of the charitable funds held on trust and its board members are appointed trustees under s11 of the NHS and Community Care Act 1990.

Trustees

Joe Liddane	Chairman
David Sloman	Chief Executive
Celia Ingham Clark	Medical Director
Richard Martin	Director of Finance
Deborah Wheeler	Director of Nursing and Clinical Development
Robert Aitken	Non Executive Director
Maria Duggan	Non Executive Director
Anne Johnson	Non Executive Director (until May 2009)
Jane Dacre	Non Executive Director (from January 2009)
Edward Lord	Non Executive Director
Anna Merrick	Non Executive Director

Charity Funds Administration

Elizabeth Hall	Charitable Funds Accountant (until June 2008)
Enitan Akinyemi	Charitable Funds Finance Manager (from July 2008)
Deborah Goodhart	Head of Communications
Marjorie Isabelle	Appeal Manager
Jo Condon	Administrator

Principal Office

Jenner Building
The Whittington Hospital NHS Trust
Magdala Avenue
London N19 5NF
Tel. 020 7288 5641

Principal Professional Advisers

Bankers

Lloyds TSB
Highgate Hill, London N19

Solicitors

Bevan Brittan LLP
35 Colston Avenue, Bristol BS1 4TT

Internal Auditors

Parkhill Audit Agency
First Floor, 135 Greenford Road
Sudbury Hill, Harrow HA1 3QN

External Auditors

Audit Commission
1st Floor, Millbank Tower
Millbank, London SW1P 4HQ

Investment Advisers

Rensburg Sheppard's Investment Management Limited
2 Gresham Street London EC2V 7QN

Structure, Governance and Management

The Board of the Whittington Hospital NHS Trust as corporate trustee of the charitable funds is accountable to the Charity Commission. Following the transfer of services from the Royal Northern Hospital, the main consolidated hospital funds were formally established by model declaration of trust in 1996, for any charitable purposes relating to the Trust. In 2001, The Whittington Hospital Medical Education Charitable Fund, which had been a separate entity, was brought under the same trustees as the main funds. The medical education funds are primarily for the advancement of facilities for medical education, the furtherance of medical education and research, and the dissemination of associated results.

The trustees are responsible for keeping proper accounting records, establishing and monitoring a system of internal control, and establishing arrangements for the prevention and detection of fraud and corruption. Day to day responsibility for the funds is delegated to members of the Executive Board who in turn appoint advisers for individual funds within the umbrella charity. The use of funds and procurement of goods and services are controlled through authorisation procedures, which are documented as part of the Trust's standing financial instructions. The systems and processes are subject to annual review by the Trust's internal auditors, who make recommendations on the management and mitigation of any identified risk and report to the Trust's Audit Committee.

The Trust's finance department provides accounting services and investment management is delegated to professional advisers. The annual accounts are audited by the Trust's external auditors (the Audit Commission) and approved by the Trust Board. The audited annual accounts, which are submitted to the Charity Commission, are available on request. Summaries of income, expenditure and movements in balances are shown at the end of this report.

The fundraising department is flourishing with appeals managers and a part time administrator now coordinating charitable funds, who report to the head of communications.

In addition to managing general and departmental funds, the Trust in recent years has had a single fundraising appeal for a specific purpose rather than general fundraising. These appeals have included over the years successful fundraising campaigns for imaging equipment, facilities for thalassaemia patients, cancer information services and most recently the refurbishment and equipping of an expanded neo-natal unit. This change of focus has meant that the value of the general fund has diminished as donated income has tended to be directed towards the current appeal.

Hospital departments managing their own fund balances from donations are encouraged to use them within a reasonable timescale for the benefit of patients and staff, except where they are being accumulated for a specific future purpose. The Building for Babies fund was managed by a fundraising committee, chaired by Barbara Roche, and the new Care of Older People Unit appeal is managed by a committee chaired by Edward Lord. .

A committee of the Whittington Postgraduate Medical Education Centre manages the funds relating to postgraduate medical education funds separately.

Description of Funds

Although all funds are held within an Umbrella Charity, a small number of funds have their own governing instruments and are registered as specific purpose funds within the overall charitable fund.

Charity | **Objects**

Umbrella Charity	For any charitable purpose or purposes relating to the National Health Service wholly or mainly for the services provided by the Whittington Hospital NHS Trust
The Royal Northern Scheme	
General Purpose Fund	As for the Umbrella Charity
GHE Bequest	The primary objects being to provide facilities and amenities to patients to relieve suffering and anxiety and to aid recovery. The secondary objects refer to the maintenance and improvement of facilities for fee-paying patients and to subsidise their costs in cases of need as determined by the Trustees
Nursing Staff Fund	To provide amenities for nursing staff at the Whittington Hospital
General Prize Fund	For the provision of an annual prize for the staff at the Whittington Hospital NHS Trust
The Whittington NHS Trust Radiography Fund	For any charitable purpose or purposes relating to the National Health Service for the services provided by the Radiography department of the Whittington Hospital NHS Trust
The Mike Bowen Trust	To support the clinical work with new-born babies at the Whittington Hospital NHS Trust
Simon Yudkin Funds	Interest to be used by the paediatric department to purchase toys, books and other educational matter including clothes and computer software as well as new beds for parents
Sadler Fund	For the relief of sickness of children who are or have been treated at the Whittington Hospital by the provision of a gift for the Christmas tree in any children's ward in the paediatric unit at the hospital
Gladys Embery Fund	For any charitable purpose or purposes relating to the Whittington Hospital NHS Trust
Postgraduate Medical Education Fund (PMEF)	For any charitable purposes relating to the NHS/Whittington Hospital for the advancement, furtherance and research of medical and dental education

Income and Expenditure : Overview of the 2008/09 Year : Combined Funds

Income

In total, incoming resources were £434,000 in 2008/09 (£102,000 lower than in 2007/08).

This is because the Building for Babies Appeal came to an end in December 2008, and there was then a period with no main fundraising appeal. Also the level of income generating activity in the Postgraduate Medical Education Fund was lower in the second half of the year, while one of the key posts was vacant. Investment income was affected by the economic down-turn and falling interest rates.

However the directorate funds continued to receive donations and fund-raising activities continued to be well supported.

Expenditure

In total, expenditure (including governance costs) was £673,000 in 2008/09 (£215,000 higher than in 2007/08).

The main reason for this increase was the £284,000 contribution made to equipping the NICU from the Building for Babies Appeal (investing the funds raised in previous years). On the other hand, postgraduate fund activity was lower than in the previous year, resulting in lower expenditure.

Investment losses

Over the course of the year, the value of the charity's investments portfolio fell by £129,000 due to the general down-turn in the financial markets .

Fund Balance

At 31 March 2009 the fund balance totalled £973,000, at the market value of investments.

Summary Accounts	2008/09 £'000	2008/09 £'000	2008/09 £'000	2007/08 £'000
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Statement of Financial Activities

	Hospital	Postgrad	Total	
Charitable donations	245	0	245	390
Income from activities	27	108	135	84
Other income	45	9	54	62
Total incoming resources	317	117	434	536
Expenditure	455	154	610	400
Governance costs	55	9	63	59
Net incoming (outgoing) resources	(193)	(46)	(239)	77
Loss on revaluation of investments	(129)	0	(129)	(71)
Fund balance brought forward	1,090	251	1,341	1,334
Fund balance carried forward	767	205	973	1,341

Balance Sheet

Fixed Assets : investments	445	230	675	828
Debtors	111	0	111	106
Cash	405	24	429	611
Creditors	(194)	(48)	(242)	(204)
Net current assets	322	(25)	298	513
Net assets	767	205	973	1,341
Fund Balances	767	205	973	1,341

Income and expenditure relating to the Whittington Hospital Funds (excl Postgraduate)

The total income for the hospital charitable funds (ie all the funds, apart from the postgraduate medical funds) was £317k including funds raised through events.

In all, expenditure of £510k was incurred in pursuit of the charity's objectives.

Over the course of the year, the value of the charity's investments portfolio fell by £129k .

At the end of the period to 31 March 2009 the fund balance totalled £767k at the market value of investments.

Building for Babies

The Building for Babies appeal fundraised for two years to dramatically improve the environment of the Neonatal Intensive Care Unit (NICU) at the Whittington Hospital. The target was £600,000 to purchase new equipment and family rooms needed by the Unit. The target was successfully reached in December 2008 and NICU has now ordered the majority of the equipment and the family rooms have all been refurbished and equipped.

In 2008, the original earmarked space for NICU's complete relocation was lost to maternity services due to the unexpected rise of births in north London. However, directly above the NICU was an unused ward which has now been turned into a Special Care Baby Unit (SCBU), relieving the pressure in the NICU. The new SCBU houses 16 cots and the family rooms will be created and furnished in the new space. The existing NICU can now take up to 16 Intensive and High Dependency cots, and is thus able to function more efficiently and the environments are more comfortable for babies, parents and staff thanks to more space, latest equipment and a more attractive environment.

The success of the appeal was down to the generosity of the local community and to funding organisations. The appeal received enormous support from charitable trusts and foundations which accounted for nearly 40 per cent of the overall income received.

During the year, Building for Babies generated £164,262 from individuals, trusts, corporations and a series of community events, like the London Marathon, The British 10k London Run and our own Highgate 5k Fun Run. Other fundraising events included the Georgians Tennis Tournament, a photography competition, a Whittington radio Concert featuring The All Angels classical singing group; the exclusive screening of Mamma Mia at the Hampstead Everyman cinema; an Arsenal Celebrity Football Fun Day at St Aloysius playing fields and rounding off the appeal with a reception including a Christmas Carol Concert by the Singing in Highgate group.

The largest legacy that benefited the appeal was for £58,977, received from the Estate of the Walter B Loomes Will Trust.

New appeals for 2009:

After Christmas, the fundraising office was asked by the new paediatric emergency department to raise money for play equipment and artwork to make it more child-friendly for young patients. This small appeal managed to raise £9,306 from funders which has enabled play specialists to order sensory resources and play items for the department, in addition to commissioning a mural artist to paint the reception and three of the treatment rooms.

A new appeal was launched for Care of Older People unit in Spring 2009, to raise £100,000 to improve the care and facilities for elderly patients. The plan is to purchase vital equipment, and to provide better recreation and social amenities for patients and their families. This new appeal is chaired by Deputy Chairman of the Hospital, Edward Lord.

Donations above £1,000 were received from the following:

29th May 1961 Charitable Trust	£10,000
UCL RUMS & RAG	£2,952
Walter B Loomes Will Trust	£58,977
Anonymous individual donor	£25,000
The Wolfson Foundation	£82,5000
Tomkins	£1,000
The Wallace and Gromit Children's Foundation	£6,000
The Friends of the Whittington Hospital	£2,000
Percy Bilton Charity	£3,000
Coutts Charitable Trust	£1,000

The costs of running the fundraising department come from the current appeal. The department employs one part-time appeals manager (four days per week) and a part-time assistant.

Income and expenditure relating to the Postgraduate Medical Education Fund (PMEF) held by the Whittington Postgraduate Education Centre

The objective of PMEF is any charitable purposes relating to the NHS/Whittington Hospital for the advancement and furtherance of medical education and research.

	£'000
Balance as at 31st March 2008	251
Incoming resources	117
Costs of generating income	52
Expenditure on Charitable activities	103
Governance costs	9
Balance at 31st March 2009	205

Review of Business Management Guidelines The revised Fund Management Handbook (March 2009) was adopted, with a view to standardising and improving the efficiency of the various accounts in PMEF..

1. General Fund

Education Activities

- **Resuscitation Courses:** 3 Courses were presented in the year: ALS, APLS and ATLS all in June 2008
- **Emergency Radiology.** This is a requirement for ED trainees and was presented in August 2008 and February 2009
- **Practical Procedures.** 2 Courses were presented in the year: September 2008 and February 2009.

Grants

10 applications for grants were received in this year's grant giving exercise, two were approved:

- Dr Marko Berovic, Consultant Radiologist, MSc in Nuclear Medicine at King's College, Fees £2,000
- Richard Jennings, Consultant in Acute Medicine, Master of Arts degree in Clinical Education, Fees £1,878

Oration

The 6th Whittington Oration was delivered by Dr Richard Smith former Editor of the BMJ on 8th July 2008. The title was "*Is the NHS being privatised? What of the future for Health Care?*", and we had an excellent turnout and lively debate.

2. Colposcopy Fund

Research. Professor Singer reported on two major research projects with participation by the Colposcopy Fund.

- Dr Daniel Nidsang of UCL is working with Professor Sue Garland in the University of Melbourne examining her unique archival library of cervical disease to evaluate the role of a tumour marker Brn-3a in the diagnosis of cervical malignancy. The Whittington and Prof Garland will be publishing jointly on this research. Professor David Latchman of UCL, and Professor Singer have obtained grants to continue this work, not only in Melbourne but also in London and in Israel, where a low-risk population for cervix cancer exists. Professor Singer has provided from the charitable funds approx. £5,000 to set up the project and £2,000 for consumables.
- Professor Robert Neuwirth, Columbia University, New York, USA, has worked for the last eight years with Professor Singer at the Whittington Hospital and in New York, on the use of silver nitrate in an attempt to ablate the uterine endometrium in women with menorrhagia. It is hoped that the development of new methods of instilling silver nitrate in the uterus will form the basis of grants in the near future.

Teaching. Professor Singer reported that the Colposcopy Unit run 3 courses at the Whittington this year: July, November 2008 and January 2009. In addition, a shortened version of the Colposcopy Course was presented at the EUROGIN National Congress in Nice, France in November 2008.

They are developing a programme of teaching by producing interactive web-based packages for Colposcopy in collaboration with UCL staff and the American company <http://www.webex.com/>

Professor Singer's Festschrift

The retirement of Professor Singer was marked with a Symposium followed by a Dinner party on 20th May 2008.

3. GP Study Days Fund

The Fund continued to offer a first class programme of continuing professional education to GPs supported by NHS Islington:

2008

May	Neurology
June	Respiratory Update
July	Hypertension
September	Palliative Care
October	Obesity
November	ENT
December	Two-day Intensive Training Programme

2009

January	Care of the Elderly
February	Surgery
March	Chronic Fatigue

Investments

The hospital funds are held in a combination of cash and equity / bond investments; the postgraduate funds are held entirely in cash, the bulk being on deposit.

The investment policy is for a balanced mandate between income and capital growth. The level of risk is moderate and the portfolio is managed on a discretionary basis. For ethical reasons, there are no investments in tobacco companies and investment in alcohol companies and related companies are kept in moderation.

The aim of the portfolio structure is to provide both long-term growth in capital values, and income to maintain their values in real terms. This is achieved through a balance between fixed interest securities, UK equities and overseas collective funds. As there have been significant draw-downs in recent years, it has been necessary to take a gradually lower risk profile with remaining assets.

During 2008/09 the downturn in global financial markets had an inevitable impact on the market value of the equities within the investment portfolio. The valuation of the portfolio at 31 March 2009 was £443k, compared to £577k at 31 March 2008. The realised and unrealised losses on sale and valuation amounted to £129k and the investment management fee was £4k. This reduction in market values has been distributed between the invested funds in the same proportion as the net gains from previous years had been distributed. In effect, the revaluation losses in 2007/08 and 2008/09 have been offset against the gains that were made in the period 2004-2007.

The valuation of the portfolio improved significantly in the months after the balance sheet date of 31 March 2009; as at 30 September the market value of the portfolio stood at £536k, a net realised/unrealised gain on sale and valuation of £93k in the six months April – September 2009.

For several years the policy has been to hold all new receipts in cash deposited with Lloyds Bank, as this is the lowest risk way of holding funds in the present financial climate. The investment managers have advised against liquidating any of the equity investments at such a low market value. It is not currently believed that this will constrain the charity's activities in the coming year, as there are sufficient cash balances to cover all currently planned charitable expenditure and governance costs. However, should the market recovery be slow, there may be a need to constrain and prioritise charitable expenditure in the next few years, unless the Trustees decide to sell some of their investments at their currently low valuation.

The excess of expenditure over income to the PMEF in the year necessitated a transfer of £20,000 to the current account, leaving £230,000 in the deposit account.

The Future

Both patients and staff are extremely fortunate to have the benefit of the charitable funds to enable the provision of facilities and benefits that would not otherwise be available.

Since both our funds and appeals rely on the generosity of those wishing to support the hospital it is very much hoped that those who receive this report will be encouraged with others to donate. This will enable the charitable funds to help the Whittington to continue to provide the highest standards of care to its patients and visitors as well as the best possible amenities and support for its staff.

For the postgraduate funds, it is planned to consolidate and expand the programme of courses, support teaching and research activities, and expand and consolidate links with the local primary care trusts to enhance the profile of the Trust as an excellent provider of clinical teaching and education.