

Whittington Health Trust Board

23 January 2013

Title:	The Whittington Hospital NHS Trust Charitable Funds Annual Account 2011/2012					
Agenda item:	13/013		Paper		8	
Action requested:	Adopt the Accounts and Annual report for the financial year 2011/12 for submission to the Charities Commission.					
Executive Summary:	<p>The accounts and annual report of the Charity for the financial year 2011-2012 have been finalised and audited.</p> <p>The accounts have been amended to address a few minor presentational issues as raised by the Auditors</p> <p>The accounts include some income and expenditure transactions that have been incurred by the former community funds but do not include the community fund balances as those had not transferred as at 31st March 2012.</p> <p>.</p>					
Summary of recommendations:	To be noted and approved					
Reference to related / other documents:						
Date paper completed:	10 January 2013					
Author name and title:	Enitan Akinyemi Finance Manager		Director name and title:		Richard Martin Director of Finance	
Date paper seen by EC		Equality Impact Assessment complete?		Risk assessment undertaken?		Legal advice received?



The Whittington Hospital NHS Trust Charitable Funds

Annual Report for the year ending 31 March 2012



Registered charity number
1056452

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

The Whittington Hospital Charitable Funds

The Whittington Hospital NHS Trust Charitable Fund is a registered charity. Its purpose is to accept, hold and administer any property on trust for all or any purposes relating to Whittington Health services, including education and research, or to any other part of the Health Service associated with the Whittington. The charity includes the Whittington Hospital Medical Education Charitable Fund, which was transferred into the Hospital Charitable Fund under a deed of trust in October 2001. In 2011 when the Whittington became an Integrated Care Organisation, Haringey and Islington PCTs Charitable Funds were transferred from North Central London (Camden PCT).

Corporate Trustee

The Board of the Whittington Hospital NHS Trust act 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.

Delegation to fund-holders

The Trustees delegate day-to-day administration of funds to relevant, senior Whittington Health employees or people with joint contracts of employment with the health organisation and the university. These fund holders work within a framework of rules and policies set down by the Trustees.

Fund holders are responsible for ensuring that the funds are used in accordance with the donors' wishes and the objects of the charity.

Board Members acting during 2011/2012:

Joe Liddane	Chairman
Dr Yi Mien Koh	Chief Executive
Maria Da Silva	Chief Operating Officer
Celia Ingham Clark	Medical Director
Dr Greg Battle	Medical Director Integrated Care
Richard Martin	Director of Finance
Bronagh Scott	Director of Nursing and Patient Experience
Robert Aitken	Deputy Chairman and Non Executive Director
Anna Merrick	Non-Executive Director until May 2011
Margaret Boltwood	Director of HR
Barry Hoffbrand	Governor

Bankers

Lloyds TSB- City Office Gillingham, PO Box 72 Bailey Drive, Gillingham Business Park, Kent, ME8 0LS

Investment Managers

Investec Wealth & Investment Limited - 2 Gresham Street, London, EC2V 7QN, United Kingdom

CCLA Investment Management – 2 Fore Street, London, EC2Y 5AQ

External Auditors

KPMG LLP, 15 Canada Square, London, E14 5GL

Fundraising

We've had a tough but interesting year of fundraising. Having joined with Islington and Haringey community services in April 2011, we are now in the process of promoting charitable funds in the community.

Fundraising and spending for specific activities in the community now sit under the Whittington's charitable funds umbrella as one integrated organisation.

Deputy chairman Robert Aitken, the new chair of the charitable funds committee is keen to increase the charity's fundraising resources to seek and expand unrestricted funds over the coming year in order to get the charity to a stage where another major appeal is both affordable and possible. Therefore, a focus on raising general funds through trusts, foundations and events is the priority for the newly formed charitable funds committee.

Last appeal

Between 2009 and December 2011 the charity was focused on raising money for the Care of Older People appeal, specifically on purchasing items for the three elderly care wards and to help manage conditions such as dementia and Alzheimer's disease.

In the spring of 2011 we had six marathon runners all raising money for the Care of Older People appeal, which brought in a massive £16,900 for the cause.

This was followed up in summer by our eleven runners in the British 10k London Run who collectively raised £3,500 for the elderly care wards.

During the year we made good use of the hospital's large staff restaurant area: we had a summer food and drink event, inviting local food and drink producers to hold taster sessions for ticketed attendees and, later in the year, the local Rotarians hosted their now famous quiz, also in the N19 restaurant.

In September, we held our fifth Highgate 5k Fun Run which was sponsored and supported by our local Virgin Active gym in Holloway. It was a great day for a jog or walk around our Hampstead Heath route with actor Matthew Kelly opening proceedings. The 450 runners raised £6,000 in total which was much appreciated.

The Care of Older People appeal drew to a close at the end of 2011, and we celebrated the end with a marvellous theatre production based at Dr Johnson's house in central London. 'A Dish of Tea with Dr Johnson' was an intimate affair with only 50 seats possible in the small space but it was a tour de force performance and raised £2,400 for the appeal from tickets sales.

Other fundraising activities

To get our staff up and dancing for health, the fundraising department organised for a Zumba instructor to come in to take a class once a week. She generously donates £1.50 per person who comes to the class to the Whittington and this has brought in over £900. Everyone is invited to get fit and raise money.

The Fair in the Square in Highgate is an annual event and the Whittington has been involved in its organisation for five years. It's a great opportunity to promote Whittington Health's services and our foundation trust plans but we also do a booming trade on our merchandise. This year was no exception and we sold more than £450 in tea towels, cotton bags, key-rings, books and much more. On the same note, our one day per week stall and our online presence has earned the charity over £4,000 this year. Additionally, we launched the range of merchandise in the pharmacy shop in early March which has already proved successful and added to our weekly merchandise income.

Garden project

The seeds for the idea of a sensory garden came out of a Kings Fund project workshop attended by Whittington staff Jason Whittaker, Caroline Denford, Camilla Wiley, James Ward, Elizabeth Whitehurst, Tracey Beedall and Suzanne Parrish. After many different designs, it was decided that Groundwork London, a green space charity, would be the best organisation to work with on landscaping and fundraising for the disused tennis court to be

turned into a peaceful green oasis. After a period of fundraising for a year which was undertaken in partnership with Groundwork, works began on the garden in February 2012 and it opened in April 2012.

Ifor ward television appeal

The patients, parents and staff on Ifor ward needed some form of entertainment on the ward. Many children who are on Ifor children's ward stay for longer than a few days and it can be very boring for them. Therefore a mini-fundraising appeal was devised and launched and has been generously

helped along by individual fundraisers such as Oliver John and his friends, and support from Waitrose in Holloway

However, contracting firm HPM have pledged to match the funding we have raised so far to purchase all the TVs and equipment in addition to carrying out all the works on the wards when Ifor is finally refurbished.

After two years of working on the project, and with a delay in the middle due to refurbishment works being postponed, we will be very excited to see this project complete in summer 2012.

Major donations over the year (over £1000):

Waldron Legacy - £100,000

Clothworkers Foundation - £15,000

Echo Trust - £5,000

Elise Pilkington Trust - £5,000

Alan Kent (deceased) - £5,000

Adele Nichol - £1,500

We were proud to name our critical care unit in the Kanitz critical care unit in memory of Andre Kanitz. Mrs Betty Kanitz invited her friends and family to the dedication and she has bequeathed a sum to the Whittington in her will.

Transfer of Charitable Funds from Camden PCT

On July 20th 2011 the Statutory Instrument was approved for the Whittington Charity to become Corporate Trustees for the charity funds of Haringey and Islington PCTs. Camden PCT were the Corporate Trustees for North Central London NHS Charitable Funds and as the provider arms of Haringey and Islington was to be transferred over to Whittington hospital it was agreed for the charities to be transferred as well. The statutory instrument designated the transfer of 17 Funds, 10 restricted funds and 7 unrestricted funds. The actual total of these funds amounted to £297k and the transfer of the charitable funds occurred August 2012.

Please note: The figures below do not take into account the charitable funds received in August 2012.

Income and Expenditure : Overview of the 2011/12 Year

Income

In total, incoming resources were £243,000 in 2011/12 (£44,000 higher than 2010/11). This increase is mainly due to the £100,000 Legacy we received from John Waldron's Estate.

Generally with the exception of this legacy donations have been lower than previous years.

The appeal for the Care of Older People Unit which finished in December 2011 raised over £54,000 alone in 2011/2012, Its original £100,000 target was met by end of 2010/11.

A few of the successful community fundraising events include the Highgate Fun Run, London Marathon, Food and Wine Festival and Zumba Classes.

Expenditure

Expenditure on charitable activities and income-generating activities was £300,000 (compared to £214,000 in 2010/11). The major items of charitable expenditure this year have been medical equipment for the neonatal unit such as Infant resuscitation units along with starter kits and furniture and recreation facilities for the Care of the Older People unit.

Governance costs were £49,000 (up from £42,000 in 2010/2011).

Investments

Over the course of the year, the market value of the charity's stocks and equities investments portfolio fell by £5,000 overall. We withdrew £34,000 in cash to aid with cash flow in August 2011.

Fund Balance

At 31 March 2012 the fund balance totalled £664,000, at the market value of investments. Of this, £113,000 was the balance of the Postgraduate Funds and £551,000 was the balance of the Hospital Funds.

Summary Accounts	2011/12 £'000	2011/12 £'000	2011/12 £'000	2010/11 £'000
<u>Statement of Financial Activities</u>	Hospital	Postgrad	Total	Total
Charitable donations	190	0	190	126
Income from activities	32	0	32	55
Investment income	20	1	21	18
Total incoming resources	242	1	243	199
Charitable Expenditure	217	13	230	115
Costs of generating income	59	11	70	99
Governance costs	38	11	49	42
Total resources expended	314	35	349	256
Net incoming (outgoing) resources	(72)	(34)	(106)	(57)
Gain/(Loss) on revaluation of investments	(5)	0	(5)	31
Fund balance brought forward	628	147	775	801
Fund balance carried forward	551	113	664	775

<u>Balance Sheet</u>	31.3.12 £'000	31.3.11 £'000
Fixed Assets : investments	654	696
Debtors	189	121
Stock	6	4
Cash	86	83
Creditors	(271)	(129)
Net current assets	10	79
Net assets	664	775
Fund Balances	664	775

The Whittington Hospital NHS Trust Charitable Funds
Registered Charity 1056452

Statement of Financial Activities for the Year Ended 31 March 2012

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2011/12 Total Funds £'000	2010/11 Total Funds £'000
Donations		43	47	0	90	126
Legacies		100	0	0	100	0
Grants receivable		0	0	0	0	0
Voluntary income		143	47	0	190	126
Activities for generating funds		23	9	0	32	55
Other Income		0	0	0	0	0
Investment income		17	4	0	21	18
Total incoming resources		183	60	0	243	199
Costs of generating voluntary income	2	1	7	0	8	15
Fundraising trading costs		12	40	0	52	67
Investment management costs		3	1	0	4	4
Pay Expenditure		0	6	0	6	13
Costs of generating funds		16	54	0	70	99
Grants payable		0	0	0	0	1
Other charitable activities		182	48	0	230	114
Charitable activities	3	182	48	0	230	115
Governance costs		32	17	0	49	42
Total resources expended		230	119	0	349	256
Net incoming resources before other gains or losses		(47)	(59)	(0)	(106)	-57
Gains/(losses)		13	(18)	0	(5)	31
Net movement in funds		(34)	(77)	(0)	(111)	-26
Total funds brought forward		530	219	26	775	801
Fund B/F Adjustment	4	(17)	17	0		
Total funds carried forward		479	159	26	664	775

The Whittington Hospital NHS Trust Charitable Funds
Registered Charity 1056452

Balance Sheet as at 31 March 2012

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2011/12 Total Funds £'000	2010/11 Total Funds £'000
Investments	8	473	181	0	654	696
Total fixed assets		473	181	0	654	696
Debtors	10	4	185	0	189	121
Cash		15	45	26	86	83
Stock		0	6	0	6	4
Total current assets		19	236	26	281	208
Creditors: amounts falling due within one year	11	13	258	0	271	129
Net assets		479	159	26	664	775
Endowment funds	12	0	0	26	26	26
Restricted income funds	12	0	159	0	159	219
Unrestricted income funds		479	0	0	479	530
Total charity funds		479	159	26	664	775

Signed on behalf of The Whittington Hospital NHS Trust Charitable Funds

Signed

Name

Position

Date

The Whittington Hospital NHS Trust Charitable Funds
Registered Charity 1056452

Notes to the Accounts

1. Accounting policies

(a) Basis of preparation

The financial statements have been prepared under the historic cost convention, with the exception of investments, which are included at market value. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (SORP 2005) and applicable UK Accounting Standards and the Charities Act 1993.

(b) Funds structure

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

The Trust has one endowment fund, where the capital is held to generate income for charitable purposes.

Unrestricted income funds which are sub analysed between designated funds where the trustees have set aside amounts to be used for specific purposes, often reflecting the non-binding wishes of the donors and unrestricted funds which are applicable for any purpose of the charity.

(c) Incoming resources

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.

(d) Incoming resources from legacies

Legacies are accounted for as incoming resources either upon receipt or where the receipt of the legacy is virtually certain; this will be once confirmation has been received from the representatives of the estate(s) that payment of the legacy will be made or property transferred and once all conditions have been fulfilled and it is virtually certain that the amount of incoming resources is known.

(e) Incoming resources from endowment funds

The incoming resources receivable from the investment of endowment funds are unrestricted but have been earmarked in accordance with the donor's stated wishes.

(f) Resources expended

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

Grants are only made to related or third party NHS bodies and non NHS bodies in furtherance of the charitable objects of the funds. A liability for such grants is recognised when approval has been given by the trustee.

Contractual arrangements are recognised as goods or services supplied.

(g) Irrecoverable VAT

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

(h) Allocation of overhead and support costs

Overhead and support costs have been allocated between charitable activities and governance costs. Costs which are not wholly attributable to an expenditure category have been apportioned. The analysis of overhead and support costs and the bases of apportionment applied are shown in note 2. Where costs are shared by two or more charitable activities, support costs have been apportioned between categories, for example financial administration costs, on the basis of fund value.

(i) Costs of generating funds

The costs of generating funds are those costs attributable to generating incoming resources for the charity

(j) Charitable activities

Costs of charitable activities comprise all costs incurred in the pursuit of the charitable objectives of the charity. These costs, where not wholly attributable, are apportioned between the categories of charitable expenditure in addition to the direct costs. The total costs of each category of charitable expenditure therefore include support costs and an apportionment of overheads, as shown in note 3.

(k) Governance costs

Governance costs comprise all costs attributable to ensuring the public accountability of the charity and its compliance with regulation and good practice. These costs include those related to statutory audit.

(l) Fixed asset investments

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

Quoted stocks and shares are included in the balance sheet at mid-market price, excluding dividend.

(m) 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 carrying value at the year end and opening market value.

(n) Pensions

All staff charged to charitable funds are on the payroll of the Whittington Hospital NHS Trust, which deducts any pension contributions due. The gross cost including pension contributions is charged to charitable funds.

(o) Risk

Acceptable risk - A “medium risk” approach is to be adopted in the management of the charity’s assets

(p) Investment Strategy

The aim of the portfolio structure is to provide both long term growth in capital values and income to maintain those values in real terms. This is achieved through a balance between fixed assets securities, UK equities and collective funds such as unit trust and investment trusts. As there have been significant draw downs over the years, its been necessary to take a gradually lower risk profile with the remaining assets.

The Trustee has made the following ethical provisions within their instructions to the investment managers such as no investment in tobacco companies, no investment in businesses whose primary role is the manufacture of armaments and investments in alcohol producers and related companies should be kept in moderation.

The trustee aims to maintain sufficient liquid cash resources available to meet six months’ estimated payment commitments.

(q) Going Concern

The accounts were prepared on a going concern basis

Notes to the Accounts

2. Costs of generating voluntary income

	2011/12 £'000	2010/11 £'000
Salaries	0	0
Other	8	15
	<u>8</u>	<u>15</u>

3. Analysis of charitable activities

	2011/12 £'000	2010/11 £'000
Staff (education, research & other)	47	38
Patients	183	76
Institutions	0	0
Grant	0	0
	<u>230</u>	<u>114</u>

4. Fund movement affecting brought forward balances from previous years

Adjustments have been made to the brought forward figures to reflect transfers between restricted and unrestricted funds in the current year as well as prior years

Over the years where movements have occurred between restricted and unrestricted funds, this has had an effect on the brought forward figures

Below are the funds which such movements have had an effect:

Fund Code	Fund Name	Restricted Funds £'000	Unrestricted Funds £'000
TW01	GENERAL PURPOSES		18
ME22	GASTRO	-1	
TW05	WHITTINGTON GENERAL	-17	
TW08	CARE OF OLDER PEOPLE UNIT		4
PH05	MARATHON 2012	-4	
PH04	MARATHON 2010	-0	
NU01	CHIEF NURSES FUND (MERCERS)	1	
NU03	NURSING STAFF WHITTINGTON	-1	
WC05	PAED OUTPATIENTS	0	
WC04	CEARNS	-0	-5
TW04	CELLIER WARD		0
TW07	CHRISTMAS PARTY		0
WC13	SADLER FUND		-1
WC19	PAED EMERGENCY DEPT	0	6
WC12	NEONATAL INTENSIVE CARE UNIT	6	
		<u>-17</u>	<u>17</u>

5. Related party transactions

The trustees were either employees of the Whittington Hospital NHS Trust or non executive directors of Whittington Hospital NHS Trust

During the year none of the Trustees or members of the key management staff or parties related to them has undertaken any transactions with Whittington Hospital NHS Trust Charitable Funds

The Charity provides a season ticket travel loan scheme which staff of Whittington Hospital NHS Trust are entitled to apply for.

6. Staff costs

No staff are directly employed by the Charity. The Charity currently pays a charge to the Trust for services provided by relevant Trust's employees

No employee earned more than £60,000.

7. Auditor's remuneration

The auditor's remuneration of £5,040 (2010/11 £5,040) is related solely to the aud

8. Fixed asset investments

Movement in fixed asset investments

	2011/12 £'000	2010/11 £'000
Market value brought forward	696	696
Transfer to current assets	(34)	(27)
Net gain (loss) on revaluation	(5)	31
Fees	(4)	(4)
	<u>654</u>	<u>696</u>

Market value as at 31 March 2011

Analysis of fixed asset investments

	2011/12 £'000	2010/11 £'000
Investments listed on the Stock Exchange	502	531
Investments in a common deposit fund or common investment fund	140	140
Cash held as part of the investment portfolio	12	25
	<u>654</u>	<u>696</u>

All fixed interest securities and equities were quoted on a Recognised Investment Exchange and unit trust and OIECs (open ended investment companies) were authorised under the Financial Services and Markets Act 2000

9. Post Balance Sheet Events

None

10. Debtors

All debtors are of a miscellaneous nature

11. Creditors

All creditors are of a miscellaneous nature

12. Specific purpose fund balances

The following funds have their own governing instruments and are registered as specific purpose funds within the overall charitable fund. All are restricted funds, except the Simon Yudkin Fund, which is an endowment fund. There is detailed disclosure of each specific purpose fund in the annual report.

		2011/12 £'000	2010/11 £'000
General Purpose Fund	Created for any Charitable purpose/s relating to the NHS-wholly or mainly for the services provided by the Whittington Hospital NHS Trust	18	22
GHE Bequest	The Primary object is to provide facilities and amenities to patients to relieve suffering, anxiety and aid recovery.	2	7
The Whittington NHS Trust Radiology Fund	Created for any charitable purpose/s relating to the NHS for services provided by the Radiology Dept of the Whittington	9	10
Building for Babies	Appeal setup in aid of sick and premature babies	0	6
General Prize Fund	Comprises of consolidated CFC Meeting 30 April 1997, PO6 & PR6 Whittington Prize Fund, PO8 & PR8 Whittington Nurse of the year and S66 School of Nursing Prize	1	1
Simon Yudkin Fund	Endowment Fund to be used for equipment for the Paediatric department, interest to be used by dept to purchase toys, books and other educational matters inclusive of clothes, computer software as well as beds	26	26
Postgraduate Medical Education Fund	Post Graduate medication Educational center use	113	147
Nursing Staff Fund	To provide amenities for nursing staff at the Whittington- For use by nursing staff - For the benefit and education of the nursing staff	1	0
Care of the Older People Unit	Appeal in aid of the care of older people	14	24
Reginald Pywell Will Trust	For the purpose of endowing a bed or beds	1	2
		<u>185</u>	<u>245</u>

13. Fund Transferred from Haringey and Islington Charitable Funds

The funds stated below was approved by Statutory Instrument in July 2011. This approved the Whittington Hospital NHS Trust Charity to become Corporate Trustees for the charity funds of Haringey and Islington PCTs.

Camden PCT were the Corporate Trustees for North Central London NHS Charitable Funds and when the provider arms of Haringey and Islington transferred over to Whittington hospital it was agreed for the charities to also be transferred over. The value of the funds expected was £297K

None of the fund balances relating to these funds have been included in the Charitable Funds's 2011/12 accounts.

While the funds have physically remained with Camden, control of expenditure rests with the Whittington Hospital NHS Trust Charitable Funds. Approximately £4k of expenditure was approved during 2011/12

Fund No	Fund Name
H011	Oral Medicine M.Mkt
M023	Madeline Coleman Fund STL
M026	Chasers Education Fund
M031	Islington CFCS Amenity Fund
P010	Finsbury Health Centre
P012	Highbury Grange HC Social
P013	Hornsey Rise HC Social
P014	River Place HC Social
P016	Stammering Children Research
P027	Community Dental Service
P028	Physiotherapy Education
P035	Northern HC
PC004	Lifeforce Team
Q001	Haringey General Fund
R003	Mental Rehab Centre Therapy IPCT
ST001	Sickle Cell Fund
T001	Trust General Fund