

WESTERN HEALTH AND SOCIAL CARE TRUST

**ANNUAL REPORT AND ACCOUNTS OF THE TRUST FUNDS HELD BY THE WESTERN
HEALTH AND SOCIAL CARE TRUST FOR THE YEAR ENDED 31 MARCH 2018**

Laid before the Northern Ireland assembly under Article 91(5) of the Health and Personal
Social Services (NI) Order 1972 (as amended by the Audit and Accountability Order 2003)
by the Department of Health

On

29 June 2018

INDEX

Page

Trust Funds (Endowments & Gift Funds) Annual Report 2017/2018

1. Introduction	4
2. Reference and Administrative Details	4
3. Address of principal office	4
4. Names of Trustees	4
5. Auditors	5
6. Bankers	5
7. Solicitors	5
8. Investment Managers	6
9. Principal Advisors	6
10. Structure, governance and management	6
11. Objectives and activities	7
12. Summary of main achievements	7
13. Financial review	8
14. Review of 2017/18	8
15. Financial controls	9
16. Statement of risk	9
17. Reserves policy	9
18. Investment policy	9
19. Plans for future periods	9

Accounts of the Trust Funds (Endowments & Gift Funds) held by the Western Health and Social Care Trust for the year ended 31 March 2018

20. Statement of Accounting Officer responsibilities	11
21. Certificates of Director of Finance, Chairman and Chief Executive	12
22. Certificate of Comptroller and Auditor General	13
23. Statement of Financial Activities for the Year Ended 31 March 2018	15
24. Balance Sheet as at 31 March 2018	16
25. Statement of Cash Flows for year ended 31 March 2018	17
26. Notes to the Accounts	18

WESTERN HEALTH AND SOCIAL CARE TRUST

TRUST FUNDS (ENDOWMENTS AND GIFT FUNDS)

ANNUAL REPORT 2017/2018

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

INTRODUCTION

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

Under Article 91 of the Health and Personal Social Services (NI) Order 1972 (as amended by Article 6 of the Audit and Accountability (Northern Ireland) Order 2003), the Western Health and Social Care Trust is required to prepare annual accounts in respect of endowments and other property held on trust by it in a form determined by the Department of Health (DoH). This format is in accordance with the requirements of the Accounting and Reporting by Charities: statement of recommended practice applicable to charities preparing their accounts in accordance with the financial reporting standard applicable in the UK and Republic of Ireland (FRS ICR) ("the charity SORP").

REFERENCE AND ADMINISTRATIVE DETAILS

Contact Us

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Altnagelvin Hospital Site
Glenshane Road
Londonderry
BT47 6SB

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Comments

If you have any comments about this report or would like extra copies please telephone 028 71 345171.

Trustee Arrangements

Under the Health and Personal Social Services (NI) Order 1972, as amended by Article 16 of the Health and Personal Social Services (NI) Order 1991, the Board members of the Western Health and Social Care Trust were the trustees of the Trust Funds during 2017/18. This constituted the following:

Non-executive members

Mr N Birthistle, Chairman
Dr G McIlroy
Mrs S O'Kane
Mrs S Cummings
Mrs J Doherty
Ms M Woods
Mr J Campbell
Dr C O'Mullan

Executive members

Mrs E Way, Chief Executive (retired 31st July 2017)

Dr A Kilgallen, Chief Executive (with effect from 1st August 2017)

Mr K Downey, Director of Women and Children's Services and Executive Director of Social Work

Mr A Corry-Finn (retired 7th April 2017), Director of Primary Care and Older Peoples Services and Executive Director of Nursing

Mrs A Witherow (from 7th April 2017 – 23rd June 2017), (Acting) Director of Primary Care and Older Peoples Services and Executive Director of Nursing

Dr B Brown (with effect from 1st September 2017), Director of Primary Care and Older Peoples Service and Executive Director of Nursing

Mrs L Mitchell, Director of Finance and Contracting

Dr D Hughes, Medical Director

Other Members

Mrs A McConnell, Director of Human Resources

Mr T Millar, Director of Adult Mental Health and Disability Services

Mr A Moore, Director of Strategic Capital Development

Mrs T Molloy, Director of Performance & Service Improvement

Mrs G McKay, Director of Acute Services

The Trustees have delegated responsibility for the on-going management of funds to the Endowments and Gifts Committee.

The Western Health and Social Care Trust Funds is on the deemed list of charities as it is registered with Her Majesty's Revenue and Customs for charitable tax purposes. The Trust Funds has applied to the Charity Commission for Northern Ireland to register as a charity but this is still under consideration. The charity number is currently outstanding.

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

15 Strand Road

Londonderry

BT48 7BT

Solicitors

Directorate of Legal Services

Business Services Organisation

2 Franklin Street

Belfast

BT2 8DQ

Investment Managers

NI Central Investment Fund for Charities (NICIFC)
The Lighthouse Building
4th Floor, 1 Cromac Place
Gasworks Business Park
Ormeau Road,
Belfast
BT7 2JB

Structure, Governance and Management

The Trust Funds held by the Western Health and Social Care Trust are governed by the Health and Personal Social Services (NI) Order 1972. The Trust Board acts as “corporate trustee” for the Trust Funds. Trust Board members are recruited by the Department of Health in accordance with its recruitment procedures and are appointed by the Minister for Health.

The Endowments and Gifts Committee is the committee responsible for providing assurance to the Trust Board on all aspects of the stewardship and management of funds donated or bequeathed to the Trust.

The membership of the Endowments and Gifts Committee is as follows:

Dr G McIlroy, Non-Executive Director (Chair)
Mrs S Cummings, Non-Executive Director
Mrs L Mitchell, Director of Finance and Contracting
Mrs A McConnell, Director of Human Resources
Mrs G McKay, Director of Acute Services
Mr T Millar, Director of Adult Mental Health and Disability Services
Mr S Wade, Assistant Director of Finance (until 8th September 2017)
Ms E McCauley, Assistant Director of Finance (with effect from 23rd October 2017).

Three members had full attendance at all meetings during the year, with the remaining members missing one or more meetings.

During 2017/18, the Committee held 5 meetings to oversee the administration of the Endowments and Gifts Trust funds, their investment and disbursement.

The roles and responsibilities of the Endowments and Gifts Committee in relation to the management and governance of the Trust Funds were as follows:

- Oversee the management of Endowment and Gift funds in line with guidance in the Trust’s Standing Financial Instructions, Departmental guidance and legislation;
- ratify the creation of any new fund 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 the ownership of, or used by, the Endowment and Gift 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 a Governance Statement is produced as part of the production of an Annual Report and Accounts for Endowment and Gift Funds;
- ensure that expenditure from Endowment & Gift Funds is subject to appropriate value for money considerations including proper procurement procedures where applicable;
- ensure that the Annual Report and Accounts are prepared in accordance with Department of Health guidelines and submitted to the Trust Board within agreed timescales;
- on behalf of the Trust Board, and on the advice of the Corporate Management Team, to authorise appropriate policies and procedures in relation to Endowment and Gift Funds.

As the Trustees are directors of the Trust, the policies and procedures followed for recruitment, induction and training of these officers applies also to their role as Trustees. During the year, none of the Trustees or members of the key management staff or parties related to them has undertaken any transactions with the Western Health and Social Care Trust Endowment and Gift funds.

The trustees' delegated authority levels are as follows:

- Expenditure up to £2,500 must be approved by an Assistant Director for the relevant fund
- Expenditure over £2,500 and less than £5,000 must be approved by a Director for the relevant fund
- Expenditure over £5,000 and less £10,000 must be approved by the Chief Executive
- Expenditure over £10,000 must be approved by Trust Board

The Director of Finance is responsible for the day to day management and control of the administration of the Trust Funds and reports to the Endowments and Gifts Committee. The Director of Finance has responsibility to ensure that Charitable Trust funds are managed appropriately with regard to their purpose and requirements; that full accounting records are maintained and that devolved decision making or delegated arrangements are in accordance with the policies and procedures agreed by the Endowments and Gifts Committee.

Objectives and Activities

The objectives of the Trust Funds held by the Western Health and Social Care Trust in 2017/18 were to ensure that charitable donations received by the Trust were appropriately managed, invested, expended and controlled, in a manner that was consistent with the purposes for which they were given and with the Trust's Standing Financial Instructions and Departmental guidance and legislation.

During the year, Endowment and Gift monies were expended in accordance with the wishes of the original donors of the funds to further the education and welfare of staff and patients/clients and in purchasing new equipment.

Summary of Main Achievements

The Trust completed another successful year in the management of funds that were donated by patients, clients, the general public and other donors in the Western Trust area. The Trust's Endowment and Gift Funds Committee took a lead role in overseeing the arrangements to ensure that every opportunity was taken to encourage utilisation of the monies by Fund signatories. One initiative supported by the Trust's Endowment and Gift funds was a joint venture in conjunction with Stillborn and Neonatal Death (SANDS) charity to fund the creation of a bereavement suite. The Endowment and Gift Funds are also being utilised to support a number of other worthwhile initiatives such as the commissioning and erection of artworks to enhance the patient environment in the new Omagh Hospital and Primary Care Complex.

Financial Review

The Endowment and Gift funds financial statements have been prepared in accordance with the Charities Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in January 2015, applicable to charities preparing their accounts in accordance with FRS 102 in the UK and Republic of Ireland, and with relevant guidance issued by the Department of Health.

There are no changes in accounting policies and there are no numerical changes in the previously reported results and total funds, therefore no reconciliation in results is required. The only disclosure restatement made is the restatement of governance costs in the current year Statement of Financial Activities in line with the Charities SORP.

The principal sources of income to the Endowment and Gift funds are donations from patients, clients or members of the Public and income received from investment of Endowment and Gift monies.

Where there is a legal restriction on the purposes for which a fund may be used, 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 themselves be spent, are accounted for as endowment funds.

There are a number of funds for which the Trust is unable to use the funds for the originally intended purpose. A review of these funds has been carried out and a way forward is being pursued with the Charities Commission NI and the Trust's legal advisors.

Review of the year 2017/18

The achievements and financial performance of the Trust with regard to management of Endowment and Gift funds are set out in individual sections below.

Achievements and Performance

During the year, the Trust Funds (Endowment and Gift funds) continued to engage in activities commensurate with their objectives. £762k was expended on such activities, in accordance with the Trust's policies and procedures in relation to expenditure from Endowments and Gifts.

The net market value of funds invested in the Central Investment Fund for Charities decreased by £46k, contributing to an overall market value of £2,375k at 31 March 2018. Investment income of £101k was received during the year.

Income

During the year income from donations & legacies totalling £401k was received, a decrease of £2k compared to prior year. £391k was received in donations compared to £387k in 2016/17. Investment income increased by £10k to £101k.

Expenditure

Total direct charitable expenditure for the year amounted to £751k, a decrease of £164k from 2016/17. The Endowment and Gift Committee will continue to focus on ensuring that the monies donated are being utilised. Governance costs for the financial administration of the funds amounted to £5k, being the audit fee costs for 2017/18. In addition there were Investment management costs of £11k charged by the Investment Management Company

based on the value of the portfolio held by NICIFC. Other support costs for 2017/18 were £36k.

Financial position at year end

Total fund balances were £3,089k, consisting of £2,534k of restricted funds, £59k of unrestricted funds and £496k of endowment funds. This is a total decrease of £414k from the previous year.

Financial Controls

The Trustees of the funds are aware of their financial responsibilities for the money that is held on trust. Appropriate policies and procedures were in place during the year to ensure these responsibilities were adequately discharged, and these are reviewed where appropriate.

Statement of risk

The management of risk in relation to the Trust Funds (Endowment and Gift funds) is closely aligned with the Trust's risk management procedures. These are outlined in detail in the Governance Statement contained within the Trust's Endowment and Gift funds annual financial statements.

Reserves policy

The Trust Funds (Endowment and Gift funds) does not currently enter into future commitments and so there has been no requirement to create any reserves for this. Activities are only authorised when funding is available.

Investment Policy

For investment purposes the available balances on the Trust Funds (Endowment and Gift funds) are placed in either bank deposits for short term funds or for longer term investments in the Northern Ireland Central Investment Fund for Charities, which was established under the Charities Act (NI) 1964, and is managed by the Department of Communities.

Plans for future periods

The Trust Funds (Endowment and Gift Funds) Committee has put in place plans for effectively managing Endowment and Gift funds in 2018/2019 and for ensuring that funds are utilised effectively and appropriately. The Committee has a particular focus on ensuring that appropriate plans are developed to make use of the monies and it closely monitors progress in this regard at each Committee meeting.



Dr A Kilgallen, (Chief Executive)

Date: 14 June 2018

WESTERN HEALTH AND SOCIAL CARE TRUST

TRUST FUNDS (ENDOWMENTS AND GIFTS) ACCOUNTS FOR THE YEAR

ENDED 31 MARCH 2018

TRUST FUNDS (ENDOWMENTS AND GIFTS) ACCOUNTS OF THE WESTERN HEALTH AND SOCIAL CARE TRUST

Statement of Accounting Officer responsibilities

Under the Health and Social Care Resources (NI) Order 1972 (as amended by Article 6 of the Audit and Accountability (Northern Ireland) Order 2003), the Department of Health has directed the Western Health and 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. The financial statements are prepared on an accruals basis and must provide a true and fair view.

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

- observe the Accounts direction issued by the Department of Health 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 (FRS102) have been followed, and disclose and explain any material departures in the financial statements.
- keep proper accounting records.
- ensure an effective governance framework and establish arrangements for the prevention and detection of fraud and corruption.

The Permanent Secretary of the Department of Health, as Accounting Officer for Health and Social Care Resources in Northern Ireland, has designated Dr A Kilgallen of the Western Health and Social Care Trust as the Accounting Officer for the 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 Trust's assets, are set out in the Accountable Officer Memorandum, issued by the Department of Health.

TRUST FUNDS (ENDOWMENTS AND GIFTS) ACCOUNTS OF THE WESTERN HEALTH AND SOCIAL CARE TRUST

Certificates of Director of Finance, Chairman and Chief Executive

I certify that the annual accounts set out in the financial statements and notes to the accounts (pages 15 to 28) which I am required to prepare on behalf of the Western Health and Social Care Trust, have been compiled from and are in accordance with the accounts and financial records maintained by the Western Health and Social Care Trust and in accordance with the accounting policies for HSC Charitable Trust Funds as approved by the Department of Health.



.....Director of Finance

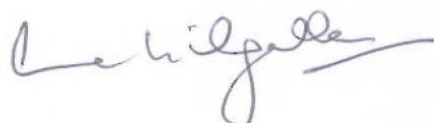
.....14 June 2018.....Date

I certify that the annual accounts set out in the financial statements and notes to the accounts (page 15 to 28) as prepared in accordance with the above requirements have been submitted to and duly approved by the Board.



.....Chairman

.....14 June 2018.....Date



.....Chief Executive

.....14 June 2018.....Date

WESTERN HEALTH AND SOCIAL CARE TRUST – CHARITABLE TRUST FUNDS

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

Opinion on financial statements

I certify that I have audited the financial statements of the Western Health and Social Care Trust – Charitable Trust Funds for the year ended 31 March 2018 under the Health and Personal Social Services (Northern Ireland) Order 1972, as amended. The financial statements comprise: the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes. These financial statements have been prepared under the accounting policies set out within them.

In my opinion the financial statements:

- give a true and fair view of the state of the Western Health and Social Care Trust's Charitable Trust Funds' affairs as at 31 March 2018 and of its incoming and expenditure of resources for the year then ended; and
- have been properly prepared in accordance with the Health and Personal Social Services (Northern Ireland) Order 1972, as amended and Department of Health directions issued thereunder.

Opinion on regularity

In my opinion, in all material respects the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis of opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of this certificate. My staff and I are independent of Western Health and Social Care Trust in accordance with the ethical requirements of the Financial Reporting Council's Revised Ethical Standard 2016, and have fulfilled our other ethical responsibilities in accordance with these requirements. I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my opinions.

Other Information

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

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Opinion on other matters

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

Responsibilities of the Trust and Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer Responsibilities the Trust and the Accounting Officer are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Health and Personal Social Services (Northern Ireland) Order 1972, as amended.

I am required to obtain evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my certificate.

In addition, I am required to obtain evidence sufficient to give reasonable assurance that the financial statements conform to the authorities which govern them.

Matters on which I report by exception

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- I have not received all of the information and explanations I require for my audit; or

Report

I have no observations to make on these financial statements.


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

22 June 2018

TRUST FUNDS (ENDOWMENT AND GIFT FUNDS) OF THE WESTERN HEALTH AND SOCIAL CARE TRUST

Statement of Financial Activities for the year ended 31 March 2018

	Note	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	2018 Total Funds £000	2017 Total Funds £000
Income and endowments from:						
Donations and Legacies	2	17	374	10	401	403
Investments	3	5	96	0	101	91
Total Income		22	470	10	502	494
Expenditure on:						
Charitable Activities	4,6,7	(34)	(608)	(109)	(751)	(915)
Raising funds	5	(7)	(4)		(11)	(11)
Total resources expended		(41)	(612)	(109)	(762)	(926)
Net Gains/(losses) on investments	10.1	0	(41)	(5)	(46)	314
Net (Expenditure)/Income and Net Movement in Funds		(19)	(183)	(104)	(306)	(118)
Adjustment to add back:						
Notional Audit Fee		5	0	0	5	5
Net Movement in Funds excluding Notional Audit Fees		(14)	(183)	(104)	(301)	(113)
Fund Transfer reclassifications	18	(47)	(424)	471	0	0
RECONCILIATION OF FUNDS						
Total Fund balances brought forward at 1 April 2017	13	120	3,141	129	3,390	3,503
Reclassified total at 1 April 2017		73	2,717	600	3,390	3,503
Total Fund balances carried forward at 31 March 2018	13	59	2,534	496	3,089	3,503

The notes at pages 15 to 28 form part of this account.

All gains and losses recognised in the reporting period are included in the SoFA and relate to continuing activities.

There is no material difference between the net incoming/ (outgoing) resources for the reporting period stated above and their historical cost equivalents.

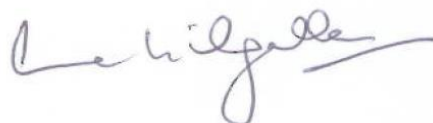
TRUST FUNDS (ENDOWMENT AND GIFT FUNDS) OF THE WESTERN HEALTH AND SOCIAL CARE TRUST

Balance Sheet as at 31 March 2018

	Notes	31 March 2018 £000	31 March 2017 £000
Fixed Assets:			
Investments	10	2,375	2,421
Total Fixed Assets		2,375	2,421
Current Assets:			
Debtors	11	10	7
Cash at bank and in hand		715	999
Total Current Assets		725	1,006
Liabilities:			
Creditors: Amounts falling due within one year	12	(11)	(37)
Net Current Assets		714	969
Total Assets less Current Liabilities		3,089	3,390
Total Net Assets		3,089	3,390
Funds of the Charity			
Endowment funds	13	496	129
Restricted income funds	13	2,534	3,141
Unrestricted income funds	13	59	120
Total unrestricted funds		59	120
Total charity funds		3,089	3,390

The notes at pages 15 to 28 form part of this account.

The financial statements were approved and authorised for issue by the Trustees on 14 June 2018 and have been signed on their behalf by:



Signed: _____

Name: Dr A Kilgallen, Chief Executive

Date: 14 June 2018

TRUST FUNDS (ENDOWMENT AND GIFT FUNDS) OF THE WESTERN HEALTH AND SOCIAL CARE TRUST

Statement of Cash Flows for the Year ended 31 March 2018

	Note	31 March 2018 £000s	31 March 2017 £000s
Net Cash provided by (used in) operating activities		(385)	(530)
Cash flows from investing activities:			
Dividends, interest and rents from investments	3	101	91
Net Cash provided by (used in) investing activities		101	91
Cash flows from financing activities		0	0
Net cash provided by (used in) financing activities		0	0
Change in cash and cash equivalents in the reporting period		(284)	(439)
Cash and cash equivalents at the beginning of the reporting period		999	1,438
Change in cash and cash equivalents due to exchange rate movements		0	0
Cash and cash equivalents at the end of the reporting period		715	999

Analysis of cash and cash equivalents

	Note	31 March 2018 £000s	31 March 2018 £000s
Cash in hand		53	47
Notice deposits (less than 3 months)		662	952
Total cash and cash equivalents		715	999

TRUST FUNDS (ENDOWMENT AND GIFT FUNDS) OF THE WESTERN HEALTH AND SOCIAL CARE TRUST

Notes to the accounts

1. Accounting policies

1(a) Basis of preparation

The financial statements have been prepared under the historic cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Charities Statement of Recommended Practice (SORP) with additional disclosures as required by FRS 102 and with relevant guidance issued by the Department of Health. Where appropriate, prior year comparatives have been restated.

Update Bulletin, 1 issued February 2016, amended the Charities SORP and a Statement of Cash Flows is now only required for larger charities. Larger charities are those charities with a gross income exceeding £500,000 in the reporting period. The Trust Funds of the Western Health and Social Care Trust had a gross income of less than £500,000 during 2017/18 and is therefore exempt from cash flow preparation. The Trust Funds meet the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s). The financial statements have been prepared on a going concern basis.

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) probability – 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) Income from donations and legacies

This includes all income received by the Trust funds which are gifts or bequests made on a voluntary basis.

Receipt of a legacy is recognised when it is probable that it will be received.

Receipt is normally probable when:

- there has been grant of probate;
- the executors have established that there are sufficient assets in the estate, after settling any liabilities, to pay the legacy; and
- any conditions attached to the legacy are either within the control of the charity or have been met

1(c) (iv) Investment Income

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

1(d) Resources expended and irrecoverable VAT

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

TRUST FUNDS (ENDOWMENT AND GIFT FUNDS) OF THE WESTERN HEALTH AND SOCIAL CARE TRUST

1 (e) Charitable activities

Costs of charitable activities comprise all costs incurred in the pursuit of the charitable objects of the charity. These costs, where not wholly attributable, are apportioned between the categories of charitable expenditure, as shown in Note 7.

1 (f) Allocation of support costs and overheads

Support costs and overheads have been allocated between Charitable Activities. Costs which are not wholly attributable to an expenditure category have been apportioned. The analysis of support costs are shown in note 4. Where costs are shared by two or more charitable activities, support costs have been apportioned between categories and this is analysed in note 4.

1 (g) 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.

1 (h) Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening market value (purchased date if later). Unrealised gains and losses are those gains/losses arising from increases or decreases in the value of investments that have not been sold (hence unrealised at the reporting period end). These are calculated as the difference between the carrying value at the year end and opening market value (or purchase date if later). Unrealised gains and losses are allocated across the appropriate funds (i.e. those funds for which investments are held) according to the closing value of funds at the year end.

1 (i) 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 funds. 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.

The major funds held in each of the categories are disclosed at Note 13.

1(j) Key judgements and assumptions

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

TRUST FUNDS (ENDOWMENT AND GIFT FUNDS) OF THE WESTERN HEALTH AND SOCIAL CARE TRUST

1(k) Financial Instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1(l) Going concern

There are no material uncertainties about the ability of the Trust to continue operating as a going concern.

1(m) Debtors

Debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1(n) Cash

Cash includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1(o) Creditors and provisions

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

TRUST FUNDS (ENDOWMENT AND GIFT FUNDS) OF THE WESTERN HEALTH AND SOCIAL CARE TRUST

2. Analysis of income from Donations and Legacies

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	Total 2018 Funds £000	Total 2017 Funds £000
Donations from individuals	17	364	10	391	387
Legacies	0	10	0	10	16
Total	17	374	10	401	403

3. Gross Investment Income

	2018 Unrestricted Funds £000	2018 Restricted Funds £000	2018 Total Funds £000	2017 Total Funds £000
Gross income earned from:				
Fixed asset equity and similar investments	5	96	101	91
Total	5	96	101	91

4. Analysis of support and governance costs across expenditure

	Staff costs £000	Audit £000	2018 £000	2017 £000
Purchase of new equipment	19	0	19	25
Staff education and welfare	10	0	10	6
Patient education and welfare	5	0	5	3
Other	2	5	7	7
Total	36	5	41	41

Staff costs represent a charge for resources of the financial administration of the Trust Funds. There are no key management personnel and there are no employees within Trust Funds (Endowment and Gifts Funds). Trustees of the Trust Funds do not receive expenses.

TRUST FUNDS (ENDOWMENT AND GIFT FUNDS) OF THE WESTERN HEALTH AND SOCIAL CARE TRUST

5. Expenditure on raising funds

	Unrestricted £000	Restricted £000	2018 Total Funds £000	2017 Total Funds £000
CIFC Investment Management fee	7	4	11	11
Total	<u>7</u>	<u>4</u>	<u>11</u>	<u>11</u>

6. Investment Management Costs

The expenditure of £11,865 (2017: £11,276) was incurred for portfolio management for CIFC investments.

7. Analysis of charitable expenditure

	Charitable activities £000	Support Costs £000	2018 Total £000	2017 Total £000
Purchase of new equipment	369	28	397	641
Staff education and welfare	194	15	209	142
Patient education and welfare	97	0	97	80
Other	48	0	48	52
Total	<u>708</u>	<u>43</u>	<u>751</u>	<u>915</u>

In 2017/2018, expenditure of £369k was made from charitable trust funds for the purchase of equipment. This equipment has been donated to and is for use by Western Health and Social Care Trust. The unconditional legal title of these assets has passed to Western Health and Social Care Trust. The expenditure in respect of these items is included in the above analysis under “purchase of new equipment”. Donated equipment to the value of £220k has been capitalised in the accounts of the Western Health and Social Care Trust. A contribution of £83k has also been made to Macmillan Health and Wellbeing Centre at Altnagelvin Area Hospital in conjunction with the North West Cancer Centre.

8. Auditor’s remuneration

The auditor’s remuneration of £5,000 (2017: £5,000) related solely to the audit with no other additional work undertaken.

9. Analysis of fixed asset investments

Fixed asset investments are measured initially at cost and subsequently at fair value (market value) at the balance sheet date.

TRUST FUNDS (ENDOWMENT AND GIFT FUNDS) OF THE WESTERN HEALTH AND SOCIAL CARE TRUST

10.1 Movement in fixed asset investment

	2018 £000	2017 £000
Market value at 1 April	2,421	2,107
Net gain/(loss) on revaluation	(46)	314
Market value at 31 March 2018	<u>2,375</u>	<u>2,421</u>
Historic cost at 31 March 2018	<u>827</u>	<u>827</u>

10.2 Market value as at 31 March 2018

	Held in UK £000	2018 Total £000	2017 Total £000
Investments in a Common Deposit Fund or Investment Fund	2,375	2,375	2,421
Total market value of fixed asset investments	<u>2,375</u>	<u>2,375</u>	<u>2,421</u>

11. Analysis of debtors

	2018 £000	2017 £000
Amounts falling due within one year		
Accrued income	0	5
Other debtors	10	2
Total	<u>10</u>	<u>7</u>

12. Analysis of creditors

Amounts falling due within one year

	2018 £000	2017 £000
Trade creditors	11	37
Total	<u>11</u>	<u>37</u>

TRUST FUNDS (ENDOWMENT AND GIFT FUNDS) OF THE WESTERN HEALTH AND SOCIAL CARE TRUST

13. Analysis of charitable funds

There are 181 individual funds held within the Trust Funds (Endowment and Gift Funds) of the Western Health and Social Care Trust as at 31 March 2018 held between unrestricted, restricted and Endowment funds.

Analysis of movements in Unrestricted funds

	Balance at 1 April 2017	Incoming resources	Resources expended	Transfers	Gains and losses	Fund at 31 March 2018
	£000	£000	£000	£000	£000	£000
Unrestricted and material designated funds						
Other (individually less than 5%)	120	22	(36)	(47)	0	59
Total	120	22	(36)	(47)	0	59

Analysis of movements in Unrestricted funds – previous year

	Balance at 1 April 2016	Incoming resources	Resources expended	Transfers	Gains and losses	Fund at 31 March 2017
	£000	£000	£000	£000	£000	£000
Unrestricted and material designated funds						
Other (individually less than 5%)	140	9	(38)	0	9	120
Total	140	9	(38)	0	9	120

Analysis of movements in Restricted funds

	Balance at 1 April 2017	Incoming resources	Resources expended	Transfers	Gains and losses	Fund at 31 March 2018
	£000	£000	£000	£000	£000	£000
48021142 Renal Unit OHPCC	169	46	(54)	0	(7)	154
45020004 Cancer Fund	0	255	(483)	0	270	42
Other (individually less than 5%)	2,972	169	(75)	(424)	(304)	2,338
Restricted Funds Total	3,141	470	(612)	(424)	(41)	2,534

TRUST FUNDS (ENDOWMENT AND GIFT FUNDS) OF THE WESTERN HEALTH AND SOCIAL CARE TRUST

Nature of Restricted Funds:

Renal Fund

To enhance the quality of patient care by providing appropriate patients comforts, contributing to the purchase of equipment and other appropriate items, and supporting the Unit's clinical quality framework as well as multi-disciplinary education and research.

Cancer Fund

For treatment and benefit of cancer patients enhancing quality of patient care.

Other restricted funds provide for a variety of patient and staff care.

Analysis of movements in Restricted funds – previous year

	Balance at 1 April 2016 £000	Incoming resources £000	Resources expended £000	Transfers £000	Gains and losses £000	Fund at 31 March 2017 £000
48021142 Renal Unit – TCH*	£000	£000	£000	£000	£000	£000
	186	82	(69)	0	(30)	169
Other (individually less than 5%)	2,876	351	(558)	0	303	2,972
Restricted Funds Total	3,062	433	(627)	0	273	3,141

Analysis of movements in Endowment funds

	Balance at 1 April 2017 £000	Incoming resources £000	Resources expended £000	Transfers £000	Gains and losses £000	Fund at 31 March 2018 £000
Endowment Funds						
Other (individually less than 5%)	129	10	(109)	471	(5)	496
Endowment Funds Total	129	10	(109)	471	(5)	496

Endowment funds are permanent funds of the Trust Funds and provide for a variety of patient care.

Analysis of movements in Endowment funds – previous year

	Balance at 1 April 2016 £000	Incoming resources £000	Resources expended £000	Transfers £000	Gains and losses £000	Fund at 31 March 2017 £000
Endowment Funds						
Other (individually less than 5%)	301	52	(256)	0	32	129
Endowment Funds Total	301	52	(256)	0	32	129

TRUST FUNDS (ENDOWMENT AND GIFT FUNDS) OF THE WESTERN HEALTH AND SOCIAL CARE TRUST

14. Analysis of net assets between funds

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total
	£000	£000	£000	£000
Fixed Assets	33	2,117	225	2,375
Current Assets	27	427	271	725
Liabilities	(1)	(10)	(0)	(11)
Total	59	2,534	496	3,089

Analysis of net assets between funds – previous year

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total
	£000	£000	£000	£000
Fixed Assets	50	2,234	137	2,421
Current Assets	71	935	0	1,006
Liabilities	(1)	(28)	(8)	(37)
Total	120	3,141	129	3,390

15. Commitments

The Trusts' funds have the following commitments:	2018	2017
	£000	£000
Other	569	534
Total Commitments	569	534

16. Financial guarantees, indemnities and Letters of Comfort

The Charitable Trust Fund has not entered into any quantifiable financial guarantees, indemnities or provided letters of comfort in the years ended 31 March 2017 or 31 March 2018.

17. Related party transactions

During the year none of the Trustees or members of the key management staff or parties related to them has undertaken any transactions with the Trust Funds of the Western Health and Social Care Trust.

18. Financial Instruments

	2018	2017
	Total	Total
	£000	£000
Financial Assets measured at fair value through the SOFA	3,090	3,420
Financial Assets measured at amortised cost	10	7
Total	<u>3,100</u>	<u>3,427</u>

	2018	2017
	Total	Total
	£000	£000
Financial Liabilities measured at fair value through the SOFA	-	-
Financial Liabilities measured at amortised cost	11	37
Total	<u>11</u>	<u>37</u>

Financial assets measured at fair value through the SOFA comprise cash in bank and at hand and Fixed Asset Investments.

Financial assets measured at amortised cost comprise other debtors and accrued income, net of bad debt provisions.

There are no financial liabilities measured at fair value through the SOFA. Financial liabilities measured at amortised cost comprises of other creditors.

TRUST FUNDS (ENDOWMENT AND GIFT FUNDS) OF THE WESTERN HEALTH AND SOCIAL CARE TRUST

No key management personnel are employed by the charity.

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.

The Charitable Trust Fund has made revenue payments of £36k to the Western Health and Social Care Trust where the Trustees are also members of the Trust. There is a creditor of £6k which relates to Western Health and Social Care Trust as at 31 March 2018.

No Trustees have received honoraria, emoluments or expenses in the year.

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