

Weston Area Health   
NHS Trust

# **WESTON HEALTH GENERAL CHARITABLE FUND**

## **ANNUAL REPORT AND ANNUAL ACCOUNTS**

**2015-2016**

**Finance Directorate  
Weston General Hospital  
Grange Road  
Uphill  
Weston-super-Mare BS23 4TQ**

**Tel: 01934 636363**

**[www.waht.nhs.uk](http://www.waht.nhs.uk)**

## WESTON HEALTH GENERAL CHARITABLE FUND

### Annual Report 2015-2016

#### Foreword to the Accounts

The Weston Area Health NHS Trust is always grateful for the kindness and generosity shown by patients, their friends and families, local organisations and societies and our own members of staff who make donations and legacies to support the work of the Charitable Funds.

For the financial year ending 31 March 2016 the following amounts were gratefully received:

	£
Donations	30,000
Legacies	<u>88,000</u>
<b>Total</b>	<b><u>118,000</u></b>

These monies are used in a variety of ways to support and enhance the Trust's main funding sources. Spending in the past has included, for example, additional facilities and equipment to assist in the treatment and comfort of patients and for staff development and welfare.

Sometimes monies may not be spent immediately, particularly if we need to make provision for the purchase of major items of expenditure or to allow for future commitments. In these circumstances any monies not needed immediately are partly held in cash reserves and partly invested through the Charity's stockbroker to manage as per the investment policy. During the year funds were realised from the sale of investments to finance the grants paid to enhance the patients' experience.

Investment income received during the financial year to 31 March 2016 was £9,000.

Investment losses on the revaluation and disposal of investment assets of £9,000 were recognised in year. This reflects the value of the investments held at the year end 31 March 2016 and the realised losses on the disposal of investments in year.

Following the adoption of Financial Reporting Standard (FRS) 102 and the Charities Statement of Recommended Practice (SORP) FRS 102 for the first time the management and administration costs are now charged to relevant activities for charitable activities or fund raising activities.

The total expenditure for the year ending 31<sup>st</sup> March 2016 was £124,000. This was split between charitable activities expenditure £119,000 and fund raising activities £5,000.


The spending on charitable activities was divided between the staff welfare and amenities £63,000 this included a number of Health and Wellbeing Fund initiatives; staff development activities, physiotherapy sessions for staff and the provision of water coolers across the Trust. A further £56,000 was spent on patient welfare, amenities and equipment. Purchases included the re-provision of furniture in the Seashore Centre, Uphill rehabilitation unit and Intensive Therapy Unit.

Fund raising costs of £5,000 were incurred in year split between £3,000 of investment managers fees and £2,000 for a proportion of the Trustees time in dealing with fund raising activities.

Report for the year ending 31 March 2016

All this has only been possible because of the continued generosity of patients, their families and friends and many others in Weston-super-Mare and the surrounding areas who have an interest in supporting our Charity.

This Annual Report provides information concerning the current administration of the Weston Health General Charitable Fund and also discharges the Trustees' duty of public accountability and stewardship.

 ..... Date 23 - Aug - 16 .....

Weston Health General Charitable Fund - Trustee

## Legal and Administrative Information

This Annual Report complies with current statutory requirements; the requirement of the Charity's governing document and the requirements of FRS 102 and FRS 102 SORP and the Charities Act 2011.

Full name of Charity: WESTON HEALTH GENERAL CHARITABLE FUND

Nature of the Governing Document: DECLARATION OF TRUST DATED 8.8.96.

Charity Registration Number: 1057589

Charity Trustees: The Board of the Weston Area NHS Trust act as Corporate Trustees

These funds are registered with the Charity Commissioners and the Trust's Directors have a joint responsibility as Trustees for the management of these funds. The Trustees have given due consideration to Charity Commission published guidance on the operation of the Public benefit requirement.

The Weston Area Health Trust Board has established the Weston Health General Charitable Fund Board to take responsibility on all matters relating to the Charity and provide the Trust Board with assurance on the fulfilment of its responsibilities.

The Trustees of the Charity and their responsibilities at Weston Area Health NHS Trust during the financial year to 31 March 2016 were:

Name	Title	In year Start Date
J Rimmer	Interim Chief Executive (from 03/08/15 to 31/12/15) Chief Executive (from 01/01/16)	August 2015
R Little	Finance Director	
N Lyons	Medical Director	January 2016
Helen Richardson	Interim Director of Nursing	February 2016
B.Bishop	Director of Strategic Development	
S Flavin	Director of Human Resources	
K Croker	Director of Operations	
B Musselwhite	Non Executive Director	
G Paine	Chair (from 16/11/15)	
F Powell	Non Executive Director	January 2016
G Reah	Non Executive Director	
I Turner	Non Executive Director	
A Wyke	Non Executive Director	December 2015

John Bennett the treasurer of the Weston General Hospital League of Friends is the appointed Lay member of the charity.

Miss J Stroud was an employee with voting rights during her tenure as Deputy Director of Nursing (Corporate) from 1 December 2015 to 14 February 2016.

The Trustees of the charity below left office during the year or up to the date when the accounts were signed:

Name	Title	End date
N Wood	Chief Executive	July 2015
A Martin	Medical Director	January 2016
C Perry	Director of Nursing	December 2015

The contact addresses are listed below:

Principal Address of the Charity:	Weston General Hospital, Grange Road, Uphill, Weston-super-Mare, Somerset BS23 4TQ.
Bankers:	National Westminster Bank PLC, PO Box 238, 32 Corn Street, Bristol BS99 7UG.
Solicitors:	Beachcroft Wansbroughs, Solicitors, 10-22 Victoria Street, Bristol BS99 7UD.
Auditors:	Grant Thornton, Hartwell House, 55 – 61 Victoria Street, Bristol, BS1 6FT.
Investment Advisers:	J. M. Finn & Co. Ltd., St. Brandon's House, 29 Great George Street, Bristol BS1 5QT.

### **Structure, Governance and Management**

Acting for the Corporate Trustee, the Charitable Funds Board is responsible for the overall management of the Charitable Fund. The Board is required to:

- Control, manage and monitor the use of the fund's resources.
- Provide support, guidance and encouragement for all its income raising activities whilst managing and monitoring the receipt of all income.
- Ensure that 'best practice' is followed in the conduct of all its affairs fulfilling all of its legal responsibilities.
- Ensure that the Investment Policy is adhered to and that performance is continually reviewed whilst being aware of ethical considerations.
- Keep the Trust Board fully informed on the activity, performance and risks of the Charity.

The accounting records and the day-to-day administration of the funds are dealt with by the Finance Department located at Weston General Hospital.

The Trustees of the Charity are Executive and Non-Executive Directors of the Trust Board. Non Executive Directors are appointed by the NHS Trust Development Authority and they are provided with induction training and ongoing training. There is also an appointed Lay Member of the Weston Health General Charitable Fund Board.

### **Specific Restrictions**

There are no specific restrictions imposed by the governing document which states that the "The Trustees shall hold the Trust Fund upon trust to apply the income, and at their discretion, so far as may be permissible, the capital for charitable purposes relating to the general or any specific purposes of the Weston Area Health NHS Trust".

Funds have been included within the "restricted fund" category since registration only where monies have been collected or given for a specific purpose. These funds have not been registered separately either because the amount involved is minimal and/or the funds may only be in existence for a short period.

## **Narrative Information**

### **Purpose of the Charity**

The Charity provides amenities for both patients and staff and donates building and equipment assets at the Weston General Hospital and other community services provided by the Trust. This includes the provision of facilities and equipment to assist in the treatment and comfort of patients and to provide for additional development and welfare of staff.

### **Organisation**

To ensure appropriate control of the funds of the Charity, individual wards and departments have a designated fund manager. All purchases made with charitable monies must be approved and authorised in accordance with current guidelines outlined in the Trust's Corporate Governance manual (which include Standing Financial Instructions, Standing Orders, Reservation of Powers to the Board and Delegation of Powers and the Guidance to Staff on Fraud). Expenditure should also be consistent with the title and purpose of the fund. Unspent monies at the end of the year are carried forward to the following year. Designated funds are reviewed regularly to ensure that they meet the requirements of the beneficiaries.

### **Risks and uncertainties**

The trustees have considered the major risks to which the charity is exposed. They have identified steps to mitigate those risks. Three major risks have been identified and arrangements have been put in place to mitigate those risks.

#### 1. Future levels of income

The charity is reliant on donations and legacies to allow it to make grants to the NHS Trust. If income falls then the trust would not be able to make as many grants or enter into longer term commitments with the Weston Area Health NHS Trust.

The trustees mitigate the risk that income will fall by:

- Monitoring the adequacy of income received.
- Reviewing the fund raising processes in the Trust.
- Co-ordinating a programme of fund raising ideas to raise the profile of the charity.

#### 2. Fall in investment valuation and returns

The charity generated additional income from investing its cash balances so the trustees consider the loss of investment income to be a major financial risk. The risk is mitigated by retaining expert investment managers, having a diversified investment portfolio and regularly reviewing that portfolio.

#### 3. Unforeseen changes in the operation of the NHS

The NHS is, by its very nature, subject to national changes in government policy as well as locally driven commissioning decisions. The trustees have identified this as a risk as it may mean initiatives or healthcare activities supported by the charity are no longer delivered at the

Weston Area Health NHS Trust. The trustees regularly liaise with all of our NHS partners to understand the changes that they are planning at an early stage. The trustees also review our NHS partners' strategic plans when they are developing future plans.

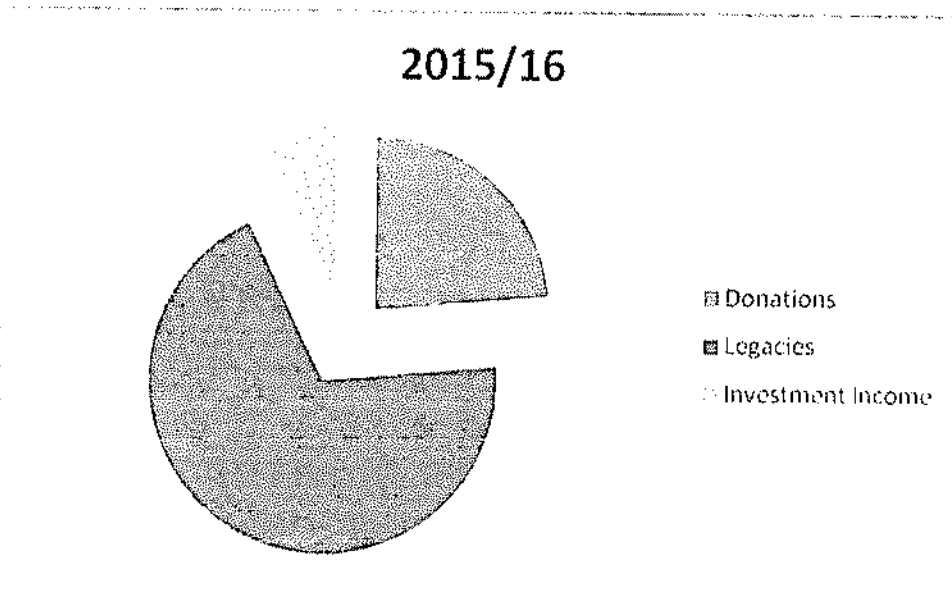
## Review of Activities in the Year

### Financial Position

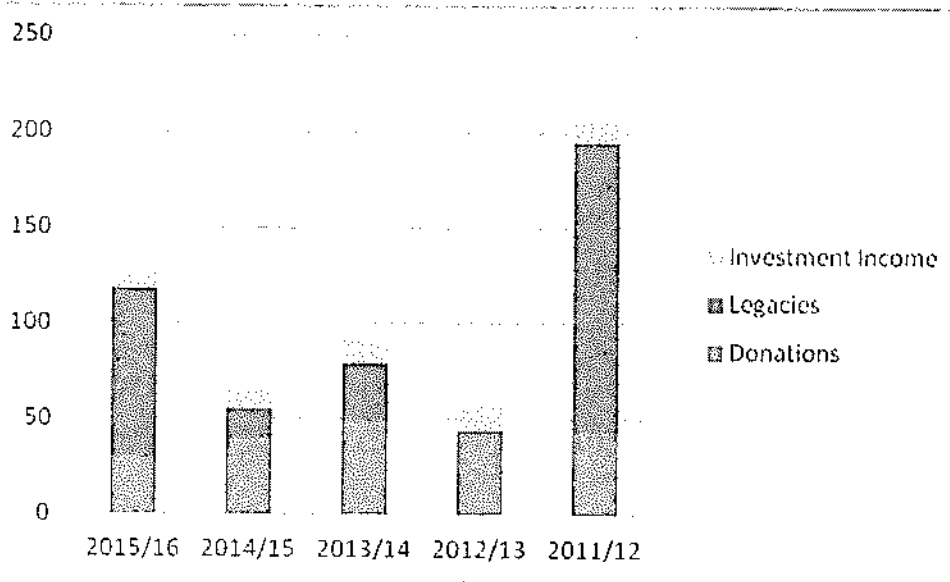
As at 31 March 2016 there were 38 individual funds that relate to various wards and departments at the Trust. Each fund manager ensures that donations are spent in accordance with the wishes of the donor and for purposes that relate to the Charity.

The balance sheet shows that total funds have decreased by £6,000 during the year from £443,000 to £437,000, reflecting the overall outflow of funds through the year.

Income for the period includes donations and legacies from patients and their families in recognition of the care which has been provided by the Weston Area Health NHS Trust. Other income received is comprised of dividends from investments and bank interest. Total incoming resources for the year are £127,000 (£65,000 2014/15).

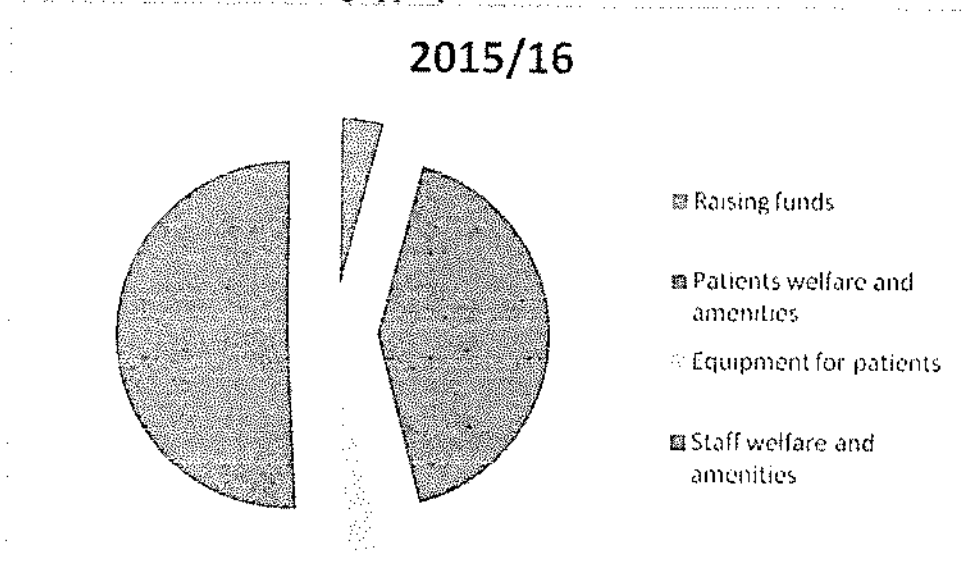


Report for the year ending 31 March 2016

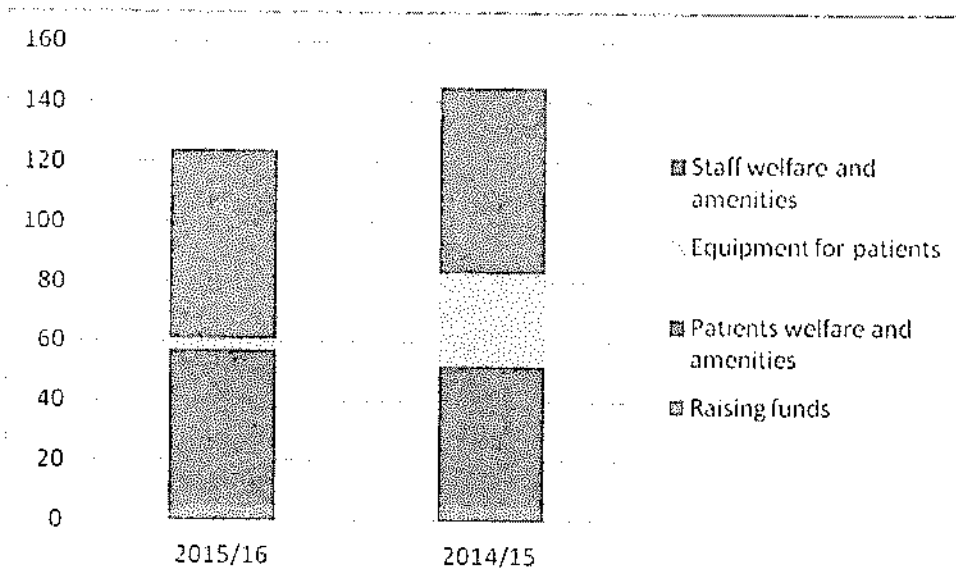


Grants paid in 2015/16 relate to revenue expenditure which would not normally be funded out of NHS operating income by the Weston Area Health NHS Trust.

Total expenditure of £124,000 has decreased by 14.5% since last year; the Charity continues to be committed to making appropriate use of its funds.







In complying with the new FRS 102 the treatment of the management and administration costs has now been separately analysed on the face of the statement of financial activity. These costs are classified as support costs and have been apportioned between fundraising activities and charitable activities. There is no effect on the total expenditure for 2014/15 or 2015/16. Expenditure prior to 2014/15 has not been restated and therefore not included above.

### Investments

The Charity's investment policy is to invest in stocks, funds, shares and securities when cash balances exceed short to medium term requirements. Therefore the Charity invests monies that are not required for immediate expenditure in a portfolio of Government stocks, Company shares and Bank deposits. This produces additional income for the Charity and its performance is reviewed regularly by the Charity's stockbrokers who advise the Charitable Funds Board.

The investment assets of the Charity have been acquired in accordance with the powers available to the Trustees and the portfolio should be medium risk.

The analysis of the main holdings greater than 5% of the market value as at 31 March 2016 or over £20,000 as listed on the Stock Exchange were:

	All Held in UK £000
CG PORTFOLIO FD PLC THE DOLLAR FUND NAV (B41GP76)	30
UK TREASURY 0.125% INDEX LINK 2029	28
UK TREASURY 2.5% INDEX LINK 2024 (0898302)	27
KEYSTONE INVESTMENT TRUST (0491206)	17
OTHER	230
	<u>332</u>

The market value of the Charity's investments has decreased from £385,000 to £332,000 during the year due to the net disposal and acquisition (£51,000) combined with realised (£4,000) and unrealised losses (£5,000) on those investments offset by the cash held on

portfolio £7,000. At the previous year end 31 March 2015 values had reduced from £411,000 to £385,000 in year.

### **Accounting Policies**

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 applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 April 2015) and the Charities Act 2011

The charity SORP sets out how charities are expected to apply FRS 102 to their particular activities and transactions, and explains how charities should present and disclose their activities and funds within their accounts.

### **Reserves Policy**

Reserves are held to ensure that sufficient monies are available to accommodate changes in the market value of non in perpetuity investments. This is currently set at 20% of the market value of the non in perpetuity investments on 31 March annually, subject to a minimum of £100,000. The balance of the reserve is held within the unrestricted funds including the General Purposes fund. The policy is subject to regular review. No adjustment is made to these reserves for commitments or planned expenditure that is not provided for in the balance sheet.

The value of the non in perpetuity investments as at 31 March 2016 is £234,000 therefore 20% equates to £46,800.

The balance of the unrestricted funds as at 31 March 2016 is £331,000.

### **Going concern**

The trustees consider that there are no material uncertainties about the Weston Health General Charitable Fund's ability to continue as a going concern. There are no material uncertainties affecting the current year's accounts.

The acquisition of the Trust by Taunton and Somerset NHS Foundation Trust was terminated by the NHS Trust Development Authority in mid October 2015.

### **Events since the year end and future plans**

The charity plans to continue to use its resources to further enhance the services provided by the Weston Area Health NHS Trust in relation to patient care and for staff training and welfare. This will include the provision of equipment and contribution towards training of staff. The charity will be working hard to achieve the best for the patients of Weston-super-Mare and surrounding district and will continue its fundraising activities. The charity is undertaking a joint fundraising project for a scanner with the Weston General Hospital League of Friends commencing in April 2016.

Report for the year ending 31 March 2016

**Signed on behalf of the Trustees**

Corporate Trustee  Date 23-Aug-16

**NATIONAL HEALTH SERVICE**

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**FUNDS HELD ON TRUST  
ANNUAL ACCOUNTS 2015-16**

The accounts of the Funds Held on Trust by the Weston Area Health NHS Trust

**FOREWORD**

**STATUTORY BACKGROUND**

The NHS Trust is the corporate trustee of the funds held on trust under paragraph 16c of Schedule 2 of the NHS and Community Care Act 1990.

**MAIN PURPOSE OF THE FUNDS HELD ON TRUST**

The main purpose of the charitable funds held on trust is to apply income for any charitable purpose relating to the National Health Service wholly for the services provided by the Weston Area Health NHS Trust.

**Statement of trustees' responsibilities**

Under charity law the trustees are responsible to prepare accounts each year that show a true and fair view, and that the trustees prepare the financial statements on the going concern basis, unless it is inappropriate to do so.

The trustees are responsible for:

- ♦ keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the funds held on trust and to enable them to ensure that the accounts comply with requirements in the Charities Act 2011.
- ♦ establishing and monitoring a system of internal control; and
- ♦ establishing arrangements for the prevention and detection of fraud and corruption.



The trustees are required under the Charities Act 2011 to prepare accounts for each financial year. In preparing those accounts, the trustees are required to:

- ♦ apply on a consistent basis accounting policies.
- ♦ make judgements and estimates which are reasonable and prudent;
- ♦ state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts.
- ♦ state whether the financial statements comply with the trust deed , subject to any material departures disclosed and explained in the accounts.

The trustees confirm that they have met the responsibilities set out above and complied with the requirements for preparing the accounts. The financial statements set out on pages 4 to 15 attached have been compiled from and are in accordance with the financial records maintained by the trustees.

By Order of the Trustees

Signed: (NB sign in any colour ink other than black)

Chairman\*  ..... Date 23rd Aug 2016  
Trustee  ..... Date 23-Aug 2016

\*the Board may authorise another trustee to sign in place of the Chairman.

## **Independent auditor's report to the Trustees of Weston Health General Charitable Fund**

We have audited the financial statements of Weston Health General Charitable Fund for the year ended 31 March 2016 which comprise the statement of financial position, the statement of comprehensive income, the cash flow statement, the reconciliation of movements in shareholders' funds and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

This report is made solely to the charity's trustees, as a body, in accordance with Section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of trustees and auditor**

As explained more fully in the Trustees' Responsibilities Statement set out on page 1, the trustees are responsible for the preparation of financial statements which give a true and fair view.

We have been appointed as auditor under section 149 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2016 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

## **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

*Alex Walling*

Alex Walling  
for and on behalf of Grant Thornton UK LLP, Appointed Auditor  
Hartwell House  
55-61 Victoria Street  
Bristol  
BS1 6FT

31 August 2016

Grant Thornton UK LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

## Statement of Financial Activities for the year ended 31 March 2016

	Note	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	2015-16 Total Funds £000	2014-15 Total Funds £000
<b>Income and endowments from:</b>						
Donations		30	0	0	30	40
Legacies	2.1	88	0	0	88	15
<b>Total Donations and Legacies</b>		<b>118</b>	<b>0</b>	<b>0</b>	<b>118</b>	<b>55</b>
Investment income	2.2	7	0	2	9	10
<b>Total incoming resources</b>		<b>125</b>	<b>0</b>	<b>2</b>	<b>127</b>	<b>65</b>
<b>Resources expended</b>						
<b>Expenditure on:</b>						
Raising funds	2.3	4	0	1	5	5
Charitable activities	2.4					
Patients welfare and amenities		52	0	0	52	47
Equipment for patients		4	0	0	4	31
Staff welfare and amenities		63	0	0	63	62
<b>Total resources expended</b>		<b>123</b>	<b>0</b>	<b>1</b>	<b>124</b>	<b>145</b>
Net gains/(losses) on investments	2.6	(7)		(2)	(9)	28
<b>Net income/(expenditure)</b>		<b>(5)</b>	<b>0</b>	<b>(1)</b>	<b>(6)</b>	<b>(52)</b>
Gross transfer between funds	2.7	2	0	(2)	0	0
<b>Net movement in funds</b>		<b>(3)</b>	<b>0</b>	<b>(3)</b>	<b>(6)</b>	<b>(52)</b>
Fund balances brought forward		334	8	101	443	495
<b>Fund balances carried forward</b>		<b>331</b>	<b>8</b>	<b>98</b>	<b>437</b>	<b>443</b>

The fund balance at 31 March 2016 of £437,000 consists of the opening balance at 1st April 2015 of £443,000 less the net decrease in funds of £6,000. All the balances included within the Statement of Financial Activities relate to continuing operations.

The notes on pages 6 to 15 form part of this account.



**Balance Sheet as at 31 March 2016**

	Note	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	<b>Total at 31 March 2016 £000</b>	Total at 31 March 2015 £000
<b>Fixed Assets</b>						
Investments	3.1	226	8	98	<b>332</b>	385
<b>Total Fixed Assets</b>		<b>226</b>	<b>8</b>	<b>98</b>	<b>332</b>	<b>385</b>
<b>Current Assets</b>						
Debtors	3.2	111	0	0	<b>111</b>	25
Short term investments and cash deposits	3.3	13	0	0	<b>13</b>	37
Cash at bank and in hand		0	0	0	<b>0</b>	1
<b>Total Current Assets</b>		<b>124</b>	<b>0</b>	<b>0</b>	<b>124</b>	<b>63</b>
Creditors: Amounts falling due within one year	3.4	19	0	0	<b>19</b>	5
<b>Net Current Assets</b>		<b>105</b>	<b>0</b>	<b>0</b>	<b>105</b>	<b>58</b>
<b>Total Assets less Current Liabilities</b>		<b>331</b>	<b>8</b>	<b>98</b>	<b>437</b>	<b>443</b>
<b>Total Net Assets</b>		<b>331</b>	<b>8</b>	<b>98</b>	<b>437</b>	<b>443</b>
<b>Funds of the Charity</b>						
Capital Funds:						
Endowment Funds	3.5	0	0	98	<b>98</b>	101
Income Funds:						
Restricted	3.6	0	8	0	<b>8</b>	8
Unrestricted	3.7	331	0	0	<b>331</b>	334
<b>Total Funds</b>		<b>331</b>	<b>8</b>	<b>98</b>	<b>437</b>	<b>443</b>

No tangible fixed assets were held by the Charity during either period.

The notes on pages 6 to 15 form part of this account.

Signed:

*RJ Little*

Date:

*23 August 2016*

**Statement of cash flows 2015-16**

	Total funds 2015-16 £000s	Total funds 2014-15 £000s
<b>Cash flows from operating activities:</b>		
Net cash (used in) operating activities	<u>(82)</u>	<u>(91)</u>
<b>Cash flows from investing activities:</b>		
Dividends from investments	9	10
Proceeds from sale of investments	99	64
Purchase of investments	(48)	(14)
Movement of cash held as part of the investment portfolio	(3)	3
Net cash provided by (used in) investing activities	<u>57</u>	<u>63</u>
Change in cash and cash equivalents in the reporting period	(25)	(28)
Cash and cash equivalents at the beginning of the reporting period	38	66
Cash and cash equivalents at the end of the reporting period	<u>13</u>	<u>38</u>

**Reconciliation of net movement in funds to net cash flow from operating activities**

	2015-16 £000s	2014-15 £000s
<b>Net movement in funds for the reporting period (as per the statement of financial activities)</b>	(6)	(52)
<b>Adjustments for:</b>		
Dividends and interest from investments	(9)	(10)
Unrealised (Gains)/losses on investments	5	(27)
(Increase)/decrease in debtors	(86)	0
Increase/(decrease) in creditors	14	(2)
Net cash provided by (used in) operating activities	<u>(82)</u>	<u>(91)</u>

**Analysis of cash and cash equivalents**

	2015-16 £000s	2014-15 £000s
<b>Cash in hand</b>		
Notice deposits (less than 30 days)	13	38
<b>Total cash and cash equivalents</b>	<u>13</u>	<u>38</u>

**Notes to the Account**

**Accounting Policies**      **1**

**1.1 Structure of funds**

Where there is a legal restriction on the purpose 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.

**1.2 Critical Judgements and Accounting Estimates**

- a) 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 applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 April 2015) and the Charities Act 2011.
- b) Accounting Estimates within the financial statements are not considered material and the figures in the accounts are based on actual figures.

**1.3 Going Concern**

The trustees consider that there are no material uncertainties about the Weston Health General Charitable Fund's ability to continue as a going concern. There are no material uncertainties affecting the current year's accounts.

The acquisition of the Trust by Taunton and Somerset NHS Foundation Trust was terminated by the NHS Trust Development Authority in mid October 2015.

**1.4 Reconciliation with previous generally accepted accounting practice**

In preparing these accounts, the trustees have considered whether any restatement of comparatives was required to comply with FRS 102 and the Charities SORP FRS 102. No restatements were required although there has been a change in the analysis of governance costs.

Governance costs: previously, these had been separately analysed on the face of the statement of financial activity. Governance costs are now classified as a support costs and have therefore been apportioned between fundraising activities and charitable activities. There is no effect on the total expenditure for 2014/15 or 2015/16.

The analysis of support costs, including governance costs, is shown in note 2.4 and 2.5.

Reconciliation of reported total expenditure

	Exp on raising Funds £000s	Exp on Charitable activities £000s	Support Costs £000s	Total Expenditure £000
2015-16 expenditure as previously reported	0	98	26	124
Adjustments for the reapportionment of governance costs 2015-16 expenditure as restated	5	21	(26)	-
	<b>5</b>	<b>119</b>	<b>0</b>	<b>124</b>

**1.5 Incoming Resources**

a) All incoming resources are included in full in the Statement of Financial Activities as soon as the following three factors can be met:

- i) the Charity has entitlement to the resources;
- ii) it is probable - more likely than not that the incoming resource will be received;
- iii) measurement - when the monetary value of the incoming resources can be measured with sufficient reliability.

b) Legacies

Legacies are accounted for as incoming resources once the receipt of the legacy becomes probable.

Receipt is probable when:

- Confirmation has been received from the representatives of the estate(s) that probate has been granted
- The executors have established that there are sufficient assets in the estate to pay the legacy and
- All conditions attached to the legacy have been fulfilled or are within the charity's control.

If there is uncertainty as to the amount of the legacy and it cannot be reliably estimated then the legacy is shown as a contingent asset until all of the conditions for income recognition are met.

c) Investment Income

Income received from investments is apportioned across those funds that hold a balance of greater than £5,000 at the financial year end 31st March 2016.

**1.6 Resources expended**

a) The funds held on trust accounts are prepared in accordance with the accruals concept. All expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party.

b) Allocation of support costs

Support costs are those costs which do not relate directly to a single activity. These include some staff costs, costs of administration and external audit costs. Support costs have been apportioned between fundraising costs and charitable activities on an appropriate basis. The analysis of support costs and the bases of apportionment applied are shown in note 2.5.

Management and administration costs are charged as a percentage of staff who have a direct involvement in the day to day management and administration of the charitable funds.

c) Fundraising costs

The costs of generating funds are those costs attributable to generating income for the charity, other than those costs incurred in undertaking charitable activities in furtherance of the charity's objects. The costs of generating funds represent fundraising costs together with investment management fees. Fundraising costs include a proportion of the Trustees time in dealing with fund raising activities.

Investment managers fees are allocated against those funds that hold a balance of greater than £5,000 at the financial year end 31st March 2016.

d) 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 in addition to the direct costs. The total costs of each category of charitable expenditure include an apportionment of support costs as shown in note 2.5

e) Transfer between funds

A transfer of investment income less the investment managers fees is made from endowment funds to unrestricted funds.

**1.7 Fixed Assets**

The Weston General Charitable Fund does not hold fixed assets other than investment fixed assets as at the balance sheet date.

**1.8 Investment Fixed Assets**

Investments are a form of basic financial instrument. Fixed asset investments are initially recognised at their transaction value and are subsequently measured at their fair value (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 the current market value quoted by the investment analyst, excluding dividend.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the investors manage the charity's portfolio on a medium risk basis.

**1.9 Debtors**

Debtors are amounts owed to the charity. They are measured on the basis of their recoverable amount.

**1.10 Cash and cash equivalents**

Cash at bank and in hand is held to meet the day to day running costs of the charity as they fall due.

**1.11 Creditors**

Creditors are amounts owed by the charity. They are measured at the amount that the charity expects to have to pay to settle the debt.

The charity did not have any long term creditors which are owed in more than a year in either year.

**1.12 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 (or date of purchase if later). Unrealised gains and losses are calculated as the difference between market value at the year end and opening market value (or date of purchase if later).

**1.13 Contingent Liability / Asset**

Contingent liability is either a possible but uncertain obligation or a present obligation that is not recognised because:

- a transfer of economic benefit to settle the possible obligation is not probable; or
- the amount of the obligation cannot be estimated reliably.

A contingent asset is a possible asset that arises from a past event but is not recognised in the balance sheet as its existence can only be confirmed by future events which are not within the charity's control.

**1.14 Intangible Fixed Assets**

The charity does not hold any Intangible fixed assets as at the balance sheet date.

**1.15 Pensions Contributions**

The cost of employer pensions contributions to the NHS superannuation and other schemes is charged to the Statement of Financial Activities.

**1.16 Prior Year Adjustments**

In preparing these accounts, the trustees have considered whether any restatement of comparatives was required to comply with FRS 102 and the Charities SORP FRS 102. No restatements were required although there has been a change in the analysis of governance costs.

**1.17 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.

**Note**  
**2.1** Of the £88,000 legacy receipts, there were three legacies accounted for in the year. Individually these were £87,000, £1,000 and £300.  
 The £87,000 relates to the probable receipt of a legacy. However there is a contingent asset of £10,000 based on the worst case calculations of a pension credit query with HM Revenue and Customs see note 4.

(In 2014/15 two legacies were accounted for totalling £15,000.)

Analysis of gross income from investments	2.2	Total gross income from investments	Held	Held	2015-16	2014-15
			in UK	outside UK	Total	Total
			£000	£000	£000	£000
		Investments listed on Stock Exchange	9	0	9	10
			<u>9</u>	<u>0</u>	<u>9</u>	<u>10</u>

Analysis of expenditure on raising funds	2.3	Analysis of expenditure on raising funds	Unrestricted	Restricted	Endowment	Total	Total
			Funds	Funds	Funds	2015-16	2014-15
			£000	£000	£000	£000	£000
		Investment Managers fees	2	0	1	3	3
		Apportioned support costs	2	0	0	2	2
			<u>4</u>	<u>0</u>	<u>1</u>	<u>5</u>	<u>5</u>

The apportioned support costs £2,000 (£2,000 2014-15) is based on an estimate of the Trustees time in dealing with fund raising activities.

The investment managers fees are charged fully to raising funds in both years.

Details of Resources Expended on Charitable activities	2.4	Charitable activities	Unrestricted	Support	Total	Total
			Funds	Costs	2015-16	2014-15
			£000	£000	£000	£000
		Patients welfare and amenities	43	9	52	47
		Equipment for patients	3	1	4	31
		Staff welfare and amenities	52	11	63	62
			<u>98</u>	<u>21</u>	<u>119</u>	<u>140</u>

**Grants made to institutions** Grants are paid within the objects of the individual funds and that of the overall objectives of the charitable fund.  
 Revenue grants of £98,000 (£114,000 2014-15) and no capital grants in either period were paid to Weston Area Health NHS Trust.

Support costs of £21,000 (£26,000 2014-15) have been apportioned across the expenditure headings on a pro rata basis based on the value of expenditure incurred against each expenditure heading for both years.

**Grants paid to individuals** No grants were paid to individuals in either period

**Allocation of support costs** **2.5** Support and overhead costs are allocated between fundraising activities and charitable activities. Governance costs are those support costs which relate to the strategic and day to day management of a charity.  
 The bases of allocation used are as follows:

	Raising Funds	Charitable Activities	Total 2015-16 Funds	Total 2014-15 Funds	Basis
	£000	£000	£000	£000	
Salaries	2	15	17	21	Expenditure
Establishment costs	0	2	2	3	Expenditure
Audit fee	0	4	4	4	Expenditure
	<u>2</u>	<u>21</u>	<u>23</u>	<u>28</u>	

Support costs are charged as a percentage of staff who have a direct involvement in the day to day management and administration of the charitable funds. The percentages for staff time is re-charged to reflect time spent in dealing with raising funds and charitable activities.

**Analysis of Staff Costs** There were no staff holding contracts of employment with, or paid directly by the Charitable Trust Funds in either period.

**Gains (Losses) on revaluation and disposal of investment assets** 2.6 During the year £9,000 of losses on revaluation of investment assets were recognised. These were split between realised loss of £4,000 and an unrealised loss of £5,000 (2014/15 - £28,000 gain, split between realised gain £1,000 and an unrealised gain £27,000).

Realised gains/losses relate to actual gains/losses when a holding has been sold in the year at greater than (gain) or less than (loss) the historic purchase cost. Whereas unrealised gains/losses reflect the difference between the market value at the balance sheet date when compared to the original purchase price or market value at the start of the year.

**Details of transfers between funds** 2.7 There were no material transfers between restricted and unrestricted funds in the period.

Analysis of Fixed Asset Investments	Note	2015-16 £000	2014-15 £000
	3		
	3.1		
		Fixed Asset Investments:	
		Market value at 31 March	407
		Less: Disposals at carrying value in the year	(64)
		Add: Acquisitions at cost	14
		Net gain/(loss) on revaluation	28
		<u>Market value at 31 March</u>	<u>385</u>
		Historic cost at 31 March	314
		<u>285</u>	<u>314</u>
		Market value at 31 March :	2014-15
		Total	Total
		£000	£000
		Investments listed on Stock Exchange	381
		Cash held as part of the investment portfolio	4
		<u>7</u>	<u>4</u>
		<u>332</u>	<u>385</u>

All within stocks held in the UK.

Analysis of the main holdings greater than 5% of the market value as at 31st March 2016 or over £20,000 as listed on the Stock Exchange.

	All held in UK £000
CG PORTFOLIO FD PLC THE DOLLAR FUND NAV (B41)	30
UK TREASURY 0.125% INDEX LINK 2029	28
UK TREASURY 2.5% INDEX LINK 2024 (0898302)	27
KEYSTONE INVESTMENT TRUST (0491206)	17
OTHER	230
	<u>332</u>

Analysis of Debtors	Note	2015-16 £000	2014-15 £000
	3.2		
		Debtors	
		Amounts falling due within one year:	
		Accrued income	25
		<u>Total debtors falling due within one year</u>	<u>25</u>

The accrued income for 2015-16 relates to two legacies £87,000 and £24,000 where the legacies meet the probable conditions for recognition as per note 1.5 (b).

**Short term investments and deposits** 3.3 All the short term investments and deposits are held as cash on deposit in an interest bearing bank account.

Analysis of Creditors	Note	2015-16 £000	2014-15 £000
	3.4		
		Creditors	
		Amounts falling due within one year:	
		Accruals	5
		<u>Total creditors falling due within one year</u>	<u>5</u>

There were no amounts falling due over one year in either period



Analysis of Funds	3.5	Endowment Funds	Balance	Incoming	Resources	Transfers	Gains and	Balance
			31 March 2015	Resources	Expended		Losses	31 March 2016
			£000	£000	£000	£000	£000	£000
		BURDGE	58	2	(1)	(1)	(1)	57
		Others (8)	43	0	0	(1)	(1)	41
		<b>Total</b>	<b>101</b>	<b>2</b>	<b>(1)</b>	<b>(2)</b>	<b>(2)</b>	<b>98</b>

Details of material funds - endowment funds	Name of fund	Description of the nature and purpose of each fund
	BURDGE	Legacy providing income for general purposes

Details of material designated funds  
The charity does not hold any designated funds that have material balances.

3.6	Restricted Funds	Balance	Incoming	Resources	Transfers	Gains and	Balance
		31 March 2015	Resources	Expended		Losses	31 March 2016
		£000	£000	£000	£000	£000	£000
<b>Material funds</b>							
	Ophthalmic	4	0	0	0	0	4
	Paediatric Appeal	4	0	0	0	0	4
	<b>Total</b>	<b>8</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>8</b>

Details of restricted funds	Name of fund	Description of the nature and purpose of each fund
	Ophthalmic	Legacy for the use of the department
	Paediatric Appeal	To provide healthcare facilities for children

Details of material unrestricted funds  
3.7 Unrestricted Funds  
Material funds are considered to be those funds with a balance that exceeded £20,000 both at the beginning and end of the financial year.

	Balance	Incoming	Resources	Transfers	Gains and	Balance	
	31 March 2015	Resources	Expended		Losses	31 March 2016	
		£000	£000	£000	£000	£000	
<b>Material funds</b>							
	General Purposes	53	91	(49)	0	(2)	93
	Diabetic Clinic	64	1	(17)	0	(1)	47
	Breast Research Fund	23	4	(3)	0	(1)	23
	Oncology Unit	60	8	(10)	1	(1)	58
	Non material funds	134	21	(44)	1	(2)	110
	<b>Total</b>	<b>334</b>	<b>125</b>	<b>(123)</b>	<b>2</b>	<b>(7)</b>	<b>331</b>

Details of material funds - Unrestricted funds  
The purpose of each fund is to benefit the area as defined by its name except for the General Purposes Fund which is used for any charitable purpose relating to the services provided by the Weston Area Health NHS Trust.

Contingencies 4 The Weston Health General Charitable Fund had a contingent asset in the form of a legacy due as at 31 March 2016.  
There is a query with the Department of Work and Pensions for a legacy where the amount due is uncertain. However based on the known information our estimate is that the Charity could expect to receive up to £10,000 in addition to the £87,000 recognised for this legacy in year.

There are no contingent losses which have been excluded in the accounts for either period.

Commitments, Liabilities and Provisions 5 The Weston Health General Charitable Fund had no material commitments at the end of either accounting period.

Trustee and  
Connected  
Persons  
Transactions

Note

6

6.1 **Trustee expenses reimbursed**

There were no trustee expenses reimbursed during either period.

6.2 **Trustee remuneration**

There was no trustee remuneration paid or payable in either period.

6.3 **Details of transactions with trustees or connected persons**

During the year none of the Trustees or members of the key management staff or parties related to them has undertaken any material transactions with Weston Health General Charitable Trust.

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.

6.4 **Trustee Indemnity Insurance**

The trustees have not taken out a Trustee's Indemnity Insurance Policy.

Loans or  
Guarantees  
Secured  
against assets  
of the charity

Note

7

No assets were subject to any form of mortgage or charge during the period.

Connected  
Organisations

8

Name, nature of connection, description of activities undertaken and details of any qualifications expressed by their auditors	2015-16		2014-15	
	Turnover of Connected Organisation	Net Surplus/ (Deficit) for the Connected Organisation	Turnover of Connected Organisation	Net Surplus/ (Deficit) for the Connected Organisation
	£,000	£,000	£,000	£,000
WESTON AREA HEALTH NHS TRUST Trustees of the charity are also members of the Weston Area Health NHS Trust board	98,462	(7,484)	100,378	(4,456)

These charitable funds support the work of the Weston Area Health NHS Trust. At the end of the year the Charity owed the Trust £9,845 (£282 at 31 March 15) in respect of costs incurred on its behalf.

Related party transactions Note 9

During the year none of the Trustees or members of the key management staff or parties related to them has undertaken any material transactions with the Weston Health General Charitable Trust.

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. Declaration of any personal interests have been made in both capacities and are available to be inspected by the public.

The charitable trust has made revenue and capital payments to the Weston Area Health NHS Trust where the Trustees (whose names are listed below) are also members of the Trust Board. The Financial Statements of the NHS Trust are included in the annual report.

**Trustees**

Name	Title	In year Start Date
J Rimmer	Interim Chief Executive (from 03/08/15 to 31/12/15) Chief Executive (from 01/01/16)	August 2015
R Little	Finance Director	
N Lyons	Medical Director	January 2016
Helen Richardson	Interim Director of Nursing	February 2016
B.Bishop	Director of Strategic Development	
S Flavin	Director of Human Resources	
K Croker	Director of Operations	
B Musselwhite	Non Executive Director	
G Paine	Chair (from 16/11/15)	
F Powell	Non Executive Director	January 2016
G Reah	Non Executive Director	
I Turner	Non Executive Director	
A Wyke	Non Executive Director	December 2015

John Bennett the treasurer of the Weston General Hospital League of Friends is the appointed Lay member of the charity.

Miss J Stroud was an employee with voting rights during her tenure as Deputy Director of Nursing (Corporate) from 1 December 2015 to 14 February 2016.

The Trustees of the charity below left office during the year or up to the date when the accounts were signed:

Name	Title	End date
N Wood	Chief Executive	July 2015
A Martin	Medical Director	January 2016
C Perry	Director of Nursing	December 2015

Post Balance Sheet Events

- 10 Between 1 April 2016 and the 12 August 2016, the value of the charity's investments rose 9.2% compared to the FTSE 100 index rise of 12.5% over the period. The market value of the investments as at 12 August 2016 was £355,000

The charity received £92,000 on 25th July 2016 for the legacy debtor of £87,000 accrued at 31st March 2016. The £5,000 difference will be recognised as legacy income in 2016-17.

EXECUTIVE OFFICE  
General Hospital  
Grange Road, Uphill  
Weston-super-Mare  
Somerset  
BS23 4TQ

23 August 2016

Tel: 01934 881101

Grant Thornton UK LLP  
Hartwell House  
55-61 Victoria Street  
Bristol  
BS1 6FT

Dear Sirs,

**Weston Health General Charitable Fund – Financial Statements for the Year Ended 31 March 2016**

This representation letter is provided in connection with the audit of the financial statements of Weston Health General Charitable Fund for the year ended 31 March 2016 for the purpose of expressing an opinion as to whether the financial statements give a true and fair view in accordance with the Charities (Accounts and Reports) Regulations 2008 made under Section 154 of the Charities Act 2011.

We confirm that to the best of our knowledge and belief having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

**Financial Statements**

We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter, for the preparation of the financial statements in accordance with the regulations made under Charities Act 2011 and the 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 ('Charities SORP (FRS 102)'), issued by the Charity Commission and any subsequent amendments or variations to this statement, in particular the financial statements give a true and fair view in accordance therewith.

We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud.

Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.

Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of the Charities SORP (FRS 102).

All events subsequent to the date of the financial statements and for which the Charities SORP (FRS 102) requires adjustment or disclosure have been adjusted or disclosed.



The financial statements are free of material misstatements, including omissions.

We can confirm that:

- a. all income has been recorded;
- b. the restricted funds have been properly applied;
- c. constructive obligations for grants have been recognized; and
- d. the trustees consider there to be appropriate controls in place to ensure overseas payments are applied for charitable purposes.

Actual or possible litigation and claims have been accounted for and disclosed in accordance with the requirements of applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

### Information Provided

We have provided you with:

- e. access to all information of which we are aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- f. additional information that you have requested from us for the purpose of your audit; and
- g. unrestricted access to persons within the entity from whom you determine it necessary to obtain audit evidence.

We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

All transactions have been recorded in the accounting records and are reflected in the financial statements.

We have disclosed to you our knowledge of fraud or suspected fraud affecting the entity involving:

- h. management;
- i. employees who have significant roles in internal control; or
- j. others where the fraud could have a material effect on the financial statements.

We have disclosed to you our knowledge of any allegations of fraud, or suspected fraud, affecting the financial statements communicated by employees, former employees, analysts, regulators or others.

We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements.

We have disclosed to you the identity of the Charitable Fund's related parties and all the related party relationships and transactions of which we are aware.

We confirm that we have reviewed all correspondence with regulators, which has also been made available to you, including the guidance 'How to report a serious incident in your charity' issued by the Charity Commission (updated in September 2014). We also confirm that no serious incident reports have been submitted to the Charity Commission, nor any events considered for submission, during the year or in the period to the date of signing of the balance sheet.

We have a reasonable expectation that the Charitable Fund has adequate resources to continue in operational existence for the foreseeable future. The Charitable Fund balances of £437k as at 31/3/16 are well in excess of the net decrease in funds of £6k during 2015-16. The Trustees of the Charitable Fund include the executive and non-executive directors of the Weston Area Health Trust.

We have a reasonable expectation that the Trust itself has adequate resources to continue in operational existence for the foreseeable future. This is in the context of the NHS Five Year Forward view and the Strategic Plan 2016/2021, which describes the Trust's priorities for the next four years to deliver outstanding safe care and improve the sustainability of all services. The Trust is assured that it will secure sufficient working capital with the agreement of the NHS Trust Development Authority (NHS Improvement) from April 2016. For this reason the going concern basis has been adopted for preparing the accounts.

Approval

The approval of this letter of representation was minuted by the Charitable Funds Board of Trustees at its meeting on 23<sup>rd</sup> August 2016.

Yours faithfully,

Name: 

Position: Chairman

Date: 23/8/16

Name: 

Position: Chief Executive

Date: 23-Aug-16

Signed on behalf of the Board of Trustees