

**THE MID YORKSHIRE HOSPITALS
NHS TRUST CHARITABLE FUND**

**TRUSTEE ANNUAL REPORT
FOR THE YEAR ENDED
31 MARCH 2012**

CHARITY NUMBER: 1067163

**The Mid Yorkshire Hospitals NHS Trust Charitable Fund
Trustee Annual Report for the year ended 31st March 2012**

Foreword

The Corporate Trustee, the Mid Yorkshire Hospitals NHS Trust (the Trust), presents the Charitable Funds Annual Report together with the Audited Financial Statements for the year ended 31 March 2012.

The Charity's annual report and financial statements for the year ended 31 March 2012 have been prepared by the Corporate Trustee in accordance with Part 8 of the Charities Act 2011 (previously Part VI of the Charities Act 1993) and the Charities (Accounts & Reports) Regulations 2008. The Charity's report and financial statements include all the separately established funds for which the Mid Yorkshire Hospitals NHS Trust is the main beneficiary.

The members of the Mid Yorkshire Hospitals NHS Trust Board who served during the financial year and to the date of this report were as follows:

Mr E Anderson	-	Chair to 2 nd March 2012
Mr D Stone C.B.E.	-	Chair from 3 rd March 2012
Mr J Kershaw	-	Non Executive Director to 23 rd May 2012
Mrs A Fatchett	-	Non Executive Director
Dr M Faull	-	Non Executive Director
Mr I Wilkinson	-	Non Executive Director
Mr D Longstaff	-	Non Executive Director
Mrs J Squire	-	Chief Executive to 31 st January 2012
Mr S Eames	-	Chief Executive from 1 st March 2012
Ms T McErlain-Burns	-	Chief Nurse and Director of Patient Experience Acting Chief Executive between 1 st February 2011 and 29 th February 2012
Mr V Doherty	-	Interim Finance Director to 30 th September 2011
Mr R Chadwick	-	Finance Director from 1 st October 2011
Ms A Watson	-	Chief Operating Officer to 30 th November 2011
Mr A Griffiths	-	Interim Chief Operating Officer from 1 st December 2011
Prof T Hendra	-	Medical Director

The Charitable Funds are registered with the Charity Commission (no. 1067163) in accordance with the Charities Act 2011 (previously Charities Acts 1993 and 2006).

**The Mid Yorkshire Hospitals NHS Trust Charitable Fund
Trustee Annual Report for the year ended 31st March 2012**

Reference and Administrative details

The Mid Yorkshire Hospitals NHS Trust Charitable Fund (the Charity), registered charity number 1067163, was entered on the Central Register of Charities on the 6 January 1998. The Charity's governing document is a Declaration of Trust dated 3 December 1997, as amended by supplemental deeds dated 6 February 2007 and 19 June 2007. The Charity is constituted of six restricted (2010/11: 4), one permanent endowment and one unrestricted fund. There are 138 (2010/11: 156) designated funds within the unrestricted fund as at the 31 March 2012 and the notes to the accounts distinguish the types of fund held and disclose separately all material funds.

Charitable funds received by the Charity are accepted, held and administered as funds and property held on trust for purposes relating to the health service in accordance with the National Health Service Act 1977 and the National Health Service and Community Care Act 1990 and these funds are held on trust by the corporate body.

Trustee

The Mid Yorkshire Hospitals NHS Trust is the Corporate Trustee of the Charitable Funds governed by the law applicable to Trusts, principally the Trustee Act 2000 and the Charities Act 2011 (previously Charities Acts 1993 and 2006).

The Mid Yorkshire Hospitals NHS Trust's Board has an established Charitable Funds Committee. This Committee has the delegated responsibility for the on-going management and administration of funds on behalf of the Corporate Trustee.

The names of those people who served as agents for the Corporate Trustee, as permitted under regulation 16 of the NHS Trusts (Membership and Procedures) Regulations 1990 were as follows:

Mr J Kershaw	-	Non Executive Director (Chair) to 23 rd May 2012
Mr I Wilkinson	-	Non Executive Director
Mr V Doherty	-	Interim Finance Director (to 30 th September 2011)
Mr R Chadwick	-	Finance Director (from 1 st October 2011)
Ms A Watson	-	Chief Operating Officer (to 30 th November 2011)
Mr A Griffiths	-	Interim Chief Operating Officer (from 1 st December 2011)

Principal Charitable Fund Adviser to the Board:

The Finance Director is responsible for the day-to-day management and control of the administration of the Charitable Funds and reports to the Charitable Funds Committee. The Finance Director has delegated powers to authorise expenditure and manage Charitable Funds activities in accordance with the policies and procedures approved by the Board on behalf of the Corporate Trustee.

**The Mid Yorkshire Hospitals NHS Trust Charitable Fund
Trustee Annual Report for the year ended 31st March 2012**

Principal Office

The principal office for the Charity is:

The Mid Yorkshire Hospitals NHS Trust
NHS Trust Board (Corporate)
C/O Trust HQ and Education Centre
Pinderfields Hospital
Aberford Road
Wakefield
WF1 4DG

Principal Professional Advisers:

Bankers

Lloyds TSB
75 Commercial Street
Batley
West Yorkshire
WF17 5EQ

External Auditors

Grant Thornton UK LLP
No 1 Whitehall Riverside
Whitehall Road
Leeds
LS1 4BN

Investment Fund Managers

Brewin Dolphin Securities Ltd
Investment Management Division
34 Lisbon Street
Leeds
LS1 4LX

CCLA Investment Management Ltd.

COIF Charity Funds
80 Cheapside
London
EC2V 6DZ

**The Mid Yorkshire Hospitals NHS Trust Charitable Fund
Trustee Annual Report for the year ended 31st March 2012**

Structure, Governance and Management

Corporate Trustee

Non-Executive Members of the Trust Board are appointed by the NHS Appointments Commission and Executive members of the Board are subject to recruitment by the Mid Yorkshire Hospitals NHS Trust Board. Members of the Trust Board and the Charitable Funds Committee are not individual trustees under Charity Law but act as agents on behalf of the Corporate Trustee.

An induction pack is provided to newly appointed members of the NHS Trust Board and Charitable Funds Committee. This pack provides information deemed relevant at the date of appointment and is forwarded by the Trust Board Secretary. It includes the latest annual report and accounts, the policy, reference to the HfMA Charitable Fund Guidance and Charity Commission publications CC10 Hallmarks of an Effective Charity and CC3 The Essential Trustee; What you need to know. A supporting induction process includes a guided tour of the beneficiary NHS Trust's facilities and one to one meetings with each of the Directors to share information.

The Charitable Funds Committee is responsible for ensuring that members of the Trust Board are aware of their responsibilities in acting as a Charity Trustee on behalf of the Corporate Trustee.

During the year all Board members were forwarded update e-mails from the Charity Commission. The Charitable Funds Committee received updates regarding the Charities Act 2011, feedback from courses and reported key issues to the full Board.

In previous years, internal reviews have taken place to ensure that the Charity makes decisions independent of the NHS bodies it serves, using the Charity Commission's independence criteria. During 2011/12, policies and procedures which have been approved by the Charitable Funds Committee, on behalf of the Corporate Trustee, have been reviewed to ensure that the Charity remains independent in its practices.

To support this further, all Board members attend a separate Corporate Trustee meeting on a six monthly basis, where current policies and financial statements are reviewed, and governance issues are discussed.

Charitable Funds Committee

The Charitable Funds Committee has responsibility for the management and administration of the Charity, acting on behalf of the Corporate Trustee. The Committee's powers are specifically delegated in the Charitable Funds Committee Terms of Reference and Charitable Funds Policy and Procedures. The duties of the Committee are categorised as follows:

- Establish and maintain an effective system of **integrated governance, risk management and internal control** across the Charity's activities that support the achievement of the Charity's objects.
- Ensure the **members** are aware of their **responsibilities** as a Charity Trustee.

**The Mid Yorkshire Hospitals NHS Trust Charitable Fund
Trustee Annual Report for the year ended 31st March 2012**

- Ensure that proper accounting records are maintained and review the ongoing **financial position** of the Charity.
- Ensure that **fund accounts** are effectively managed.
- **Promote the Charity** and ensure that its reputation is protected.
- Ensure **fundraising activities** are appropriate to the Charity and controls are in place for the receiving of monies.
- **Authorise requests for expenditure** over £25,000 to ensure funds are appropriately applied, are value for money and in furtherance of the Charity's objects.
- Review and **monitor reserves** in line with the policy and report to the Corporate Trustee.
- Appoint professional investment advisors, to review the investment risk portfolio and **monitor investments**.
- Review the financial statements and annual report before submission to the Corporate Trustee.
- Keep the Corporate Trustee fully informed of the **activity, performance and risks** of the Charity.

Regard has been paid to the Public Benefit guidance published by the Charity Commission in December 2011. Systems and strategies have been reviewed to ensure compliance and shape future plans. The Terms of Reference has been amended and consideration is given before approving grants to embed the public benefit requirement.

The Committee has continued with its routine programme of efficacy reporting to follow up on the realisation of expected benefits from charitable expenditure. These reports have confirmed the positive impact of such expenditure and compliance with the objectives of the Charity. They have provided information to publicise the real benefits that are achieved from donating to this charity. One example is the funding of an aortic balloon pump for the Cardiology department.

Staff feedback was that:

“the length of stay has been reduced by 4 days for patients receiving an angioplasty procedure and this procedure has meant that patients living in the Wakefield area don't have to travel for treatment”

Administration

The accounting records and the day-to-day administration of the funds are undertaken by the Mid Yorkshire Hospitals NHS Trust finance department located at Pinderfields Hospital, Aberford Road, Wakefield, WF1 4DG.

The Charity has continued to subscribe to the Justgiving website, which has been popular with fundraisers choosing to use this website to raise and collect funds for sponsored events and general donations.

The Charitable Funds Committee has discussed the need for the Charity to further promote its activities, along with the need to have a dedicated focus with regard to fundraising. The main drive at present is to establish stronger links with local charities

**The Mid Yorkshire Hospitals NHS Trust Charitable Fund
Trustee Annual Report for the year ended 31st March 2012**

that have similar objects, to reduce the level of competition for funds in the local community, to benefit from synergies through joined up working and having common goals. However, given reduced rates of return on fixed income investments and an increased desire of fund holders to utilise their funds, the Committee remains open minded to ways that incoming resources can be increased going forward.

Types of fund accounts

The Charity's unrestricted fund was established using the model declaration of trust and all funds held on trust as at the date of registration were either part of this unrestricted fund or registered as separate restricted funds under the main charity. Subsequent donations and gifts received by the Charity that are attributable to the original funds are added to those fund balances within the existing Charity.

The Charity has the following types of funds:

- Designated Funds being those available for spending and allocated within the general unrestricted fund, in line with a donor's wishes. Designated funds are established on a basis consistent with the NHS Trust's management arrangements. Requests for expenditure from designated funds are reviewed by senior managers responsible for the service area to which the fund relates.
- Restricted funds being; the Arthur Armitage Fund a legacy which specifically stated that the funds are to be used to enable patients to live in the community, provided that they remain under the care of a Pinderfields Hospital Consultant, the Pinderfields Burns Research Fund, Spinal Injuries Unit and Pinderfields Chest Unit Services Fund. Two further restricted funds have been established in the year, Coronary Care and Cancer Services, as a result of the Charity being left a legacy.
- A permanent endowment of £5,000 was a legacy in 1994 to be invested and the income from the investment to be applied in the provision of gynaecological training.

The Corporate Trustee fulfils its legal duty by ensuring that funds are spent in accordance with the objects of each fund and by designating funds. The Trustee respects the wishes of our generous donors to benefit patients and staff for the improvement of patient care.

As a result of the Trust fully opening its new Private Finance Initiative (PFI) hospitals at Pontefract and Wakefield in 2010/11, the Charitable Funds Committee has continued to consolidate its designated funds in 2011/12, to better align them with changes in the delivery of services. This is to ensure that patient benefit is realised from the use of funds across clinical areas, for the population served by the Trust.

Risk Management

The risk register is a standing item on the Charitable Funds Committee's work plan. The risks are scored and any presenting with a high score are escalated to the Corporate Trustee. No risks of this nature were identified during the year.

The Mid Yorkshire Hospitals NHS Trust Charitable Fund Trustee Annual Report for the year ended 31st March 2012

The major risk to which the Charity is exposed is a fall in the value of its investments and the impact of any associated losses. Mindful of this risk, the level of investments exposed to stock market fluctuations is considered to be prudent. The Charity has professional fund advisors to provide advice on the investment risk portfolio. Further details are referred to in the section on Investments below.

Other risks identified were future income levels and unforeseen or imposed changes in the operation of the NHS, which are outside of the Trustee's control. The Trustee considers the extent of irrevocable forward commitments and its reserves policy such that any potential risks are minimised and appropriately managed.

The Charity is ordinarily risk averse in the management of its investments and future commitments. This recognises the basis on which funds are generously given and the value of good stewardship in the management of public funds.

Other key risks were losses due to fraud or error, adverse publicity, public perception and a lack of beneficiaries from activities. The Charity has systems and controls in place to mitigate these risks. The systems and policies as well as the risk register itself are reviewed by the Charitable Funds Committee on a regular basis.

Partnership Working and Networks

The patients of the Mid Yorkshire Hospitals NHS Trust are the main beneficiary of the Charity and the Trust is a related party by virtue of being Corporate Trustee of the Charity. The Corporate Trustee has full knowledge of the main activities, objectives and strategic plans of the Trust and is able to direct the funds to further the services of the Trust or local health economy in the most beneficial way.

Other beneficiaries of the Charity are NHS Wakefield (formerly Wakefield District Primary Care Trust) and NHS Kirklees (formerly Kirklees Primary Care Trust). Each organisation has a designated fund within the umbrella of the Charity and has an allocated Fund Manager from the respective organisation.

The Charity is ever grateful to those who have donated, provided legacies and fundraised on its behalf. The Trustee would like to thank those patients, staff, volunteers and the public for their generous donations and efforts to raise funds.

Close links have been maintained with other local organisations and charities and in particular the hospital League of Friends, Dr Jackson Cancer Fund, Stepping Stones (Pinderfields Spinal Injuries Centre Limited), The Hydes Hospital Trust, Coronary Care Support Group, Rotary Clubs and Wakefield Oncology and Leukaemia Fund from which significant contributions are gratefully received.

Objectives and Strategy

The Charity's main fund had NHS wide objectives as follows:

"The Trustee shall hold the trust fund upon trust to apply the income, and at their discretion, so far as may be permissible, for charitable purposes relating to

**The Mid Yorkshire Hospitals NHS Trust Charitable Fund
Trustee Annual Report for the year ended 31st March 2012**

the general or any specific purposes of the Mid Yorkshire Hospitals NHS Trust or to purposes relating to the health service”

The Trustee’s mission and aim is to raise income and manage funds for:

“the benefit of patients or towards the benefit of staff, which will result in improved patient care”

The Charity seeks to enhance the services provided by the Trust and fund additional items of expenditure, which would not otherwise be funded by the NHS.

The Charity has continued to fund items that will improve patients’ clinical care and wellbeing through education, introduction of new technologies, advances in diagnosis, new equipment and furnishings.

Many donations are specifically donated to thank staff for their care and assistance during attendance at hospital. Accordingly the Charity has funded items to benefit staff to include improvements to conditions of work and welfare and has supported education and training costs to increase knowledge, leading to improved patient care.

The Mid Yorkshire Hospitals NHS Trust mainly provides healthcare for NHS patients. The Trust has diversity and equality policies in place and patients have equal access which is free of charge. The number of private patients and income received from them is very small and any indirect benefit to these patients is incidental. All expenditure requests are reviewed to ensure that the policies and procedures are met so items of expenditure benefit the general public served by Mid Yorkshire Hospitals.

Activities of particular interest during the year include:

- Supporting children who are either currently or previously patients on the Burns ward as part of the ‘Burns Club’. Social outings are organised so patients and their parents/carers can receive advice from members of staff and develop a support network, in order to aid their recovery.

- A therapeutic bath was purchased for the patients at the Rosewood Centre, to allow patients to be more comfortable when attending the Centre. The benefits of the purchase were clear to members of staff, one of which said *‘Using the jacuzzi facility and the soft lighting and music can help with relaxation, anxiety and relieve pain.’*

- Supporting the work of a music therapist to work on the Neurological Rehabilitation Centre. This work attempts to encourage physical rehabilitation, promote social interaction as well as increase the self-esteem and confidence of patients, aiding their recovery.

- Assisting with improving the patient experience over the December holiday period by making the hospital setting a more welcoming place for inpatients. This includes the purchase of decorations for wards and small gifts for inpatients.

**The Mid Yorkshire Hospitals NHS Trust Charitable Fund
Trustee Annual Report for the year ended 31st March 2012**

Grant Making Policy

The Charity has designated funds, spread across departments, wards and local Primary Care Trusts. These designations are considered appropriate to ensure that the opportunity to benefit is not restricted to particular services and hence all patients, carers and local communities accessing the services of the Trust or local health economy may benefit.

A Fund Holder is appointed for each fund account. The Fund Holder is responsible for the administration of the account and for requesting expenditure from the fund. Before sending requests for expenditure to the Charitable Funds Team they are reviewed by a Fund Manager, who is ordinarily a senior manager of the Trust, and is responsible for fund accounts which fall within their area of responsibility.

The Charitable Funds Team processing the expenditure requests ensure that authorisation is gained from relevant personnel who have delegated authorisation limits within the Charitable Funds Policy. Trustee authorisation is required for any item of expenditure between £2,001 and £10,000, two Trustees between £10,001 and £25,000 and the Charitable Funds Committee over £25,001. The Charitable Funds Committee reports matters to the Corporate Trustee following each meeting. Any significant items of expenditure are reported as a matter of course.

The main areas of charitable activity are grants to equip new premises, purchase medical equipment, refurbishment of ward areas, staff education & welfare and patient welfare & amenities. The Charity provides grants to NHS organisations that have well established procurement processes in place so that the safety of individuals is not put at risk. More specific details of grants made are included within a review of our achievements section below.

Reserves Policy

The Trustee has an established reserves policy, in line with the guidance set out in the Charity Commission booklet CC19, *Charities' Reserves*. This policy provides additional scope and monitoring of significant designated funds. The calculation of reserves that are freely available will exclude designated funds which have been earmarked for specific projects in subsequent years.

In the year ended 31st March 2012 the reserves policy was as follows:

- to maintain sufficient reserves to meet current anticipated expenses and to secure the Charity's viability beyond the immediate future. Ordinarily this requires reserves not to fall below a level equivalent to 12 months expected expenditure.
- to redirect freely available reserves, in accordance with Charity objectives, should they not be applied within a reasonable period of their donation. Ordinarily this requires reserves not to rise above a level equivalent to 36 months planned expenditure.

**The Mid Yorkshire Hospitals NHS Trust Charitable Fund
Trustee Annual Report for the year ended 31st March 2012**

Unrestricted income funds held at the end of the year is £2,040,000 (2011: £2,194,000). This is the amount of freely available reserves against a lower limit target of £1,000,000 and an upper limit of £3,000,000.

The Trustee recognises that reserves continue to be held towards the upper limit of the policy. The Trustee has encouraged spend from the Charity to reduce reserves throughout the year, and whilst net incoming resources are being reported for the year to 31st March 2012, this is due to the receipt of an exceptionally large legacy, for which expenditure plans are being developed. Excluding this exceptional income would result in net outgoing resources reflecting that the aims of the Trustee, to encourage spend, is being achieved.

To effectively manage reserves, the Trustee has routinely required and reviewed expenditure plans from Fund Holders of designated fund accounts with a balance of more than £20,000. The Charitable Funds Committee has steered work with clinical service group boards of the Trust to embed charitable funds as a potential funding stream for improving patient care.

Our Future Plans

With this being the first full year of the new state-of-the-art hospitals at Pontefract and Wakefield being open, the areas of spending have changed somewhat, especially as many services and departments have been adapted to provide high quality care to the people throughout mid Yorkshire. The use of Charitable Funds is being encouraged to further enhance the improvement to patient care and wellbeing made possible by these developments. Charitable Funds will be utilised in future years, in order to enhance the level of care experienced by patients.

Forecast plans for expenditure from designated fund accounts with a balance in excess of £20,000 will continue to be reviewed, on a rolling basis, by the Charitable Funds Committee. The aim being to ensure that funds are used in furtherance of the charitable purpose, are applied appropriately within a reasonable time and full knowledge of hospital developments are considered.

Overall the Charity's future expenditure plans remain unchanged and it will continue to fund items for patient welfare and amenities, staff education, welfare and salaries as well as the continued investments in medical equipment and refurbishment.

The Board has worked with other local charities during the year. In previous years, Stepping Stones (Pinderfields Spinal Injuries Centre Limited, registered number 1124338) agreed to donate approximately £1,400,000 to the Mid Yorkshire Hospitals NHS Trust to construct and equip additional hospital facilities at Wakefield. Further monies were donated from Stepping Stones to this Charity in 2010/11 to purchase general equipment and for a specific list of equipment. These items of equipment were identified from discussions with clinical staff mainly for use in the Stepping Stones Annex. This relationship has continued in 2011/12, with Stepping Stones agreeing to donate further monies to purchase additional equipment.

The Mid Yorkshire Hospitals NHS Trust Charitable Fund Trustee Annual Report for the year ended 31st March 2012

The Charitable Funds Committee is seeking opportunities for furthering fundraising activities, enhancing partnership working with relevant local charities and to develop a long term strategic fundraising plan.

In April 2011, as a result of the Department of Health's guidance on Transforming Community Services, to separate provider functions by Primary Care Trusts, a number of services have been transferred from NHS Wakefield to Mid Yorkshire Hospitals NHS Trust. Charitable funds related to these services have been included in this Charity. A total of 3 unrestricted, designated funds with a value of £14,000 have been treated as 'other incoming resources' in the accounts to 31st March 2012.

A Review of our Finances, Achievements and Performance

The net assets of the Charitable Funds as at 31st March 2012 were £2,887,000 (2010/11: £2,574,000). Overall net assets increased by £313,000 (2010/11: £293,000 decrease) due to gains in returns on investments and the Charity receiving an exceptionally large legacy in the year.

The Charity continues to rely on donations, legacies and investment income as the main sources of income. Total incoming resources were £849,000 (2010/11: £954,000). Income from donations has significantly decreased to £204,000 from £795,000 in 2010/11. This decrease is a direct result of donations from Pinderfields Spinal Injuries Centre Limited (formerly known as Stepping Stones) which totalled £550,000 in 2010/11 and helped fund the equipping of the new spinal injuries centre at Pinderfields. The decrease in donated income has been offset by the receipt of an exceptionally large legacy in 2011/12. Income from legacies has increased to £561,000 from £101,000 in 2010/11.

In the year to 31st March 2012, there was a decrease in total expenditure of £609,000 on the previous year (2011/12: £668,000, 2010/11: £1,277,000), expenditure on direct charitable activity, including support costs, was £648,000 (2010/11: £1,257,000). In 2010/11, charitable funds were used to enhance equipment and patient facilities for the opening of the new hospitals. A decrease in the level of expenditure was therefore expected for 2011/12 with less 'large scale' investment being anticipated.

Land and Buildings

The amounts spent in 2011/12 totalled £39,000 (2010/11: £20,000) as a result of small works that have taken place in the year to amend existing buildings to improve the patient experience. One example of this is the commitment to add artwork at Pinderfields Hospital to provide an improved healing and working environment.

Purchase of Medical Equipment

The Charity funded items of medical equipment totalling £336,000 in 2011/12 compared to £679,000 in 2010/11. This decrease was expected as clinical staff took advantage of charitable funds to purchase additional equipment for the new hospitals in 2010/11. Opportunities to purchase new items of equipment in 2011/12 have remained. This included the purchase of Phacoemulsification units for the Ophthalmology department. Patient benefits identified were reduced risk of infection and complications and patients being more comfortable post-surgery. The Charity has

**The Mid Yorkshire Hospitals NHS Trust Charitable Fund
Trustee Annual Report for the year ended 31st March 2012**

also provided a grant to purchase equipment to support 24 hour ECG tests to assist in providing better treatment for cardio respiratory patients.

Refurbishment

Refurbishment costs are £51,000 (2010/11: £28,000). These costs have increased as a result of clinical areas being adapted to meet their specific needs. The Emergency Department at Dewsbury was refurbished to provide a better environment for patient care.

Staff education, welfare and salaries

Staff education, welfare and salaries of £113,000 (2010/11: £163,000) includes the cost of funding NHS staff to attend training courses to further their professional knowledge and improve patient care. It also covers costs to improve staff working conditions and environments by funding costs for additional computer equipment, furniture, reference materials and medical journals.

Patient welfare and amenities

Patient welfare and amenities of £109,000 (2010/11: £367,000) includes items to improve the clinical environment, to make a patient's visit more pleasant and to fund additional or alternative care plans. This decrease is a result of the additional patient equipment for the Spinal Injuries Unit and Stepping Stones Annex in 2010/11. The Charity has funded items such as reclining chairs, televisions, play items for paediatric departments, small gifts for inpatients over the Christmas period and the Burns Camps. Burns Camps are activity holidays to give children the opportunity to develop networks with others who have suffered burns injuries.

Investments

Investment policy

The aim of the investment policy is to minimise risk and generate an attractive rate of interest. The Investment objectives of the Charity are:

- Maximise income, funds are intended to be used
- Hold a secure capital base, with capital growth in long term ongoing funds
- Maintain liquidity
- Invest in ethically and environmentally sound sources
- Obtain value for money advice and management charges
- Low risk and prudent approach
- Steady and predictable flow of income

The Corporate Trustee will not invest in securities of organisations involved in activities that are inconsistent with NHS objectives and ethos.

**The Mid Yorkshire Hospitals NHS Trust Charitable Fund
Trustee Annual Report for the year ended 31st March 2012**

Performance of Investments

The Trustee, through the Charitable Funds Committee, made an informed decision to remain with all fixed asset investments being held in Government Stocks for the foreseeable future. This was considered prudent to protect the assets of the Charity, to reduce the exposure and volatility associated with other types of investments and maintain the portfolio in line with the Charity's attitude to risk. The Charity has had no exposure to capital erosion in the recent volatile periods.

The Charitable Funds Committee has sought advice from its Investment Managers during the year as a result of continued low interest rates and a questionable outlook of the future of the economy. The Charity has continued to benefit from an increase in the market price of Government Securities as investors still see Government Stocks as a safe haven for capital, given the uncertain economic future. However, it was inevitable that stocks would fall in value as they reached their redemption date. With this in mind, it was decided to dispose of a fixed rate gilt maturing in 2017, in line with professional advice. Proceeds from the sale were reinvested in an index-linked gilt to better align the investment policy and balance the risk portfolio for inflationary and deflationary market pressures.

A gilt maturing in March 2012 was held to maturity to reduce transaction costs. Fixed term bonds with RBS matured in July 2011 and February 2012 and the proceeds were used to fund working capital.

Due to the Charity purchasing long dated index linked gilts in the previous 3 years and commercial interest rates remaining at a low and stable level, there has been a net gain of £132,000 in 2011/12 on realised and unrealised gains/losses on investment assets (2010/11: £30,000).

Investments in Government Securities yielded gross income of 2.5% for the year ended 31st March 2012 (2010/11: 2.3%) as a result of the movement into index linked Gilts.

The Charity has deposits in a Charities Official Investment Fund (COIF) Deposit Fund, which are held as short term investment funds. The COIF Deposit Fund invests in interest bearing deposits and pays a variable rate of interest based on returns that the fund earns. The COIF's Deposit Fund's assets are well spread across a range of institutions, with a Fitch credit rating of AAA/V1 and an income reserve is also maintained by them as a provision against potential default of counterparties.

The aim of the investment portfolio is to have low risk, a steady and predictable flow of income, capital available when needed and capital certainty on redemption. Given these objectives it is difficult to identify a relevant benchmark to measure performance against. The strategy has however protected the charity from capital erosion and the Trustee, through the Charitable Funds Committee considers that the Charity has achieved its investment objectives.

**The Mid Yorkshire Hospitals NHS Trust Charitable Fund
Trustee Annual Report for the year ended 31st March 2012**

Thank You

On behalf of the patients and staff who have benefited from improved services due to donations and legacies, the Corporate Trustee would like to thank all those individuals, families and societies which so generously donated funds during the year.

Approved on behalf of the Corporate Trustee



DATE: 31st May 2012

Should you wish to donate please complete the attached form and send a cheque, made payable to The Mid Yorkshire Hospitals NHS Trust Charitable Fund, to The Charitable Funds Team, Room 8 Stanley Hall Annex, Pinderfields Hospital, Aberford Road, Wakefield, WF1 4DG.

Or if you would like to set up a sponsorship page and donate the proceeds to this Charity you may also use the Justgiving website www.justgiving.com/midyorkshospital

Donation details

Name: _____

Address: of _____

give to The Mid Yorkshire Hospitals NHS Trust Charitable Fund the sum of £ _____

for the general purpose of that Charity. Without imposing a separate trust, I desire they use such sum for the preferred area or fund: _____

I would like to gift aid my donation. I am a UK taxpayer and the tax I will pay in this tax year will exceed the amount you can reclaim on this donation.

Signature: _____