

**The Mid Yorkshire Hospitals NHS Trust Charitable Fund  
Trustee Annual Report for the year ended 31 March 2014**

**Foreword**

The Corporate Trustee, the Mid Yorkshire Hospitals NHS Trust (the Trust), presents The Mid Yorkshire Hospitals NHS Trust Charitable Fund's (the Charity's) annual report together with the audited financial statements for the year ended 31 March 2014.

The Charity's annual report and financial statements for the year ended 31 March 2014 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 annual 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 J Preston M.B.E	-	Chairman
Mr T Carter	-	Non-Executive Director
Mr T Lake	-	Non-Executive Director
Mr D Sheard	-	Board Advisor to 28 February 2014
Mrs L Scott	-	Non-Executive Director
Ms P Lumley	-	Non-Executive Director from 1 April 2013
Ms C Sweeney	-	Non-Executive Director from 1 May 2013
Mr D Hicks	-	Board Advisor to 19 November 2013
Mr S Eames	-	Interim Chief Executive to 16 August 2013 and Chief Executive from 1 September 2013
Ms H Thomson	-	Interim Chief Nurse to 25 April 2013
Ms S Napper	-	Chief Nurse from 5 May 2013
Mr R Chadwick	-	Finance Director
Ms C Langrick	-	Chief Operating Officer/Deputy Chief Executive to 21 April 2014 and Acting Chief Executive from 17 to 31 August 2013
Dr R Jenkins	-	Medical Director

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

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**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 9 restricted (2012/13: 7), one permanent endowment and one unrestricted fund. There are 134 (2012/13: 135) designated funds within the unrestricted fund as at 31 March 2014 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 Charity 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 Preston M.B.E	-	Chair
Mr T Lake	-	Non Executive Director
Mr R Chadwick	-	Finance Director
Ms C Langrick	-	Chief Operating Officer

**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 Charity 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.

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**Principal Office**

The principal office for the Charity is:

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

**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 31 March 2014**

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

#### **Corporate Trustee**

Non-Executive Members of the Trust Board are appointed by NHS Trust Development Authority from 1 April 2013 (previously 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.

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. The induction pack and process is planned for update in 2014/15 by the Company Secretary.

The Charitable Funds Committee receives updates of Charity Commission guidance, feedback from courses, has considered the impact of non-consolidation of the Charity in the Trust's accounts for 2013/14 and reported key issues to the full Board.

To support this further, key matters discussed at Charitable Funds Committee are reported to the Board and a separate Corporate Trustee meeting is held where financial statements are reviewed and governance issues 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.
- 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.

## **The Mid Yorkshire Hospitals NHS Trust Charitable Fund Trustee Annual Report for the year ended 31 March 2014**

Regard has been paid to the Public Benefit guidance published by the Charity Commission. 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 and independence 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. One example is the funding of an image intensifier X-ray unit which is used in theatres for plastic surgery patients.

The feedback is that:

“Staff and consultant plastic surgeons are delighted with the system. The purchase of the image intensifier from charitable funds has really been helpful and beneficial both for patients and staff. The system is in use daily and has taken pressure off Radiographers who would previously have had to wait around just in case x-rays were needed. The system has also enabled us to start up a course on plastic surgery for external organisations which has put Mid Yorkshire on the map.”

### **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. Given reduced rates of return on fixed income investments and fund holders being encouraged to utilise their funds, the Committee remains open minded to ways that incoming resources can be generated 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.

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- 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, Pinderfields Chest Unit Services Fund, Coronary Care, Cancer Services, Urology, Heartstart and Colorectal and Cancer Services.
- 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.

### **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 is escalated to the Corporate Trustee. No risks of this nature were identified during the year.

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 key risks were losses due to fraud or error, adverse publicity leading to loss of beneficiary and donor confidence, and loss of income being generated. 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. The Committee has also received a report from Internal Audit giving significant assurance on its systems and controls.

### **Partnership Working and Networks**

The Mid Yorkshire Hospitals NHS Trust is the Corporate Trustee of the Charity. NHS patients receiving treatment or accessing services at the Trust are the main beneficiaries of these charitable funds. Close networks are established between the Charity and the Trust to ensure charitable funds are directed to further services in line with the main activities, objectives and strategic plans of the Trust and local health economy. The Trust is a related party by virtue of being Corporate Trustee of the Charity.

Other beneficiaries of the Charity were NHS Wakefield Clinical Commissioning Group (formerly Wakefield District Primary Care Trust) and NHS North Kirklees Clinical Commissioning Group (formerly Kirklees Primary Care Trust). Each organisation had a designated fund within the umbrella of the Charity and had an allocated Fund Manager from the respective organisation. Due to the demise of Primary Care Trusts from 31 March 2013, these organisations had been actively spending funds. There remain only small balances, which will be granted for services for which they were originally donated. Where these services fall within the local Clinical Commissioning Groups' remit, close networks are maintained to spend donated funds in line with a donor's wish.

## **The Mid Yorkshire Hospitals NHS Trust Charitable Fund Trustee Annual Report for the year ended 31 March 2014**

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.

The Charity has benefited from customers' of Sainsbury's at Dewsbury choosing the Rosewood Centre at Dewsbury and District Hospital to be its local charity from September 2012 until July 2013. The Charity received almost £3,000 from this partnership. The Rosewood Centre is a palliative day support and therapy unit, caring for patients, along with their families and carers. These funds will be used to provide aromatherapy products and therapy items including art and craft materials.

Close links have been maintained with other local organisations and charities and in particular the, 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.

There has been increased fundraising activity from patients, relatives, the general public and local organisations. A number of substantial donations made from these activities have not only benefited patients but have provided support to families and friends who have been through difficult times.

### **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 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 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

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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 grant has been approved for up to £125,000 for equipment and associated items to support a new modern paediatric assessment unit at the Dewsbury & District Hospital.
- A number of bids supported from general purpose funds including recliner chairs for the discharge lounge, a laser baby band printer facility and video conferencing facilities.
- The Charity provided gifts during the Christmas period for all in-patients at Pontefract Hospital, Dewsbury & District Hospital, Pinderfields Hospital and intermediate care homes.

### **Grant Making Policy**

The Charity has designated funds, spread across wards and departments. 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.

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 £5,001 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 & resource 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 the 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, *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.



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In the year ended 31 March 2014 the reserves policy is as follows:

- To maintain sufficient reserves to meet current and anticipated expenses, potential fluctuations in the value of investments and to secure the Charity's viability beyond the immediate future. Ordinarily this shall require reserves not to fall below a level equivalent to 12 months expected expenditure.
- To anticipate where reserves which are freely available to be applied shall rise above a level equivalent to 36 months planned expenditure, the Trustees reserve the power to redirect such funds in accordance with charity objectives.

Unrestricted income funds held at the end of the year is £1,786,000 (2013: £1,949,000). 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 has encouraged spend from the Charity to reduce reserves throughout the year, and this has resulted in net outgoing resources.

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 the Business Case Approval's Group and clinical service group boards of the Trust to embed charitable funds as a potential funding stream for improving patient care.

### **Our Future Plans**

The use of charitable funds is being encouraged to enhance and improve patient care and wellbeing.

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 decisions are made having full knowledge of hospital developments.

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

### **A Review of our Finances, Achievements and Performance**

The net assets of the Charity as at 31 March 2014 were £2,388,000 (2012/13: £2,588,000). Overall net assets have decreased by £200,000 due to spend being encouraged by the Trustees and income remaining similar to the previous year.

The Charity continues to rely on donations, fundraising by members of the public, legacies and investment income as the main sources of income. Total incoming resources were £310,000 (2012/13: £313,000). Income from donations has remained similar at £157,000 in 2013/14 compared to £153,000 in 2012/13. By the nature of donations they are ad-hoc and fluctuations can be expected. There is a slight change in the mix of income with legacy income decreasing

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to £82,000 from £105,000 in 2012/13 and income from fundraising, by members of the public, increasing to £39,000 from £18,000 in 2012/13.

In the year to 31 March 2014 total expenditure is £393,000 (2012/13: £721,000). Expenditure on direct charitable activity, including support costs, was £372,000 (2012/13: £703,000). Some significant grants, committed and included in expenditure in 2012/13, were paid out in 2013/14. Details are provided under the charitable activity headings below.

### **Land and Buildings**

Expenditure of £1,000 on Land and Buildings relates to a commitment in 2012/13 to fund a conservatory at the Rosewood Centre, which houses palliative day care services. Planning work on the conservatory has been finalised in year, the build is expected to be completed in 2014/15.

### **Purchase of Medical Equipment**

The Charity funded items of medical equipment totalling £48,000 in 2013/14 compared to £479,000 in 2012/13. A significant item in 2012/13's expenditure was a grant to provide an additional catheterisation laboratory with diagnostic imaging for treatment of coronary care patients. The majority of this grant, £201,000, has been utilised in 2013/14. The remaining decrease in medical equipment expenditure relates to grants that have been reversed unused from previous years where the equipment is no longer required. Other items of medical equipment funded in 2013/14 are infusion pumps, hoists and diagnostic equipment.

### **Refurbishment**

Refurbishment costs of £1,000 (2012/13: nil) relates to alteration work to rooms to improve the environment for patients.

### **Staff education and resources**

Staff education and resources of £25,000 (2012/13: £44,000) includes the cost of funding reference materials and training courses for NHS staff to further their professional knowledge and improve patient care.

### **Patient welfare and amenities**

Patient welfare and amenities of £297,000 (2012/13: £147,000) includes items to improve the clinical environment, to make a patient's visit more pleasant and to fund additional or alternative items of equipment. In 2013/14, a significant grant of £125,000 was agreed by the Charity to fund additional items for the paediatric department at Dewsbury and District Hospital and will include play equipment to improve the environment for children. The Charity has funded craft items, sensory equipment, therapy items and small gifts for inpatients over the Christmas period. The Charity has continued to hold funds for the Pinderfields' Burns Camp. This is a club providing activity holidays for children with burns injuries, to give them the opportunity to develop networks with others who have also been through similar experiences.

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## **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:

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

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

### **Performance of Investments**

During the course of the year CCLA, an investment management firm that specialises in managing charity assets, replaced Brewin Dolphin as managers of the funds after a formal review. The new manager meets with the Charitable Funds Committee periodically to review performance and discuss changes in investment markets that are likely to impact the Charity. At the same time the investment policy was revisited and refreshed.

The investments in GILTS were sold during the year and the new investment portfolio was set up on 31 October 2013. Monies are invested in a variety of CCLA funds. All of these funds are Common Investment Funds, pooled vehicles designed expressly for charities. As such they provide a good level of security for the assets while maintaining liquidity. The mix of funds used and proportions in each have been selected in order to meet the investment objective of producing a rate of total return that will maintain the real value of the funds over time while controlling volatility of returns. These funds also enable the Trustee to invest in a cost effective way that is consistent with NHS objectives and ethos.

Performance of the CCLA funds in which the Charity's funds are invested have a good track record and recent performance over the short period that the funds have been invested has been in line with expectations.

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**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: 26<sup>th</sup> June 2014

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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](http://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:** \_\_\_\_\_