

**The Annual Report and Accounts of
the Charitable Trust Funds held by
South Eastern HSC Trust for the
year ended 31 March 2023**

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

On

7 July 2023

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Annual Report of the Trustees of the Charitable Trust Funds held by the South Eastern Health & Social Care Trust for the year ended 31 March 2023

INTRODUCTION

This is the annual report for the (Charitable) Trust Funds held by the South Eastern Health and Social Care Trust ('Charitable Trust Funds') for the year 1 April 2022 to 31 March 2023.

Under Article 91 of the Health and Personal Social Services (NI) Order 1972 (as amended by Article 6 of the Audit and Accountability (Northern Ireland) Order 2003), the South Eastern Health and Social Care Trust is required to prepare annual accounts in respect of endowments and other property held on trust by it in a form determined by the Department of Health (DoH). This format is in accordance with the requirements of the Charities Statement of Recommended Practice (SORP) (FRS 102).

REFERENCE AND ADMINISTRATIVE DETAILS

Address of Principal office

South Eastern Health and Social Care Trust
Trust Headquarters
Ulster Hospital
Upper Newtownards Road, Dundonald
Belfast
BT16 1RH

Telephone number: 028 90 553100

Comments

If you have any comments about this report, or would like extra copies, please telephone 028 90 553100.

Trustee Arrangements

Under the Health and Personal Social Services (NI) Order 1972, as amended by Article 16 of the Health and Personal Social Services (NI) Order 1991, the Board of the South Eastern Health & Social Care Trust (the Trust) are the Trustees of the Charitable Trust Funds. During 2022/23 this constituted the following:

Non-executive members

Mr Jonathan Patton	Chairman
Mrs Helen Minford	Chair of Charitable Trust Funds Committee
Mr Noel Brady	
Dr Maura Briscoe	
Mr Maynard Mawhinney	
Mrs Joan O'Hagan	

Executive members

Name	Post	Dates
Mrs Roisin Coulter	Chief Executive	Throughout 2022/23
Ms Nikki Patterson	Deputy Chief Executive Director of Primary Care, Elderly & Nursing	Throughout 2022/23
Mrs Wendy Thompson	Director of Finance and Estates	Throughout 2022/23
Mrs Helen Moore	Director of Planning, Performance & Informatics	From 1 June 2022
Ms Naomi Dunbar	Interim Director of Planning, Performance & Informatics	To 31 May 2022
Dr Charlie Martyn	Medical Director	Throughout 2022/23
Ms Claire Smyth	Interim Director of Human Resources & Corporate Services	Throughout 2022/23
Mrs Barbara Campbell	Director of Children's Services/Social Work	To 31 August 2022
Mrs Lyn Preece	Director of Children's Services/Social Work	From 1 September 2022
Mrs Margaret O'Kane	Director of Adult Services & Healthcare in Prisons	Throughout 2022/23
Mr David Robinson	Director of Hospital Services	Throughout 2022/23
Mrs Maggie Parks	Director of Surgery, Elective Care, Maternity and Paediatrics	From 6 February 2023

The Trustees have delegated responsibility for the on-going management of funds to the Charitable Trust Funds Committee. The South Eastern Health and Social Care Trust Charitable Trust Funds is on the deemed list of charities as it is registered with His Majesty's Revenue and Customs for charitable tax purposes. The Trust has liaised with the Charity Commission for Northern Ireland to register its Charitable Trust Funds as a charity and work towards this will commence in 2023/24. The charity number is currently outstanding.

The Trustees employed the following professional advisors during the year:

Auditors

Northern Ireland Audit Office
106 University Street
Belfast
BT7 1EU

Bankers

Bank of Ireland
82a, Main Street
Bangor
Co Down
BT20 4AG

Bank of Ireland
Belfast City Branch
1 Donegall Square South
Belfast
BT1 5LR

Solicitors

Directorate of Legal Services
Business Services Organisation
2 Franklin Street
Belfast
BT2 8DQ

Principal Advisors

(Advisors in relation to the Common Investment Fund)
Brewin Dolphin Limited
11th Floor, Lanyon Place, East Tower
8 Lanyon Place
Belfast
BT1 3LP

Structure, governance and management

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

The Charitable Trust Funds Committee is the forum responsible for providing assurance to the Trust Board on all aspects of the stewardship and management of funds donated or bequeathed to the Trust. The Charitable Trust Funds Committee is authorised by the Trust Board to undertake any activity within its terms of reference. It is authorised to seek advice from whatever source it deems to be appropriate in order to fulfil its function.

Membership of the Charitable Trust Funds Committee during 2022/23 was as follows:

Ms Helen Minford	Non-executive Director (Chair)
Mrs Wendy Thompson	Director of Finance and Estates
Mrs Nicki Patterson	Deputy Chief Executive & Director of Primary Care, Elderly and Nursing
Dr Charlie Martyn	Medical Director
Ms Lyn Campbell	Assistant Director of Finance

During 2022/23, the Committee held 3 meetings to oversee the administration of the Charitable Trust Funds, their investment and disbursement. There was 93% attendance at meetings during the year.

The roles and responsibilities of the Charitable Trust Funds Committee in relation to the management and governance of the funds are set out within its terms of reference as follows:

The role of the Committee is to oversee the administration, including banking arrangements, of Charitable Trust Funds, their investment and disbursement.

The normal purposes to which funds may be applied include all relevant expenditure likely to assist in the provision of health and social care services in accordance with current legislation, policies and procedures relevant to Charitable Trust Funds in accordance with Standing Financial Instructions and other associated regulations.

The Charitable Trust Funds Committee has delegated the approval of expenditure over £50,000 to a Non-Executive Director and Executive Director, when approval is required outside of the cycle of the meetings. This is to ensure that expenditure is approved on a timely basis. Whenever practicable, approvals over £50,000 will be approved at the Charitable Trust Funds Committee. The delegated limits for Charitable Trust Fund expenditure below £50,000 is laid out in the Trust's "Procedures for the Management of Charitable Trust Funds – Guidance to Fund Managers", available on the Trust's intranet site, i-Connect.

The Committee will:

- Satisfy itself that Charitable Trust Funds are managed in line with guidance in the Trust's Standing Financial Instructions, Departmental guidance and legislation;*
- Ratify the creation of a new fund by the Director of Finance where funds and/or other assets are received from donors in circumstances where the wishes of the donor cannot be accommodated within the scope of an existing fund;*
- Make recommendations on the potential for rationalisation of funds within statutory guidelines;*
- Ensure that assets in ownership of, or used by, the Charitable Trust Fund will be maintained with the Trust's general estate and inventory of assets;*
- Ensure that funds are not unduly or unnecessarily accumulated;*
- Ensure that an Annual Report of the Trustees of the Charitable Trust Funds is produced as part of the annual accounts process for the Charitable Trust Funds;*
- Seek assurance that expenditure from Charitable Trust Funds is subject to appropriate value for money considerations including proper procurement procedures where applicable;*

- *Ensure that Annual Accounts are prepared in accordance with Department of Health (DoH) guidelines and submitted to the Trust Board within agreed timescales;*
- *On behalf of the Trust Board, and on the advice of the Senior Management Team, the Committee will authorise appropriate policies and procedures in relation to Charitable Trust funds.*

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

There are no key management personnel employed within the Charitable Trust Funds and there are no employees. All management and administration duties are performed by employees of the Trust and a management fee to cover the direct costs of managing the funds is charged to the Charitable Trust Funds.

Objectives and Activities

The objectives of the Charitable Trust Funds held by South Eastern Health and Social Care Trust in 2022/23 were to ensure that donations received by the Trust were appropriately managed, invested, expended and controlled, in a manner that is consistent with the purposes for which they were given and with the Trust's Standing Financial Instructions, Department of Health guidance and legislation.

The expenditure for the year was in line with the defined and specified purpose for which the individual funds were formed. An annual expenditure budget was agreed for the year by the Charitable Trust Funds Committee.

Achievements and Performance

During the year funds were deployed to support a number of initiatives, outlined in the table below. These items reflect only a fraction of the schemes progressed by the Trust. This would not be possible without the generous support of the community which we serve, for which the Trust is tremendously grateful.

Category	Area of Expenditure	Total £000	Source of Funding
Administration & Audit	Accounting System Licences & Maintenance	3.1	Historic Funds
	Audit	6.5	Historic Funds
	Recharge for Finance Staff Time	77.7	Historic Funds
Building & Refurbishment	Upgrade of courtyard for rest area by staff	116.6	DoH £3m
Patient education and welfare	Christmas Expenses	8.7	Historic Funds
	Non Christmas Activities	63.4	Historic Funds

Purchase of equipment	Furniture & Fittings	14.3	Historic Funds
	Medical & Surgical Equipment	54.8	Historic Funds
	Software Licence for 300 staff	7.5	Historic Funds
	Video Conference Equipment	7.5	Historic Funds
Specific Projects	Advanced Nurse Practitioner	111.7	Historic Funds
	Clinical Fellow - Therapeutic Endoscopy	26.9	Historic Funds
	Gynae Oncology Clinical Nurse Specialist	26.1	Historic Funds
	Staff Psychological Therapy	42.3	NHS Charities Together Grant
	Therapeutic Activities for Vulnerable Children	67.5	Historic Funds
	Dementia Navigators for Ulster Hospital ED (Emergency Department)	47.6	NHS Charities Together Grant
Staff education and welfare	Conferences & Courses	47.5	Historic Funds
	Licence for Staff Wellbeing Support System	16.5	Historic Funds
	Free Canteen Food for Staff – Spring 2022	115.8	DoH £3m
	Staff Reconnect Events	91.3	DoH £3m
	Staff Amenities	14.3	DoH £3m
Other	COVID Photobook for Staff	54.2	DoH £3m
	Printing Stationery / Books & Publications	8.8	Historic Funds
Totals		1,030.0	

Investment

The Common Investment Fund (CIF) continues to hold funds invested on behalf of the South Eastern Charitable Trust Funds. During 2022/23, the Charitable Trust Funds Committee (CFC) continued to review the performance of funds invested through CIF. The net market value of funds invested at 31 March 2023 was just under £7.4 million (m). This was a decrease from the value held at 31 March 2022 (£8.8m) largely due to a £1m withdrawal made from the CIF into the Charitable Funds bank account and investment losses recognised in the accounts. The nature of investments is such that they will fluctuate in line with prevailing economic circumstances.

FINANCIAL REVIEW

The financial statements have been prepared in accordance with the Charities Statement of Recommended Practice (SORP), previously SORP 2005, applicable to charities preparing their accounts in accordance with FRS102 in the UK and Republic of Ireland and with relevant guidance issued by the Department of Health.

The Trust holds three types of Charitable Trust Funds, namely Restricted, Unrestricted and Endowment and under these main headings there were 112 named funds at 31 March 2023.

Where there is a legal restriction on the purpose for which a fund may be used, the fund is classified either as an endowment fund, where the donor has expressly provided that only the income of the fund may be expended, or as a restricted fund, where the donor has provided for the donation to be spent in furtherance of a specified charitable purpose. Unrestricted funds allow Trustees greater freedom in their application in line with the objectives of the Charitable Trust Funds. The use of each fund is strictly

controlled to ensure that the aims of the individual funds are met and any donor’s wishes delivered.

Review of the year 2022/23

Income

During the year income totalling £384k was received (£377k in 2021/22). Donations & grants received totalled £254k (£273k in 2021/22). Investment income was £130k (£104k in 2021/22).

There were no significant donations/grants received during the year:

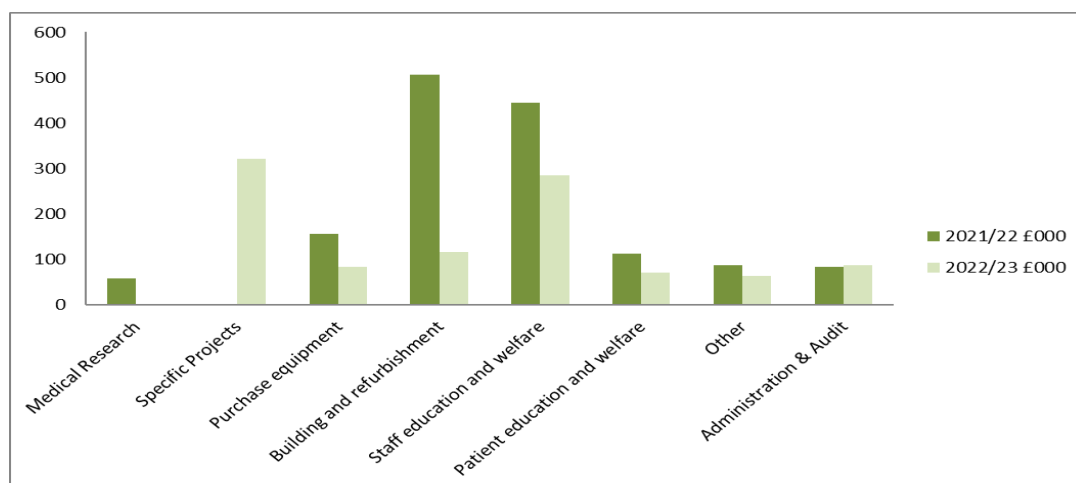
Expenditure

Total direct charitable expenditure for the year amounted to £1,030k (£1,449k in 2021/22). The main items of expenditure related to supporting 6 specific projects (£322k), staff education and training (£285k), the refurbishment of outdoor space for staff and patients (£117k), service user activities (£72k) and the purchase of medical & surgical, video conferencing equipment and furniture (£84k).

Total governance costs amounted to £87k and comprise financial administration of the funds inclusive of audit fees (£84k) and the licences/maintenance of the accounting software (£3k).

The following chart illustrates Charitable Trust Fund expenditure for the 2 financial years 2021/22 and 2022/23.

Charitable Trust Fund expenditure (£k) 2021/22 and 2022/23



Financial position at year end

Total fund balances were £7,710k, comprising £6,570k of restricted and £1,079k of unrestricted funds. Endowment funds totalled a further £61k. This is a total decrease of £1,227k from the previous year. The component parts of this decrease are:

Income

- £ 58k NHS Charities Together Grants
- £196k all other donations
- £130k of dividend income

Less

- £1,023k direct charitable expenditure
- £588k from unrealised losses on revaluation of the investment fund

Financial Controls

The Trustees are aware of their financial responsibilities for the money that is held on trust. The Chair of the Charitable Trust Funds Committee reports to the Trust Board on a regular basis and fund managers are circulated with details of their fund balances throughout the year. Appropriate policies and procedures are in place to ensure these responsibilities are adequately discharged, and these are reviewed on a regular basis.

Statement of risk

The management of risk in relation to the Charitable Trust Funds is closely aligned with the Trust's risk management procedures.

Reserves policy

The Charitable Trust Fund does not currently enter into future commitments and so have not created any reserves for this. Activities are authorised only when funding is available.

Investment Policy

For investment purposes the balances on the Charitable Trust Funds are pooled together with those of the NI Ambulance Service and Belfast HSC Trust and invested in the Common Investment Fund (CIF). The Trust plans to continue to use the CIF for the investment of surplus funds and as part of that arrangement, will continue to seek professional advice in this matter.

Since inception the portfolio has returned 66.13% (73.08% as at 31 Mar 2022) and the FTSE100 has returned 56.02% (47.78% as at 31 Mar 2022). Relative performance continues to be strong, although it should be noted the FTSE has turned around its poor lack of form, buoyed as it is by the over prevalence of financial, commodity and energy stocks, all of whom have performed relatively well following the increase in commodity prices and consequently inflation and interest rates throughout 2022.

As of 31st March 2023, the total Common Investment Fund portfolio was valued at £68.0m (£71.5m at 31 March 2022). The portfolio generated income of £1.1m in 2022/23 (£1.0m in 2021/22). At 1st June 2014 (the date that the current investment manager commenced) the portfolio was valued at £48.27m.

Plans for future periods

Looking forward to 2023/24 with the financial outlook for the Trust becoming increasingly challenging, it is likely that managers will continue to look to the Charitable Trust Funds to support a number of initiatives, particularly in relation to staff training and education along with purchase of medical equipment. The Charitable Trust Funds Committee is aware that the current financial climate will likely see a continued reduction in charitable donations and therefore a measured approach to supporting bids for funding will be required in order not to deplete the available funds too rapidly.

Introduction of the Charities Act (NI 2008)

The Charities Act (NI) 2008 provides the broad legislative framework for charities in Northern Ireland. It established the requirement for a compulsory register of all charities operating in Northern Ireland, it provided a charity test to define what is and what is not a charity, it put in place new requirements for all public collections and it established a Charity Commission. While the legislation provides this broad framework, amendments are required to the legislation which has not yet been approved by the NI Assembly. There is currently a register in place. The South Eastern Health & Social Care Trust Funds is on the deemed list of charities as it is registered with His Majesty's Revenue and Customs for charitable tax purposes.

The test to define what constitutes a charity under the legislation requires two criteria to be met; namely to be established for charitable purposes and to provide a public benefit. An examination of the Act and the draft guidance from the Charity Commission indicates that the Trust's Charitable Trust Funds meet these criteria and therefore is required to register as a charity. The Trust met with the Charities Commission NI (CCNI) in 2022 and is aiming in 2023 to commence the process required that will ultimately result in registration in 2025. Preparatory work for the proper alignment of designated purposes of historical funds including, where appropriate, legal application to the courts for use of the cy pres doctrine is the first stage in the process.

This Trustee's report was approved at the meeting of the Board on 28 June 2023.



Roisin Coulter
Chief Executive
28 June 2023

SOUTH EASTERN HEALTH AND SOCIAL CARE TRUST - CHARITABLE TRUST FUNDS

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

Opinion on financial statements

I certify that I have audited the financial statements of the South Eastern Health and Social Care Trust's Charitable Trust Funds for the year ended 31 March 2023 under the Health and Personal Social Services (Northern Ireland) Order 1972, as amended. The financial statements comprise: the Statement of Financial Activities, the Balance Sheet, Statement of Cash flows and the related notes including significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom accounting standards including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In my opinion the financial statements:

- give a true and fair view of the state of South Eastern Health and Social Care Trust's Charitable Trust Fund's affairs as at 31 March 2023 and of its incoming and expenditure of resources for the year then ended; and
- have been properly prepared in accordance with the Health and Personal Social Services (Northern Ireland) Order 1972, as amended and Department of Health directions issued thereunder.

Opinion on regularity

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

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK), applicable law and Practice Note 10 'Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom'. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of this certificate.

My staff and I are independent of South Eastern Health and Social Care Trust's Charitable Trust Funds in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK, including the Financial Reporting Council's Ethical Standard, and have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my opinions.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that South Eastern Health and Social Care Trust's Charitable Trust Fund's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt about the South Eastern Health and Social Care Trust's Charitable Trust Fund's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Trust and the Accounting Officer with respect to going concern are described in the relevant sections of this report.

Other Information

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

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion based on the work undertaken in the course of the audit, the information given in the Trustee's Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which I report by exception

In the light of the knowledge and understanding of the South Eastern Health and Social Care Trust's Charitable Trust Funds and its environment obtained in the course of the audit, I have not identified material misstatements in the Trustee's Annual Report.

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

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

Responsibilities of the Trust and Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer Responsibilities, the Trust and the Accounting Officer are responsible for the preparation of the financial statements and for:

- the preparation of the financial statements in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;

- such internal controls as the Trust Accounting Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error;
- assessing the South Eastern Health and Social Care Trust's Charitable Trust Funds' ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trust and Accounting Officer anticipates that the services provided by the South Eastern Health and Social Care Trust's Charitable Trust Funds will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

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

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue a certificate that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulation, including fraud.

My procedures included:

- obtaining an understanding of the legal and regulatory framework applicable to the South Eastern Health and Social Care Trust's Charitable Trust Funds through discussion with management and application of extensive public sector accountability knowledge. The key laws and regulations I considered included the Health and Personal Social Services (Northern Ireland) Order 1972, as amended and Department of Health directions issued thereunder;
- making enquires of management and those charged with governance on South Eastern Health and Social Care Trust's Charitable Trust Funds' compliance with laws and regulations;
- making enquiries of internal audit, management and those charged with governance as to susceptibility to irregularity and fraud, their assessment of the risk of material misstatement due to fraud and irregularity, and their knowledge of actual, suspected and alleged fraud and irregularity;
- completing risk assessment procedures to assess the susceptibility of South Eastern Health and Social Care Trust's Charitable Trust Funds' financial statements to material misstatement, including how fraud might occur. This included, but was not limited to, an engagement director led engagement team discussion on fraud to identify particular areas, transaction streams and business practices that may be susceptible to material misstatement due to fraud. As part of this discussion, I identified

potential for fraud in the following areas: revenue recognition, expenditure recognition, posting of unusual journals;

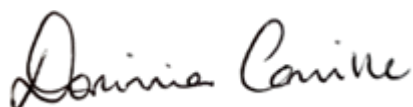
- engagement director oversight to ensure the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with the applicable legal and regulatory framework throughout the audit;
- designing audit procedures to address specific laws and regulations which the engagement team considered to have a direct material effect on the financial statements in terms of misstatement and irregularity, including fraud. These audit procedures included, but were not limited to, reading board and committee minutes, and agreeing financial statement disclosures to underlying supporting documentation and approvals as appropriate;
- addressing the risk of fraud as a result of management override of controls by:
 - performing analytical procedures to identify unusual or unexpected relationships or movements;
 - testing journal entries to identify potential anomalies, and inappropriate or unauthorised adjustments;
 - assessing whether judgements and other assumptions made in determining accounting estimates were indicative of potential bias; and
 - investigating significant or unusual transactions made outside of the normal course of business.

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

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

Report

I have no observations to make on these financial statements.



Dorinnia Carville
Comptroller and Auditor General
Northern Ireland Audit Office
106 University Street
BELFAST
BT7 1EU
7 July 2023

SOUTH EASTERN HSC TRUST – CHARITABLE TRUST FUNDS

Statement of Financial Activities for the year ended 31 March 2023

	Note	Unrestricted Funds £ 000's	Restricted Funds £ 000's	Endowment Funds £ 000's	2023 Total Funds £ 000's	2022 Total Funds £ 000's
Income and Endowments from:						
Voluntary Income	2	182	2	0	184	217
Investment income	4	16	114	0	130	104
Other incoming resources	2	0	70	0	70	56
Total Income		198	186	0	384	377
Expenditure on:						
Charitable Activities	8	(129)	(814)	0	(943)	(1,366)
Governance Costs	7	(16)	(71)	0	(87)	(83)
Other (Loss on disposal asset)	8	0	0	0	0	0
Total resources expended		(145)	(885)	0	(1,030)	(1,449)
Losses on investments	12	(60)	(528)	0	(588)	282
Net Expenditure		(7)	(1,227)	0	(1,234)	(790)
Transfers between funds						
Transfers between funds	18	124	(124)	0	0	0
Net Movement in Funds		117	(1,351)	0	(1,234)	(790)
Adjustment to add back:						
Notional Audit Fee	9	7	0	0	7	6
Net Movement in Funds excluding Notional Audit Fees		124	(1,351)	0	(1,227)	(784)
Reconciliation of funds:						
Fund balances brought forward at 1 April 2022		955	7,921	61	8,937	9,721
Fund balances carried forward at 31 March 2023		1,079	6,570	61	7,710	8,937

The notes at pages 18 - 27 form part of this account.

SOUTH EASTERN HSC TRUST – CHARITABLE TRUST FUNDS

Balance Sheet as at 31 March 2023

	Notes	Total Funds 31 March 2023 £ 000's £	Prior Year Funds 31 March 2022 £ 000's £
Fixed Assets			
Tangible assets	11	0	0
Investments:			
Common Investment Fund	12	7,371	8,829
Total Fixed Assets		7,371	8,829
Current Assets			
Debtors	14	7	12
Cash at bank and in hand		489	100
Total Current Assets		496	112
Liabilities			
Creditors: Amounts falling due within one year	15	(157)	(4)
Net Current Assets		339	108
Total Assets less Current Liabilities		7,710	8,937
Creditors: Amounts falling due after more than one year	15	0	0
Total Net Assets		7,710	8,937
The Funds of the Charity			
Restricted income funds	16	6,570	7,921
Endowment funds	16	61	61
Total restricted funds		6,631	7,982
Unrestricted income funds			
Unrestricted income funds	16	1,079	955
Revaluation reserve		0	0
Total unrestricted funds		1,079	955
Total charity funds		7,710	8,937

The notes at pages 18 - 27 form part of this account.



Roisin Coulter
Accounting Officer

28 June 2023

SOUTH EASTERN HSC TRUST – CHARITABLE TRUST FUNDS

Statement of Cash Flows as at 31 March 2023

	Notes	Total Funds 31 March 2023 £ 000's	Prior Year Funds 31 March 2022 £ 000's
Cash flows from operating activities:			
Net cash provided by (used in) operating activities		(611)	1,701
Cash flows from investing activities:			
Dividends, interest and rents from investments	12	130	104
Proceeds from the sale of property, plant and equipment		0	0
Purchase of property, plant and equipment		0	0
Proceeds from the sale of investments		0	0
(Purchase) / Sale of investments		870	(2,104)
Net cash provided by (used in) investing activities		1,000	(2,000)
Cash flows from financing activities:			
Receipt of endowment		0	0
Net cash provided by (used in) financing activities		0	0
Change in cash and cash equivalents in the reporting period		389	(299)
Cash and cash equivalents at the beginning of the reporting period		100	399
Change in cash and cash equivalents due to exchange rate movements		0	0
Cash and cash equivalents at the end of the reporting period		489	100
Reconciliation of net income/(expenditure) to net cash flow from operating activities			
	Notes	Total Funds 31 March 2023 £ 000's	Prior Year Funds 31 March 2022 £ 000's
Net expenditure for the reporting period (as per the statement of financial activities)		(1,227)	(784)
Adjustments for:			
Depreciation charges		0	0
(Gains)/losses on investments	12	588	(282)
Dividends, interest and rents from investments	12	(130)	(104)
Loss/(profit) on the sale of fixed assets		0	0
(increase)/decrease in stocks		0	0
(increase)/decrease in debtors	14	5	2,990
Increase/(decrease) in creditors	15	153	(119)
Net cash provided by (used in) operating activities		(611)	1,701
Analysis of cash and cash equivalents			
	Notes	Total Funds 31 March 2023 £ 000's	Prior Year Funds 31 March 2022 £ 000's
Cash in hand		489	100
Notice deposits (less than 3 months)		0	0
Overdraft facility repayable on demand		0	0
Total cash and cash equivalent		489	100

SOUTH EASTERN HSC TRUST
Charitable Trust Funds Accounts for the year ended 31 March 2023

Notes to the accounts

1. Accounting policies

1a. Basis of preparation

The financial statements have been prepared under the historic cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Charities Statement of Recommended Practice (SORP) (FRS 102) and with relevant guidance issued by the Department of Health. Where appropriate prior year comparatives have been restated. The financial statements have been prepared on a going concern basis. Update Bulletin 1 issued February 2016 amended the Charities SORP and a Statement of Cash Flows is now only required for larger charities. Larger charities are those charities with a gross income exceeding £500,000 in the reporting period. The Trust Fund meets the definition of a public benefit entity under FRS 102.

1b. Income

All income sources are included in full in the Statement of Financial Activities as soon as the following three factors can be met:

- i) entitlement – arises when a particular resource is receivable or the charity's right becomes legally enforceable;
- ii) certainty – where there is reasonable certainty that the incoming resource will be received;
- iii) measurement – when the monetary value of the incoming resources can be measured with sufficient reliability.

1c. Income from legacies

All income sources are recognised once the charity has entitlement to the resources, it is certain that the resources will be received and the monetary value of incoming resources can be measured with sufficient reliability.

1d. Gifts in kind

- i) Assets given for distribution by the charity are included in the Statement of Financial Activities only when distributed.
- ii) Assets given for use by the charity (e.g. property for its own occupation) are included in the Statement of Financial Activities as incoming resources when receivable.

- iii) Gifts made in kind but on trust for conversion into cash and subsequent application by the charity are included in the accounting period in which the gift is sold.

In all cases the amount at which the gifts in kind are brought into account is either a reasonable estimate of their value to the charity or the amount actually realised. The basis of the valuation is disclosed in the annual report.

1e. Intangible income

Intangible income (e.g. the provision of free accommodation) is included in the accounts with an equivalent amount in outgoing resources, if there is a financial cost borne by another party. The value placed on such income is the financial cost of the third party providing the resources.

1f. Resources expended and irrecoverable VAT

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

1g. Allocation of support costs and overheads

Support costs and overheads have been allocated between Governance Costs and Charitable Activities. Costs which are not wholly attributable to an expenditure category have been apportioned. The analysis of support costs and the bases of apportionment applied are shown in note 7.

1h. Costs of generating funds

The costs of generating funds are the cost of investment management fees.

1i. Charitable activities

Costs of charitable activities comprise all costs incurred in the pursuit of the charitable objectives of the charity. These costs comprise direct costs and an apportionment of overhead and support costs as shown in note 7.

1j. Governance costs

Governance costs comprise all costs incurred in the governance of the charity. These costs include costs related to statutory audit together with an apportionment of overhead and support costs.

1k. Fixed assets

- **Capitalisation**

All assets falling into the following categories are capitalised:

- i) computer software licences are capitalised as intangible assets where they are capable of being used for more than one year and have a cost, individually or as a group, equal to or greater than £5,000;
- ii) tangible assets which are capable of being used for a period which could exceed one year, and have a cost in equal to or greater than £5,000; and
- iii) groups of tangible fixed assets which are interdependent or would normally be provided or replaced as a group with a total value in excess of £5,000 and an individual value of £1,000 or more.

- **Valuation**

Intangible fixed assets held for operational use are valued at historical cost. Surplus intangible assets are valued at net recoverable amount. Tangible fixed assets are valued as follows:

- i) land, buildings, installations, and fittings are stated at open market value for their existing use. Valuations are carried out professionally at five-yearly intervals. Between valuations an appropriate index is applied to revalue the assets;
- ii) equipment is valued at estimated net current replacement cost; and
- iii) assets in the course of construction are valued at current cost.

- **Depreciation**

Depreciation is charged on a straight line basis on each main class of tangible asset as follows:

- land and assets in the course of construction are not depreciated;
- buildings, installations, and fittings are depreciated on their current revalued amount over the assessed remaining life of the asset as advised by the professional valuers; and
- equipment is depreciated evenly over the estimated life of the asset.

- **Impairments**

Impairments, where incurred in the year are separately identified in Note 11 and charged to the funds of the charity where caused by price fluctuations and to the Statement of Financial Activities for the year when the impairment was recognised. There were no impairments in 2022/23.

11. Donated assets

Donated Assets are capitalised at their valuation on a full replacement cost basis on receipt and are revalued and depreciated as described above.

1m. Investment fixed assets

Investment Fixed Assets are shown at market value as at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year. Property assets are not depreciated but are shown at market valuation.

Quoted stocks and shares are included in the balance sheet at mid-market price ex-div.

Other investment fixed assets are included at trustees' best estimate of market value.

1n. Realised and Unrealised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening market value (purchased date if later). Unrealised gains and losses are calculated as the difference between the market value at the year end and opening market value (or purchase date if later).

1o. Financial Instruments

The charity only has financial assets and financial liabilities that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. The charity's investments are reported in the South Eastern HSC public accounts as financial instruments under note 7.

1p. Funds structure

Where there is a legal restriction on the purposes to which a fund may be put, the fund is classified in the accounts as a restricted fund. Funds where the capital is held to generate income for charitable purposes and cannot itself be spent are accounted for as endowment fund. Other funds are classified as unrestricted funds. Funds which are not legally restricted but which the Trustees have chosen to earmark for set purposes are classified as designated funds.

1q. Pensions

The Charitable Trust Funds have no employees.

1r. Charitable Trust Account Consolidation

From 2013-14 the FReM consolidation accounting policy requires the HSC Trusts and ALBs financial statements to consolidate the financial performance and accounts of controlled charitable organisations and funds held on trust. The HSC Trusts and ALBs has accounted for these transfers using merger accounting as required by the FReM. It is important to note however the distinction between public funding and the other monies donated by private individuals still exists.

All funds have been used by South Eastern Health and Social Care Trust as intended by the benefactor. It is for the Gifts and Endowments/Charitable Trust Fund Committee within Trusts to manage the internal disbursements. The Committee ensures that charitable donations received by the Trust are appropriately managed, invested, expended and controlled, in a manner that is consistent with the purposes for which they were given and with the Trust's Standing Financial Instructions, Departmental guidance and legislation.

All such funds are allocated to the area specified by the benefactor and are not used for any other purpose than that intended by the benefactor. Charitable Trust Funds Accounts continue to be prepared and laid separately before the Assembly.

2. Analysis of Income from Donations and Legacies

	Unrestricted Funds £ 000's	Restricted Funds £ 000's	Total 2023 Funds £ 000's	Total 2022 Funds £ 000's
Donations from individuals	182	2	184	217
Donations Other	0	0	0	1
Grants Receivable	0	70	70	55
Total	<u>182</u>	<u>72</u>	<u>254</u>	<u>273</u>

3. Income from charitable activities

There are no incoming resources from charitable activities (2021/22, NIL).

4. Gross investment income

	2023 Total Funds £ 000's	2022 Total Funds £ 000's
Gross income earned from:		
Fixed asset equity and similar investments	130	104
Total	<u>130</u>	<u>104</u>

5. Analysis of Other Income

There is no Other Income for 2022/23 (2021/22, NIL).

6. Expenditure on raising funds

There is no expenditure on raising funds for 2022/23 (2021/22, NIL).

7. Analysis of governance and support costs across expenditure

	Allocated to Governance	Charitable activities	2023 Total Funds	2022 Total Funds	Basis of apportionment
	£ 000's	£ 000's	£ 000's	£ 000's	
Financial Administration	0	80	80	77	Usage
External Audit	7	0	7	6	Fully allocated to Governance
Total	<u>7</u>	<u>80</u>	<u>87</u>	<u>83</u>	

Financial administration includes a levy for the direct costs of administration (staff costs and financial system costs) of Charitable Trust Funds by the South Eastern Trust.

8. Analysis of Charitable Activities Expenditure

	Grant funded activity	Support Costs	Total Funds 2023	Total Funds 2022
	£ 000's	£ 000's	£ 000's	£ 000's
Medical research	0	0	0	0
Purchase of new equipment	84	0	84	266
Building and refurbishment	117	0	117	411
Staff education and welfare	285	0	285	253
Patient education and welfare	72	0	72	82
Salary Recharges	322	0	322	343
Loss on disposal Land	0	0	0	0
Other	63	0	63	11
Total	<u>943</u>	<u>0</u>	<u>943</u>	<u>1,366</u>

9. Auditor's remuneration

The auditor's remuneration of £6,250 related solely to the audit with no other additional work undertaken (2021/22, £6.5k).

10. Trustee's remuneration

During the year the Trustees received no remuneration or expenses reimbursed (2021/22, NIL).

11. Total tangible fixed assets

During the year there were no Tangible Fixed Assets (2021/22, NIL).

12. Analysis of fixed asset investments

Fixed asset investments are measured initially at cost and subsequently at fair value, their market value, at the balance sheet date. This treatment is in accordance with para 11.14(d) of FRS 102.

Investments in a Common Investment Fund

	2023 £ 000's	2022 £ 000's
Market value at 1 April	8,829	6,443
Net cash inflow/(outflow)	(1,000)	2,000
Share of income	130	104
Share of realised gains/(losses)	275	273
Share of unrealised gains/(losses)	(863)	9
Market value at 31 March	<u>7,371</u>	<u>8,829</u>

12.1 Movement in fixed asset investment

There was a net decrease in fixed assets investments of £1,458k during the year (2021/22 – increase of £2,386k).

12.2 Market value as at 31 March 2023

	Held in UK £ 000's	Held outside UK £ 000's	2023 Total £ 000's	2022 Total £ 000's
Investments in CIF	7,371	0	7,371	8,829
Total market value of fixed asset investments	<u>7,371</u>	<u>0</u>	<u>7,371</u>	<u>8,829</u>

13. Analysis of grants

In 2022/23 £143k was incurred relating to the purchase of medical equipment and building refurbishment (£410k 2021/22). This equipment has been donated to and is for the use by the South Eastern HSC Trust. The unconditional legal title of these assets has been passed to the South Eastern HSC Trust. The expenditure in respect of these items is included in SEHSCT Consolidated Accounts (Note 5) under the “donations of new equipment”.

14. Analysis of debtors

14.1 Amounts falling due within one year

	2023 £ 000's	2022 £ 000's
Other debtors	7	12
Total	<u>7</u>	<u>12</u>

14.2 Amounts due over one year:

No debtors were due over one year (2021/22, NIL).

15. Analysis of creditors

15.1 Amounts falling due within one year

	2023 £ 000's	2022 £ 000's
Accruals	157	4
Total	<u>157</u>	<u>4</u>

15.2 Amounts falling due after more than one year

No creditors were due over one year (2021/22, NIL).

16. Analysis of Charitable Trust Funds

Restricted Funds are funds where the donor has placed a legal restriction to either only utilise income generated from the donation (endowment) or to only be spent in furtherance of a specific charitable purpose.

16.1 Endowment Funds

	Balance at 1 April 2022 £ 000's	Incoming resources £ 000's	Resources expended £ 000's	Transfers £ 000's	Gains and losses £ 000's	Fund at 31 March 2023 £ 000's
Down & Lisburn Endowment Fund	61	0	0	0	0	61
Other (individually less than 5%)	0	0	0	0	0	0
Endowment funds total	<u>61</u>	0	0	0	0	<u>61</u>

16.2 Restricted Funds

	Balance at 1 April 2022	Incoming resources	Resources expended	Transfers	Gains and losses	Fund at 31 March 2023
	£ 000's	£ 000's	£ 000's	£ 000's	£ 000's	£ 000's
SET – DOH Support General ST	1,858	26	(325)	0	(128)	1,431
UHD Ethel Agar	1,244	18	(105)	0	(84)	1,073
SET – DOH Support Nursing ST	944	16	(106)	0	(64)	790
MacDermott Fund	466	7	(6)	0	(31)	436
UHD Special Care Baby Unit	418	6	(8)	0	(28)	388
Other (individually less than 5%)	2,991	113	(335)	(124)	(193)	2,452
Grand Total	7,921	186	(885)	(124)	(528)	6,570

16.3 Analysis of unrestricted and material designated funds

	Balance at 1 April 2022	Incoming resources	Resources expended	Transfers	Gains and losses	Fund at 31 March 2023
	£ 000's	£ 000's	£ 000's	£ 000's	£ 000's	£ 000's
Bangor Hospital General	343	6	(8)	0	(23)	318
Ulster Hospital General	385	6	(55)	0	(26)	310
SET Patients & Clients Funds	0	5	0	61	1	67
Medical Specialities fund	0	72	(6)	0	0	66
Maternity and womens health, including paediatrics	0	22	0	33	1	56
Other (individually less than 5%)	227	87	(69)	30	(13)	262
Total	955	198	(138)	124	(60)	1,079

17. Financial Instruments

There are no Financial Instruments in 2022/23 (2021/22, NIL).

18. Transfers between funds

Transfers between Restricted and Unrestricted funds of £124k (NIL in 21/22) related to investment unrealised gains and losses on those funds which became inactive in the course of the year. This was part of an exercise to streamline investment gains and losses to funds still active at the year end.

19. Financial Guarantees, Indemnities and Letter of Comfort

The South Eastern Health and Social Care Trust Charitable Trust Funds has not entered into any financial guarantees, indemnities or provided letters of comfort in 2022/23 (2021/22, NIL)

20. Related party transactions

During the year none of the Trustees or members of management or parties related to them have undertaken any material transactions with the South Eastern HSC Charitable Trust Funds.

Board Members (and other senior staff) take decisions both on Charity and Exchequer matters but endeavour to keep the interests of each discrete and do not seek to benefit personally from such decisions. Declarations of personal interest have been made in both capacities and are available to be inspected by the public.

The Charitable Trust Fund has made revenue and capital payments to the South Eastern HSC Trust where the Trustees are also members of the Trust. The revenue payments related to costs for the administration of the Charitable Trust Funds which is carried out by employees of South Eastern H&SC Trust. The salary and system costs charged to the Charitable Trust Funds for the year amounted to £80k (£77k 2021/22) and is included within Financial Administration in Note 7. No trustee expenses were reimbursed by Charitable Trust Funds. For capital payments made please refer to note 13.

21. Financial Commitments

The South Eastern Health and Social Care Trust Charitable Trust Funds have no contingencies or commitments in 2022/23 (2021/22, NIL).

22. Post Balance Sheet Events

There are no post balance sheet events to report.

Date authorised for Issue

The Accounting Officer authorised the issue of these financial statements on 7 July 2023.