

Charitable Trust Funds

Annual Accounts

for the year ended 31 March 2016



respect & dignity



openness & trust



leading edge



learning & development



accountability

Belfast Health and Social Care Trust
Charitable Trust Funds Annual Accounts
for the year ended 31 March 2016

Laid before the Northern Ireland Assembly under Article 90 (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 (formerly known as Department
of Health, Social Services and Public Safety).

on

2nd September 2016

BELFAST HEALTH AND SOCIAL CARE TRUST

CHARITABLE TRUST FUNDS ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

STATEMENT OF ACCOUNTING OFFICER RESPONSIBILITIES

Under the Health and Personal Social Services (Northern Ireland) Order 1972, (as amended by Article 6 of the Audit and Accountability (Northern Ireland) Order 2003), the Department of Health, Social Services and Public Safety has directed the Belfast Health and Social Care Trust to prepare for each financial year a statement of accounts in respect of endowments and other property held on trust by it in a form determined by the Department of Health, Social Services and Public Safety. The financial statements are prepared on an accrual basis and must provide a true and fair view.

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

- observe the accounts direction issued by the Department of Health, Social Services and Public Safety including relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in Charities SORP 2005 have been followed, and disclose and explain any material departures in the financial statements;
- keep proper accounting records;
- ensure an effective governance framework and establishing arrangements for the prevention and detection of fraud and corruption.

The Permanent Secretary of the Department of Health, Social Services and Public Safety as Accounting Officer for health and personal social services resources in Northern Ireland has designated Dr Michael McBride of the Belfast Health and Social Care Trust as the Accounting Officer for the Belfast Health and Social Care Trust. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the Belfast Health and Social Care Trust assets are set out in the Accounting Officer Memorandum, issued by the Department of Health, Social Services and Public Safety.

BELFAST HEALTH AND SOCIAL CARE TRUST

CHARITABLE TRUST FUNDS ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

CERTIFICATES OF DIRECTOR OF FINANCE, CHAIRMAN AND CHIEF EXECUTIVE

I certify that the annual accounts set out in the financial statements and notes to the accounts (pages 16 to 27) which I am required to prepare on behalf of the Belfast Health and Social Care Trust have been compiled from and are in accordance with the accounts and financial records maintained by the Belfast Health and Social Care Trust and in accordance with the accounting policies for HSC Charitable Trust Funds as approved by the Department of Health, Social Services and Public Safety.

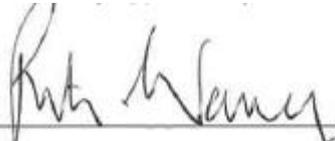


9/6/16

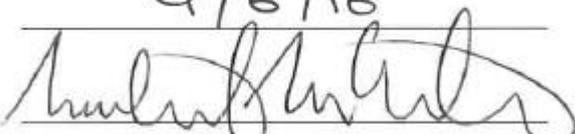
Director of Finance

Date

I certify that the annual accounts set out in the financial statements and notes to the accounts (pages 16 to 27) as prepared in accordance with the above requirements have been submitted to and duly approved by the Board.



9/6/16



9/6/16

Chairman

Date

Chief Executive

Date

BELFAST HEALTH AND SOCIAL CARE TRUST

CHARITABLE TRUST FUNDS ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

NOTES TO THE ACCOUNTS

Introduction/Scope of Responsibility

The Board of the Belfast Health and Social Care Trust is accountable for internal control. As Accounting Officer and Chief Executive of the Trust, I have responsibility for maintaining a sound system of internal governance that supports the achievement of the organisations policies, aims and objectives, whilst safeguarding the public funds and assets for which I am responsible in accordance with the responsibilities assigned to me by the Department of Health, Social Services and Public Safety (DHSSPS).

Specifically, the Trust has the following key relationships through which it must demonstrate a required level of accountability;

- with HSC Board commissioners, through service level agreements, to deliver health and social services to agreed specifications. The Trust has established engagement processes with the HSC Board (which includes the Public Health Authority (PHA) for appropriate areas). For example regular meetings are held with Local Commissioning Group (LCG) representatives to discuss local services and a Specialist Services Liaison Group (with representatives from the Trust, HSC Board and PHA) meets to review issues associated with regional services. A range of other engagement processes are in place i.e. Transforming Your Care (TYC) Collaboration Board, to address specific areas of service with HSC Board and other appropriate agencies;
- with colleague agencies in the HSC, through close and positive working arrangements;
- with local communities, through holding public board meetings, and publishing an annual report and accounts;
- with patients, through the management of standards of patient care; and
- with the DHSSPS, through the performance of functions and meeting statutory financial duties. These are monitored through formal reporting mechanisms and Accountability Review meetings which are held twice yearly and relevant Trust senior staff are in attendance.

Compliance with Corporate Governance Best Practice

The Trust applies the principles of good practice in Corporate Governance and continues to further strengthen its governance arrangements. The Trust does this by undertaking continuous assessment of its compliance with Corporate Governance best practice for example by complying with relevant controls assurance standards, completing an annual ALB Board Governance self-assessment and action plan. The Trust's self-assessment for 2015/16 is underway and will be presented to Trust Board workshop in June 2016. The self-assessment covers a number of areas including Board composition and commitment; Board evaluation, development and learning; Board insight and foresight; and Board engagement and involvement.

Since July 2015 seven new Non-executive Directors have been appointed to the Trust Board. The Trust Chairman has commissioned a Board Development programme, facilitated by external expertise, aimed at improving the effectiveness with which the Trust Board operates. A key output

from this work will be an action plan, to include any actions outstanding from 2014/15 self-assessment, which will be implemented in 2016/17.

The self-assessment for 2015/16 is not indicating any additional Trust Board performance issues.

In addition the Trust receives assurance from external and internal auditors through the Report to those Charged with Governance and Internal Audit Reports.

Governance Framework

The Board of the Trust exercises strategic control over the operation of the organisation through a system of corporate governance which includes:

- a schedule of matters reserved for Board decisions;
- a scheme of delegation, which delegates decision making authority within set parameters to the Chief Executive and other officers;
- Standing Orders and Standing Financial Instructions;
- An Audit Committee;
- An Assurance Committee
- A Remuneration Committee
- A Governance Steering Group
- A Safety & Quality Steering Group
- A Learning from Experience Steering Group
- A Social Care Steering Group
- An Equality, Engagement & Experience Steering Group
- Complaints Review Group
- A Charitable Trust Fund Advisory Committee.

The role of the Trust Board is to consider the key strategic and managerial issues facing the Trust in carrying out its statutory and other functions. Throughout the year the Trust Board has been briefed on control issues by the Chairs of the Audit Committee and Assurance Committee. The Trust held 6 public Trust Board meetings and 6 Trust Board workshops during 2015/16. Standing agenda items included reports from the Chief Executive, performance, quality, and financial performance reports.

The Trust Board acts as “Corporate Trustee” for the Charitable Trust Funds and is responsible for ensuring that these funds are held and managed separately from public funds.

The Trust Board has a Charitable Funds Advisory Committee, which is authorised by the Board to undertake any activity within its Term of Reference. It is authorised to seek advice from whatever source it deems to be appropriate in order to fulfil its function.

The roles and responsibilities of the Charitable Funds Advisory Committee in relation to the management and governance of the Trust Fund are as follows:-

- Oversee charitable funds in line with guidance in the Trust's Standing Financial Instructions, Departmental guidance and legislation;
- Ratify the creation of new funds 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 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 expenditure from charitable funds is subject to appropriate value for money considerations including proper procurement procedures where applicable;
- Ensure that Annual accounts are prepared in accordance with DHSSPS guidelines and submitted to the Trust Board within agreed timescales; and
- 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 funds.

The Trustees have delegated the authority for expenditure decisions to the Charitable Funds Advisory Committee. The Trustees have also delegated expenditure decisions to specific individuals within the Trust to recommend expenditure from restricted funds. These recommendations were approved by a designated Director of the Trust.

In the Belfast Health and Social Care Trust, the delegated authorities are contained in the Terms of Reference for the Charitable Funds Advisory Committee.

The Trust operates under a scheme of delegation approved by the Trust Board in June 2007. This authorised the extant local arrangements for approval to Trust Fund expenditure requests. These arrangements are regularly reviewed and updated by the Charitable Funds Advisory Committee. From 1st December 2008, the following arrangements for approval apply:

<u>Expenditure Range</u>	<u>Approval Level</u>
£0 to £1,000	Co-Director of Accounting and Financial Services
£1,001 to £4,999	Director of Finance
£5,000 to £24,999	Chief Executive
£25,000 to £99,999	Charitable Funds Advisory Committee
£100,000 and above	Trust Board

All Trust Fund expenditure requests are checked by the Charitable Trust Funds team to ensure:-

1. The proposed expenditure meets the objectives of the fund in question;
2. There are sufficient funds to cover the expenditure proposed in full;
3. Any revenue consequential are clearly identified and have a recurring funding source.

The Belfast Trust has responsibility for the administration of the Common Investment Fund.

The Audit Committee provides the Trust Board with an independent and objective review on its financial systems of internal control. The Chair of the Audit Committee provides the Board with an Annual Report each year. This committee met four times during the year. The Audit Committee completes the National Audit Office Audit Committee self-assessment checklist on an annual basis to assess its effectiveness. The DHSSPS were advised that a review would not be carried out in 2015/16 due to the significant changes in Audit Committee membership during the year. The self-assessment will be carried out prior to the mid-year Assurances Statement in September 2016. No performance related issues were identified by Audit Committee members during the year. The work of the Internal Audit and External Audit functions is fundamental to providing assurances on the on-going effectiveness of the system of internal financial control. In addition, the controls assurance standards and the annual self-assessment against the standards provide an important assurance to the Assurance Committee.

The Assurance Committee met on four occasions during the year and is comprised of Non-Executive Directors only. The Head of Internal Audit is also in attendance and reports directly on any risk or governance related Internal Audit reports. The Assurance Committee's role is to assist the Board of Directors in ensuring an effective Assurance Framework is in operation for all aspects of the Trust's undertakings, other than finance. The Assurance Committee is also responsible for ensuring there is a robust system in place for identifying principal risks and significant gaps in controls/assurance for consideration by the Board of Directors.

The Remuneration Committee is responsible for advising the Board on the remuneration of the Chief Executive and Directors of the Trust, guided by DHSSPS policy and best practice. The Committee is chaired by the Trust Chairman and two other Non-Executive Directors and met twice during 2015/16.

Attendance records of key committees, including the Charitable Funds Advisory Committee, are maintained and have been reviewed to ensure that the Trust routinely meets its requirements for a full quorum.

Business Planning

Business planning and risk management is at the heart of governance arrangements to ensure that statutory obligations and ministerial priorities are properly reflected in the management of business at all levels within the organisation.

The Trust's Corporate Plan sets out the vision and purpose, core values and long term objectives that will shape the strategic direction and priorities for a three year period.

The Corporate Plan and the Trust Delivery Plan set out annual targets to progressively deliver these corporate objectives.

The Trust Delivery Plan is developed annually as a response to the Department's performance indicators and the Commissioning Plans of the Health and Social Care Board as set out in its Annual Commissioning Plan. While the Corporate Plan incorporates these Departmental/commissioner targets, it takes a wider view of the organisational responsibilities of the Trust, setting a range of local targets under each corporate objective. The Corporate Objectives and associated annual targets (regional and local) are cascaded throughout the Trust by:

- Directorate Annual Performance Plans;
- Service/Team annual plans;
- Individual objectives.

This process forms an integral part of the Trust's Performance Management and Assurance Framework. Review and monitoring of progress against priorities and objectives (linked to DHSSPS/HSC Board priorities, the Trust Business/Management Plan (including the Trust Delivery Plan)) is carried out through;

- Trust Board Performance reports (monthly related to key performance indicators), to provide assurance at Board level;
- Regular accountability/review meetings with Directorates to monitor progress against organisational and Directorate key priorities through Directorate scorecards;
- Individual Personal Contribution Plans and Learning and Development Plans objectives to ensure learning and development supports the delivery of Directorate and organisational objectives.

Risk Management

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to:-

- identify and prioritise the risks to the achievement of organisational policies, aims and objectives;
- evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The Trust is committed to providing high quality patient and client services in an environment that is both safe and secure. The Trust Board has approved an Assurance Framework and a Risk Management Strategy and has established an Assurance Committee whose membership includes all Non-Executive Directors. This Committee reports directly to the Trust Board. The Assurance Framework outlines the Chief Executive's overall responsibility and accountability for risk management. The Framework also sets out a system of delegation of responsibility at Trust Board, Executive Team and Directorate levels. While ensuring local ownership in managing and controlling all elements of risk to which the Trust may have been exposed, there is a clear line of accountability through to Trust Board.

The Risk Management Strategy was updated with no amendments in June 2015.

Risk management is at the core of the Trust's performance and assurance arrangements and the Assurance Committee, chaired by the Trust's Chairman, provides Board level oversight in this key area. This Committee, along with the Audit Committee, has scrutinised the effectiveness of the Risk Management Strategy.

The Trust acknowledges that it is impossible to eliminate all risks and that systems of control should not be so rigid that they stifle innovation and imaginative use of limited resources. Inevitably the Trust may have to set priorities for the management of risk. There is a need to balance potentially high financial costs of risk elimination against the severity and likelihood of potential harm. The Trust will balance the acceptability of any risk against the potential advantages of new and innovative methods of service. The Trust recognises that risks to its objectives may be shared with or principally owned by other individuals or organisations. The Trust involves its service users, public representatives, contractors and other external stakeholders in the implementation of the Risk Management Strategy.

Risk management is integral to the training for all staff as relevant to their grade and situation, both at induction and in service. To support staff through the risk management process, expert guidance

and facilitation has been available along with access to policies and procedures, outlining responsibilities and the means by which risks are identified and controlled. Actions taken to reduce risk have been regularly monitored and reported with trends being analysed at Directorate, Corporate and Board levels.

Dissemination of good practice has been facilitated by a range of mechanisms including systems for the implementation and monitoring of authoritative guidance, clinical supervision and reflective practice, performance management, continuing professional development, management of adverse events and complaints, multiprofessional audit and the application of evidence based practice. The Trust seeks to ensure that its medical workforce is equipped to provide the best health care that can be achieved through investment in education, appraisal, appropriate job planning and where issues arise that are appropriate to maintaining high professional standards these are dealt with using the appropriate procedures, involvement of National Clinical Assessment Service where necessary and regulatory bodies such as the General Medical Council and General Dental Council.

Information Risk

Information is a vital asset, both in terms of the management of service users and the efficient management of services and resources. It plays a key part in corporate governance, service planning and performance management. It is therefore of paramount importance to ensure that information is efficiently managed and that appropriate policies, procedures and management accountability provide a robust governance framework for information management.

Within the Trust the Information Governance Board oversees all aspects of information governance including data protection, ICT security, corporate records, freedom of information and data quality throughout the Trust. It also has the responsibility to lead and foster a culture that values, protects and uses information for the public good. This body ensure participation from all Directorates and is chaired by the Director of Performance Planning and Informatics. This Director also acts as the Senior Information Risk Owner and has a key role in considering how organisation goals will be impacted by information risks and how those risks may be managed. Over 30 Information Asset Owners have been identified across the Trust who has responsibility for the identification and management of risk in their areas.

During 2015/16 the relationship between the Trust SIRO, the IGB and the IAO team was reviewed and a new risk management based framework of accountability defined. This will comprise bi-annual meetings between the SIRO and each IAO which will be based on action plans for the management of risks defined by the IAOs during their rolling processes of information asset audits. The IGB will continue to oversee the output from this additional accountability process.

During 2015/16 the Trust has achieved substantive compliance with the Controls Assurance Standards in relation to Information Management an improvement on the moderate compliance of the previous year. Internally the Trust undertakes Information Governance Visits to a number of Departments and provides feedback to Information Asset Owners as to the actions that can be taken to improve information handling processes. Data Protection Awareness training is mandatory is currently at 52% and the drive to improve this will be a key focus of the SIRO/IAO relationship. Throughout the year the Information Governance Board has monitored the information governance incidents that occur and reported 4 incidents to the Information Commissioners Office compared to 7 in 2014/15.

Public Stakeholder Involvement

The Trust remains committed to ensuring that Personal and Public Involvement (PPI) is embedded into all aspects of its business. An Organisational Framework for the Management of PPI in Belfast Trust was agreed by Trust executive team in November 2015.

PPI is included in the Trust Assurance Framework committee structure, reporting via the Equality, Experience and Engagement committee. PPI has also been included in the Trust Accountability Framework, requiring all service areas to account for their PPI activity, and PPI is reflected in the Trust Corporate Plan. There continues to be a wide range of user engagement opportunities throughout the Trust, both corporately and within clinical Directorates, which allow people to become involved in the development, improvement and evaluation of Trust service. In addition there a number of Trust-wide User Forums and specific Service User groups facilitated by and linked to the Trust which can provide opportunities for service user and other stakeholders to engage in decision making, feedback processes and associated risk issues.

PPI training for staff continues to be delivered and the Trust are beginning to roll out the regional PPI training programme which was launched by the Public Health Authority in February 2016.

Assurance

The Assurance Framework describes the relationship between organisational objectives, identified potential risks to their achievement and the key controls through which these risks will be managed, as well as the sources of assurance surrounding the effectiveness of these controls. The Assurance Framework incorporates the Risk Management Policy and establishes the context in which the Trust Management Plan was developed, as well as determining the mechanism through which assurances were provided to the Trust Board. The Assurance Framework lays out the sources of evidence which the Board will use to be assured of the soundness and effectiveness of the systems and processes in place to meet objectives and deliver appropriate outcomes. The Assurance Committee regularly challenges or seeks verification of the quality of evidence coming to it.

The Assurance Framework was reviewed and updated in 2015 to reflect changes in Trust structure and the process for setting objectives in response to DHSSPS & HSCB commissioning targets. A brief outline of the membership and role of the Charitable Trust Fund Advisory and Remuneration Committee has also been included. The updated Assurance Framework was approved by the Assurance Committee of the Trust Board in June 2015. The Assurance Framework allows an integrated approach to performance, targets and standards which include controls assurance standards and quality standards for health and social care.

The Assurance Committee agenda and schedule of annual reports takes account of the Sub Committees structure. These committees report through the Assurance Group to Executive Team. They are generally expert groups that are responsible for developing assurance arrangements within specific areas of Trust activity and provide the necessary scrutiny of practice. At each Assurance Committee meeting, through the relevant chair, the Committee receives assurance reports from the following governance committees: Social Care Steering Group; Governance Steering Group; Learning from Experience Steering Group; Outcome Review Group; Complaints Review Group; Safety and Quality Steering Group; Equality, Engagement and Experience Steering Group as well as a litigation report encompassing clinical negligence and other claims. It also receives an annual health and safety report.

In addition the Committee receives updates on the Safety and Quality Improvement Plan; SAI Reports, and summary reports of RQIA unannounced hygiene inspections, RQIA thematic reviews and RQIA inspections of regulated providers. This taken with other internal assurances and the external assurances detailed under Sources of Independent Assurance means that the Board is satisfied that this level of assurance is of sufficient quality and meets its requirements. The Risk Register Review Group continues to meet on a quarterly basis, to scrutinise the evaluation of all significant risks arising from Directorate and Controls Assurance Risk Registers. Each Directorate has maintained and further developed systems to identify risk, assess impact and likelihood of harm occurring, and to maintain control in line with the Assurance Framework and the revised Risk Management Strategy. These risks are used to populate Directorate risk registers, which are updated on an on-going basis and which feed into the Belfast Trust's Assurance Framework Principal Risks and Controls.

The Trust assessed its compliance with the 22 Controls Assurance Standards which were defined by the Department and against which a degree of progress is expected in 2015/16. All 22 standards maintained substantive compliance in 2015/16 by achieving an overall score of 75% or above.

Sources of Independent Assurance

The Trust obtains Independent Assurance from the following main sources:

- Head of Internal Audit's Annual Report including an overall opinion on the system of Internal Controls;
- Chair of Audit Committee's Annual Report to Trust Board;
- Internal Audit – through a programme of annual audits based on an analysis of risk;
- Northern Ireland Audit Office; through audit of the annual accounts and subsequent report to those charged with governance alongside any value for money (VFM) studies and subsequent reports;
- Regulation and Quality Improvement Authority (RQIA); through regular inspections and subsequent reports;
- Medicines and Healthcare products Regulatory Agency (MHRA) through regular inspections and reports;
- General Medical Council (GMC), General Dental Council (GDC), NI Medical and Dental Training Agency (NIMDTA) and various Royal Colleges.

The Trust engages proactively with all such reviews and the Board is assured that appropriate actions are taken, by the Assurance Committee.

Internal Audit

The Trust utilises an internal audit function which operates to defined standards and whose work is informed by an analysis of risk to which the body is exposed and annual audit plans are based on this analysis.

Internal Audit last reviewed the Charitable Funds system and procedures in 2013/14 and a satisfactory level of assurance was provided. Internal Audit reviewed the following systems in 2015/16 of which elements were relevant to the Charitable Trust Funds:-

- Bank & Cash (Satisfactory Assurance)
- Cash Management in Social Services facilities (Satisfactory Assurance)

In their annual report, the Internal Auditor reported that there is a satisfactory system of internal control designed to meet the Trust's objectives for the year ended 31 March 2016.

Certain weaknesses and issues were identified by audit and recommendations to address these control weaknesses have been or are being implemented. The Audit Committee have reviewed management responses to Internal Audit recommendations and monitor progress with the implementation of recommendations.

Internal Audit conduct formal follow-up reviews in respect of the implementation of the priority one and two internal audit recommendations agreed in the Internal Audit reports. Internal Audit

presented a full report which showed that 95% of agreed actions have been fully or partially implemented.

Review of Effectiveness of the System of Internal Governance

As Accounting Officer, I have responsibility for the review of effectiveness of the system of internal governance within the Belfast Health and Social Care Trust. My review of the effectiveness of the system of internal governance is informed by the work of the internal auditors and the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their management letter and other reports.

I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Trust Board, Audit Committee, Assurance Committee and sub committees, and a plan to address weaknesses and ensure continuous improvement to the system is in place.

Follow up audits are carried out and the Trust will continue to implement the compliance regime during 2016/17.

The Charitable Trust Fund Advisory Committee of the Belfast Health and Social Care Trust was in place for 2015/16.

The Charitable Trust Fund Advisory Committee recognise the current and ongoing economic conditions in investment markets and its impact on the Charitable Trust Fund's investments. The Charitable Trust Fund Advisory Committee will ensure that there is:

- Continued representation on behalf of the Belfast Charitable Trust Funds on the Common Investment Fund Committee;
- Continued discussion and review of Investment Management performance reports and forecasts.

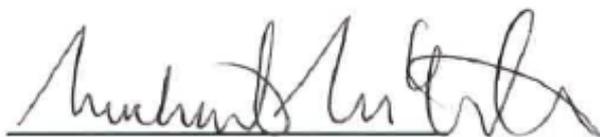
The Charitable Trust Fund Advisory Committee will continue to meet on a regular basis in 2016/17 to discharge its duties and responsibilities, including the monitoring and oversight of new procedures as they continue to be embedded with the organisation.

There were no internal control divergences identified during the year in relation to Charitable Trust Funds.

Conclusion

The Trust has a rigorous system of accountability which I can rely on as Accounting Officer to form an opinion on the probity and use of Charitable Trust Funds, as detailed in Managing Public Money NI.

Further to considering the accountability framework within the Trust and in conjunction with assurances given to me by the Head of Internal Audit, I am content that the Trust has operated a sound system of internal governance during the period 2015/16.



Dr Michael McBride
Chief Executive

9/6/16

Date

BELFAST HEALTH AND SOCIAL CARE TRUST - CHARITABLE TRUST FUNDS

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

I certify that I have audited the financial statements of the Belfast Health and Social Care Trust Charitable Trust Funds for the year ended 31 March 2016 under the Health and Personal Social Services (Northern Ireland) Order 1972, as amended. These comprise the Statement of Financial Activities, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out within them.

Respective responsibilities of the Accounting Officer and auditor

As explained more fully in the Statement of the Accounting Officer's Responsibilities, the Accounting Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. My responsibility is to audit, certify and report on the financial statements in accordance with the Health and Personal Social Services (Northern Ireland) Order 1972, as amended. I conducted my audit in accordance with International Standards on Auditing (UK and Ireland). Those standards require me and my staff to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Belfast Health and Social Care Trust's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition I read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my certificate.

I am required to obtain evidence sufficient to give reasonable assurance that the incoming and outgoing resources recorded in the financial statements have been applied to the purposes intended by the Assembly and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Opinion on regularity

In my opinion, in all material respects the incoming resources and application of outgoing resources recorded in the financial statements have been applied to the purposes intended by the Assembly and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Opinion on financial statements

In my opinion:

- the financial statements give a true and fair view of the state of Belfast Health and Social Care Trust's Charitable Trust Fund's affairs as at 31 March 2016 and of its incoming and outgoing resources for the year then ended; and
- the financial statements have been properly prepared in accordance with the Health and Personal Social Services (Northern Ireland) Order 1972, as amended and Department of Health (formerly Department of Health, Social Services and Public Safety) directions issued thereunder.

Opinion on other matters

In my opinion the information given in the 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

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

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- I have not received all of the information and explanations I require for my audit; or
- the Governance Statement does not reflect compliance with Department of Finance's (formerly Department of Finance and Personnel) guidance.

Report

I have no observations to make on these financial statements.



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

15 June 2016

BELFAST HEALTH AND SOCIAL CARE TRUST

CHARITABLE TRUST FUNDS ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

STATEMENT OF FINANCIAL ACTIVITIES

	Note	Unrestricted Funds £000s	Restricted Funds £000s	Endowment Funds £000s	2016 Total Funds £000s	2015 Total Funds £000s
INCOMING RESOURCES						
Incoming resources from generating funds						
Voluntary income	2	188	765	0	953	699
Activities for generating funds		0	0	0	0	0
Investment income	3	404	797	0	1,201	1,100
Incoming resources from charitable activities	4	0	0	0	0	0
Other Incoming Resources		0	0	0	0	0
Total Incoming Resources		592	1,562	0	2,154	1,799
RESOURCES EXPENDED						
Costs of generating funds						
Costs of generating voluntary income		0	0	0	0	0
Fundraising trading: Costs of goods sold and other costs		0	0	0	0	0
Investment management costs		0	0	0	0	0
Charitable activities	6	(932)	(2,192)	0	(3,124)	(1,469)
Governance Costs	5	(38)	(94)	0	(132)	(134)
Other resources expended		0	0	0	0	0
Total Resources Expended		(970)	(2,286)	0	(3,256)	(1,603)
Net incoming/(outgoing) resources before transfers		(378)	(724)	0	(1,102)	196
TRANSFERS						
Gross transfer between funds	8	0	0	0	0	0
Net Incoming/(Outgoing) Resources before other recognised gains and losses		(378)	(724)	0	(1,102)	196
OTHER RECOGNISED GAINS/LOSSES						
Gains/(losses) on revaluation of fixed assets for charity's own use		0	0	0	0	0
Gains/(losses) on investment assets	12	(721)	(1,501)	(1)	(2,223)	2,780
Net Movement in Funds		(1,099)	(2,225)	(1)	(3,325)	2,976
Adjustment to add back: Notional Audit Fee	10	2	3	0	5	5
Net Movement in Funds excluding Notional Audit Fee		(1,097)	(2,222)	(1)	(3,320)	2,981
RECONCILIATION OF FUNDS						
Fund balances brought forward at 1 April		13,812	30,503	1,555	45,870	42,889
Fund balances carried forward at 31 March		12,715	28,281	1,554	42,550	45,870

The notes at pages 18 to 27 form part of this account

BELFAST HEALTH AND SOCIAL CARE TRUST

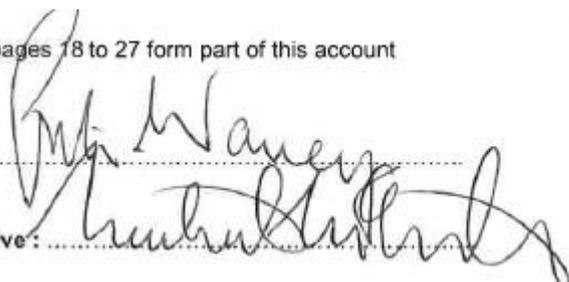
CHARITABLE TRUST FUNDS ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

BALANCE SHEET

	Notes	31 March 2016 £000s	31 March 2015 £000s
Fixed Assets			
Intangible assets		0	0
Tangible assets	11	0	0
Heritage assets		0	0
Investments:			
Investments	12	42,709	45,381
Programme related investments		0	0
Total Fixed Assets		<u>42,709</u>	<u>45,381</u>
Current Assets			
Stocks		0	0
Debtors	13	47	29
Short term investments and deposits		0	0
Cash at bank and in hand		847	521
Total Current Assets		<u>894</u>	<u>550</u>
Creditors : Amounts falling due within one year	14	<u>(1,053)</u>	<u>(61)</u>
Net Current Assets/(Liabilities)		<u>(159)</u>	<u>489</u>
Total Assets less Current Liabilities		42,550	45,870
Creditors : Amounts falling due after more than one year	14	0	0
Provisions for liabilities and charges		0	0
Net Assets		<u><u>42,550</u></u>	<u><u>45,870</u></u>
Funds of the Charity			
Restricted Income Funds	15	28,281	30,503
Endowment Funds	15	1,554	1,555
Unrestricted Income Funds			
Unrestricted Income Funds	15	12,715	13,812
Revaluation reserve		0	0
Total unrestricted funds		<u>12,715</u>	<u>13,812</u>
Total charity funds		<u><u>42,550</u></u>	<u><u>45,870</u></u>

The notes at pages 18 to 27 form part of this account

Chairman:



Date:

9/6/16

Chief Executive:



Date:

9/6/16

BELFAST HEALTH AND SOCIAL CARE TRUST

CHARITABLE TRUST FUNDS ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

NOTES TO THE ACCOUNTS

1. Accounting policies

1(a) Basis of preparation

The financial statements have been prepared in accordance with 'Accounting and Reporting by Charities' The Statement of Recommended Practice issued in March 2005, and with relevant guidance issued by the DHSSPS.

1(b) Incoming resources

All incoming resources are included in full in the statement of financial activities as soon as the following three factors can be met:

- i. entitlement – arises when a particular resource is receivable or the charity's right becomes legally enforceable;
- ii. 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.

1(c) Incoming resources from legacies

All incoming resources 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.

1(d) 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 Trustees Report.

1(e) 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.

1(f) 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.

1(g) 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 5. Where costs are shared by two or more charitable activities, support costs have been apportioned between categories and this is analysed in note 6.

1(h) Costs of generating funds

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

1(i) Charitable activities

Costs of charitable activities comprise all costs incurred in the pursuit of the charitable objects of the charity. These costs comprise direct costs and an apportionment of overhead and support costs as shown in note 5.

1(j) 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.

1(k) Fixed assets

There are no fixed assets held by the Charitable Trust Funds.

1(l) Donated assets

There are no donated assets held by the Charitable Trust Funds.

1(m) 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 included in the balance sheet are carried at market value based on the closing market value at the year end.

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

1(n) Cash and cash equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

1(o) Realised gains and losses

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

1(p) 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.

1(q) Pensions

The Charitable Trust Fund has no employees.

BELFAST HEALTH AND SOCIAL CARE TRUST

CHARITABLE TRUST FUNDS ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

NOTES TO THE ACCOUNTS

2 Voluntary income

	Unrestricted Funds £000s	Restricted Funds £000s	2016 Total Funds £000s	2015 Total Funds £000s
Donations from individuals	78	504	582	471
Corporate donations	0	0	0	0
Legacies	107	259	366	222
Grants	0	0	0	0
Other	3	2	5	6
Total	188	765	953	699

3 Investment income

	2016 Total Funds £000s	2015 Total Funds £000s
Gross income earned from:		
Fixed asset equity and similar investments	1,201	1,098
Fixed asset cash on deposit	0	0
Current asset investments	0	2
Other	0	0
Total	1,201	1,100

4 Incoming resources from charitable activities

There is no Income from charitable activities for Charitable Trust Funds for year ended 31 March 2016 (2015: Nil)

BELFAST HEALTH AND SOCIAL CARE TRUST

CHARITABLE TRUST FUNDS ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

NOTES TO THE ACCOUNTS

5 Allocation of support costs and overheads

	2016 Total Funds £000s	Allocated to Governance £000s	Charitable Activities £000s	Basis of apportionment	2015 Total Funds £000s
Financial	0	0	0		0
Administration	127	127	0	Usage	129
Salaries and related costs	0	0	0		0
Staff training	0	0	0		0
Staff recruitment	0	0	0		0
Office rent	0	0	0		0
Internal Audit	0	0	0		0
External Audit	5	5	0	Usage	5
Telephone, Postage & Stationery	0	0	0		0
Bank Charges	0	0	0		0
Other professional expenses	0	0	0		0
Insurance	0	0	0		0
Other	0	0	0		0
Total	132	132	0		134

6 Charitable activities

	Grant funded activity £000s	Support Costs £000s	2016 Total £000s	2015 Total £000s
Medical research	0	501	501	376
Purchase of new equipment	0	811	811	342
Building and refurbishment	0	990	990	183
Staff education and welfare	0	591	591	385
Patient education and welfare	0	215	215	176
Other	0	16	16	7
Total	0	3,124	3,124	1,469

BELFAST HEALTH AND SOCIAL CARE TRUST

CHARITABLE TRUST FUNDS ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

NOTES TO THE ACCOUNTS

7 Analysis of grants

The Charitable Trust Funds have no grants in year ended 31 March 2016 (2015: Nil)

8 Gross transfer between funds

	2016 £000s	2015 £000s
Restricted Funds	0	0
Unrestricted Funds	0	0
Endowment	0	0
Total	0	0

9 Analysis of staff costs

The average number of employees on a full-time basis in the year was Nil (2015: Nil). The Charitable Trust is recharged a portion of Belfast Trust staff costs as administration charges each year.

10 Auditors' remuneration

The auditors' remuneration of £5,200 (2015: £5,200) related solely to the audit with no other additional work undertaken.

11 Tangible fixed assets

There are no fixed assets held by Charitable Trust Funds (2015: Nil).

BELFAST HEALTH AND SOCIAL CARE TRUST

CHARITABLE TRUST FUNDS ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

NOTES TO THE ACCOUNTS

12 Analysis of Fixed Asset Investments

12.1 Investments in a Common Investment Fund

	2016 £000s	2015 £000s
Market Value at 1 April 2015	45,381	41,253
Net Cash Inflow/(Outflow)	(1,650)	250
Share of income	1,201	1,098
Share of realised gains/(losses)	(401)	347
Share of unrealised gains/(losses)	<u>(1,822)</u>	<u>2,433</u>
Market Value at 31 March 2016	<u>42,709</u>	<u>45,381</u>

12.2 Movement in fixed asset investment

	2016 £000s	2015 £000s
Market Value at 1 April 2015	0	0
Less: Disposals at carrying value	0	0
add: Acquisitions at cost	0	0
Net gain / loss on revaluation	<u>0</u>	<u>0</u>
Market Value at 31 March 2016	<u>0</u>	<u>0</u>
Historic Cost at 31 March 2015	<u>0</u>	<u>0</u>

12.3 Market Value as at 31 March 2016

	Held in UK £000s	Held outside UK £000s	Total £000s	2015 Total £000s
Investment Properties :				
Investments listed on Stock Exchange	0	0	0	0
Investments in CIF - EHSSB area only	42,709	0	42,709	45,381
Investments in a Common Deposit Fund or Investment Fund	0	0	0	0
Unlisted securities	0	0	0	0
Cash held as part of the investment portfolio	0	0	0	0
Investments in connected bodies	0	0	0	0
Other investments	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total market value of fixed asset investments	<u>42,709</u>	<u>0</u>	<u>42,709</u>	<u>45,381</u>

BELFAST HEALTH AND SOCIAL CARE TRUST

CHARITABLE TRUST FUNDS ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

NOTES TO THE ACCOUNTS

13 Analysis of Debtors

	2016	2015
	£000s	£000s
13.1 Amounts falling due within one year :		
Trade debtors	0	0
Prepayments	0	0
Accrued income	0	0
Other debtors	47	29
	<hr/>	<hr/>
Total	47	29
	<hr/>	<hr/>
13.2 Amounts falling due after more than one year :		
Trade debtors	0	0
Prepayments	0	0
Accrued income	0	0
Other debtors	0	0
	<hr/>	<hr/>
Total	0	0
	<hr/>	<hr/>

14 Analysis of Creditors

	2016	2015
	£000s	£000s
14.1 Amounts falling due within one year :		
Loans and overdrafts	0	0
Trade creditors	0	0
Other creditors	1,053	61
Accruals	0	0
Deferred income	0	0
	<hr/>	<hr/>
Total	1,053	61
	<hr/>	<hr/>
14.2 Amounts falling due after more than one year :		
Loans and overdrafts	0	0
Trade Creditors	0	0
Other creditors	0	0
Accruals	0	0
Deferred income	0	0
	<hr/>	<hr/>
Total	0	0
	<hr/>	<hr/>

BELFAST HEALTH AND SOCIAL CARE TRUST

CHARITABLE TRUST FUNDS ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

NOTES TO THE ACCOUNTS

15 Analysis of charitable funds

	Balance at 1 April 2015 £000s	Incoming resources £000s	Resources expended £000s	Transfers £000s	Gains & losses £000s	Fund at 31 March 2016 £000s
Endowment Funds						
RVH General C.I.P.	420	0	0	0	0	420
Frederick Street Nurses (Cap) RVH	182	0	0	0	0	182
BOAG Trust (Capital) RVH	339	0	0	0	0	339
EM Wiles Fund (Capital) RVH	117	0	0	0	0	117
Other (individually less than 5%)	497	0	0	0	(1)	496
Endowment funds total	1,555	0	0	0	(1)	1,554
Restricted Funds						
Renal BCH	1,772	77	(53)	0	(85)	1,711
Other (individually less than 5%)	28,731	1,485	(2,230)	0	(1,416)	26,570
Restricted funds total	30,503	1,562	(2,283)	0	(1,501)	28,281
Total	32,058	1,562	(2,283)	0	(1,502)	29,835
Analysis of unrestricted and material designated funds						
	Balance at 1 April 2015 £000s	Incoming resources £000s	Resources expended £000s	Transfers £000s	Gains & losses £000s	Fund at 31 March 2016 £000s
RVH General	1,346	199	(59)	0	(133)	1,353
RMH General	2,528	65	(6)	0	(121)	2,466
RBHSC General	6,633	171	(304)	0	(314)	6,186
Mater General Fund	1,127	47	(28)	0	(51)	1,095
NICC General Fund	955	27	(19)	0	(46)	917
Other (individually less than 5%)	1,223	83	(552)	0	(56)	698
Total	13,812	592	(968)	0	(721)	12,715
Total Funds	45,870	2,154	(3,251)	0	(2,223)	42,550

16 Contingencies

The Trust Funds have no contingencies at year ended 31 March 2016 (2015: Nil).

17 Commitments

The Trust Funds have no commitments at year ended 31 March 2016 (2015: Nil).

18 Financial Guarantees

The Trust Funds have not given any financial guarantees as at 31st March 2016 (2015: Nil).

BELFAST HEALTH AND SOCIAL CARE TRUST

CHARITABLE TRUST FUNDS ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

NOTES TO THE ACCOUNTS

19 Related Party Transactions

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

Some of the Trust's Directors have disclosed interests with organisations from which the Trust purchased services from or supplied services to during 2015/16. Set out below are details of the amount paid to these organisations during 2015/16 and 2014/15. In none of these cases listed did the Directors have any involvement in the decisions to procure the services from the organisations concerned.

	Payments to Related Party £000s	Income from Related Party £000s	Amounts owed to Related Party £000s	Amounts due from Related Party £000s
2015/16				
Belfast Health & Social Care Trust	1,792	0	690	0
Queen's University Belfast	160	0	34	0
University of Ulster	3	0	0	0
2014/15	£000s	£000s	£000s	£000s
Belfast Health & Social Care Trust	587	0	24	0
Queen's University Belfast	146	0	0	0
University of Ulster	1	0	0	0

Interests in the above organisations were declared by the following Board members:-

All Trustees of the Charitable Trust funds are executive or non executive directors of the Belfast Health and Social Care Trust.

Mr JPJ O'Kane (Non-Executive Director) holds the position of Registrar and Chief Operating Officer for Queen's University Belfast.

Prof M Bradley (Non-Executive Director) is a Visiting Professor - Nursing at the University of Ulster.

Transactions with these related parties are conducted on an arm's length basis. The purchase of goods and services are subject to the normal tendering processes under Northern Ireland Public Procurement Policy, Trust Standing Orders and Standing Financial Instructions. There are no provisions for doubtful debts against the related party balances owed. In addition, the Trust has not provided or received any financial guarantees in respect of any related parties identified.

The charitable funds of the Belfast Health and Social Care Trust are invested within a Common Investment Fund. Mr C Jenkins (Non-Executive Director to June 2015), Mr L Drew (Non-Executive Director to June 2015), Mr P McNaney (Chairman), Mr M Dillon (Director of Finance) and Mrs F Cotter (Co-Director of Accounting & Financial Services) have been members of the committee established to manage this Fund during the year ended 31 March 2016. Since 1st April 2012 the Belfast Health and Social Care Trust has had responsibility for the administration of the Fund. Details of the investments with this fund can be found at Note 12.

Charitable Trust Funds

Trustees Report

for the year ended 31 March 2016

Annual Report of the Trustees of the Trust Funds held by the Belfast Health and Social Care Trust for the year ended 31 March 2016

Background

Under the Health and Personal Social Services (NI) Order 1972 (as amended by Article 6 of the Audit and Accountability (NI) Order 2003), the 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 DHSSPS. Further, under the requirements of the Statement of Recommended Practice (SORP) 2005 "Accounting and Reporting by Charities", is the requirement to produce an Annual Report.

Investment Arrangements

In order to maximise the total return from investment of the Trust funds, the Northern Ireland Health and Social Services Charities Common Investment Fund was established by an Order dated 30 March 1995, made by the Department of Health and Social Services under Section 25 of the Charities Act (Northern Ireland) 1964. The charitable funds of the Belfast Health and Social Care Trust are invested within this Common Investment Fund. A committee has been established to manage the operations of the Common Investment Fund. During 2015/16 this committee consisted of the following individuals:

Mr Charles Jenkins <i>(Chairman to June 2015)</i>	Belfast HSC Trust, Non-Executive Director
Mr Peter McNaney <i>(Chairman from June 2015)</i>	Belfast HSC Trust, Chairman
Mr Les Drew <i>(to June 2015)</i>	Belfast HSC Trust, Non-Executive Director
Mr Martin Dillon	Belfast HSC Trust Director of Finance
Mrs Fiona Cotter	Belfast HSC Trust Co Director Accounting & Financial Services
Mr Neil Guckian	South Eastern HSC Trust Director of Finance
Mr Nigel Mansley	South Eastern HSC Trust, Non-Executive Director

Since 1st April 2012 the Belfast Health and Social Care Trust has had responsibility for the administration of the Common Investment Fund.

Names of Trustees

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 Belfast Health and Social Care Trust are the trustees of the Trust Fund. During 2015/16 the following acted as Trustees:

Chairperson	Mr Peter McNaney Chairman
Non-Executive Directors	Mr Les Drew <i>(to June 2015)</i> Councillor Tom Hartley <i>(to June 2015)</i> Mr Charles Jenkins <i>(to June 2015)</i> Mr James O'Kane <i>(to March 2016)</i> Dr Val McGarrell <i>(to June 2015)</i> Prof Martin Bradley <i>(from May 2015)</i> Mrs Nuala McKeagney <i>(from May 2015)</i> Dr Patrick Loughran <i>(from July 2015)</i> Ms Anne O'Reilly <i>(from July 2015)</i> Mrs Miriam Karp <i>(from September 2015)</i>

Executive Directors

Chief Executive
Director of Finance
Director of Social and Primary Care
Medical Director
Director of Nursing and User
Experience

Dr Michael McBride
Mr Martin Dillon
Mr Cecil Worthington
Dr Cathy Jack
Miss Brenda Creaney

Address of Principal office

A Floor
Belfast City Hospital
Lisburn Road
Belfast BT9 7AB

Charity Number: XT1874

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
Belfast City Branch
Belfast BT1 2BA

Solicitors

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

(Advisors in relation to the Charitable Trust Funds Review)

Cleaver Fulton Rankin
50 Bedford Street
Belfast BT2 7FW

Principal Advisors

(Advisors in relation to the Common Investment Fund)

Brewin Dolphin Limited
Waterfront Plaza
8 Laganbank Road
Belfast BT1 3LR

Structure, governance and management

The Trust Board acts as “corporate trustee” for the Charitable Trust funds and is responsible for ensuring that these funds are held and managed separately from public funds.

The Trust Board has established a Charitable Funds Advisory Committee, which is authorised by the 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 Funds Advisory Committee during 2015/16 was as follows:

Mr Les Drew (Chair) <i>(CFAC Chair until June 2015)</i>	Non Executive Director <i>(to June 2015)</i>
Mr Peter McNaney <i>(CFAC Chair from June 2015)</i>	Chairman
Mrs Nuala McKeagney	Non Executive Director <i>(from May 2015)</i>
Dr Michael McBride	Chief Executive
Mr Martin Dillon	Director of Finance
Miss Brenda Creaney	Director of Nursing and User Experience
Dr Cathy Jack	Medical Director
Mr Cecil Worthington	Director of Social and Primary Care

The roles and responsibilities of the Charitable Funds Advisory Committee in relation to the management and governance of the Trust Fund are as follows:

- Oversee charitable funds in line with guidance in the Trust’s Standing Financial Instructions, Departmental guidance and legislation.
- Ratifying the creation of new funds 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 Fund will be maintained with the Trust’s general estate and inventory of assets.
- Ensure that funds are not unduly or unnecessarily accumulated.
- Produce an annual statement on internal control over Charitable funds, being informed by reports from Management, the Internal Auditor and the External Auditors.
- Ensure that a Trustees Report is produced as part of the production of annual accounts for charitable funds.
- Ensure that expenditure from charitable funds is subject to appropriate value for money considerations including proper procurement procedures where applicable.
- Ensure that Annual accounts are prepared in accordance with DHSSPS 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 funds.

The Trustees have delegated the authority for expenditure decisions to the Charitable Funds Advisory Committee. The Trustees have also delegated expenditure decisions to specific individuals within the Trust to recommend expenditure from restricted funds. These recommendations were approved by a designated Director of the Trust.

In the Belfast Trust the delegated authorities will be contained in the Terms of Reference for the Charitable Funds Advisory Committee.

In addition, the Charitable funds Advisory Committee recognise the current and ongoing economic conditions in investment markets and its impact on the Charitable Trust Fund's investments. The Charitable Trust Fund Advisory Committee will continue to ensure that there is:

- Continued representation on behalf of the Belfast Charitable Trust Funds on the Common Investment Fund Committee;
- Continued discussion and review of Investment Management performance reports and forecasts.

As the Trustees are directors of the Belfast Trust, the policies and procedures followed for recruitment, induction and training of these officers applies also to their duties as Trustees.

During the year, none of the Trustees or members of the key management staff or parties related to them have undertaken any material transactions with the Belfast Health and Social Care Trust's Charitable Trust Funds.

Objectives and Activities

The objectives of the Belfast Health and Social Care Trust are to ensure 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.

The aim of the Trustees is to enhance the patient experience within the hospital through planned expenditure from the funds available. The Trustees have not undertaken any fundraising activities in 2015/16 and relied on voluntary contributions and donations.

Achievements and Performance

The Trustees policy is to seek to balance the use of the Trust funds capital and income in a way which maximises the benefits to the hospital and patients and which sustains historical levels of income.

During the year the Trust Fund continued to engage in activities commensurate with its objectives. Over £3.1m was expended on charitable activities, in accordance with the Trust's policies and procedures in relation to expenditure from Trust Funds.

Where there are cash balances surplus to requirements the Trust transfers such balances to the Common Investment Fund, in order to maximise the return on investments.

Financial Review

Introduction

The financial statements have been prepared in accordance with 'Accounting and Reporting by Charities' The Statement of Recommended Practice issued in March 2005, and with relevant guidance issued by the DHSSPS.

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.

Review of the year

Income and Expenditure

For the year ended 31 March 2016 there was net income deficit of £1,102k (after excluding the notional audit fee).

Total income of £2.154m was received in comparison to £1,799k in 2014/15 representing an overall increase of £355k in 2015/16.

Voluntary income accounted for £953k of the total income
Investment income accounted for £1,201k.

Voluntary income increased by £254k on the 2014/15 figure of £699k.
Investment income increased £101k on the 2014/15 figure of £1,100k.

The increase in total income in 2015/16 is mainly due to an increase of £144k in legacies received and an increase of £111k in donations received from individuals by the Belfast Trust in year, giving a total for legacies received of £366k for 2015/16 as compared to £222k for 2014/15 and a total of donations from individuals received of £582k for 2015/16 as compared to £471k in 2014/15. The overall trend is upwards for donations to the Belfast Health and Social Care Charitable Trust Funds in 2015/16 and this is evidenced by the increase of £111k in donations from individuals.

The total resources expended for the year were £3,256k (£1,603k in 2014/15) of which total direct charitable expenditure for the year accounted for £3,124k, an increase of £1,655k on 2014/15. Total direct charitable expenditure on Medical Research, Building & Refurbishment, Staff Education & Welfare increased by £1,138k on prior year figures. Purchase of equipment & other expenditure increased by £478k and Patients welfare increased by £39k compared to 2014/15. Of the remaining expenditure, governance costs for the financial administration of the fund amounted to £132k representing 6.12% of total incoming resources.

Financial position at year-end

The total fund balance at 31 March 2016 was £42,550k a decrease of £3,320k on the fund balance of £45,870k at 31st March 2015.

In 2015/16 the equity market unrealised and realised gains decreased significantly from a gain of £2,780k in 2014/15, to a loss of £2,223k in 2015/16. The loss of £2,223k when added to the net outgoing in resources of £1,097k resulted in a total decrease of £3,320k to the fund. This decrease in the fund reflects the losses and the recovery in equity and bond markets in 2015/16.

Financial Controls

The Trustees are aware of their financial responsibilities for the money that is held on trust. 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 Trust Funds is closely aligned with the Belfast Health and Social Care Trust's risk management procedures. These are outlined in detail in the Statement on Internal Control contained within the Trust Fund's annual financial statements.

Reserves policy

The Trust Fund does not currently enter into future commitments and so has not created any reserves for this.

Investment Policy

For investment purposes the balances on the Trust funds of all Trusts in the greater Belfast area are pooled and invested in the Common Investment Fund.

Charitable Trust Funds Review

The Trust continued to work on the advice and guidance of Cleaver Fulton Rankin Solicitors in respect of the review of funds and the Attorney General's requests regarding the format of submissions has been reflected in a second draft. The Trust has also engaged with the Charities Commission Northern Ireland and secured agreement to delay the registration process until the review process is complete. The Charitable Trust Funds review working group regularly update and advise the Charitable Funds Advisory Committee of progress to date.

Plans for future periods

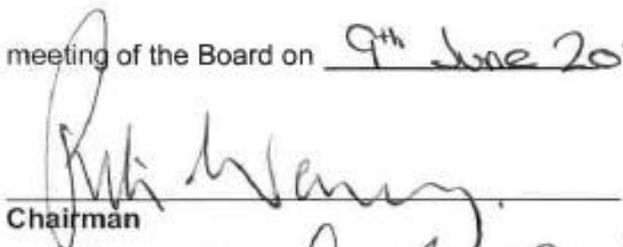
- Complete the court applications in line with the advice received from our legal advisors and the Attorney General's office.
- Prepare for the implementation of the proposed new funding arrangements by communicating the proposed changes to Trust Staff.
- Provide training for the new fund committees and the Charitable Trust Fund Team.

Funds Held as Custodian Trustee on Behalf of Others

The Belfast Health and Social Care Trust does not act as Custodian Trustee on behalf of others.

Approved by the Trustees at a meeting of the Board on 9th June 2016

Signed : Mr Peter McNaney


Chairman

Dr Michael McBride


Chief Executive