

Charitable Funds

Annual Report 2015/16



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Chairman's Report

As Chairman of the East Lancashire Hospitals NHS Trust, the sole corporate trustee of the Charity, and Chairman of the Committee we are pleased to present the Charity's Annual Report for the period to 31 March 2016.

The Charitable Funds Committee acts on behalf of the corporate trustee and the Annual Report is designed to give an insight into the extent of the work that has been undertaken. We would like to take this opportunity to thank those individuals who have served on the Charitable Funds Committee, which acts on behalf of the Trust, during the course of the year and on their behalf to express our appreciation to the staff of the Trust for their dedication in caring for our local population.

We would also like to express our genuine and sincere thanks and appreciation to all fundraisers who have donated their time and made enormous efforts during the course of the year to provide additional funds to improve the level of service the Trust is able to provide to all users.

Professor Eileen Fairhurst
Chairman
East Lancashire Hospitals NHS Trust

Mr David Wharfe
Non-Executive Director and Chairman of the Charitable
Funds Committee
East Lancashire Hospitals NHS Trust



Objectives and Activities

The object of the Charity is 'for any purpose or purposes relating to the National Health Service wholly or mainly for the services provided by East Lancashire Hospitals NHS Trust'.

The Trust, the sole corporate trustee of the Charity, provides a range of health care services, predominantly for the local population of East Lancashire of over half a million people.

The main charitable activities of the Charity are to fund:

- improvements to the services provided to patients, primarily through the purchase of equipment that would not normally be purchased by the Trust, as well improvements to the patient environment and experience; and
- training for Trust staff and to help to develop and improve staff amenities.

In September 2016, at the Trust AGM, the Charity was officially re-launched as 'ELHT&Me'. Members of staff (through the monthly newsletter) were given the opportunity to come up with a new name which would better communicate what the Charity does and enable staff to feel linked to the Charity, encouraging them to both raise money and also apply for funding for specific projects or equipment needed in their areas of work.



The name, ELHT&Me, was one of three names shortlisted from over 24 options, with the Chief Executive and Chairman casting the deciding vote and a new brand and logo was designed around this. ELHT&Me was felt to best reflect the fact that the Trust is central to the community and to individuals, either as a provider of care and treatment, a place to work, or a supporter of local business. With a new name and 'brand' in place, the long term plan for the Charity is to increase the amount of funding raised and thus enable patients to benefit from state of the art technology and other items which are not centrally funded.

The first donation to the new Charity was made by the Masjid Anwaar Mosque in Blackburn who donated £2,500 which had been raised by families attending the mosque, asking that the money be used to benefit the whole community.



This donation was promoted alongside the re-launch of the Charity and a refresh of the information on the Charity provided on the Trust's website. Anyone wishing to raise money for ELHT&Me by undertaking a challenge will be provided with a branded t-shirt and support from the Trust Communications team with publicizing their event or donation. All those donating will also receive a special silver pin badge as a token of thanks along with a letter.

www.elht.nhs.uk/elht-and-me/

Additionally, Rosemere Cancer Foundation raised £100,000 towards a new Chemotherapy Unit on the Burnley site.



Taaheedul Islam Girls High School in Blackburn also raised £1843.96.



This promotion of generous donations has gone hand in hand with an emphasis on increased engagement with local organisations and businesses. The Communications team is now focused on recruiting a charity and engagement officer to further drive this work and increase awareness, partnership working and fundraising opportunities.

ELHT&Me will continue to work alongside local hospital charities such as Burnley League of Friends, Friends of Pendle Community Hospital and the Friends of Clitheroe Community Hospital though it is anticipated that all funds raised will go to ELHT&Me.

Financial Review

Total expenditure for 2015/16 of £896,000 compares to £966,000 in the previous financial year. At £360,000, expenditure on medical and surgical equipment for the Trust continues to represent the largest use of charitable funds.

Analysis of expenditure	2015-16	2014-15
	£'000	£'000
<i>Expenditure on raising funds</i>		
Investment Management and Admin Fees	10	6
	<u>10</u>	<u>6</u>
<i>Expenditure on charitable activities</i>		
Staff welfare/ training/ amenities	132	81
Patient welfare/ training/ amenities	11	11
Retirement Gifts and Long Service Awards	43	38
Building and Engineering	3	36
Furniture and Equipment	121	96
Printing and Stationery	10	17
Computer/Office Equipment	54	93
Training	35	33
Medical And Surgical Equipment Maintenance	2	0
Medical And Surgical Equipment	360	487
Other expenditure	115	68
	<u>886</u>	<u>960</u>
Total	896	966

While total income received for 2015/16 of £516,000 was significantly lower than the £1,145,000 received in the previous financial year, this amount included a £360,000 legacy.

Analysis of income	2015-16	2014-15
	£'000	£'000
<i>Income from donation and legacies</i>		
Donations	105	258
Legacies	5	458
Grants	82	151
	<u>192</u>	<u>867</u>
<i>Income from other trading activities</i>		
Income from training activities	83	79
Other income	157	109
	<u>240</u>	<u>188</u>
<i>Income from investments</i>		
Investments listed on the London Stock Exchange	82	88
Interest on cash/bank	2	2
	<u>84</u>	<u>90</u>
Total	516	1,145

Significant income items received by the Charity include £33,000 received from Rosemere Cancer Foundation which was used to purchase a 3D printer for use in the Maxillofacial Laboratory.

A further £25,000 was received from Friends of Serenity, which was used to contribute towards the purchase of a scanner for use in the Family Care Division (see below).



During 2016/17, the Charity also spent £52,000 on an ultrasound machine for use in the Radiology Department. Other significant areas of expenditure met from charitable funds include £121,000 on furniture and office equipment for the Trust and £128,000 on welfare and amenities for Trust staff. When net losses on investments of £96,000 are taken into account, fund balances have fallen by £456,000 in 2015/16 to £2,345,000.

Reserves Policy

The Charity derives its income mainly from donations and legacies, the level of which cannot be accurately predicted year on year.

Since the charity aims to spend the income it receives for its charitable purpose, there are a number of reasons why it needs to retain a proportion of the income it receives as reserves, which include:

- ensuring income from donations and legacies are spent in line with the donors' wishes, particularly where restrictions have been placed on its use.
- ensuring sufficient funds are available to fund planned future projects;
- for gifts of endowment where the charity has no power to treat the monies as income to fund charity related expenditure; and
- meeting current or anticipated expenses such as management, administration and governance costs, including audit costs.

Investment Strategy and Policy

The aim of the investment strategy is to 'invest funds so as to provide as high a current income as possible, consistent with the objective of at least preserving the income generating value of capital over the long term'. The balance of investments after taking into account the reserved funds are managed in an investment portfolio designed to provide a return in the medium to longer term. The Charitable Funds Committee is assisted in this aspect by the professional advice of an independent Investment Funds Manager. The Charitable Funds Committee aims to turn over the majority of charitable funds, excluding specific long term legacies, once every three year

Structure, Governance and Management

The Charity which was formerly known as the East Lancashire Hospitals NHS Trust Charitable Fund and other related charities, is now known as ELHT&Me.

The Charity was created under a Trust deed executed on 28th of January 2004 and constituted with East Lancashire Hospitals NHS Trust as sole corporate trustee. This deed consolidated a number of charitable funds held by the former Burnley Healthcare and Blackburn, Hyndburn and Ribble Valley Health Care NHS Trusts prior to their merger to form the East Lancashire Hospitals NHS Trust.

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

In practice, responsibility for the monitoring and approval of activities relating to charitable fundraising and the uses to which charitable funds are applied has been delegated by the Trust Board to the Charitable Funds Committee. The terms of reference for the Committee are reviewed annually by the Trust Board and compliance with these terms of reference is also assessed on an annual basis by the Committee and reported back to the Trust Board as part of the annual report of the Charitable Funds Committee.

Membership of the Charitable Funds Committee is drawn from the Trust Board and comprises a Non-Executive Director Chair of the Committee, a further Non-Executive Director member, the Director of Finance (as lead director for the Committee) and the Director of Nursing.

The Company Secretary, Director of Communications and Engagement and Associate Non-Executive Director, together with the Deputy Director of Finance or Financial Controller are normally in attendance at meetings of the Committee to provide advice and assistance. A staff side representative has also been invited to attend each meeting.

All Trust Board members are entitled to attend the meeting and have sight of the supporting documents and the Committee provides regular reports of its decisions to the formal Trust Board meeting. There are a number of individual funds within the umbrella of the Charity, each of which has a designated funds manager with day-to-day responsibility for the administration of the fund, being involved in fundraising activities and decisions on how donations should be expended within the financial framework of the charity.

Committee Membership



D Wharfe
Non-Executive
Director and
Committee Chairman



S Barnes
Non-Executive
Director



M Brown
Acting Director of
Finance



C Pearson
Director of Nursing

Board Members of the Corporate Trustee

Name	Job Title/Position	Committee Member
Professor Eileen Fairhurst	Chairman	
Mr Kevin McGee	Chief Executive Officer	
Mr Jonathan Wood	Director of Finance and Deputy Chief Executive (to 30 June 2016) Jonathan is currently on secondment at Leeds Teaching Hospitals NHS Trust)	Committee Member (to June 2016)
Mrs M Brown	Acting Director of Finance (from 1 July 2016)	Committee Member (from July 2016)
Mrs Christine Pearson	Director of Nursing	Committee Member
Dr Damian Riley	Medical Director	
Mrs Gillian Simpson	Director of Operations	
Mr David Wharfe	Non-Executive Director	Committee Chair
Mr Peter Rowe	Non-Executive Director and Vice Chair of the Board	
Mrs Elizabeth Sedgley	Non-Executive Director	
Mr Stephen Barnes	Non-Executive Director	Committee Member (from July 2016)
Mr Richard Slater	Non-Executive Director	
Miss Naseem Malik	Non-Executive Director (from 1 September 2016)	
Dr Ian Stanley	Medical Director (to 30 June 2015)	
Mr Mohammed Shazad Sarwar	Non-Executive Director (to 31 August 2015)	Committee Member (to August 2015)

Director recruitment and appointment

There are different recruitment and appointment processes for the executive and Non-Executive members of the Trust Board. From 1 April 2016, NHS Improvement has had responsibility for the appointment of Non-Executive members to NHS Trust Boards on behalf of the Secretary of State for Health. Executive members of the Board are subject to the recruitment and appointment processes of the Trust.

Declaration

The Corporate Trustee declares that it has approved the annual report of East Lancashire Hospitals NHS Trust Charitable Fund and other related charities for 2015/16.

Signed on behalf of the charity's Corporate Trustee:

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David Wharfe
Non-Executive Director, Charitable Funds
Committee Chair
East Lancashire Hospitals NHS Trust

.....
Michelle Brown
Acting Director of Finance
East Lancashire Hospitals NHS Trust

Reference and Administrative Details

Registered charity name East Lancashire Hospitals NHS Trust Charitable Fund and other related charities

Charity Registration Number 1050478

Principal Office Address East Lancashire Hospitals NHS Trust
Trust Headquarters
Royal Blackburn Hospital
Haslingden Road
Blackburn, BB2 3HH

Trustee East Lancashire Hospitals NHS Trust

The following key professional services are provided to the Charity by external organisations:

Charity bankers Governing Banking Service
London Corporate Services Centre
2nd floor
280 Bishopgate
London
EC2 M4RB

Charity external auditors Grant Thornton LLP UK
4 Hardman Square
Spinningfields
Manchester, M3 3EB

Charity investment managers Brewin Dolphin
1 The Avenue
Spinningfields Square
Manchester
M3 3AP

Charity solicitors Hempsons
City Tower
Piccadilly Plaza
Manchester, M1 4BT

Charity internal auditors Mersey Internal Audit Agency (MIAA)
Regatta Place
Brunswick Business Park
Summers Road
Liverpool
L3 4BL