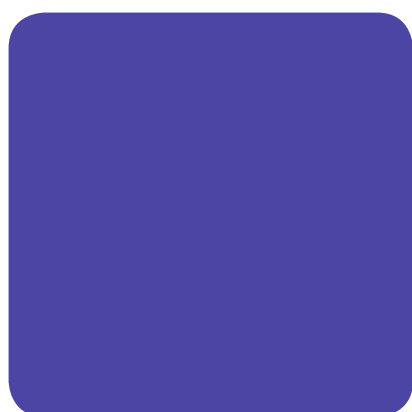


# Charitable Funds

Annual Report 2016-17



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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 2017.

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.

Every single donor and fundraiser enables the Trust to enhance and improve the level of service it provides in so many ways. We would like to extend our sincere thanks and appreciation to everyone who has given their time and contributed throughout the year 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**

Chairman  
Non-Executive Director and  
Chairman of the Charitable  
Funds Committee  
(to April 2017)  
East Lancashire  
Hospitals NHS Trust



**Mr Stephen Barnes**

Non-Executive Director  
and Chairman of the  
Charitable Funds Committee  
(from April 2017 onwards)  
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 be outside the NHS funding, as well as 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 were given the opportunity to suggest a new name which would better reflect what the Charity does. The new name would be more personal to staff, making them feel more engaged with the Charity. This would in turn encourage both staff and our community to not only raise money, but also enable staff to apply for funding which would enhance patient experience.

The ELHT&me branding has continued to develop and engage fundraising events, both within the Trust and in the community.



## Charitable Donations

The first donation to the new Charity was made by the Masjid Anwaar Mosque in Blackburn. The £2,577 donated was raised by families attending the mosque, with the money being used to benefit the whole community.



We are very grateful for all the contributions we received from our local community.

One example of personal giving, is a young appreciative family who, while suffering an unimaginable loss, chose to show their support to the Trust's Neonatal Intensive Care Unit by raising £1,227.50.



Tauheedul 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.



# Financial Review

Total expenditure for 2016/17 of £770,000 compares to £896,000 in the previous financial year.

At £205,000, expenditure on staff welfare, training and amenities represents the largest use of charitable funds.

Analysis of expenditure	2016-17 £'000	2015-16 £'000
<b><i>Expenditure on raising funds</i></b>		
Investment Management and Admin Fees	20	10
	20	10
<b><i>Expenditure on charitable activities</i></b>		
Staff welfare/ training/ amenities	205	132
Patient welfare/ training/ amenities	46	11
Retirement Gifts and Long Service Awards	28	43
Building and Engineering	29	3
Furniture and Equipment	93	121
Printing and Stationery	1	10
Computer/Office Equipment	36	54
Training	22	35
Medical And Surgical Equipment Maintenance	0	2
Medical And Surgical Equipment	191	360
Other expenditure	99	115
	750	886
<b>Total</b>	<b>770</b>	<b>896</b>

Total income has increased to £654,000. This figure includes a grant received from Rosemere Cancer Foundation for £100,000. This money was pledged to support the purchase of furnishings and equipment in the new Chemotherapy Department at Burnley General Teaching Hospital.

Analysis of income	2016-17 £'000	2015-16 £'000
<b><i>Income from donation and legacies</i></b>		
Donations	145	105
Legacies	54	5
Grants	158	82
	357	192
<b><i>Income from other trading activities</i></b>		
Income from training activities	48	83
Other income	156	157
	204	240
<b><i>Income from investments</i></b>		
Investments listed on the London Stock Exchange	92	82
Interest on cash/bank	1	2
	93	84
<b>Total</b>	<b>654</b>	<b>516</b>

Other significant income items received by the Charity include £50,000 from the Brian Mercer Trust which was used to purchase a fibro scanner for use in the Integrated Care Division.

The Charity has also spent £70,000 on a Scan Trainer System for use in the Family Care Division and a Uriliser Scanner for £42,000 for the Pathology Department. Other significant areas of expenditure met from charitable funds include £93,000 on furniture and other equipment for the Trust and £46,000 on welfare and amenities for Trust patients.

When net gains on investments of £257,000 are taken into account, fund balances have increased by £141,000 in 2016/17 to £2,466,000.

## 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:

- making sure 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.

For these reasons, the Charity holds reserves at a minimum level of £500,000.

## 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 years.



# 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 28 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 reporting from 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, two further Non-Executive Director/Associate Non-Executive Director members, the Director of Finance (as lead director for the Committee), the Director of Nursing and the Director of Communications and Engagement.

The Associate Director of Corporate Governance/Company Secretary, together with the Deputy Director of Finance or Financial Controller and the Fundraising Manager attend meetings of the Committee to provide advice and assistance.

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.

In June 2017 the Trust appointed a Fundraising Manager, which is a new position for the Charity. The appointment reflects the important role that fundraising has to play in the enhancement of the patient experience and patient and public engagement.

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



**David Wharfe**  
Non- Executive  
Director and  
Committee Chairman  
(to April 2017)



**Stephen Barnes**  
Non-Executive  
Director and  
Committee Chairman  
(from April 2017)



**Jonathan Wood**  
Director of Finance  
(to June 2016)  
(from April 2017)



**Christine Pearson**  
Director of Nursing



**Richard Smyth**  
Non-Executive  
Director



**Christine Hughes**  
Director of  
Communications and  
Engagement



**Michelle Brown**  
Acting Director  
of Finance  
(from June 2016 to  
April 2017)

# Board Members of the Corporate Trustee

Name	Job Title/Position	Committee Member
Professor Eileen Fairhurst	Chairman	
Mr Kevin McGee	Chief Executive Officer	
Mr Stephen Barnes	Non-Executive Director	Committee Member Committee Chair (from April 2017)
Mr John Bannister	Director of Operations Non-voting Board member	
Mrs M Brown	Acting Director of Finance (to April 2017) Deputy Director of Finance (from April 2017)	Committee Member (to April 2017)
Mr Keith Griffiths	Director of Sustainability Non-voting Board member	
Mr M Hodgson	Director of Service Development	
Mrs Christine Hughes	Director of Communications and Engagement Non-voting Board member	Committee Member
Miss Naseem Malik	Non-Executive Director	
Mr Kevin Moynes	Director of HR and OD Non-voting Board member	
Mrs Christine Pearson	Director of Nursing	Committee Member
Mr Richard Smyth	Non-Executive Director	Committee Member
Dr Damian Riley	Medical Director	
Mr Richard Slater	Non-Executive Director	
Professor Mike Thomas	Associate Non-Executive Director Non-voting Board member	
Mr Mike Wedgeworth	Associate Non-Executive Director Non-voting Board member	
Mr David Wharfe	Non-Executive Director	Committee Chair (to April 2017) Committee Member
Mr Jonathan Wood	Director of Finance and Deputy Chief Executive (was on secondment to Leeds University Hospitals NHS Foundation Trust between June 2016 and April 2017)	Committee Member (to June 2016) (from April 2017)
Mrs Elizabeth Sedgley	Non-Executive Director (to February 2017)	

Mr Peter Rowe	Non-Executive Director and Vice Chairman (to April 2017)	
Mrs Gillian Simpson	Director of Operations (to December 2016)	

## 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.

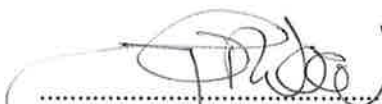
# Declaration

The Corporate Trustee declares that it has approved the annual report of ELHT&me for 2016/17.

Signed on behalf of the Charity's Corporate Trustee:



**Stephen Barnes**  
Non-Executive Director, Charitable Funds  
Committee Chair  
East Lancashire Hospitals NHS Trust



**Jonathan Wood**  
Director of Finance  
East Lancashire Hospitals NHS Trust

# Reference and Administrative Details

**Registered charity name** ELHT&me

**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



**Annual Accounts**  
**FOR THE YEAR ENDED**  
**31st March 2017**

## **ELHT&me**

### **ANNUAL ACCOUNTS 2016 - 17**

#### **STATUTORY BACKGROUND**

ELHT&me, for which East Lancashire Hospitals NHS Trust is the sole Corporate Trustee, is registered with the Charity Commission.

The Corporate Trustee has been appointed in accordance with the National Health Service Act 2006.

#### **MAIN PURPOSE OF THE CHARITY**

The main purpose of the Charity is to apply income for any charitable purpose relating to the National Health Service wholly or mainly for the services provided by East Lancashire Hospitals NHS Trust.



## ELHT&me Accounts 2016-17

### Statement of Trustee responsibilities

Under the trust deed of the charity and charity law in England and Wales, the Corporate Trustee is required to prepare financial statements for each financial year which give a true and fair view of the Charity's financial activities during the year and of its financial position at the end of the year.

In preparing these financial statements, the Trustee is required to:

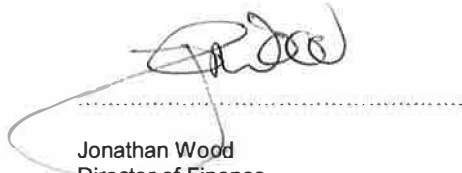
- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether the applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue its activities.

The Trustee is required to act in accordance with the trust deed of the charity, within the framework of trust law. The Trustee is responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the Charity at the time, and enable the Trustee to ensure that any statements of accounts comply with the requirements of regulations under the provision. The Corporate Trustee has general responsibility for taking steps as are reasonably open to it to safeguard the assets of the Charity and to prevent and detect fraud and other irregularities.

These financial statements were approved by order of the Corporate Trustee on 17 January 2018 and were signed on its behalf by:



Stephen Barnes  
Non-Executive Director  
East Lancashire Hospitals NHS Trust  
Charitable Funds Committee Chair



Jonathan Wood  
Director of Finance  
East Lancashire Hospitals NHS Trust

ELHT&me Accounts 2016-17

Statement of Financial Activities

Notes	2016-17				Restated * 2015-16			
	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total £'000	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total £'000
<b>Income and endowments from:</b>								
3								
Donation and legacies	257	100	0	357	193	(1)	0	192
Other trading activities	204	0	0	204	240	0	0	240
Investments	81	12	0	93	78	6	0	84
<b>Total</b>	<b>542</b>	<b>112</b>	<b>0</b>	<b>654</b>	<b>511</b>	<b>5</b>	<b>0</b>	<b>516</b>
<b>Expenditure on:</b>								
4								
Raising funds	(20)	0	0	(20)	(10)	0	0	(10)
Charitable activities	(718)	(32)	0	(750)	(800)	(86)	0	(886)
<b>Total</b>	<b>(738)</b>	<b>(32)</b>	<b>0</b>	<b>(770)</b>	<b>(810)</b>	<b>(86)</b>	<b>0</b>	<b>(896)</b>
<b>Net gains / (losses) on investments</b>	<b>238</b>	<b>17</b>	<b>2</b>	<b>257</b>	<b>(89)</b>	<b>(7)</b>	<b>0</b>	<b>(96)</b>
<b>Net income / (expenditure)</b>	<b>42</b>	<b>97</b>	<b>2</b>	<b>141</b>	<b>(388)</b>	<b>(88)</b>	<b>0</b>	<b>(476)</b>
<b>Transfers between funds</b>	<b>144</b>	<b>(144)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net movement in funds</b>	<b>186</b>	<b>(47)</b>	<b>2</b>	<b>141</b>	<b>(388)</b>	<b>(88)</b>	<b>0</b>	<b>(476)</b>
<b>Reconciliation of funds:</b>								
<b>Total funds brought forward</b>	<b>2,005</b>	<b>305</b>	<b>15</b>	<b>2,325</b>	<b>2,393</b>	<b>393</b>	<b>15</b>	<b>2,801</b>
<b>Total funds carried forward</b>	<b>2,191</b>	<b>258</b>	<b>17</b>	<b>2,466</b>	<b>2,005</b>	<b>305</b>	<b>15</b>	<b>2,325</b>

\* A prior period adjustment of £106k has been made to correct an error in the classification of restricted and unrestricted funds in the previous financial year, as detailed below:

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total £'000
Amount from 2015/16 accounts	1,899	411	15	2,325
Prior period adjustment	106	(106)	0	0
Restated amount	2,005	305	15	2,325

Comparatives in the Balance Sheet have also been restated.

ELHT&me Accounts 2016-17

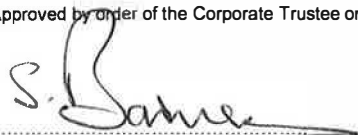
Balance Sheet

	Note	Unrestricted £'000	Restricted £'000	Endowment £'000	31 March 2017 £'000	Restated * 31 March 2016 £'000
<b>Fixed assets</b>						
Investments	8	1,937	258	17	2,212	1,975
<b>Current assets</b>						
Debtors	6	121	0	0	121	29
Cash at bank and in hand		275	0	0	275	466
<b>Total current assets</b>		<b>396</b>	<b>0</b>	<b>0</b>	<b>396</b>	<b>495</b>
<b>Liabilities</b>						
Creditors: amounts falling due within one year	7	(142)	0	0	(142)	(145)
<b>Net current assets</b>		<b>254</b>	<b>0</b>	<b>0</b>	<b>254</b>	<b>350</b>
<b>Total assets less current liabilities</b>		<b>2,191</b>	<b>258</b>	<b>17</b>	<b>2,466</b>	<b>2,325</b>
<b>Total net assets</b>		<b>2,191</b>	<b>258</b>	<b>17</b>	<b>2,466</b>	<b>2,325</b>
<b>The funds of the Charity:</b>						
Endowment funds		0	0	17	17	15
Restricted income funds		0	258	0	258	305
Unrestricted funds		2,191	0	0	2,191	2,005
<b>Total Charity funds</b>		<b>2,191</b>	<b>258</b>	<b>17</b>	<b>2,466</b>	<b>2,325</b>

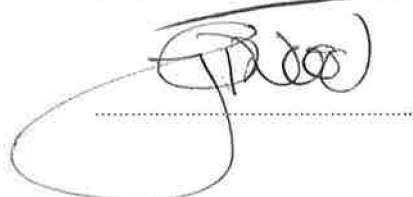
\* A prior period adjustment of £106k has been made to correct an error in the classification of restricted and unrestricted funds in the previous financial year.

The notes at pages 5 to 10 form part of these accounts.

Approved by order of the Corporate Trustee on 17 January 2018 and signed on its behalf by:



Stephen Barnes  
Non-Executive Director  
East Lancashire Hospitals NHS Trust  
Charitable Funds Committee Chair



Jonathan Wood  
Director of Finance  
East Lancashire Hospitals NHS Trust

## ELHT&me Accounts 2016-17

### Statement of Cashflows

	Note	2016-17 £000s	2015-16 £000s
<b>Cash flows from operating activities:</b>			
<b>Net cash provided by (used in) operating activities</b>		<b>(304)</b>	(535)
<b>Cash flows from investing activities</b>			
Interest received	3	1	2
Payments for investments		<b>(690)</b>	(196)
Proceeds from the disposal of investments		711	204
Cashflows from investing activities	3	<b>91</b>	82
<b>Net cash inflow from investing activities</b>		<b>113</b>	92
<b>Net cash inflow/(outflow) before financing</b>		<b>(191)</b>	(443)
<b>Cash flows from financing activities</b>			
<b>Net cash outflow from financing activities</b>		<b>0</b>	0
<b>Change in cash and cash equivalents in the reporting period</b>		<b>(191)</b>	(443)
<b>Cash and cash equivalents at beginning of the year</b>		<b>466</b>	909
<b>Cash and cash equivalents at end of the year</b>		<b>275</b>	466
<b>Reconciliation of net income/(expenditure) to net cash flow from operating activities</b>			
<b>Net income/(expenditure) for the reporting period (as per the statement of financial activities)</b>		<b>141</b>	(476)
<b>Adjustments for:</b>			
(Gains)/losses on investments		<b>(257)</b>	96
Dividends and interest from investments	3	<b>(93)</b>	(84)
(Increase)/decrease in debtors	6	<b>(92)</b>	0
Increase/(decrease) in creditors	7	<b>(3)</b>	(71)
<b>Net cash provided by (used in) operating activities</b>		<b>(304)</b>	(535)

## Notes to the Accounts

### 1 Basis of preparation

#### 1.1 Basis of accounting

These accounts have been prepared on the basis of historic cost, with the exception of investments which are shown at market value, in accordance with:

- Accounting and Reporting by Charities: Statement of Recommended Practice (FRS 102), effective from 1 January 2015; and
- the UK Generally Accepted Accounting Practice and the Charities Act 2011.

#### 1.2 Change in basis of accounting

In preparing the accounts, the Trustee has considered whether any restatement of comparatives were required to comply with FRS 102.

### 2 Accounting policies

#### 2.1 Recognition of income

Income is recognised in the Statement of Financial Activities (SOFA) based on the following criteria:

- a) entitlement - arises when a particular resource is receivable or the Charity's right become legally enforceable;
- b) probability - when receipt of the income is probable; and
- c) measurement - when the monetary value can be measured with sufficient reliability.

#### 2.2 Income with related expenditure

Where income have related expenditure (as with fundraising or contract income) the income and related expenditure are reported gross in the SOFA.

#### 2.3 Grants and donations

Grants and donations are only included in the SOFA when the charity has unconditional entitlement to the resources.

#### 2.4 Tax reclaims on donations and gifts

Incoming resources from tax reclaims are included in the SOFA at the same time as the gift to which they relate.

#### 2.5 Contractual income and performance related grants

This is only included in the SOFA once the related goods or services have been delivered.

#### 2.6 Gifts in kind

- Gifts in kind are accounted for at a reasonable estimate of their value to the charity or the amount actually realised.
- Gifts in kind for sale or distribution are included in the accounts as gifts only when sold or distributed by the charity.
- Gifts in kind for use by the charity are included in the SOFA as incoming resources when receivable.

#### 2.7 Legacies

Legacies are accounted for as incoming resources when a part or final distribution is received from the executors of the estates(s), or when the factors specified in 2.1(a) above can be met.

Where the exact monetary value is not known, an assessment will be made based on known facts and potential liabilities and disbursement due from the estate, to provide a reasonable estimation of the amount due to the Charity.

#### 2.8 Donated services and facilities

These are only included in incoming resources (with an equivalent amount in resources expended) where the benefit to the charity is reasonably quantifiable, measurable and material. The value placed on these resources is the estimated value to the Charity of the service or facility received.

#### 2.9 Volunteer help

The value of any voluntary help received is not included in the accounts but is described in the annual report.

#### 2.10 Investment income

This is included in the accounts when received. Investment Income is allocated to Funds on a basis of the average fund balances over the year.

#### 2.11 Liability recognition

The funds held on trust accounts are prepared in accordance with the accruals concept. Liabilities are recognised as soon as there is a legal or constructive obligation committing the Charity to pay out resources.

#### 2.12 Governance costs

Governance costs comprise of costs incurred in the governance of the Charity. These costs relate to the statutory audit.

Notes to the Accounts

Accounting policies cont.

**2.13 Grants with performance conditions**

Where the Charity gives a grant with conditions for its payment being a specific level of service or output to be provided, such grants are only recognised in the SOFA once the recipient of the grant has provided the specified service or output.

**2.14 Grants payable without performance conditions**

These are only recognised in the accounts when a commitment has been made and there are no conditions to be met relating to the grant which remain in the control of the Charity.

**2.15 Support costs**

Support costs include central functions and have been allocated to funds on a basis of the average fund balances over the year.

**2.16 Fixed assets for use by charity**

The Charity has no tangible or intangible assets.

**2.17 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 sale proceeds and opening market value (or date of purchase if later). Unrealised gains and losses are calculated as the difference between opening market value and closing market value for the year. Gains and losses are allocated to funds based on the average fund balance for the year.

**2.18 Investments**

Investments quoted on a recognised stock exchange are valued at market value at the year end.

**2.19 Stocks and work in progress**

These are valued at the lower of cost or market value.

**2.20 Structure of funds**

Where there is a legal restriction on the purpose to which a fund may be used, 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 funds. Other funds are classified as unrestricted funds.

**2.21 Trustee indemnity insurance**

There is no Trustee indemnity insurance.

**2.22 Loans or guarantees secured against assets of the Charity**

There are no loans or guarantees against assets of the Charity.

**2.23 Related party transactions**

East Lancashire Hospitals NHS Trust is considered a related party of the Charity since the Trust Board is the Corporate Trustee of the Charity. However, responsibility for the monitoring and approval of activities relating to charitable fund raising and the uses to which charitable funds are applied has been delegated by the Trust Board to the Charitable Funds Committee.

ELHT&me Accounts 2016-17

Notes to the Accounts

3 Analysis of Income

	2016-17		2015-16	
	Unrestricted Funds £'000	Restricted Funds £'000	Total £'000	Total £'000
<b>Income from donation and legacies</b>				
Donations	145	0	145	105
Legacies	54	0	54	5
Grants	58	100	158	82
	<b>257</b>	<b>100</b>	<b>357</b>	<b>192</b>
<b>Income from other trading activities</b>				
Income from training activities	48	0	48	83
Other income	156	0	156	157
	<b>204</b>	<b>0</b>	<b>204</b>	<b>240</b>
<b>Income from investments</b>				
Investments listed on the London Stock Exchange	80	12	92	82
Interest on cash/bank	1	0	1	2
	<b>81</b>	<b>12</b>	<b>93</b>	<b>84</b>

4 Analysis of Expenditure

	2016-17			2015-16		
	Activities Undertaken Directly £'000	Support Costs £'000	Total £'000	Activities Undertaken Directly £'000	Support Costs	Total £'000
<b>Expenditure on raising funds</b>						
Investment Management and Admin Fees	20	0	20	10	0	10
	<b>20</b>	<b>0</b>	<b>20</b>	<b>10</b>	<b>0</b>	<b>10</b>
<b>Expenditure on charitable activities</b>						
Staff welfare/ training/ amenities	186	19	205	123	9	132
Patient welfare/ training/ amenities	41	5	46	11	0	11
Retirement Gifts and Long Service Awards	26	2	28	40	3	43
Building and Engineering	27	2	29	3	0	3
Furniture and Equipment	85	8	93	113	8	121
Printing and Stationery	1	0	1	9	1	10
Computer/Office Equipment	32	4	36	51	3	54
Training	20	2	22	33	2	35
Medical And Surgical Equipment Maintenance	0	0	0	2	0	2
Medical And Surgical Equipment	173	18	191	337	23	360
Other expenditure	88	11	99	107	8	115
	<b>679</b>	<b>71</b>	<b>750</b>	<b>829</b>	<b>57</b>	<b>886</b>



## ELHT&me Accounts 2016-17

### Notes to the Accounts

#### 5 Details of certain items of expenditure

##### 5.1 Support Costs

	2016-17 £'000	2015-16 £'000
Finance and administration costs	65	52
Banking charges	3	2
Fees for examination or audit of the accounts	3	3
	<u>71</u>	<u>57</u>

##### 5.2 Trustee expenses and remuneration

None of the members of the Trust Board were paid expenses or received remuneration during the year ended 31 March 2017 (2015-16: £nil) when acting on behalf of the of the Trust Board as Corporate Trustee of the Charity.

##### 5.3 Staff costs

The Charity did not employ any staff or incur any staff costs during the year (2015-16: £nil). The costs associated with the administration of the charitable funds have been disclosed under support costs in accordance with the stated accounting policy of the Charity.

#### 6 Debtors - falling due within one year

	31 March 2017 £'000	31 March 2016 £'000
Trade debtors	13	9
Prepayments and accrued income	108	19
Other debtors	0	1
	<u>121</u>	<u>29</u>

#### 7 Creditors - falling due within one year

	31 March 2017 £'000	31 March 2016 £'000
Trade creditors	0	22
Amounts due to East Lancashire Hospitals NHS Trust	21	19
Accruals and deferred income	121	104
	<u>142</u>	<u>145</u>

## ELHT&me Accounts 2016-17

### Notes to the Accounts

#### 8 Investment assets

##### 8.1 Fixed assets investments

	2016-17 £'000	2015-16 £'000
<b>Market value at 1 April</b>	<b>1,975</b>	2,079
Add: additions to investments at cost	<b>690</b>	196
Less: disposals at carrying value	<b>(659)</b>	(212)
Add: net gain on revaluation	<b>188</b>	(93)
Investment cash	<b>18</b>	5
<b>Market value at 31 March</b>	<b>2,212</b>	1,975

##### 8.2 Analysis of investments

	2016-17 £'000	2015-16 £'000
Investments listed on a recognised stock exchange or held in common investment funds, open ended investment companies, unit trusts or other collective investment schemes	<b>2,194</b>	1,970
Other investments	<b>18</b>	5
<b>Market value at 31 March</b>	<b>2,212</b>	1,975

##### 8.3 Material investment holdings

Material investment holdings are holdings with a market value of more than 4% of the total market value of investments as at 31 March 2017, which is approximately £89,000 (2015-16 £79,000).

Investment	2016-17		2015-16	
	Holding	Market Value £'000	Holding	Market Value £'000
Bank of America 5.5%	<b>88,000</b>	<b>104</b>	88,000	98
Workspace Group 6	<b>57,000</b>	<b>63</b>	94,000	98
Aviva Investors UK US Equity	<b>52,370</b>	<b>105</b>	68,000	106

#### 9 Related Party Transactions

East Lancashire Hospitals NHS Trust is considered a related party of the Charity since the Trust Board is the Corporate Trustee of the Charity. However, responsibility for the monitoring and approval of activities relating to charitable fund raising and the uses to which charitable funds are applied has been delegated by the Trust Board to the Charitable Funds Committee.

The transactions with the Trust relate to support costs, as disclosed in note 5 to these accounts with details of debtors and creditors given in notes 6 and 7 respectively. During the year, none of the members of the Charitable Funds Committee or parties related to them, undertook any material transactions with the Charity.

## ELHT&me Accounts 2016-17

### Notes to the Accounts

#### 10 Endowment, Restricted Income Funds & Major Fund Movements

##### 10.1 Restricted Funds held

Fund Code	Fund Name	Type	Site	Purpose and Restrictions
X418	Haematology M Gale Legacy	R	BGH	General purpose of Haematology.
X143	Mr Martin - Ribble Ward Legacy	R	COM	General purpose use of Ribble Ward.
MD22	A Reiman Legacy Elht Cath Lab	R	ELH	For the Cath Lab at RBH.
MC03	H Derbyshire Cardio/ Resp Fund	R	ELH	General Purposes Heart and Lung Unit RBH.
WC07	H Eastwood Childrens Resp Fund	R	ELH	Specifically for Children with Breathing Difficulties.
WC02	Childrens Ward Bgh M Airey Leg	R	RBH	General use heart and lung unit at RBH.
RD11	Pm Smith Legacy Gen Radiology	R	RBH	To be uses with Radiology - Scanner appeal.
NQ09	Thomas Egan Physiotherapy Fund	R	RBH	Legacy for the general use of Physiotherapy at RBH.
CE17	E Jones Breast Screening Unit	R	RBH	To be used for the benefit of the Breast screening unit at Queens Park Hospital (RBH).
MD01	Elsie Metcalfe Cancer Fund	R	RBH	For the treatment of cancer patients at RBH.
PT01	Godfrey Morris Pathology Fund	R	RBH	For the benefit of Pathology Service BRI.
PT02	Harold Wardley Pathology Fund	R	RBH	For the benefit of Pathology Service BRI.
X131	Pch General Purpose D Tetlow	R	RGH	General purpose of PCH.
CE11	William Whewell Q.P.H Fund	R	RBH	For the General use of RBH.
FO16	Lee Holdsworth Bequest	R	COM	For maintenance of his non-NHS wheelchair including cost of upgrading to accommodate Lee's growth.
FO02	Clitheroe Hospital Fund	R	COM	For any charitable purpose or purposes relating to the National Health Service wholly or mainly for Clitheroe Community Hospital.
SD02	Chemo Unit - Rosemere	R	RBH	For the Chemotherapy Unit.
X738	District Nurses (Legacy)	R	COM	Non specified.
X901	Endowment Fund	PE		General purpose.

R - Restricted income funds, including special trusts, of the charity

PE - Permanent endowment funds

ELH - East Lancashire Hospitals NHS Trust

BGH - Burnley General Hospital

COM - Community

PCH - Pendle Community Hospital

RBH - Royal Blackburn Hospital

##### 10.2 Transfer between different classes of funds over £1,000.

The consolidation of the following restricted funds within the unrestricted Trust General Fund was approved on 7 December 2016 by the Charitable Funds Committee:

Fund	£'000
Mrs E Baron Scanner Fund	45
Dr G M Behr Mackenzie Library	30

The Committee also approved the de-restriction of the 'Clitheroe Hospital - R Laughlin' fund, which has been renamed as the CCH General Purposes Fund.

## ELHT&me Accounts 2016-17

### Notes to the Accounts

#### 10.3 Movements of material funds

Material funds are funds with a balance of £25,000 or more.

Fund names	Restated	Income & Endowment	Expenditure	Transfers Between Funds	Gains and Losses	31 March 2017
	31 March 2016					
	£000	£000	£000	£000	£000	£000
Dr G M Behr Mackenzie Library	27	1	(1)	(30)	3	0
Pharmaceutical Directorate Fund	77	9	(14)		9	81
Mayors Renal Fund	32	1	(2)		4	35
Staff Gym	41	36	(16)		6	67
Trust General Fund	2	40	(75)	273	21	261
Mrs E Baron Scanner Fund	40	2	(2)	(45)	5	0
Albert Bertwistle	129	0	(24)	(105)	0	0
Mona Broadley Legacy Fund	44	0	0	(44)	0	0
Alan Shorrocks Legacy Fund	322	13	(47)		35	323
Diabetes Fund	59	3	(6)		7	63
Magic Fund	23	4	(2)		3	28
AVH Fund	104	5	(4)	(54)	8	59
Trust General Eqpt Fund	42	2	(2)		5	47
ICG General Purposes	0	3	(2)	37	4	42
Respiratory Fund	22	2	(2)		3	25
Life Support Training Rbh	28	27	(42)		2	15
Dr Newsomes Leukemia Fund	57	3	(9)		6	57
Radiology - General	49	2	(31)		4	24
East Lancs Mammography	58	2	(24)		5	41
Chemo unit - Rosemere	0	100	0		0	100
Basic Surgical Skills Course	22	8	(8)		3	25
Organ Donation Fund	16	16	(9)		2	25
Child Dev Centre General Fund	35	2	(2)		5	40
Maternity General Purpose	4	6	(12)	33	2	33
H Eastwood Childrens Resp Fund	27	1	(1)		3	30
General Urogynaecology Fund	34	4	(2)		4	40
General Nicu Fund	33	43	(29)	13	6	66
Bgh Gen Purpose Legacies *	34	1	(1)		4	38
Elht Lottery Distribution	63	66	(87)		6	48
Victoria Nurses Assistance Fun	79	3	(14)		9	77
Bereavement Support Fund *	31	0	(26)	(8)	3	0
Gastro Research / Dr Green	16	52	(44)		2	26
CCH General Purposes Fund **	69	3	(11)		8	69
Other funds	706	194	(219)	(70)	70	681
	<b>2,325</b>	<b>654</b>	<b>(770)</b>	<b>0</b>	<b>257</b>	<b>2,466</b>

\* Prior period adjustments have been made to the following funds to correct the opening balance, as detailed below:

	Amount from 2015/16 accounts £'000	Prior period adjustment £'000	Restated amount £'000
Bgh Gen Purpose Legacies	13	21	34
Bereavement Support Fund	26	5	31

Due to a compensating error in the balance of other funds in the 2015/16 accounts, this restatement has no net effect on total funds brought forward.

\*\* The 'Clitheroe Hospital - R Laughlin' fund has been renamed as the CCH General Purposes Fund.

## **Independent examiner's report to the corporate trustee of ELHT & Me**

I report on the accounts of ELHT & Me (the "charity") for the year ended 31 March 2017, which are set out on pages 1 to 10.

Your attention is drawn to the fact that the charity's trustee has prepared the charity's accounts in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities preparing the accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)' issued in May 2014 in preference to the Statement of Recommended Practice 'Accounting and Reporting by Charities: Statement of Recommended Practice (revised 2005)' issued in April 2005 which is referred to in the Charities (Accounts and Reports) Regulations 2008 but has been withdrawn. I understand that the charity's trustee has done this in order for the charity's accounts to give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

This report is in respect of an examination carried out under section 149(3) of the Charities Act 2011 (the Act). This report is made solely to the charity's trustee, as a body, in accordance with the regulations made under section 154 of the Act. My work has been undertaken so that I might state to the charity's trustee those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustee, as a body, for my work, for this report or for the opinions I have formed.

### **Respective responsibilities of corporate trustee and examiner**

The charity's corporate trustee is responsible for the preparation of the accounts. The charity's trustee considers that an audit is not required for this year under section 149(2) of the Act and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 149 of the Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 149(5) of the Act; and
- to state whether particular matters have come to my attention.

### **Basis of independent examiner's report**

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a comparison of the accounts with the accounting records kept by the charity. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustee concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

## **Independent examiner's statement**

In connection with my examination, no matter has come to my attention:

- which gives me reasonable cause to believe that in any material respect, the requirements:
  - to keep accounting records in accordance with section 130 of the Act;
  - to prepare accounts which accord with the accounting records; and
  - to comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008have not been met, or
- to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

*Karen Murray*

**Karen Murray, CPFA**

Grant Thornton UK LLP  
Chartered Accountants

4 Hardman Square  
Spinningfields  
MANCHESTER  
M3 3EB

**23<sup>rd</sup> January 2018**