

CHARITABLE FUNDS COMMITTEE
19th July 2011 at 13:30am – AD77

MINUTES

Attendees:	Yvette Robbins	YR	Chair
	Majid Bhatti	MB	Head of Financial Accounts
	Lorraine Clegg	LC	Deputy Chief Financial Officer
	Edward Cooke	EC	Non Executive Trustee
	Oma Lal	OL	Charitable Funds Accountant
	John Power	JP	Non Executive Trustee
	Fionnula Robinson	FR	Director of Communications
	Jo Thomas	JT	Chief Nurse
	Monica Palmer	MP	Note taking
Apologies:	Paul Simpson	PS	Chief Financial Officer

		By Whom	Feed back
1.	APOLOGIES FOR ABSENCE: Apologies were noted.		
2.	<p><u>MINUTES OF LAST MEETING ON 15TH FEBRUARY 2011</u></p> <p>1) Item 6, Page 3 – Action Plan of Handover from JS2 5% of Oma Lal's (OL), Finance Assistant, time has been allocated to Charitable Funds and 20% of Djafer Erdogan's (DE), Senior Financial Accountant. This to be amended as follows:- 25% of both OL's and DE's time is allocated to Charitable Funds.</p> <p>2) Both LC and MB are currently committing a lot of their time to Charitable Funds. YR asked LC/MB to maintain a record of the time spent.</p> <p>ACTION: LC/MB to create a record of their time spent on Charitable Funds.</p> <p>With the amendment of (1) above, the minutes were approved as a true and accurate record of the meeting held on 15th February 2011.</p>	LC/MB	
3.	<p><u>OUTSTANDING ISSUES FROM PREVIOUS MEETINGS</u></p> <p><i>Items not covered by agenda:-</i></p> <p>EC queried the use of the Tandridge Golf Club donation, which is shown to have been utilised for a study day but his understanding was that it should have been utilised for/by the baby unit. MB confirmed that the donation was utilised for the Special Care Baby Unit.</p> <p>Fionnula Robinson (FR), Director of Communications, as external face of the Trust, to be invited to future meetings – action complete.</p>		

	<p>Management Accounts – admin costs have reduced significantly. YR requested that the net assets were split between Unrestricted Designated and Unrestricted General– action complete.</p> <p>Terms of Reference - (as approved in the Jan 2010 Trust Board) Following new Committee structures and review of memberships. YR confirmed with Alan McCarthy and the Board that NED membership of CF is herself, John Power and Edward Cooke – action complete.</p> <p>The draft SLA and reporting template will be worked into a 1 page document. The revised document to be circulated to the NEDs prior to the next meeting – action carried forward.</p> <p>Commons Announcement - Henry Smith announcement in the Commons that a Mammograph machine had been installed in Crawley, which had been funded by Charitable/League of Friends Funds which is not correct. It was actually financed by the Trust Capital Funds and SaSH has advised Henry Smith of this fact.</p>	OL/MB	
4.	<p><u>DRAFT UN-AUDITED ACCOUNTS 2010/11</u></p> <p>The internal audit review will take place in August, the date for which has yet to be confirmed. This will be followed by the external audit prior to the return to the Charities Commission by the end of January, 2012. These will then be posted on the Website. This will include the annual report and figures.</p> <p>The unaudited accounts presented showed receipts of £80k and expenditure of £160k. Donations are falling off year on year. Chair ascertained that there was no web page on hospital website to encourage or process donations.</p> <p>In response to why DEXA was shown as a charity fund, donations are being received from Consultants who were not charging for their time spent on private patients and passed on fees.</p> <p>The expenditure for the period totalled £159k. Committee asked how many requests/items relate to the spend and that this information be added to the review, identifying how many under £500 and under £1000 and specific items above £1000 by value.</p> <p>ACTION: Future management accounts to include number of expenditures by value bands (£).</p> <p>Use of Charitable Funds for PACS system (workstations) was challenged. LC confirmed that what has been spent was within the rules of the fund and these funds can be used instead of capital.</p> <p>ACTION: Internal Audit to review charitable spending as part of their audit. Share brief with Chair prior to start of audit</p> <p>When a significant donation is made, it is reasonable that donors see that it has been used appropriately in the accounts. In the narrative, there should be mention of the top 5 donations and what they were spent on, to demonstrate compliance with donor’s request.</p>	MB MB	

	<p>Fundholders should keep record of individual and smaller donations and an audit trail of what use of donations.</p> <p>ACTION: Accounts to be produced to reflect the above proposals.</p> <p>The merging and classification of funds has not been completed. The accounts are therefore based on the current format.</p>	<p>MB</p>	
<p>5.</p>	<p><u>FINANCIAL OVERVIEW</u></p> <p>MANAGEMENT ACCOUNTS to May 2011</p> <p>Discussions were held on the presentation of the accounts. Request for income to be displayed as a rolling average and YTD figures in comparison with previous year's period in order to identify any trends or on a cumulative basis over a year. It was agreed that for the first couple of months, both formats should be produced. Records should also be maintained of the split between restricted and unrestricted income.</p> <p>ACTION: To trial the different ways in which income can be displayed / graphed, maintaining a split between restricted and unrestricted income.</p> <p>The formatting of the list of fund values needs to be amended with particular reference to the minus signs.</p> <p>Donation of £1657 returned by Bank – as no contact details were given, a check is being made to see if any patient details are available.</p> <p>Donor's details should be requested for all donations so that an acknowledgement / thank you letter can be sent. In addition if the donors are tax payers, extra income could be received through Gift Aid. OL is investigating.</p> <p>ACTION: OL/MB to report back at the next committee meeting.</p> <p>Specific procedures for every fundholder will be issued by the end of August and leaflets and stamped addressed envelopes will be available on the wards.</p> <p>Management & Administration recharges of £3646 were spread proportionally across each fund. Accounts should include footnote to indicate spend shown includes recharges.</p> <p>ACTION: MB to ensure a footnote is added to the bottom of the accounts identifying management and administration charges.</p> <p>It was questioned whether £100k cash in bank is excessive. Until the merger of the funds has been completed, it was felt that this amount was justified.</p> <p>MERGER PROPOSALS</p>	<p>MB</p> <p>OL/MB</p> <p>MB</p>	

	<p>LC asked the Committee to agree that 11 funds that are restricted should be reclassified as unrestricted.</p> <p>The committee approved the reclassification of the 11 funds from Restricted to Unrestricted.</p> <p>The 11 remaining funds will be reviewed before the next committee.</p> <p>Harrowlands – it was proposed that the balance of Harrowlands funds should be given to another hospital which specialises in children’s head injuries. Tadworth had been suggested by Vikki Carruth (VC) and it was agreed that LC would meet with VC to go through the legalities of the transfer of these funds.</p> <p>ACTION: LC to meet with VC to discuss the transfer of these funds.</p> <p>WaCH division has reviewed their funds and do not believe that their funds should be unrestricted as they are all unique and merger would not be appropriate. This was agreed.</p> <p>The Committee were asked to agree to the merging of unrestricted funds to minimise the number of funds.</p> <p>The Committee agreed to the merging of unrestricted to minimise the number of funds.</p>	LC	
6.	<p><u>UPDATE ON ACTION PLAN TO IMPROVE OPERATIONAL EFFECTIVENESS IN ADMINISTERING THE CHARITABLE FUNDS</u></p> <p>This has not been completed due to the merging of funds and resulting changes to signatories.</p> <p>1)Volunteer as Fundholder</p> <p>The committee agreed that requests for payment should have two signatories where current signatory is a volunteer.</p> <p>2) The committee were asked to allow management accounts to reflect more up to date balances by allocating administration charges monthly rather than quarterly and interest charges monthly rather than annually.</p> <p>The Committee approved these amendments to the Charitable Funds Policy.</p> <p>Internal audit and external audit will both be reviewing charitable funds in 11/12 – this will provide assurance to the Charitable Funds Committee.</p> <p>ACTION: LC to provide a final paper on this action plan to the next committee.</p>	LC	
7.	<p><u>REVIEW OF HANDOVER FROM JS2</u></p> <p>The handover from JS2 to SaSH has happened. A standalone Sage</p>		

	<p>system has been purchased.</p> <p>ACTION: Chair asked for one page summary of service from SaSH in supporting CFs as Service Level Agreement with quarterly performance review</p>	MB	
8.	<p><u>COIF INVESTMENT OPTIONS</u></p> <p>MB is looking at the various options available to maximise the interest earned. Whilst the merging of funds being is being finalised, it was important to ensure sufficient liquidity.</p> <p>It was proposed that investing in gilt edge securities would achieve a higher rate of return.</p> <p>ACTION: MB to continue to investigate options and proceed when the timing is right.</p>	MB	
9.	<p><u>MARKETING/FUND RAISING/ COMMUNICATING TO DONORS</u></p> <p>Other Trusts have their own Fund Raising Team. Currently, there is no capacity within the Trust to do this. Charitable Funds can be used to pay for staff.</p> <p>A guidance page needs to be produced for the wards to help them in administering donations. This should include guidance on acknowledgment/thank you responses to the donor, as the acknowledgment should be from the recipient of the donation. Agreed to summarise as the Top 5 tips on managing donations. A stamped addressed envelope should be included in these procedures and available on the wards.</p> <p>ACTION: Finance and Comms to produce a one page document for the next meeting for sign-off.</p> <p>ACTION: Finance and Comms to draft a web page for the hospital website which promotes, encourages and facilitates donations.</p>	MB/FR MB/FR	
10.	<p><u>APPROVED FUNDING REQUESTS OVER £2,000</u></p> <p>This was for information purposes only.</p> <p>1) FOLDERS FOR PATIENT RECORDS, £2,370 (Approved May 2011) - a year's supply of patient-owned records to help with compliance and involvement in their care plans.</p>		
11.	<p><u>ANY OTHER BUSINESS:</u></p> <ul style="list-style-type: none"> • INCORPORATION OF CHARITABLE FUNDS DEFERRED UNTIL 2013/14 <p>A notice on the Charities Commission website announced the move to line up with the International Accounting Systems in 2013.</p>		

	<ul style="list-style-type: none"> • GUIDANCE FOR TRUSTEES – CHARITIES COMMISSION <p>ACTION: MB to circulate website link with Minutes</p> <ul style="list-style-type: none"> • WORKPLAN FOR COMMITTEE <p>A Board planner was circulated showing the timetable with responsibilities and activities being undertaken.</p> <p>ACTION : Committee members were asked to review and feedback to YR or MB.</p> <p>It had been agreed that there should be at least 3 meetings per year. ACTION: MB to review the spread of meetings through the year.</p> <p>LC raised real risk of running out of general funds. This should be an item for discussion at the next meeting. ACTION: General fund availability to be an agenda at the next meeting.</p> <p>There are insufficient funds to allow for a proposal to be put forward for a Fundraising team. JT will raise issue at a Monday Exec meeting. ACTION: JT to raise at a Monday Exec meeting.</p>	<p>MB</p> <p>ALL</p> <p>MB</p> <p>MB</p> <p>JT</p>	
12.	<p>PROPOSED DATES OF NEXT MEETINGS : 20 September 12.30-2.00pm (same day as AGM)</p>		