

## Charitable Funds Committee

---

**For:** Information

---

**Summary:** *This report briefs the Board on the key issues discussed at the meeting of the committee on 24 August 2012.*

*It discussed the following areas:*

- *The production of expenditure plans to encourage charitable spending and also to facilitate effective budgetary controls as well as investment decision making.*
- *The committee reviewed and approved the draft 2011/12 statutory accounts, to be audited in November. All 11 internal audit recommendations have been completed.*
- *The investment of surplus charitable funds will be discussed with a number of investment fund managers to ascertain the most suitable investment opportunity.*
- *The distribution of donation envelopes and use of online donation facility on the Trust website. Management was asked to consider more support for fundraising.*

*Management is asked to consider allocation of Communications resource to support Committee's fund-raising via donations at ward level and via web site.*

---

**Action:** *The Board is asked to note the update.*

**Presented by:** *Yvette Robbins (Non-Executive Director)*

**Author:** *Majid Bhatti (Head of Financial Accounts)*

**Notes:**

<b>Trust objective:</b>	Please list number and statement this paper relates to. <i>The Board Committees support the achievement of all objectives.</i>
-------------------------	---

<b>Legal:</b>	What are the legal considerations and implications linked to this item? Please name relevant act  <i>The Charity is registered with the Charity Commission in accordance with the Charities Act 2011, registered number 1054072. 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, the National Health Service and Community Care Act 1990, the National Health Service Act 2009. These funds are held on trust by</i>
---------------	---

*the corporate body.*

**Regulation:**

What aspect of regulation applies and what are the outcome implications? This applies to any regulatory body – key regulators include: Care Quality Commission, MHRA, NPSA & Audit Commission

*The funds are audited by the Audit Commission.*

# Update from the Charitable Funds Committee

---

<b>Date</b>	September 2012
<b>Author</b>	Majid Bhatti, Head of Financial Accounts
<b>Audience</b>	Trust Board Members

---

The Charitable Funds Committee met on 24 August 2012. The report summarises the key issues discussed:

## 1. Expenditure Plans

As part of the budget setting process, fund holders were requested to provide details of planned spend for the financial period 2012/13. This requirement was an action within the charity plans to promote charitable spending. However, the response to this by fund holders has been low and direct meetings with each fund holder will be arranged, during September, to agree spending plans for the rest of the year. This information will also be used to ascertain surplus funds available for investment opportunities.

## 2. Financial Overview

The committee reviewed and approved a draft of the statutory accounts for 2011/12, which are scheduled for review by the newly appointed firm of accountants Grant Thornton, in November. This will be followed by an online submission of financial information to the Charities Commission which needs to be completed by the end of January 2013.

All 11 internal audit recommendations, which were rated low and medium and were mainly around operational improvements, were confirmed as completed.

The July account was presented to the committee. Spend was only slightly higher than income and this was on a par in comparison to the same period last year. Efforts are being made to encourage greater use of charitable funds, for example, through the development of expenditure plans.

The appropriateness and tax implications of gifts to staff had been further reviewed and it was agreed that nominal gifts such as flowers could be given up to a value of £50. This would not create a tax liability for the staff member receiving the gift.

## 3. Investment Plans

The Charitable Funds Committee had previously approved an investment policy and strategy. It was decided to progress discussions with the charity's current investment managers (CCLA) to source a suitable investment vehicle for surplus funds. However they did not provide satisfactory responses to concerns around capital erosion and no investment was made at that time.

This process will now be progressed with a number of investment managers to ascertain the most suitable investment vehicle. This is aimed to be concluded by December.

## 4. Making Donations easier

Around 1,300 donation envelopes have been distributed around the hospital in wards and reception areas. To date no envelopes have been returned. Visibility and awareness of

envelopes needs to be improved, through the use of posters and the internet and other communication channels.

Additionally, the uptake of the Paypal donation facility on the SASH website has been very low, so greater visibility on the home page of the Trust website and a link to the Charities page would help with awareness.

The Management team has been asked to consider how the Communications Team can actively support the Charities Committee with links to and visual content for the Charities web page and ward posters to encourage donations.

## **5. Committee Terms of Reference**

The committee Terms of Reference were updated and approved.

The Committee achieved all its obligations for the 2011/12 financial year. The Committee work plan for 2012/13 was updated and it is on track with it.

The Committee's next meeting will take place in November. This date has yet to be confirmed and will tie into the completion of the external auditors' review of the charity annual accounts.

**Yvette Robbins**, Non-Executive Director and  
Charitable Funds Chair