

## Charitable Funds Committee

**For:** Information

**Summary:** *This report briefs the Board on the key issues discussed at the meeting of the committee on 23 February 2012.*

*It discussed the following areas:*

- *Investment plans placed on hold.*
- *No need for an AGM*
- *The committee confirmed that the IA report recommendations referred to past issues that are being corrected. External audit had signed off the accounts.*
- *The new donations envelopes and processes to make giving easier were discussed*

*The Committee is on track with its work plan.*

**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? The Charity is registered with the Charity Commission in accordance with the Charities Act 1993, 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 the corporate body.
<b>Regulation:</b>	What aspect of regulation applies and what are the outcome implications? This applies to <u>any</u> regulatory body – key regulators include: Care Quality Commission, MHRA, NPSA & Audit Commission  The funds are audited by the Audit Commission.

---

<b>Date</b>	12 March 2012
<b>Author</b>	Committee Chair – Yvette Robbins
<b>Audience</b>	Trust Board Members

---

The Charitable Funds Committee met on 23 Feb 2012. The following report summarises the key issues discussed:

### **Investment Plans**

Currently surplus charitable funds are placed on cash deposit earning a very low rate of interest. The committee undertook a review of a range of investment options and decided to place the funds in an investment vehicle which would generate a higher rate of interest. However, queries around risks and uncertainties have not been resolved by the investment managers and the committee has decided to put investment plans on hold in the short term.

### **AGM Requirements**

The Charities Commission confirmed that there was no need to hold a separate AGM. The Trust, in its capacity as the Corporate Trustee, meets this obligation. However, this position may be revisited by the charity in the future if it was felt that this would raise its profile.

### **Financial Overview**

Internal audit completed their review for the FY10-11 period. 11 recommendations were made being either medium or low rated. There are no serious weaknesses within financial controls or processes. All of the recommendations are scheduled to be completed by the end of July. The audit covered the period when accounting services were outsourced. Managing and accounting for charitable funds has now been brought in-house and this has accrued a number of benefits in improving the quality and presentation of monthly accounts and also in strengthening relationships with fund holders which has facilitated the reorganisation of funds.

External Auditors provided a positive independent examination of the FY 10-11 annual accounts. The online return was submitted ahead of the end of January deadline.

The December account was presented to the committee. Spend is low 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 of charitable spending was reviewed against Charities Commission criteria. A few areas of spend such as staff gifts require further review to establish their appropriateness.

### **Making Donations easier**

Donation envelopes have been designed and delivered to the Trust. 2000 of these will now be distributed around the Trust and will assist in facilitating and monitoring donation activity.

Additionally, a PayPal donation facility has been enabled on the SASH website. This should increase the awareness of the charity and hopefully increase the number of donations made.

### **Committee Workplan**

The Committee is on target to have achieved all its obligations for the 11-12 financial year.

The Committee's next meeting will take place on 3<sup>rd</sup> July at 2pm.