



# Northern Health and Social Care Trust

**THE ACCOUNTS OF THE CHARITABLE TRUST FUNDS HELD**

**BY**

**NORTHERN HEALTH AND SOCIAL CARE TRUST**

**FOR THE YEAR ENDED 31 MARCH 2016**

Laid before the Northern Ireland Assembly under Article 90 (5) of the Health and Personal Social Services (NI) Order 1972 by the Department of Health, Social Services and Public Safety.

on

31<sup>st</sup> August 2016

**Northern HSC Trust**  
**Charitable Trust Funds**  
**The Trustees' Annual Report**  
**and**  
**Accounts for the year ended 31 March 2016**

**Reference and Administrative information**

**Trustees**

**The Trust Board**

Dr Anthony Stevens	Chief Executive
Owen Harkin (matters)	Director of Finance (Lead Director for CTF)
Dr Ken Lowry	Director of Medical and Governance
Olive MacLeod	Director of Nursing and User Experience
Marie Roulston	Director of Children's Services
Bob McCann	Chairperson
Jim Moore	Non Executive Director (Chairman of the Charitable Trust Funds Advisory Committee)
Dr Carol Ackah	Non Executive Director
Liz Ensor	Non Executive Director
Billy Graham	Non Executive Director
Paul Corrigan	Non Executive Director
Jim McCall	Non Executive Director
Geraldine McGahey	Non Executive Director

**Principal Office**

Trust Headquarters      Bretten Hall, Antrim Area Hospital, Bush Road, Antrim,  
BT41 2RL

**Charity Number:**      XT5430

**Bankers**      Bank of Ireland  
Ballymena Branch  
155 Church Street  
Ballymena  
BT43 6DG

**Solicitors**

Directorate of Legal Services  
Business Services Organisation  
2 Franklin Street  
Belfast  
BT2 8DQ

**Auditors**

Northern Ireland Audit Office  
106 University Street  
Belfast  
BT7 1EU

## **Report of the Trustees for the year ended 31 March 2016**

The Trustees of Northern HSC Trust Charitable Trust Funds present their Annual Report for the year ended 31 March 2016. This has been prepared in accordance with the Statement of Recommended Practice (SORP) Accounting Reporting by Charities issued in March 2005, and with relevant guidance issued by Department of Health, Social Services and Public Safety (DHSSPS).

### **Structure, governance and management**

The Northern HSC Trust Board members are the Trustees of the Charitable Trust Funds.

The Charitable Trust Funds consist of a number of individual accounts created through donations, gifts and endowments from the public to enhance the health and social care provision already provided through public funds within the Northern HSC Trust.

Fund managers carry out the day to day administration of the funds. All funds are administered in line with the Northern HSC Trust's Charitable Trust Funds Policy and Procedures documents. Within the procedures there are strict authorisation levels applied to control expenditure. Administration of the funds is subject to both internal and external audit. The financial transactions, banking arrangements and investment activities are carried out by the Trust's Finance Directorate.

The Northern HSC Trust Audit Committee was chaired by a Non Executive Director and required a quorum of two Non Executive Members. The Committee was updated on all recommendations implemented and any outstanding action points. The Audit Committee met four times during 2015/16 and the membership consists of two non-executive directors and the Director of Finance.

The Charitable Trust Funds Advisory Committee oversees the administration of the Trust's Charitable Funds and ensures that they are managed within the Trust's Standing Financial Instructions, Departmental guidance and relevant legislation. The Committee also oversees the investment and appropriate disbursement of the funds, ensuring value for money and also ensuring that funds are not unduly accumulated. The Committee is chaired by a Non-Executive Director. The Director of Finance is also in attendance with other senior staff. The committee met twice in 2015/16. Relevant updates are issued to the Trust Board as required.

### **Risk Management**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness.

The Assurance Group, composed of Executive and Operational Directors, continues to provide an operational focus to risk management and integrated governance. The Assurance Group is chaired by the Chief Executive.

The purpose of the Assurance Group is to oversee an effective system of integrated governance. It will reasonably ensure that an effective Assurance Framework is in place, which provides a clear, concise structure for presenting key information to the Board and its Sub Committees. It will ensure that there is continuous assessment of the effectiveness of the systems for management of risk. Through its processes, the Assurance Group will regularly review which of the organisation's objectives are at risk because of inadequacies in the operation of control or whether the organisation has insufficient assurance about them and that appropriate actions are being taken to mitigate any risks.

There are structured processes in place for managing risks, incident reporting and the investigation of serious adverse incidents.

The Trust has encouraged the open and transparent reporting of incidents and has supported staff by producing guidance for use by investigation teams and service users and providing training on investigation methodology.

#### **Financial Controls**

The Trustees of the funds are aware of their financial responsibilities for the money that is held on trust. Appropriate policies and procedures are in place to ensure these responsibilities were adequately discharged, and these are reviewed on a regular basis.

#### **Statement of risk**

The management of risk in relation to the Charitable Trust Funds was closely aligned with the Trust's risk management procedures. These are outlined in detail in the Governance Statement contained within the Trust's public funds annual financial statements.

#### **Reserves Policy**

The Charitable Trust Funds did not enter into future commitments and so have not created any reserves for this. Activities were only authorised when funding was available.

#### **Investment Policy**

For investment purposes the available balances on the Charitable Trust Funds were invested in either bank deposits for short term funds or in the Northern Ireland Central Investment Fund for Charities, which was established under the Charities Act (NI) 1964, and is managed by the Department for Social Development for longer term investments.

### **Plans for future periods**

The Charitable Trust Funds Advisory Committee has put in place plans for effectively managing and monitoring Charitable Trust Funds in 2016/17 and to ensure that funds are utilised effectively and appropriately as per the Committee's terms of reference.

### **Objectives and Activities**

Charitable Trust Funds are administered by the Trust as Trustees under the Health and Personal Social Services (NI) Order 1972 as amended by Article 16 of the Health and Personal Social Services (NI) Order 1991.

The normal purposes to which funds may be applied include all relevant expenditure likely to assist in the universal provision of health and social care services in accordance with current legislation relating to Charitable Trust Funds, the Standing Financial Instructions of the Trust, and operational procedures. Charitable Trust Fund management and activity including expenditure and income is an integral part of the successful operation of the Trust. The Trustees (The Trust Board) diligently work to ensure that these funds are put to the most appropriate and effective use as intended by the donors and to the benefit of the patients, clients, visitors and staff of the Trust.

The Trustees believe that the proactive management of Charitable Trust Funds, to assist the widespread provision of health and social care, demonstrates public benefit to patients, clients, visitors, staff and the wider community.

Funds attributed to Charitable Trust Funds are managed under the same exacting governance arrangements and controls as public funds.

### **Financial Review and results for the year**

The Charitable Trust Funds activities for the year generated a net deficit of £4K in that expenditure exceeded receipts by this amount.

### **Income & Expenditure**

Income to the Charitable Trust Funds is derived mainly from individual donations, investment income and legacies, which mean that income, can fluctuate from year to year. In 2015/16 income decreased by £62K to £721K. Expenditure in 2015/16 decreased by £44K to £725K.

### **Investment performance**

Investment income from cash and investments for 2015/16 was £87K (2014/15 £84K) representing an increase of 3.5% from the previous year, due to the increase in the returns from investments held by the Charitable Trust Funds. The market value of fixed asset investments decreased by £102K in 2015/16 compared to an increase of £98K in 2014/15. These investments are managed on behalf of the Trust by NI Central Investment Fund for Charities (CIFC).

### **Northern Ireland Charity Commission**

The Charities Act (NI) 2008 established the Charity Commission for Northern Ireland (CCNI) which is the independent regulator of charities in NI. The Northern HSC Trust Charitable Funds is on the deemed list of charities as it is registered with Her Majesty's Revenue and Customs for charitable tax purposes. The Charities (2008 Act) (Commencement No. 4) Order (Northern Ireland) 2013 came into effect on 24 June 2013. The Commencement Order will allow the Charity Commission to begin compulsory registration of all charities operating in Northern Ireland later this year. As a registered charity, the Northern HSC Trust Charitable Funds will have to provide certain information about the way in which it operates and how it uses its resources. This information will be made available online by the CCNI so that everyone can see how the charity's money is used.

Please note the following:

- The Charitable Trust Fund financial information has been consolidated to the Northern HSC Trust Annual Accounts in 2015/16 in summary format in accordance with the relevant accounting policy
- None of the Trustees have been paid any remuneration or received any other benefit from an employment funded by the Charitable Trust Funds or a related entity
- Note 22 Related Party Transactions of the public funds annual accounts give details of any related party transactions for the Trustees
- The Charitable Trust Fund accounts have been prepared on a going concern basis

### **GOVERNANCE STATEMENT – 2015/16**

Please note that this Governance Statement is an extract of the information contained within the Trust Governance Statement, included in the public funds accounts for 2015/16, that pertains to Charitable Trust Funds.

#### **Introduction / Scope of Responsibility**

The Board of the Northern Health and Social Care Trust is accountable for internal control. As Accounting Officer and Chief Executive of the Board, I have responsibility for maintaining a sound system of internal governance that supports the achievement of the organisation's policies, aims and objectives, whilst safeguarding the public funds and assets for which I am responsible in accordance with the responsibilities assigned to me by the Department of Health, Social Services and Public Safety (DHSSPS).

In addition to the DHSSPS, the Trust has a close and positive working relationship with colleague agencies in HSC, particularly our commissioners, the HSC Board, the Public Health Agency, and the various directorates of the Business Services Organisation (BSO). The Trust has regular accountability meetings with the HSC Board and DHSSPS and is

informed by the Commissioning Plan. The Trust prepares a Trust Delivery Plan to reflect its activities for each year. The Trust also participates in a wide range of groups designed to enhance the services provided to its population. The Trust works closely with the community and voluntary sector.

The Trust also works closely with the Public Health Agency to promote and improve public health and well-being in the delivery of the Trust Delivery Plan.

### **Compliance with Corporate Governance Best Practice**

The Northern Health and Social Care Trust apply the principles of good practice in Corporate Governance and continue to further strengthen its governance arrangements. The Trust does this by undertaking continuous assessment of its compliance with Corporate Governance Best Practice. In accordance with the 2015/16 annual plan, BSO Internal Audit carried out an audit of Integrated Governance (including dissemination of standards and guidance) within the Trust between October and December 2015. Satisfactory assurance was provided on the basis that good progress has been made towards the implementation of 51 recommendations that arose from an independent governance review undertaken by the HSC Leadership Centre in 2014. Internal Audit concluded that overall there is an adequate and effective system of governance risk management and control.

The Trust Board undertook an annual assessment of its compliance with Corporate Governance best practice by completing the Board Governance Self-Assessment Tool for use by DHSSPS Sponsored Arm's Length Bodies issued on 18 November 2014. This was subject to independent verification through the HSC Leadership Centre. This assessment reflected significant improvements from the previous year's assessment and an action plan has been produced to take forward further improvements.

### **Governance Framework**

The Trust Board is the primary Governing Body of the Trust. It is constituted by DHSSPS and is responsible for the strategic direction and control of the Trust. The membership is shown in the table below, together with attendance at Board meetings. There is no minimum attendance requirement. The quorum for a Board Meeting is half of the total number of the Board (including at least two Executive Directors and two non-executive members). The notice of Board Meetings is advertised in the press and on the Trust's website. Board agenda, minutes and papers, where appropriate, are also published on the Trust website.



**During 2015/16, 8 Trust Board meetings were held in public.**

<b>Name of Director</b>	<b>No of Meetings attended</b>	<b>No of Possible Meetings</b>	<b>Comments</b>
Mr B McCann Chairman	8	8	
Dr C Ackah Non Ex Director	7	8	
Mr S Forsythe Non Ex Director	3	3	Term expired 30/9/15
Mr J Moore Non Ex Director	7	8	
Ms P Montgomery Non Ex Director	2	3	Term expired 30/9/15
Professor Whittington Non Ex Director	3	3	Term expired 30/9/15
Mrs L Ensor Non Ex Director	7	8	
Mr B Graham Non Ex Director	7	8	
Mrs G McGahey Non Ex Director	1	1	Commenced 1 March 2016
Mr P Corrigan Non Ex Director	1	1	Commenced 1 March 2016
Mr J McCall Non Ex Director	1	1	Commenced 1 March 2016
Dr T Stevens Chief Executive	8	8	
Mrs P McCreedy Director of Operations/Deputy Chief Executive	6	8	Interim appointment May 2015/Permanent appointment 1 October 2015
Mr L O'Neill Director of Finance	1	3	Retired 31/8/15
Mrs M Roulston Director Children Services/Ex Director Social Work	5	8	
Mrs O MacLeod Director Nursing and User Experience	6	8	

Mrs U Cunning Director Community Care	6	8	
Mr O Donnelly Director Mental Health, Learning Disability and Community Wellbeing	8	8	
Ms B Donaghy Interim Director Strategic Development and Business Services	8	8	
Mrs W Magowan Interim Director Medicine and Emergency Medicine	4	4	Interim Director from 1 November 2015
Mrs M O'Hagan Director Acute Services	6	8	
Mrs C Duffield Director Human Resources	6	8	
Dr K Lowry Medical Director	7	8	
Mr O Harkin Director of Finance	5	5	Commenced 1 September 2015

In 2014/15, a revised Assurance Framework was agreed by the Trust Board to replace the Integrated Governance Strategy. This details the governance arrangements for the Northern Health and Social Care Trust and is based on an integrated governance model that links financial governance, risk management and clinical and social care governance into a single framework.

A review of governance arrangements in 2014/15 recommended that the governance accountability arrangements be reviewed and the Trust Board Committee structure be revised. This process continued in 2015/16 to strengthen accountability and a further revised Accountability Framework is attached as Appendix 1 of this Governance Statement. The Trust Board has five committees to scrutinise the Trust's governance systems and to provide assurance to the Trust Board on their effectiveness:

- Audit Committee;
- Remuneration Committee;
- Charitable Trust Funds Advisory Committee;
- Assurance Committee (formed in February 2015 to replace the Governance Committee); and
- User Feedback and Involvement Committee.

**The Charitable Trust Funds Advisory Committee** is chaired by a Non-Executive Director with senior staff including the Director of Finance in attendance. The Charitable Trust Funds Advisory Committee oversees the administration of Charitable Trust Funds in line with the Trust's Standing Financial Instructions. During 2015/16, the Committee met on two occasions and reviewed and agreed revised Terms of Reference. Representatives from the appropriate directorates attended to discuss matters relevant to charitable trust funds.

### **Quality of Assurance**

The Trust receives independent assurances from a number of sources during the financial year:

- BSO Internal Audit – through its regular reports;
- Head of Internal Audit's Annual report including an overall opinion on the system of internal control;
- Annual BSO Assurance Letter in respect of Shared Services functions
- Regulation and Quality Improvement Authority (RQIA);

It also receives assurances from internal sources, which are designed to give assurance as to the effectiveness and operation of controls across a range of governance areas. These include:

- Principal Risk Document
- Controls Assurance Standards;
- Risk Registers;
- Board appointed committees including the Assurance Committee, Audit Committee, and the Engagement, Experience and Equality Group (User Feedback and Involvement Committee until February 2016).
- Reports from Directors at Board Meetings.

The Trust Board has delegated authority to its committees and receives regular feedback from the Committee Chairs at Board meetings. The Trust commissioned an independent review of its governance arrangements in July 2014 and a recent BSO Audit (December 2015) provided satisfactory assurance of an adequate and effective system of governance.

### **Internal Audit**

The Northern Health and Social Care Trust utilises an internal audit function which operates to defined standards and whose work is informed by an analysis of risk to which the body is exposed and annual audit plans are based on this analysis.

In 2015/16 Internal Audit reviewed the following systems:

<b>AUDIT ASSIGNMENT</b>	<b>LEVEL OF ASSURANCE PROVIDED</b>
<b>Finance Audits:</b>	
Payments to Staff	Limited
Non Pay Expenditure	Satisfactory
Bank and Cash	Satisfactory
Budgetary control	Satisfactory
Income	Satisfactory - Debt Management and Identification of Private Patients  Limited - Provision of Health Services to Persons not Ordinarily Resident
Charitable Trust Funds	Satisfactory
Laboratory Procurement and Contract Management	Limited
Management of Estates Contracts	Limited
Client Monies & Cash and Valuables Handling in Social Services Setting	Satisfactory
Client Monies in Independent Sector (Residential Homes and Adult Supported Living Facilities)	Satisfactory
<b>AUDIT ASSIGNMENT</b>	<b>LEVEL OF ASSURANCE PROVIDED</b>
<b>Corporate Risk Audits:</b>	
Mental Health and Disability Services Directorate Risk Audit: Deprivation of Liberties and Admission of Patients into Acute Inpatient Mental Health beds	Satisfactory
Care Management	Limited
Information Governance	Limited
Management of Control of Substances Hazardous to Health (COSHH)	Limited
<b>Governance Audits:</b>	
Review of Decontamination of Re-Usable Medical Devices	Satisfactory - Decontamination of acute reusable medical devices  Limited- Decontamination of podiatry and dental reusable medical devices
Risk Management and Management of the Assurance Framework	Satisfactory
Integrated Governance (including Standards and Guidance)	Satisfactory
Whistleblowing and Fraud Processes	Limited – Fraud Satisfactory – Whistleblowing processes.

In their annual report, the Internal Auditor reported that the Northern Health and HSC Trust's system of internal control was satisfactory and effective. Please refer to the Governance Statement within the Trust Annual Report for more details on the priorities, findings and recommendations.

**The audit reports directly applicable to Charitable Trust Funds are:**

- Non Pay Expenditure
- Bank and Cash
- Income
- Charitable Trust Funds
- Client Monies & Cash and Valuables Handling in Social Services Setting

These audit assignments were all considered to have a satisfactory level of assurance however some Priority One findings were raised and those relevant to charitable trust funds are:

#### Charitable Trust Funds Internal Audit

- Money received for charitable trust funds were not lodged to the charitable trust fund bank account and was being used as a petty cash float.
- A trust fund petty cash float did not reconcile.

For each finding management have accepted the recommendations and have drawn up plans for their implementation, have designated responsible officers to take forward the resulting actions and will continue to monitor progress. In addition the Audit Steering Group, (ASG), chaired by the Chief Executive will oversee the internal audit process. All audit reports will be reviewed and follow up actions will be monitored.

The Trust has in place an Anti-Fraud Policy, a Fraud Response Plan and an Anti-Bribery Policy which gives details of responsibilities and relevant officers in the event of a suspected or detected fraud. Extensive work has been undertaken in promoting fraud awareness throughout the Trust, including continued provision of an Internal Control / Fraud Awareness training programme. This work makes no distinction between public and charitable funds as the same exacting controls and governance standards apply.

The Trust liaises closely with Counter Fraud and Probity Service to investigate relevant cases and to promote an anti-fraud culture.

#### **Internal Control Divergences – Closed, Current and New for 2015/16**

There were no control issues re Charitable Trust Funds in the current or prior year. Detailed information relating to control divergences within the Trust is available from the Governance Statement contained in the Trust's financial statements for 2015/16.

### **Review of Effectiveness of the System of Internal Governance**

As Accounting Officer, I have responsibility for the review of the effectiveness of the system of internal governance. My review of the effectiveness of the system of internal governance is informed by the work of the internal auditors and the executive managers within the Northern Health and Social Care Trust, who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their Report to Those Charged with Governance and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Audit Committee, Assurance Committee and the Trust Board and a plan to address weaknesses and ensure continuous improvement to the system is in place. Follow up audit reviews at mid-year and year end continue to assist the Trust Board in seeking assurance regarding the control environment and compliance.

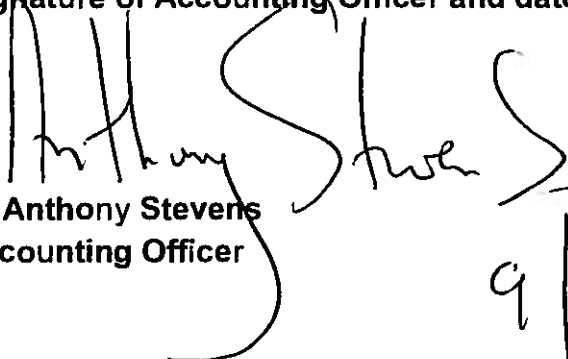
The Charitable Trust Fund Advisory Committee will continue to meet in 2016/17 to discharge its duties and responsibilities.

### **Conclusion**

The Northern Health and Social Care Trust has a rigorous system of accountability, which I can rely on as Accounting Officer to form an opinion on the probity and use of public funds, as detailed in Managing Public Money NI (MPMNI).

Further to considering the accountability framework within the Trust and in conjunction with assurances given to me by the Head of Internal Audit, I am content that the Northern Health and Social Care Trust has operated a sound system of internal governance during the period 2015/16.

**Signature of Accounting Officer and date of signature**

  
Dr Anthony Stevens  
Accounting Officer

9 | 6 | 16

## **Statement of Northern HSC Trust Accounting Officer's Responsibilities in relation to Trust Funds Accounts**

Under the Health and Personal Social Services (NI) Order 1972, (as amended by Article 6 of the Audit and Accountability (Northern Ireland) Order 2003), the Department of Health, Social Services and Public Safety has directed the Northern HSC Trust to prepare for each financial year a statement of accounts in respect of endowments and other property held on trust by it in a form determined by the Department of Health, Social Services and Public Safety (DHSSPS). The financial statements are prepared on an accruals basis and must provide a true and fair view.


In preparing the financial statements the Accounting Officer is required to;

- Observe the accounts direction issued by DHSSPS including relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- Make judgements and estimates on a reasonable basis;
- State whether applicable accounting standards as set out in Charities SORP 2005 have been followed, and disclose and explain any material departures in the financial statements;
- Keep proper accounting records; and
- Ensure an effective governance framework and establishing arrangements for the prevention and detection of fraud and corruption

The Permanent Secretary of the DHSSPS as Accounting Officer for health and personal social services resources in Northern Ireland has designated Mr Anthony Stevens of the Northern HSC Trust as the Accounting Officer for the Northern HSC Trust. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the Northern HSC Trust's assets, are set out in the Accounting Officer Memorandum issued by the Department of Health, Social Services and Public Safety.

**CERTIFICATES OF DIRECTOR OF FINANCE, CHAIRMAN AND CHIEF EXECUTIVE**

I certify that the annual accounts set out in the financial statements and notes to the accounts (pages 18 - 29) which I am required to prepare on behalf of the Northern HSC Trust have been compiled from and are in accordance with the accounts and financial records maintained by the Northern HSC Trust and in accordance with the accounting policies for HSC Charitable Trust Funds as approved by the Department of Health, Social Services and Public Safety.

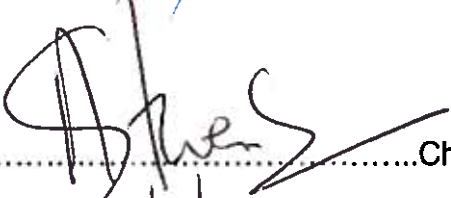
  
.....Director of Finance

9/6/2016  
.....Date

I certify that the annual accounts set out in the financial statements and notes to the accounts (page 18 - 29) as prepared in accordance with the above requirements have been submitted to and duly approved by the Board.

  
.....Chairman

9/6/2016  
.....Date

  
.....Chief Executive

9/6/16  
.....Date



## **NORTHERN HEALTH AND SOCIAL CARE TRUST - CHARITABLE TRUST FUNDS**

### **THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE NORTHERN IRELAND ASSEMBLY**

I certify that I have audited the financial statements of the Northern Health and Social Care Trust Charitable Trust Funds for the year ended 31 March 2016 under the Health and Personal Social Services (Northern Ireland) Order 1972, as amended. These comprise the Statement of Financial Activities, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out within them.

#### **Respective responsibilities of the Accounting Officer and auditor**

As explained more fully in the Statement of the Accounting Officer's Responsibilities, the Accounting Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. My responsibility is to audit, certify and report on the financial statements in accordance with the Health and Personal Social Services (Northern Ireland) Order 1972, as amended. I conducted my audit in accordance with International Standards on Auditing (UK and Ireland). Those standards require me and my staff to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Northern Health and Social Care Trust's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition I read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my certificate.

I am required to obtain evidence sufficient to give reasonable assurance that the incoming and outgoing resources recorded in the financial statements have been applied to the purposes intended by the Assembly and the financial transactions recorded in the financial statements conform to the authorities which govern them.

#### **Opinion on regularity**

In my opinion, in all material respects the incoming resources and application of outgoing resources recorded in the financial statements have been applied to the purposes intended by the Assembly and the financial transactions recorded in the financial statements conform to the authorities which govern them.

#### **Opinion on financial statements**

In my opinion:

- the financial statements give a true and fair view of the state of Northern Health and Social Care Trust's Charitable Trust Fund's affairs as at 31 March 2016 and of its incoming and outgoing resources for the year then ended; and
- the financial statements have been properly prepared in accordance with the Health and Personal Social Services (Northern Ireland) Order 1972, as amended and Department of Health (formerly Department of Health, Social Services and Public Safety) directions issued thereunder.

**Opinion on other matters**

In my opinion the information given in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Matters on which I report by exception**

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- I have not received all of the information and explanations I require for my audit; or
- the Governance Statement does not reflect compliance with Department of Finance's (formerly Department of Finance and Personnel) guidance.

**Report**

I have no observations to make on these financial statements.

*K J Dannelly* 15<sup>th</sup> June 2016  
KJ Dannelly  
Comptroller and Auditor General  
Northern Ireland Audit Office  
106 University Street  
Belfast  
BT7 1EU

NORTHERN HSC TRUST

Statement of Financial Activities for the year ended 31 March 2016

	Note	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	Total Funds £000	2015 Total Funds £000
<b>INCOMING RESOURCES</b>						
Incoming resources from generating funds						
Voluntary income	2	351	37	0	388	456
Activities for generating funds						
Investment income	3	60	27	0	87	84
Incoming resources from charitable activities						
	4	136	10	0	146	108
Other incoming resources						
		100	0	0	100	135
<b>Total incoming Resources</b>		<b>647</b>	<b>74</b>	<b>0</b>	<b>721</b>	<b>783</b>
<b>RESOURCES EXPENDED</b>						
Charitable Activities	6	(623)	(97)	0	(720)	(763)
Governance Costs	5	(4)	(1)	0	(5)	(6)
<b>Total resources expended</b>		<b>(627)</b>	<b>(98)</b>	<b>0</b>	<b>(725)</b>	<b>(769)</b>
Net incoming/(outgoing) resources before transfers						
		20	(24)	0	(4)	14
<b>TRANSFERS</b>						
Gross transfers between funds						
	8	0	0	0	0	0
Net incoming/(Outgoing) Resources before other recognised gains and losses						
		20	(24)	0	(4)	14
<b>OTHER RECOGNISED GAINS/LOSSES</b>						
Gains/(losses) on investment assets	11	(67)	(31)	(4)	(102)	98
<b>Net Movement in Funds</b>		<b>(47)</b>	<b>(55)</b>	<b>(4)</b>	<b>(106)</b>	<b>112</b>
Adjustment to add back:						
Notional Audit Fee		4	1	0	5	6
<b>Net Movement in Funds excluding Notional Audit Fees</b>		<b>(43)</b>	<b>(54)</b>	<b>(4)</b>	<b>(101)</b>	<b>118</b>
<b>RECONCILIATION OF FUNDS</b>						
Fund balances brought forward at 1 April 2015						
		4,216	1,406	86	5,708	5,590
Fund balances carried forward at 31 March 2016						
		4,173	1,352	82	5,607	5,708

The Notes at pages 20 to 29 form part of this account.

NORTHERN HSC TRUST

Balance Sheet as at 31 March 2016

	Notes	31 March 2016 £000	31 March 2015 £000
<b>Fixed Assets</b>			
Investments:			
Investments	11	1,662	1,774
<b>Total Fixed Assets</b>		<b>1,662</b>	<b>1,774</b>
<b>Current Assets</b>			
Debtors	12	7	13
Short term investments and deposits		3,700	3,600
Cash at bank and in hand.		277	355
<b>Total Current Assets</b>		<b>3,984</b>	<b>3,968</b>
<b>Creditors: Amounts falling due within one year</b>	13	<b>(39)</b>	<b>(34)</b>
<b>Net Current Assets / (Liabilities)</b>		<b>3,945</b>	<b>3,934</b>
<b>Total Assets less Current Liabilities</b>		<b>5,607</b>	<b>5,708</b>
<b>Net Assets</b>		<b>5,607</b>	<b>5,708</b>
<b>Funds of the Charity</b>			
Restricted income funds	14	1,352	1,406
Endowment funds	14	82	86
Unrestricted income funds			
Unrestricted income funds	14	4,173	4,216
<b>Total unrestricted funds</b>		<b>4,173</b>	<b>4,216</b>
<b>Total charity funds</b>		<b>5,607</b>	<b>5,708</b>

The Notes at pages 20 to 29 form part of this account.

Signed: \_\_\_\_\_

Accounting Officer

Date: \_\_\_\_\_

## **NORTHERN HSC TRUST**

### **Notes to the Accounts**

#### **1. Accounting Policies**

##### **1 (a) Basis of preparation**

The financial statements have been prepared in accordance with 'Accounting and Reporting by Charities' The Statement of Recommended Practice issued in March 2005, and with relevant guidance issued by the DHSSPS.

##### **1 (b) Incoming resources**

All incoming resources are included in full in the statement of financial activities as soon as the following three factors can be met:

- i) Entitlement – normally arises when there is control over the rights or other access to the resource enabling the charitable trust fund to determine its future application;
- ii) Certainty – where it is virtually certain that the incoming resource will be received; and
- iii) Measurement – when the monetary value of the incoming resource can be measured with sufficient reliability.

##### **1 (c) Incoming resources from legacies**

All incoming resources are recognised once the charity has entitlement to the resources, it is certain that the resources will be received and the monetary value of incoming resources can be measured with sufficient reliability.

##### **1 (d) Gifts in Kind**

- i) Assets given for distribution by the charity are included in the Statement of Financial Activities only when distributed.
- ii) Assets given for use by the charity (e.g. property for its own occupation) are included in the Statement of Financial Activities as incoming resources when receivable.
- iii) Gifts made in kind but on trust for conversion into cash and subsequent application by the charity are included in the accounting period in which the gift is sold.

In all cases the amount at which the gifts in kind are brought into account is either a reasonable estimate of their value to the charity or the amount actually realised. The basis of the valuation is disclosed in the annual report.

### **1 (e) Intangible income**

The Charitable Trust Funds do not have intangible income.

### **1 (f) Resources expended and irrecoverable VAT**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. All expenditure is recognised once there is a legal or constructive obligation committing the charity to the expenditure. Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

### **1 (g) Allocation of support costs and overheads**

Support costs and overheads have been allocated between Governance Costs and Charitable Activities. Costs which are not wholly attributable to an expenditure category have been apportioned. The analysis of support costs and the bases of apportionment applied are shown in Note 5. Where costs are shared by two or more charitable activities, support costs have been apportioned between categories and this is analysed in Note 6.

### **1 (h) Costs of generating funds**

The costs of generating funds are the cost of investment management fees.

### **1 (i) Charitable activities**

Costs of charitable activities comprise all costs incurred in the pursuit of the charitable objects of the charity. These costs comprise direct costs and an apportionment of overhead and support costs as shown in Note 5.

### **1 (j) Governance costs**

Governance costs comprise all costs incurred in the governance of the charity. These costs include costs related to statutory audit together with an apportionment of overhead and support costs.

### **1 (k) Fixed assets**

#### **Capitalisation**

The Charitable Trust Funds do not have any fixed tangible, intangible or heritage assets.

### **1 (l) Donated assets**

The Charitable Trust Funds do not have any donated assets.

### **1 (m) Investment fixed assets**

Investment Fixed Assets are shown at market value as at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Quoted stocks and shares are included in the balance sheet at mid-market price ex-div.

Other investment fixed assets are included at the Trustees' best estimate of market value.

### **1 (n) 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 sales proceeds and opening market value (purchased date if later). Unrealised gains and losses are calculated as the difference between the market value at the year end and opening market value (or purchase date if later).

### **1 (o) Funds structure**

Where there is a legal restriction on the purposes to which a fund may be put, 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 in itself be spent are accounted for as endowment fund. Other funds are classified as unrestricted funds. Funds which are not legally restricted but which the Trustees have chosen to earmark for set purposes are classified as designated funds.

### **1 (p) Pensions**

The charitable trust fund has no employees.

## **NORTHERN HSC TRUST**

### **2. Analysis of voluntary income**

	<b>Unrestricted Funds £000</b>	<b>Restricted Funds £000</b>	<b>2016 Total Funds £000</b>	<b>2015 Total Funds £000</b>
Donations from individuals	349	37	386	379
Legacies	2	0	2	77
Grants	0	0	0	0
<b>Total</b>	<b>351</b>	<b>37</b>	<b>388</b>	<b>456</b>

### **3. Gross investment income**

	<b>2016 Total Funds £000</b>	<b>2015 Total Funds £000</b>
Gross income earned from: Fixed asset equity and similar investments	63	59
Current asset investments	24	25
<b>Total</b>	<b>87</b>	<b>84</b>

### **4. Incoming resources from charitable activities**

	<b>Unrestricted Funds £000</b>	<b>Restricted Funds £000</b>	<b>2016 Total Funds £000</b>	<b>2015 Total Funds £000</b>
Income from sale of goods or services	136	10	146	108
<b>Total</b>	<b>136</b>	<b>10</b>	<b>146</b>	<b>108</b>



## **NORTHERN HSC TRUST**

### **5. Allocation of support costs and overheads**

	<b>2016 Total Funds £000</b>	<b>Allocated to Governance £000</b>	<b>Charitable activities £000</b>	<b>Basis of apportionment</b>
Financial Administration	41	0	41	Average fund balances
External Audit	5	5	0	Notional costs
<b>Total</b>	<b>46</b>	<b>5</b>	<b>41</b>	

### **6. Analysis of charitable expenditure**

	<b>Activities Undertaken Directly £000</b>	<b>Grant funded activity £000</b>	<b>Support Costs £000</b>	<b>Total £000</b>
Purchase of new equipment	221	22	0	243
Building and refurbishment	75	0	0	75
Staff education and welfare	78	0	0	78
Patient education and welfare	191	0	0	191
Other	133	0	0	133
<b>Total</b>	<b>698</b>	<b>22</b>	<b>0</b>	<b>720</b>

**7. Analysis of grants**

In 2015/16, expenditure of £243k was made from charitable trust funds for the purchase of equipment. This equipment has been donated to and is for use by Northern HSC Trust. The unconditional legal title of these assets has passed to the Trust. The expenditure in respect of these items is included in the Note 6 under "Purchase of new equipment". Of this amount £80K was capitalised in the public funds accounts of the Trust.

Donated equipment to the value of £22K is considered to be a grant payable.

**8. Transfers between funds**

No material transactions were undertaken relating to fund transfers during the current or prior financial year

**9. Auditor's remuneration**

The auditor's remuneration of £5K (2015 £6K) related solely to the audit with no other additional work undertaken (2015 £0K)

## NORTHERN HSC TRUST

### 10. Total tangible fixed assets

The Charitable Trust Funds do not have any tangible fixed assets (2014/15 £0)

### 11. Analysis of fixed asset investments

#### 11.1 Movement in fixed asset investment

	31 March 2016 £000	31 March 2015 £000
Market value at 1 April	1,674	1,576
Less: Disposals at carrying value	(10)	0
Add: Acquisition at cost	0	0
Net gain / loss on revaluation	(102)	98
	<hr/>	<hr/>
<b>Market value at 31 March</b>	<b>1,562</b>	<b>1,674</b>
	<hr/>	<hr/>
<b>Historic cost at 31 March</b>	<b>931</b>	<b>938</b>

#### 11.2 Market value as at 31 March 2016

	Held in UK £000	Held outside UK £000	2016 Total £000	2015 Total £000
Investments in a Common Deposit Fund or Investment Fund	1,562	0	1,562	1,674
Other investments	100	0	100	100
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total market value of fixed asset investments</b>	<b>1,662</b>	<b>0</b>	<b>1,662</b>	<b>1,774</b>

## NORTHERN HSC TRUST

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### 12. Analysis of Debtors

	31 March 2016 £000	31 March 2015 £000
<b>12.1 Amounts falling due within one year</b>		
Trade debtors	0	0
Prepayments	0	0
Accrued income	0	0
Other debtors	7	13
<b>Total</b>	<b>7</b>	<b>13</b>

### 12.2 Amounts due over one year:

None

### 13. Analysis of Creditors

#### 13.1 Amounts falling due within one year

	31 March 2016 £000	31 March 2015 £000
<b>Loans and overdrafts</b>		
Trade creditors	0	0
Other creditors	39	34
Accruals	0	0
Deferred income	0	0
<b>Total</b>	<b>39</b>	<b>34</b>

#### 13.2 Amounts falling due over one year:

None

## NORTHERN HSC TRUST

### 14. Analysis of charitable funds

	Balance at 1 April 2015 £000	Incoming resources £000	Resources expended £000	Transfers £000	Gains and losses £000	Fund at 31 March 2016 £000
<b>Endowment Funds</b>						
Carrick Borough Nursing Assoc.	47	0	0	0	(2)	45
Moyle Hospital - Craig Bequest	13	0	0	0	0	13
Sarah Currie Bequest	8	0	0	0	(1)	7
Rathmoyle Day Centre	7	0	0	0	0	7
Other	11	0	0	0	(1)	10
<b>Endowments Funds Total</b>	<b>86</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(4)</b>	<b>82</b>
<b>Restricted Funds</b>						
Coronary Care Medical Fund	249	2	(8)	0	0	243
Ida Young Bequest Capital	396	0	0	0	(24)	372
Coronary Care Nursing Fund	88	4	(5)	0	0	87
Palliative Care Development	85	8	(13)	0	0	80
Chemotherapy Day Unit Fund	75	2	(4)	0	(4)	69
Other	513	58	(67)	0	(3)	501
<b>Restricted Funds Total</b>	<b>1,406</b>	<b>74</b>	<b>(97)</b>	<b>0</b>	<b>(31)</b>	<b>1,352</b>
<b>Unrestricted and material designated funds</b>						
Trust wide Palliative Care Fund	249	141	(46)	0	0	344
Dixon Trust Whiteabbey Robinson Hospital	753	0	(10)	0	(46)	697
General Funds	1,108	112	(46)	0	(9)	1,165
Antrim Renal Unit General	600	12	(53)	0	0	559
Other	1,506	382	(468)	0	(12)	1,408
<b>Unrestricted and material designated Funds Total</b>	<b>4,216</b>	<b>647</b>	<b>(623)</b>	<b>0</b>	<b>(67)</b>	<b>4,173</b>
<b>Total</b>	<b>5,708</b>	<b>721</b>	<b>(720)</b>	<b>0</b>	<b>(102)</b>	<b>5,607</b>

## **NORTHERN HSC TRUST**

### **15. Contingencies**

There were no contingent losses or gains included in these accounts (2014/15 £0).

### **16. Commitments**

The Charitable Trust Funds had no commitments at the current or prior year end.

### **17. Related Party Transactions**

During the year none of the Trustees or members of the key management staff or parties related to them has undertaken any material transactions with Northern HSC Trust Charitable Trust Funds.

Board Members (and other senior staff) take decisions both on Charity and Exchequer matters but endeavour to keep the interests of each discrete and do not seek to benefit personally from such decisions. Declarations of personal interest have been made in both capacities and are available to be inspected by the public.

The Charitable Trust Funds has made revenue and capital payments to Northern HSC Trust where the Trustees are also members of the Trust.