

# SOUTHERN HEALTH AND SOCIAL CARE TRUST

## ANNUAL REPORT AND ACCOUNTS OF THE CHARITABLE TRUST FUNDS HELD BY THE SOUTHERN HEALTH AND SOCIAL CARE TRUST

YEAR ENDED 31 MARCH 2023



**SOUTHERN HEALTH AND SOCIAL CARE TRUST**  
**CHARITABLE TRUST FUNDS**

**ANNUAL REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

Laid before the Northern Ireland Assembly under Article 90(5) of the Department of Health and Personal Social Services (NI) Order 1972 (as amended by the Audit and Accountability Order 2003) by the Department of Health

On

07 July 2023

**SOUTHERN HEALTH AND SOCIAL CARE TRUST**  
**CHARITABLE TRUST FUNDS**

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## **Annual Report of the Trustees of the Charitable Trust Funds held by the Southern Health and Social Care Trust for the year ended 31 March 2023**

### **INTRODUCTION**

This is the annual report for the Charitable Trust Funds held by the Southern Health and Social Care Trust ('Trust Funds') for the year from 1 April 2022 to 31 March 2023.

Under Article 91 of the Health and Personal Social Services (NI) Order 1972 (as amended by Article 6 of the Audit and Accountability (Northern Ireland) Order 2003), the Southern Health and Social Care Trust is required to prepare annual accounts in respect of endowments and other property held on trust by it in a form determined by the Department of Health (DoH). This format is in accordance with the requirements of the "Accounting and Reporting by Charities: Statement of Recommended Practice Applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK & Republic of Ireland (FRS 102)" ("The Charity SORP").

### **REFERENCE AND ADMINISTRATIVE DETAILS**

#### **Contact Us**

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#### **Comments**

If you have any comments about this report or would like extra copies please telephone 028 3756 0118.

#### **Trustee Arrangements**

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 Board members of the Southern Health and Social Care Trust were the trustees of the Trust Funds during 2022-23. This constituted the following:

##### Non-executive members

Ms E Mullan, MBE                      Chair

Mrs H McCartan	Chair of Audit Committee
Mr J Wilkinson, OBE	Chair of the Patient & Client Experience Committee
Ms G Donaghy	Chair of Endowments and Gifts Committee
Mr M McDonald, MBE	Chair of Governance Committee
Mrs P Leeson, CBE	Chair of Performance Committee

### Executive members

Dr M O’Kane	Chief Executive (from 1 May 2022) Interim Accounting Officer (until 30 April 2022) Medical Director (until 1 May 2022)
Ms C Teggart	Director of Finance, Procurement & Estates
Mr C McCafferty	Interim Director of Children & Young People’s Services / Executive Director for Social Work
Mrs H Trouton	Executive Director of Nursing, Midwifery, AHPs and Functional Support Services
Dr Stephen Austin	Medical Director (from 7 November 2022)
Dr Damian Scullion	Interim Medical Director (from 5 September until 6 November 2022)
Dr Damian Gormley	Interim Medical Director (from 4 July until 4 September 2022)
Dr Aisling Diamond	Interim Medical Director (from 2 May until 3 July 2022)

### Other Members

Mrs L Leeman	Interim Director of Performance and Reform
Mrs V Toal	Director of Human Resources & Organisational Development
Ms C Reid	Director of Surgery & Clinical Services (from 8 March 2023) Interim Director of Surgery and Elective Care, Integrated Maternity and Women’s health, Cancer and Clinical Services (from 1 January 2023 until 7 March 2023) Interim Director of Medicine and Unscheduled Care (from 1 August 2022 until 31 December 2022)
Mrs T Reid	Director of Medicine and Unscheduled Care (from 1 January 2023) Interim Director of Surgery and Elective Care, Integrated Maternity and Women’s Health, Cancer and Clinical Services (from 1 August 2022 until 31 December 2022)
Mrs M McClements	Director of Acute Services (until 31 July 2022)
Ms J McGall	Director of Mental Health & Disability Services
Mr B Beattie	Director of Adult Community Services (from 1 October 2022) Interim Director of Older People & Primary Care Services (from 1 June 2019 until 30 September 2022)

The Trustees have delegated responsibility for the ongoing management of funds to the Endowments and Gifts Committee.

The Southern Health and Social Care Trust (SHSCT) Trust Funds is on the deemed list of charities as it is registered with His Majesty’s Revenue and Customs for charitable tax purposes. The Trust Funds had applied to the Charity Commission for Northern Ireland

(CCNI) to register as a charity however following engagement with CCNI, these applications have been withdrawn to allow restructuring of the Trust Funds held by HSC organisations in advance of seeking registration. It is acknowledged this restructuring will take some time to complete. Therefore a charity number is currently outstanding in advance of seeking registration (see page 19 for more detail).

The Trustees employed the following professional advisors during the year:

### **Auditors**

Northern Ireland Audit Office  
106 University Street  
Belfast  
BT7 1EU

### **Bankers**

Bank of Ireland  
13 Market Street  
Lurgan  
BT66 6AR

### **Solicitors**

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

### **Investment Managers**

NI Central Investment Fund for Charities (NICIFC)  
The Lighthouse Building  
4th Floor, 1 Cromac Place  
Gasworks Business Park  
Ormeau Road,  
Belfast  
BT7 2JB

### **Fund Portfolio Manager**

Abrdn (formerly Aberdeen Standard Capital)  
registered in Scotland (SC317950) at  
1 George Street,  
Edinburgh  
EH2 2LL

### **Structure, Governance and Management**

The Trust Funds held by the Southern Health and Social Care Trust are governed by the Health and Personal Social Services (NI) Order 1972. The Trust Board acts as “corporate trustee” for the Trust Funds. Trust Board members are recruited by the Department of Health in accordance with its recruitment procedures and are appointed by the Minister for Health.

The Endowments and Gifts Committee is the committee responsible for providing assurance to the Trust Board on all aspects of the stewardship and management of funds donated or bequeathed to the Trust.

The Terms of Reference of the Endowments and Gifts (E&G) Committee cover the following:

- Constitution – The Committee is established to administer the E&G Funds. It is authorised by the Trust Board to undertake any activity within its terms of reference. It is authorised to seek advice from whatever source it deems to be appropriate in order to fulfil its function. All employees are directed to cooperate with any request made by the Committee.
- Membership – Not less than 3 Non-Executive Directors, 1 of whom shall act as the Committee's Chair; the Director of Acute Services (now split to Director of Surgery & Clinical Services and Director of Medicine and Unscheduled Care) (or their nominee); and the designated Director with responsibility for Human Resources and Organisational Development (or their nominee). The Director of Finance, Procurement and Estates, or their representative shall normally attend meetings. The Committee may seek the attendance of other parties if deemed necessary.
- Quorum – Three members, including two Non-Executive Directors and one Director.
- Frequency of meetings – the Endowments and Gifts Committee will meet no fewer than 4 times per year. The Chair of the Committee may convene additional meetings as is deemed necessary.

The roles and responsibilities of the Endowments and Gifts Committee in relation to the management and governance of the Trust Funds were as follows:

- To ensure that appropriate arrangements are in place to oversee the administration, including banking arrangements of E&G Funds and their investment and disbursement;
- The normal purposes to which funds may be applied include all relevant expenditure likely to enhance the provision of health and social care services in accordance with current legislation relating to E&G Funds as well as Standing Financial Instructions, associated operational procedures of the Trust and the wishes of the donor;
- Satisfy itself that E&G funds are managed in line with guidance in the Trust's Standing Financial Instructions, Departmental guidance and legislation;
- Ratify the creation of a new fund by the Director of Finance, Procurement and Estates where funds and/or other assets are received from donors in circumstances where the wishes of the donor cannot be accommodated within the scope of an existing fund;
- Make recommendations on the potential for rationalisation of funds within statutory guidelines;
- Seek assurance that assets in ownership of, or used by, the E&G Fund will be maintained with the Trust's general estate and inventory of assets;
- Seek assurance that funds are not unduly or unnecessarily accumulated;
- Ensure that a Trustees' Report is produced as part of the production of annual accounts for E&G Funds;

- Seek assurance that expenditure from E&G Funds is subject to appropriate value for money considerations including proper procurement procedures where applicable;
- Ensure that Annual Accounts are prepared in accordance with DoH guidelines and submitted to the Trust Board within agreed timescales; and
- On behalf of the Trust Board, and on the advice of the Senior Management Team, the Committee will authorise appropriate policies and procedures in relation to E&G Funds.

Reporting arrangements: The minutes of meetings of the Committee shall be formally recorded and approved at the subsequent Committee meeting prior to submission to Trust Board for approval. The Committee will report to the Board annually on its work.

The Director of Finance, Procurement and Estates is responsible for the day to day management and control of the administration of the Trust Funds and reports to the Endowments and Gifts Committee. The Director of Finance, Procurement and Estates has responsibility to ensure that Trust Funds are managed appropriately with regard to their purpose and requirements; that full accounting records are maintained and that devolved decision making or delegated arrangements are in accordance with the policies and procedures agreed by the Endowments and Gifts Committee.

BSO Internal Audit includes the Trust Funds as part of their rolling programme of audits. The Southern Health and Social Care Trust Audit Committee carries out an oversight role in reviewing Internal Audit reports and the annual accounts.

During 2022-23, the Endowments and Gifts Committee held 4 meetings to oversee the administration of the Trust Funds, their investment and disbursement. Attendance was as follows:

Name of Board member	Attendance
<b>Non-Executive</b>	
<b>Ms G Donaghy Chair</b>	4/4
<b>Mrs H McCartan</b>	4/4
<b>Mr M McDonald</b>	4/4
<b>Director</b>	
<b>Mrs M McClements</b> (Director of Acute Services to 31 July 2022)	1/1
<b>Mrs T Reid</b> (Director of Medicine and Unscheduled Care (from 1 January 2023)	2/3
<b>Mrs C Reid</b> (Director of Surgery & Clinical Services (from 8 March 2023)	3/3
<b>Mrs V Toal</b> (Director of HR & OD)	4/4

The changes in Director appointments during the year are described fully on page 5.

There are no key management personnel employed by the Trust Funds and there are no employees. All management and administration duties are performed by employees of



the Southern Health and Social Care Trust and the Trust Funds are charged a management fee for their services.

## **Objectives and Activities**

The objectives for the Trust Funds held by the Southern Health and Social Care Trust in 2022-23 were to ensure that charitable donations and grants received by the Trust were appropriately managed, invested, expended and controlled, in a manner that was consistent with the purposes for which they were given and with the Trust's Standing Financial Instructions and Departmental guidance and legislation.

Funds are used to support expenditure in the following areas to progress the objective of the Trust Funds:

- New equipment;
- Enhance the patient/client environment/ treatment experience;
- Staff education and training / skills enhancement, appreciation; and
- Academic Research and Development.

## **Main Activities of the Trust Funds for the year 2022-23**

During 2022-23 the Endowments and Gifts Committee prioritised its work to receive and spend funds for staff and patients of Southern Health and Social Care Trust in support of the ongoing delivery of services.

The Endowments and Gifts Committee continued to meet regularly to monitor the use and rationalisation of Funds and to advise on and approve expenditure plans from the Fund Managers, in accordance with their terms of reference and the ongoing objectives for the use of the Funds.

The Trust continues to only accept donations into four Directorate wide Funds – Acute (now split into Medicine and Unscheduled Care and Surgery & Clinical Services), Adult Community Services (formerly Older People and Primary Care (OPPC)), Children's and Young People's Services (CYPS) and Mental Health and Learning Disability (MHLD). The other restricted funds continue to be utilised but do not accept new donations. In 2020-21, 3 new restricted funds were created, one for donations from the public to support the Southern Health and Social Care Trust work during the Covid-19 pandemic (which has been largely utilised with a very small balance remaining to be spent), one to record the grants received from NHS Charities Together and another for the £3M donation from DoH. These funds will be time limited as the Southern Health and Social Care Trust prioritises using the monies to support staff and patient wellbeing during, and now in the aftermath of, the pandemic.

The Endowments and Gifts Committee has also continued to promote rationalisation of existing historic funds where possible in 2022-23, the purpose of which is twofold – to ensure appropriate use of all funds, irrespective of the size of the donation and to reduce the administration associated with having a very large number of funds. During 2022-23 a further 11 funds were fully depleted. Whilst progress is being made, it is recognised

that it needs to be accelerated. Further work is to be carried out during 2023-24 to support Fund Managers in utilising the remaining balances in the older and smaller funds, in anticipation of CCNI registration.

The Internal Audit report on Charitable Trust Funds during 2022-23 provided a **satisfactory** level of assurance on the basis that controls over Trust Funds are generally operating effectively, with a **limited** assurance provided specifically in respect of management of the Mandeville Unit Fund, in the absence of documented rationale for expenditure from this Fund in respect of the purchase of a modular building.

There were no Priority 1 recommendations. There were thirteen Priority 2 recommendations of which two recommendations relate to the capital project at the Mandeville Unit; three relate to Charitable Funds Spending Plans; two relate to the management of historical Charitable Trust Funds; two relate to donations with specified purpose; two relate to receipting and expenditure requests; two relate to adherence to Procedures. The Endowments and Gifts Committee reviewed progress against the recommendations through 2022-23 and is pleased to note that all of the Priority 2 recommendations are now fully implemented, with one of them no longer applicable as it duplicated a previous audit recommendation around rationalisation of funds.

In order to address two Priority 2 recommendations, a paper was presented to E&G Committee requesting funding for a new post to manage E&G funds, to progress the rationalisation of the funds and participate in the regional work plan towards CCNI registration. The E&G Committee approved this funding request.

A detailed paper was presented to E&G Committee in March around the Mandeville Annexe extension development. This set out the rationale for the requirement for additional accommodation at the Mandeville Unit, and the reasons for the Charitable Trust funded works being completed as a single project with the public funded works, including to minimise service disruption and risk to cancer patients and to support value for money.

The Procedures for the Management of Charitable Trust Funds were revised and reissued during 2022-23. The most significant amendment covers the new requirement for Capital Business Case for capital expenditure requests. This addresses the Internal Audit recommendation to strengthen procedures around capital expenditure requests.

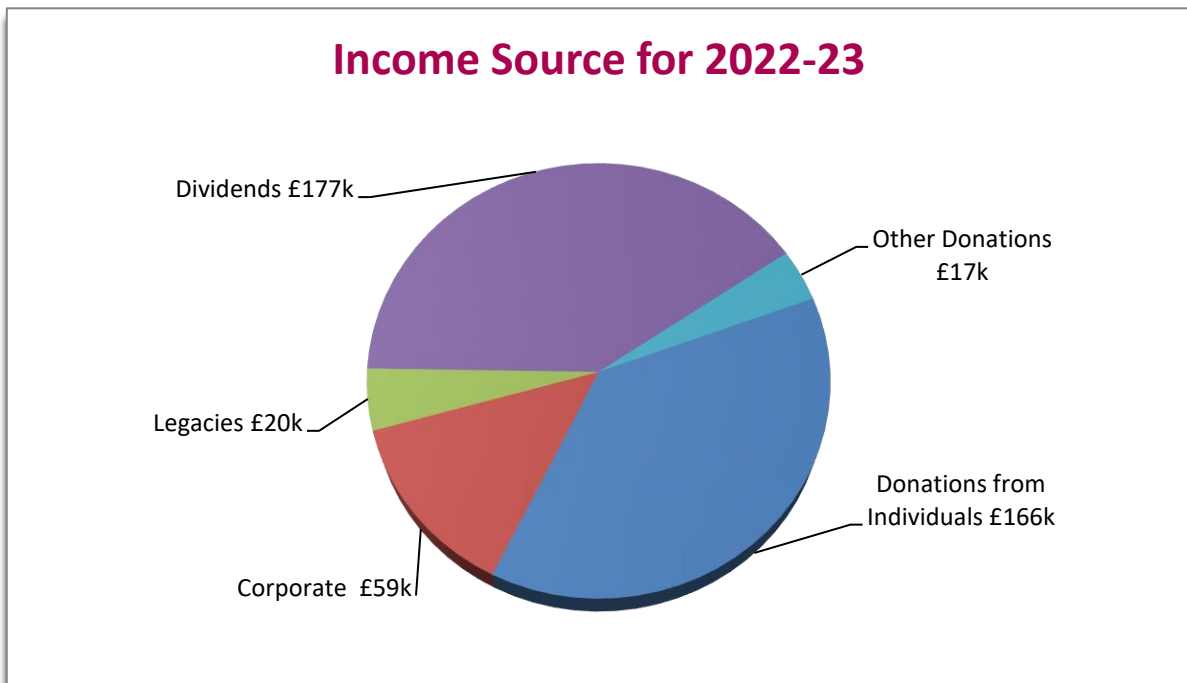
The Endowments and Gifts Committee completed a best practice self-assessment review for 2022-23 with no issues raised.

## Achievements and Performance

Total donations to the Trust Funds for 2022-23 were £262k. There were many generous donations from patient and client groups, their families and carers, and other community fundraising efforts. Donation income increased this year from 2021-22, which was very pleasing in the current challenging economic climate. Yet again members of the public were exceptionally generous in the financial support they donated to the Southern Health and Social Care Trust. Each and every one of these donations, large and small, is greatly appreciated by the Southern Health and Social Care Trust Charitable Trust Funds trustees, and in turn by the recipient staff, patients and clients of the Southern Health and Social Care Trust.

**Donations** – Some examples include:

- ❖ Donations in memory of loved ones who were patients of Southern Health and Social Care Trust;
- ❖ Donations from individuals, organisations and clubs from their fundraising efforts and activities;
- ❖ Corporate donations from local businesses;
- ❖ A legacy;
- ❖ Clothing, equipment for children, Easter Eggs and other useful items and treats sent into the Wards and Facilities for patients and Service Users;
- ❖ Fundraising donations from service users and their families in recognition of excellent care delivered by the Southern Health and Social Care Trust; and
- ❖ Fundraising donations from local businesses, schools, churches and community groups.



During 2022-23 the Southern Health and Social Care Trust staff have been so grateful for the support in financial and non cash donations. The Southern Health and Social Care Trust endeavoured to thank all the donors personally, and there were THANK YOU messages posted on social media.



On behalf of our staff, we want to say a huge thank you to our local community for their continued overwhelming generosity over the past year since we entered this pandemic.

**Your support has been amazing.**

There are so many people, schools, businesses and organisations that we can't possibly mention them all individually—but please know how much it means to us all.

Again the local community demonstrated their generosity and their appreciation for the work of Southern Health and Social Care Trust.

## Thank you from Acute Services

A massive thank you to Jenny Chambers who raised £3000 for our Acute Services fund.

She raised the funds through a Christmas day walk and has donated it to the Mandeville Unit in Craigavon Area Hospital.



Jenny Chambers, Staff Nurse Megan Reddick, and Staff Nurse Alison King.



## An egg-cellent donation!

A massive thank you to local teenager Josh Hickman and his mother Marie who have made a generous donation of Easter eggs.

They will be distributed to local children/families in need and also to the young people in Bocombra Children's Centre and Cherrygrove Children's Home.



A big well done to our Staff Nurse Geraldine who has donated a blanket warming cabinet and fleeces to the Renal Unit in Daisy Hill Hospital. Back in April 2022, Geraldine completed a fundraising walk from Lurgan to

Daisy Hill and raised an amazing £14,280. As a renal nurse, Geraldine was aware of the cold that dialysis patients often feel during treatment and the warming blankets and fleeces will make a real difference to those attending the Unit.

A total of £1,700 has been donated to the Southern Trust's Acute Services Fund by Helena Wilson and son David Wilson.

The money was raised from a breakfast morning held in memory of Helena's late husband, Jim, a patient of the Renal Unit at Daisy Hill Hospital, who sadly passed away two years ago.



Nicola McGlinchey has donated numerous items to Craigavon Area Hospital in memory of her son Lorcan. These donations include 'Abigail Cots' on both the Craigavon and Daisy Hill sites. These are specialised cold cots which are used for bereaved parents when a baby had sadly passed away or was stillborn.

Thank you to everyone for your generosity

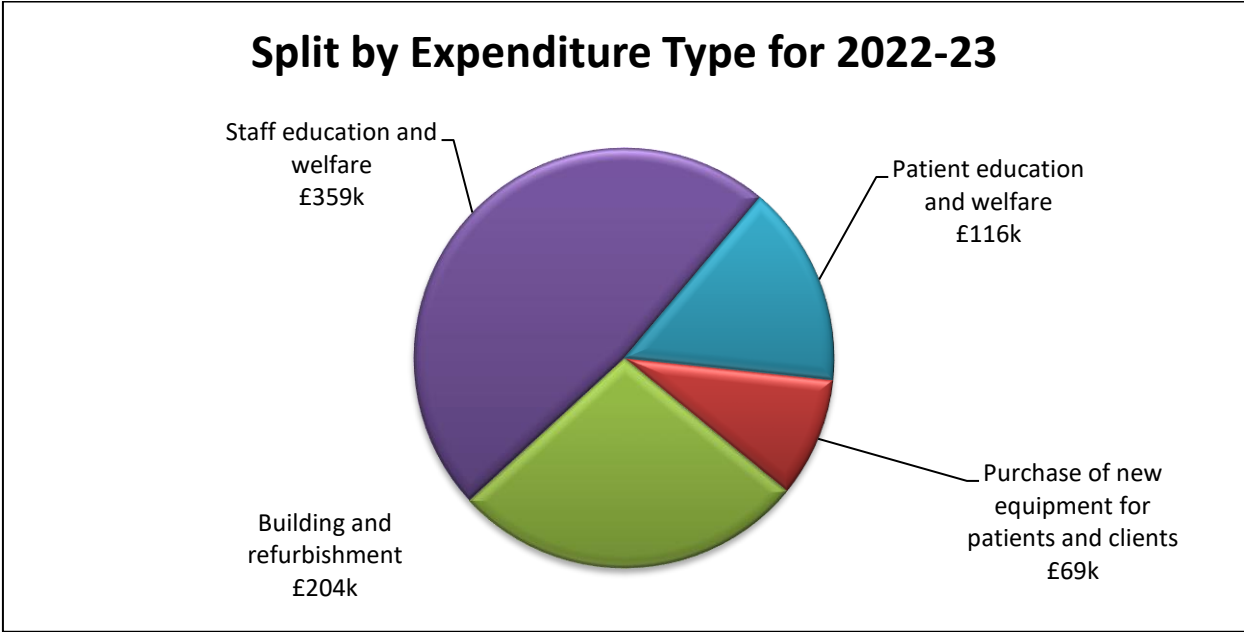
During the year the Trust Funds continued to be spent on activities commensurate with its objectives. £748k was expended on charitable activities, in accordance with the Trust Fund’s policies and procedures, an increase of £158k on 2021-22.

Examples of improvements the Trust Funds have supported financially during 2022-23 as a result of donations and legacies received include:

- ❖ Staff specialist training – including frontal endoscopic sinus surgery, palliative care, sight impairment, respiratory care, Drugs Misuse – this is staff education over and above that which would normally be provided from public funds;
- ❖ Outdoor gym equipment for the Bluestone Unit;
- ❖ Innovative participation in POPS (Peri-operative care of Older People undergoing Surgery) Network to improve outcomes by integrating geriatricians into the care pathway;
- ❖ Outdoor Therapy Area at Child Development Clinic Lurgan
- ❖ Re development of the Dromalane Gate Lodge as a CYPS facility
- ❖ The Post Covid-19 Employee Vocational Rehabilitation Programme, which is funded through Endowment & Gifts funding, provides support, advice and rehabilitation for employees who are experiencing Covid-19 related symptoms following a Covid-19 infection which is impacting on their ability to return to work, or those who are currently in work but are struggling.

The team is comprised of a Specialist Physiotherapist, Occupational Therapist and Cognitive Behavioural Therapist. The programme consists of a combination of group work, individual one-to-one sessions, self-management strategies and return to work advice.

The Programme started accepting management referrals from 23 January 2023. The aim of the programme is to support employees to improve their health, functional abilities, and quality of life and to facilitate a successful and sustainable return to work.



## **Investments**

The Northern Ireland Central Investment Fund for Charities (NICIFC) continues to hold funds invested on behalf of the SHSCT Trust Funds. During 2022-23, the Endowments and Gifts Committee continued to review the performance of funds invested through NICIFC. The net market value of funds invested with the NICIFC at 31 March 2023 was £5.082m. This is 79.7% of the total value of Trust Funds.

The balance of funds held with the NICIFC has a decrease in market value of £391k in 2022-23 when compared to an increase of £279k in the prior year. This is due to the decrease in valuation of this investment at the year end.

## **Financial Review**

### **Introduction**

The financial statements have been prepared in accordance with the Charities Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with FRS102 in the UK and Republic of Ireland and with relevant guidance issued by the Department of Health.

Where there is a legal restriction on the purposes to which a fund may be applied, the fund is classified in the accounts as a restricted fund. Unrestricted funds may be spent at the discretion of the trustees in line with any of the charity's objectives. Funds where the capital is held to generate income for charitable purposes and cannot itself be spent are accounted for as an endowment fund. The SHSCT Trust Funds has seven endowment funds.

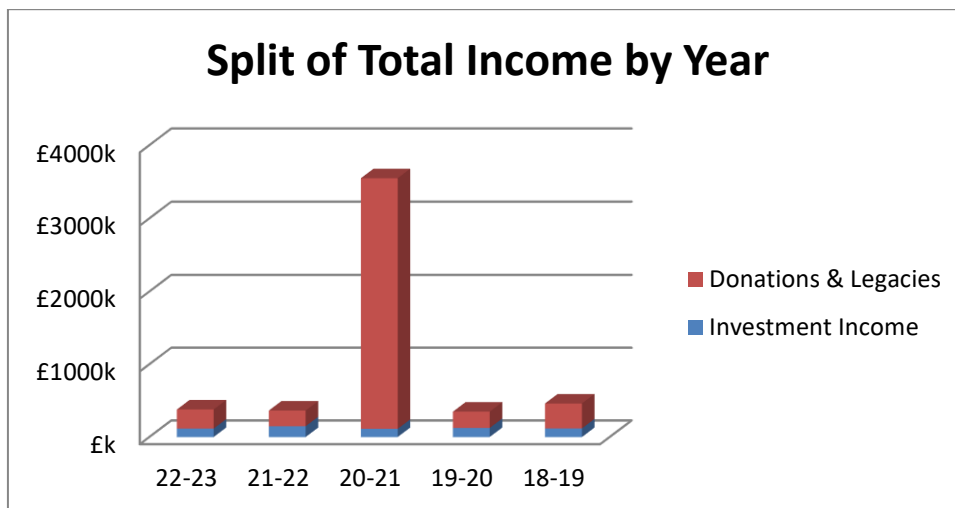
The SHSCT Trust Funds continues to have a significant number of restricted funds in existence from prior to 1 April 2018. These will continue until the balance is utilised or reduced to a level which is appropriate to be transferred to another fund. This will be incorporated into the fund restructuring work which will continue in 2023-24 and beyond.

### **Review of the year 2022-23**

#### **Income**

During the year income totalling £439k was received, an increase of £75k when compared to the prior year, substantially due to an increase in voluntary donations of £47k and an increase in dividend on the investment. £262k was received in donations and legacies compared to £215k in 2021-22. £177k of Investment income was received; this was an increase of £28k, when compared to 2021-22.

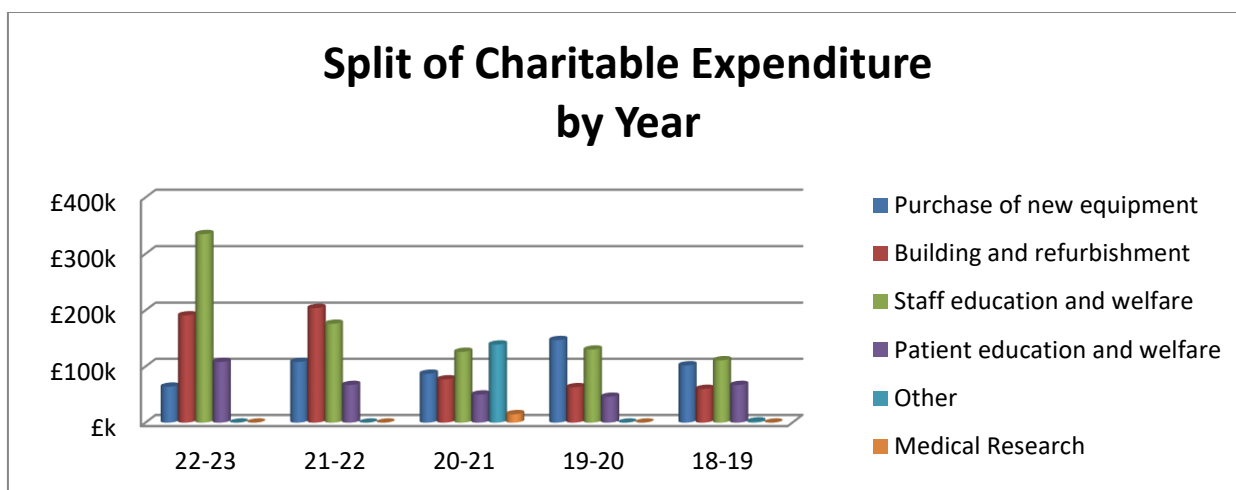
Gifts in kind received in 2022-23 amounted to £58k (corporate donations £22k, individual donations £21k and other donations £15k) and included items such as the provision of courses and conferences; syringe driver bags for Mandeville Unit service users; equipment such as high chairs and prams for the Paediatric Ward Daisy Hill Hospital; clothing for the Children's Ward at Daisy Hill Hospital, and a blanket warming cabinet and fleeces for the use of renal patients. They are included in the accounts at a reasonable estimate of their value within both donations and charitable activity spend.



The Trust Funds are indebted to the generosity of patients, clients, their families and carers, well-wishers and friends who have donated so generously to the work of the Trust Funds.

### Expenditure

Total resources spent on charitable activities for the year amounted to £748k, an increase of £158k from 2021-22. Included within the £748k are governance and support costs for the financial administration of the funds amounting to £49k. This comprised £42k representing a levy of approximately 11% of incoming resources, for administration as agreed by the Endowments and Gifts Committee, and £7k notional audit fees. In addition to the charitable activity spend there were Investment management costs of £21k charged by the Investment Management Company based on the value of the portfolio held by NICIFC. Total expenditure in this financial year was, therefore, £769k.





## Investment

The unrealised loss on the investment portfolio of £391k is a 7.7% decrease from the value at the beginning of the year. The market value of £5.082m remains well in excess of the investment's historic cost of £3.523m. Dividend performance has remained constant with distributions of 24p and 20p during 2022-23, same as for the previous year.

The December 2022 commentary from the Investment Fund Manager Abrdn notes:

*"...with a difficult few months ahead, especially for the UK and Europe, its expected most western economies to slip into recession in 2023 as the hot labour market we witnessed for much of 2022 begins to cool and central bank rate hikes serve to stymie the global economy..... Abrdn's quality, sustainable growth approach maintains their focus on companies underpinned by long term structural growth themes. They seek to identify businesses that will benefit from shifting trends while avoiding those where change will be detrimental. Experience has taught them that companies that have strong balance sheets and can create value by generating cash flow exceeding their operational requirements tend to generate stronger and more sustainable returns. They are also usually better positioned to reinvest in their businesses and distribute earnings to shareholders. Abrdn believe these types of companies merit long-term positions in portfolios regardless of shorter term sentiment."*

The NICIFC share price had decreased from the 31 March 2022 value of 1575.54p to 1462.96p as at 31 March 2023, but there has been a trend of moderate increase from the low at 30 September 2022 of the portfolio value. However, there is likely to be ongoing uncertainty and potential market volatility due to the continuing global impact of Covid-19, the EU Exit, and more recently the Ukraine situation, through 2023-24.

## Financial Position at Year End

Total fund balances were £6,376k at 31 March 2023, consisting of £6,350k of restricted funds and £26k of endowment funds. This is a total decrease of £714k from the previous year.

## Financial Controls

The Trustees are aware of their financial responsibilities for the money that is held on trust. The Chair of the Endowments and Gifts Committee reports to the Trust Board on a regular basis and fund managers are circulated with details of their fund balances throughout the year. Detailed financial procedures are provided to Fund Managers, including delegated authority levels.

The Trustees' delegated authority levels for the Funds are as follows:

For the four Directorate wide funds:

- Expenditure up to £10,000 must be approved by a Director for the relevant fund;
- Expenditure over £10,000 and less than £50,000 must be approved by a Panel consisting of the Director for the relevant fund, a Director who is a member of the

Endowments and Gifts Committee, a staff side representative and a member of staff who has responsibility for patient / client focus; and

- Expenditure over £50,000 must be approved by the Chief Executive or the Director of Finance, Procurement and Estates, having been first recommended by the Panel.

For the other restricted funds:

- Expenditure up to £1,000 must be approved by the designated Fund Manager;
- Expenditure over £1,000 and less than £10,000 must be approved by the relevant Director;
- Expenditure over £10,000 and less than £50,000 must be approved by the Chief Executive; and
- Expenditure over £50,000 must be jointly approved by the Chief Executive and one Director member of the Endowments and Gifts Committee.

Specific procedures for the governance of the £3m donation from the Department of Health were implemented in 2021-22.

## **Statement of Risk**

The management of risk in relation to the Trust Funds is closely aligned with the Southern Health and Social Care Trust's risk management strategy and procedures.

The major risks to which the Trust Funds are exposed have been reviewed by the Board of the Southern Health and Social Care Trust and systems have been established to mitigate these risks. The major risks identified are falls in income due to the fluctuation of legacies and donations received and an adverse change in the stock market conditions. These risks are mitigated by regular reviews of income and expenditure requests, forecasts and by the annual investment performance reviews by the Endowments and Gifts Committee and advice from the external investment manager as required. This may result in the investment portfolio being changed if the Trustee considers the investments held are exposed to unnecessary risks.

## **Reserves Policy**

The SHSCT Trust Funds holds £nil in reserves as at 31 March 2023 (2022: £nil). The Trust Funds do not currently enter into future commitments and so has not created any reserves for this. Activities are only authorised when funding is available.

## **Investment Policy**

The SHSCT Trust Funds has invested in the NICIFC. NICIFC was set up in 1965 through the Charities Act (Northern Ireland) 1964, with the aim of providing charities with the opportunity to invest all or part of their assets in a centrally pooled fund, administered by the Department for Communities. The Fund is managed by recognised fund managers, with its investment policy and performance reviewed on a quarterly basis by a locally based advisory committee, appointed by the Department.

The NICIFC operates as a discretionary managed fund, with participating Charities allocated a proportionate number of shares based on the size of their investment and the most recent valuation (share price). The Fund invests in fixed-interest securities, UK & foreign equities and selected unitised funds. The allocation between these asset classes is reviewed and adjusted periodically, in line with the Fund's investment policy.

NICIFC is managed by the Department for Communities and the portfolio manager (currently Abrdn, formerly Aberdeen Standard Capital, who are authorised and regulated by the Financial Conduct Authority).

The balance of the Trust Funds monies are held in bank accounts under the HSC banking services contract. A larger cash and short term cash investment balance is being held due to the anticipated short timeframe for expenditure under the DoH £3M Staff Support Fund.

The Endowments and Gifts Committee reviewed its Investment Policy in 2022-23. It has not made any changes to the existing policy at this time. However, it will continue to review the investment policy and portfolio annually, with particular reference to the achieved dividend rate underperforming against the comparative benchmark. The position will be reviewed during 2023-24 with exploration of alternative investment options.

### **Plans for Future Periods**

The key focus for the Endowments and Gifts Committee in 2023-24 and beyond will be the preparations for the restructuring of the Trust Funds required in order to proceed with the CCNI registration application. During 2022-23, HSCNI has been re-engaging with CCNI on how registration is progressed for Trust Funds held by HSC Trusts. Recognising that this will be a complex process, a regional business case has been prepared outlining the expected resources required both within HSC Trusts and BSO Legal Services to process the necessary restructuring and realignment of existing funds. Regional discussions with NHS Charities Together have also taken place on how it might assist HSCNI with this process. This business case has recently received regional approval to proceed.

A donation was made from Department of Health (DoH) to SHSCT Trust Funds for £3m in March 2021. This is to be split £2m for general staff support and £1m for support for nursing staff. The Task & Finish Group established to seek and consider proposals for projects and resources to be funded from the donation concluded its work during 2022-23 and there is now an agreed plan on how these monies should be used, with the main expenditure planned for a health and wellbeing hub for staff, based at the Bannvale site at Gilford.

The SHSCT Trust Funds is a member of the NHS Charities Together Association. There are further grant programmes open to NHS/HSC Trusts. Southern Health and Social Care Trust will consider the criteria and options available to submit further applications for these monies during 2023-24. A Stage 2 submission was made in December 2022, with the outcome due in May 2023. The next Stage 3 will open for applications in June 2023.

The Endowments and Gifts Committee has carried out the annual review of investment options and has made the decision to continue to invest via NICIFC for now but to explore other options, including withdrawing the SHSCT Trust Funds investment from NICIFC and pooling the Trust Funds for investment with those of the other HSC bodies in the Common Investment Fund (CIF).

The Endowments and Gifts Committee will continue to actively promote the use of Trust Funds and will carry out monitoring of Directorate expenditure plans as recommended by the recent Internal Audit report.

Signed on behalf of the Trustees:



**Dr Maria O'Kane**  
**Chief Executive**

**Date: 22 June 2023**

**The Accounts of the Charitable Trust Funds  
held by Southern Health and Social Care Trust**

**For the year ended 31 March 2023**

## **SOUTHERN HEALTH AND SOCIAL CARE TRUST – CHARITABLE TRUST FUNDS ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023**

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

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

I certify that I have audited the financial statements of the Southern Health and Social Care Trust's Charitable Trust Funds for the year ended 31 March 2023 under the Health and Personal Social Services (Northern Ireland) Order 1972, as amended. The financial statements comprise: the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes including significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom accounting standards including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In my opinion the financial statements:

- give a true and fair view of the state of Southern Health and Social Care Trust's Charitable Trust Fund's affairs as at 31 March 2023 and of its incoming and expenditure of resources for the year then ended; and
- have been properly prepared in accordance with the [Health and Personal Social Services (Northern Ireland) Order 1972, as amended and Department of Health directions issued thereunder.

#### **Opinion on regularity**

In my opinion, in all material respects the financial transactions recorded in the financial statements conform to the authorities which govern them.

#### **Basis for opinions**

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK), applicable law and Practice Note 10 'Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom'. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of this certificate.

My staff and I are independent of the Southern Health and Social Care Trust's Charitable Trust Fund in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK, including the Financial Reporting Council's Ethical Standard, and have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my opinions.

#### **Conclusions relating to going concern**

In auditing the financial statements, I have concluded that Southern Health and Social Care Trust's Charitable Trust Fund's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not disclosed in the financial statements any identified material uncertainties that relate to events or conditions that, individually or collectively, may cast significant doubt about the Southern Health and Social Care Trust's Charitable Trust Fund's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Trust and the Accounting Officer with respect to going concern are described in the relevant sections of this report.

### **Other Information**

The other information comprises the information included in the Annual Report other than the financial statements and my audit certificate and report. The Trust and the Accounting Officer are responsible for the other information included in the annual report. My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

### **Opinion on other matters**

In my opinion based on the work undertaken in the course of the audit, the information given in the Trustee's 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**

In the light of the knowledge and understanding of the Southern Health and Social Care Trust's Charitable Trust Fund and its environment obtained in the course of the audit, I have not identified material misstatements in the Annual Report.

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.

### **Responsibilities of the Trust and Accounting Officer for the financial statements**

As explained more fully in the Statement of Accounting Officer Responsibilities, the Trust and the Accounting Officer are responsible for the preparation of the financial statements and for:

- the preparation of the financial statements in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- such internal controls as the Trust Accounting Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error;
- assessing the Southern Health and Social Care Trust's Charitable Trust Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trust and Accounting Officer anticipates that the services provided by Southern Health and Social Care Trust's Charitable Trust Fund will not continue to be provided in the future.

### **Auditor's responsibilities for the audit of the financial statements**

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.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue a certificate that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulation, including fraud.

My procedures included:

- obtaining an understanding of the legal and regulatory framework applicable to the Southern Health and Social Care Trust's Charitable Trust Fund through discussion with management and application of extensive public sector accountability knowledge. The key laws and regulations I considered included the Health and Personal Social Services (Northern Ireland) Order 1972, as amended and Department of Health directions issued thereunder;
- making enquires of management and those charged with governance on Southern Health and Social Care Trust's Charitable Trust Fund's compliance with laws and regulations;
- making enquiries of internal audit, management and those charged with governance as to susceptibility to irregularity and fraud, their assessment of the risk of material misstatement due to fraud and irregularity, and their knowledge of actual, suspected and alleged fraud and irregularity;
- completing risk assessment procedures to assess the susceptibility of Southern Health and Social Care Trust's Charitable Trust Funds' financial statements to material misstatement, including how fraud might occur. This included, but was not limited to, an engagement director led engagement team discussion on fraud to identify particular areas, transaction streams and business practices that may be susceptible to material misstatement due to fraud. As part of this discussion, I identified potential for fraud in the following areas: revenue recognition, expenditure recognition and posting of unusual journals;
- engagement director oversight to ensure the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with the applicable legal and regulatory framework throughout the audit;
- designing audit procedures to address specific laws and regulations which the engagement team considered to have a direct material effect on the financial statements in terms of misstatement and irregularity, including fraud. These audit procedures included, but were not limited to, reading board and committee minutes, and agreeing financial statement disclosures to underlying supporting documentation and approvals as appropriate;
- addressing the risk of fraud as a result of management override of controls by:



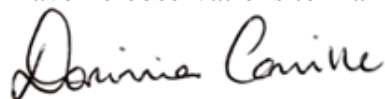
- performing analytical procedures to identify unusual or unexpected relationships or movements;
- testing journal entries to identify potential anomalies, and inappropriate or unauthorised adjustments;
- assessing whether judgements and other assumptions made in determining accounting estimates were indicative of potential bias; and
- investigating significant or unusual transactions made outside of the normal course of business.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of my certificate.

In addition, I am required to obtain evidence sufficient to give reasonable assurance that the financial statements conform to the authorities which govern them.

**Report**

I have no observations to make on these financial statements.



*Dorinnia Carville*  
*Comptroller and Auditor General*  
*Northern Ireland Audit Office*  
*106 University Street*  
*BELFAST*  
*BT7 1EU*  
*5 July 2023*

**SOUTHERN HEALTH AND SOCIAL CARE TRUST – CHARITABLE TRUST  
FUNDS ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023**

**Statement of Financial Activities for the year ended 31 March 2023**

	Note	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	2023 Total Funds £000	2022 Total Funds £000
<b>INCOME AND ENDOWMENTS FROM:</b>						
Donations and Legacies	2	-	262	-	262	215
Investments	3	-	177	-	177	149
<b>Total Income</b>		-	439	-	439	364
<b>EXPENDITURE ON:</b>						
Raising Funds						
Investment Management Costs	4	-	(21)	-	(21)	(20)
Charitable Activities	6	-	(748)	-	(748)	(590)
<b>Total Resources Expended</b>		-	(769)	-	(769)	(610)
(Losses)/Gains on Investment Assets	9	-	(391)	-	(391)	279
<b>Net Movement in Funds</b>		-	(721)	-	(721)	33
Adjustment to add back: Notional Audit Fee		-	7	-	7	6
<b>Net Movement in Funds excluding Notional Audit Fees</b>		-	(714)	-	(714)	39
<b>RECONCILIATION OF FUNDS</b>						
Fund balances brought forward at 1 April 2022	13	-	7,064	26	7,090	7,051
Fund balances carried forward at 31 March 2023	12	-	6,350	26	6,376	7,090

The notes at pages 29 to 44 form part of this account.

All gains and losses recognised in the reporting period are included in the SOFA and relate to continuing activities.

**SOUTHERN HEALTH AND SOCIAL CARE TRUST – CHARITABLE TRUST  
FUNDS ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023**

**Balance Sheet as at 31 March 2023**

	Note	Total Funds 31 March 2023	Total Funds 31 March 2022
		£000	£000
<b>Fixed Assets</b>			
Investments	9	5,082	5,473
<b>Total Fixed Assets</b>		5,082	5,473
<b>Current Assets</b>			
Debtors	10	76	84
Cash at bank and in hand		1,570	1,587
<b>Total Current Assets</b>		1,646	1,671
<b>Creditors: Amounts falling due within one year</b>	11	(352)	(54)
<b>Net Current Assets</b>		1,294	1,617
<b>Total Assets less Current Liabilities</b>		6,376	7,090
<b>Net Assets</b>		6,376	7,090
<b>Funds of the Charity</b>			
Restricted income funds	12	6,350	7,064
Unrestricted income funds	12	-	-
Endowment funds	12	26	26
<b>Total Charity Funds</b>		6,376	7,090

The notes at pages 29 to 44 form part of this account.

The financial statements were approved by the Trustees on 22 June 2023 and signed on its behalf by:



**Name:** Dr Maria O'Kane (Chief Executive)

**Date:** 22 June 2023

**SOUTHERN HEALTH AND SOCIAL CARE TRUST – CHARITABLE TRUST  
FUNDS ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023**

**Statement of Cash Flows for the year ended 31 March 2023**

	Note	31 March 2023 £000	31 March 2022 £000
<b>Net Cash (used in)/provided by operating activities</b>		(194)	2,504
<b>Cash Flows from investing activities</b>			
Dividends, interest and rents from investments		177	149
<b>Net Cash provided by (used in) operating activities</b>		<u>(17)</u>	<u>2,653</u>
<b>Cash Flows from financing activities</b>			
Purchase of investments	9.1	-	(1,500)
<b>Net Cash provided by (used in ) financing activities</b>		-	<u>(1,500)</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<u>(17)</u>	<u>1,153</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		1,587	434
<b>Cash and cash equivalents at the end of the reporting period</b>		<u>1,570</u>	<u>1,587</u>
		<b>31 March 2023 £000</b>	<b>31 March 2022 £000</b>
<b>Analysis of cash and cash equivalents</b>			
Cash in hand and at bank		<u>1,570</u>	<u>1,587</u>
<b>Total cash and cash equivalents</b>		<u><u>1,570</u></u>	<u><u>1,587</u></u>

# **SOUTHERN HEALTH AND SOCIAL CARE TRUST – CHARITABLE TRUST FUNDS ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023**

## **NOTES TO THE ACCOUNTS**

### **1. Accounting Policies**

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

The financial statements have been prepared under the historic cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Charities Statement of Recommended Practice (SORP) with additional disclosures as required by FRS 102 and with relevant guidance issued by the Department of Health.

Update Bulletin 1 issued February 2016 amended the Charities SORP and a Statement of Cash Flows is now only required for larger charities. Larger charities include those charities with a gross income exceeding £500,000 in the reporting period. The Trust Funds has prepared a Statement of Cash Flows for 2022-23.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

The financial statements have been presented in sterling which is also the functional currency of the SHSCT Trust Funds.

The Trust Funds meet the definition of a public benefit entity under FRS 102.

The financial statements have been prepared on a going concern basis.

#### **1 (b) Structure of Funds**

Where there is a legal restriction on the purpose for which a fund may be used, the fund is classified either as an endowment fund, where the donor has expressly provided that only the income of the fund may be expended, or as a restricted fund, where the donor has provided for the donation to be spent in furtherance of a specified charitable purpose.

The major funds held in each of these categories are disclosed in Note 12.

## **SOUTHERN HEALTH AND SOCIAL CARE TRUST – CHARITABLE TRUST FUNDS ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023**

### **NOTES TO THE ACCOUNTS**

#### **1 (c) 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 – arises when a particular resource is receivable or the charity's right becomes legally enforceable;
- ii) probability – where there is reasonable certainty that the incoming resource will be received; and
- iii) measurement – when the monetary value of the incoming resources can be measured with sufficient reliability.

#### **1 (c) (i) Income from donations and legacies**

This includes all income received by the Trust Funds that is a gift or bequest made on a voluntary basis, for any purpose.

Legacies are recognised when it is probable that they will be received.

#### **1 (c) (ii) Income from charitable activities**

This included income earned both from the supply of goods or services under contractual arrangements and from performance-related grants which have conditions specifying the provision of particular goods or services by the charitable funds.

#### **1 (c) (iii) Other Income**

This includes income from groups that have undertaken fundraising activities, income from charity vouchers and any other miscellaneous income.

#### **1 (c) (iv) Investment Income**

This is income earned from holding assets for investment purposes and includes dividends and interest.

#### **1 (d) 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.

## **SOUTHERN HEALTH AND SOCIAL CARE TRUST – CHARITABLE TRUST FUNDS ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023**

### **NOTES TO THE ACCOUNTS**

#### **1 (d) (i) Expenditure on raising funds**

This includes all expenditure incurred by the Trust Funds on the management of its investment funds.

#### **1 (d) (ii) Expenditure on charitable activities**

This includes all expenditure by the Trust Funds in undertaking activities that further its charitable aims for the benefit of its beneficiaries as shown in Note 6. These costs where not wholly attributable, are apportioned between the categories of charitable expenditure.

#### **1 (d) (iii) Allocation of Support Costs**

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include the Management Fee paid to the Southern Health and Social Care Trust for provision of clerical and administration support. These costs have been allocated between expenditure on charitable activities. The bases on which support costs have been allocated are set out in Note 5.

#### **1 (e) Fixed Asset Investments**

Investments are stated at market value as at the Balance Sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year. Details of movements in fixed asset investments during the year are shown in Note 9.

#### **1 (f) 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 (purchase date if later). Unrealised gains and losses are those gains or losses arising from increases or decreases in the value of investments that have not been sold (hence unrealised) at the reporting period end. These are calculated as the difference between the carrying value at the year end and opening market value (or purchase date if later).

Unrealised gains and losses are allocated across the appropriate funds (i.e. those funds for which investments are held) according to the closing value of funds at the year-end.

## **SOUTHERN HEALTH AND SOCIAL CARE TRUST – CHARITABLE TRUST FUNDS ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023**

### **NOTES TO THE ACCOUNTS**

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

Assets given for distribution by the charity are included in the Statement of Financial Activities only when distributed.

In all cases the amount at which the gifts are brought into the 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 Trustees' Annual Report.

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 within Corporate Donations when receivable.

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.

Gifts in kind, such as food and wellbeing packages are not accounted for when they are accepted and immediately distributed, unless a single donation is material.

#### **1 (h) Tangible fixed assets**

The Trust Funds do not have any tangible fixed assets (2022: £Nil).

#### **1 (i) Debtors**

Debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discount due.

#### **1 (j) Creditors**

Creditors are recognised where the Trust Funds have a present obligation resulting from a past event that will probably result in the transfer of monies to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

#### **1 (k) Financial Instruments**

Financial assets measured at fair value comprise cash in bank and at hand and Fixed Asset Investments and Financial assets measured at amortised cost comprise other debtors and accrued income, net of bad debt provisions.

There are no financial liabilities measured at fair value. Financial liabilities measured at amortised cost comprise of other creditors.



# SOUTHERN HEALTH AND SOCIAL CARE TRUST – CHARITABLE TRUST FUNDS ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

## NOTES TO THE ACCOUNTS

### 1 (l) Going Concern

There are no material uncertainties about the Trust Funds ability to continue as a going concern.

### 1 (m) Key Judgements and Assumptions

The Trust Funds make estimates and assumptions concerning the future. The resulting accounting estimate will, by definition, seldom equal the related actual results.

The most significant areas of uncertainty that affects the carrying value of assets held by the Trust Funds are the level of investment return and the performance of investment markets.

## 2. Analysis of income from Donations and Legacies

	Unrestricted Funds £000	Restricted Funds £000	2023 Total Funds £000	2022 Total Funds £000
Donations from individuals	-	166	166	169
Legacies	-	20	20	28
Corporate donations	-	59	59	12
Other	-	17	17	6
<b>Total</b>	-	262	262	215

## 3. Gross Investment Income

	2023 Total Funds £000	2022 Total Funds £000
<b>Gross income earned from:</b>		
Fixed asset equity and similar investments	177	149
<b>Total</b>	177	149

**SOUTHERN HEALTH AND SOCIAL CARE TRUST – CHARITABLE TRUST FUNDS ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023**

**NOTES TO THE ACCOUNTS**

**4. Expenditure on Raising Funds**

	<b>Restricted Funds £000</b>	<b>2023 Total £000</b>	<b>2022 Total £000</b>
Investment Management Fee	21	21	20
	<u>21</u>	<u>21</u>	<u>20</u>

**5. Analysis of Governance and Support Costs across expenditure**

	<b>Administration Costs £000</b>	<b>Audit £000</b>	<b>2023 Total £000</b>	<b>2022 Total £000</b>
Purchase of new equipment	4	1	5	7
Building and refurbishment	11	2	13	13
Staff education and welfare	20	3	23	11
Patient education and welfare	7	1	8	4
	<u>42</u>	<u>7</u>	<u>49</u>	<u>35</u>

Administration costs represent a levy of approximately 11% of incoming resources for the financial administration of the funds.

Support costs and Governance costs are apportioned pro rata across charitable expenditure.

## SOUTHERN HEALTH AND SOCIAL CARE TRUST – CHARITABLE TRUST FUNDS ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

### NOTES TO THE ACCOUNTS

#### 6. Analysis of Charitable Expenditure

	Charitable Activities £000	Support Costs £000	2023 Total £000	2022 Total £000
Purchase of new equipment	64	5	69	115
Building and refurbishment	191	13	204	217
Staff education and welfare	336	23	359	187
Patient education and welfare	108	8	116	71
	<u>699</u>	<u>49</u>	<u>748</u>	<u>590</u>

#### 7. Auditor's Remuneration

The Auditor's remuneration of £6,650 (2022: £6,000) related solely to the audit, with no other additional work undertaken.

#### 8. Trustees' Remuneration

During the year the Trustees received no remuneration or expenses reimbursements (2022: £nil).

The SHSCT Trust Funds has no employees and so incurred no staff costs (2022: Nil).

There was a recharge of £42k from the Southern Health and Social Care Trust in respect of the costs of administering the Trust Funds.

## SOUTHERN HEALTH AND SOCIAL CARE TRUST – CHARITABLE TRUST FUNDS ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

### NOTES TO THE ACCOUNTS

#### 9. Analysis of Fixed Asset Investments

Fixed Asset Investments are measured initially at cost and subsequently at fair value (market value) at the balance sheet date.

The investment achieved an unrealised loss on the investment portfolio of £391k, a 7.7% decrease from the value at the beginning of the year. The market value of £5.082m remains well in excess of the investment's historic cost of £3.523m. Dividend performance has remained constant with distributions of 24p and 20p during 2022-23, same as for previous year.

The NICIFC share price had decreased from the 31 March 2022 value of 1575.54p to 1462.96p as at 31 March 2023, but there has been a trend of moderate increase from the low at 30 September 2022 of the portfolio value. However, there is likely to be ongoing uncertainty and potential market volatility due to the continuing global impact of Covid-19, the EU Exit, and more recently the Ukraine situation, through 2023-24.

#### 9.1. Movement in Fixed Asset Investment

	<b>2023</b> <b>£000</b>	<b>2022</b> <b>£000</b>
Market value at 1 April 2022	5,473	3,694
Acquisition at cost	-	1,500
Unrealised (Loss)/Gain on revaluation	(391)	279
<b>Market value at 31 March 2023</b>	<u>5,082</u>	<u>5,473</u>
<b>Historic cost at 31 March 2023</b>	<u>3,523</u>	<u>3,523</u>

#### 9.2. Market Value as at 31 March 2023

	<b>Held in UK</b> <b>£000</b>	<b>2023</b> <b>Total</b> <b>£000</b>	<b>2022</b> <b>Total</b> <b>£000</b>
Investments in a Common Deposit Fund or Investment Fund	5,082	5,082	5,473
<b>Total market value of fixed asset investments</b>	<u>5,082</u>	<u>5,082</u>	<u>5,473</u>

**SOUTHERN HEALTH AND SOCIAL CARE TRUST – CHARITABLE TRUST  
FUNDS ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023**

**NOTES TO THE ACCOUNTS**

**10. Analysis of Debtors**

	<b>2023 £000</b>	<b>2022 £000</b>
<b>Amounts falling due within one year</b>		
Other debtors	76	84
	<u>76</u>	<u>84</u>

**11. Analysis of Creditors**

	<b>2023 £000</b>	<b>2022 £000</b>
Other creditors	352	54
	<u>352</u>	<u>54</u>

**12. Analysis of Trust Funds**

Endowment Funds are funds donated to the SHSCT Trust Funds, the capital value of which may be invested and the interest earned thereon may be spent. The capital must be retained intact.

Unrestricted funds may be spent at the discretion of the trustees in line with any of the charity's objectives.

Restricted Funds are funds donated for a specific purpose and donations where the donor has indicated a wish for the donation to be used in a specific way.

## SOUTHERN HEALTH AND SOCIAL CARE TRUST – CHARITABLE TRUST FUNDS ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

### NOTES TO THE ACCOUNTS

#### 12.1. Endowment Funds

	Fund at 1 April 2022 £000	Incoming resources £000	Resources expended £000	Transfers £000	(Loss)/ Gain £000	Fund at 31 March 2023 £000
DHH legacy Mrs Hussey Deburgh 2	3	-	-	-	-	3
Banbridge Community Nursing Fund - CIP	15	-	-	-	-	15
Mary Adams Trust CIP	2	-	-	-	-	2
Armagh Community Hospital – Primate Robinson Charity	3	-	-	-	-	3
Other (individually less than 5%)	3	-	-	-	-	3
<b>Endowment funds total</b>	<b>26</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>26</b>

#### Restricted Funds

	Fund at 1 April 2022 £000	Incoming resources £000	Resources expended £000	Transfers £000	(Loss) £000	Fund at 31 March 2023 £000
Covid-19 DoH Fund	3,059	76	(134)	-	(172)	2,829
Neo-Natal Unit	551	14	(78)	-	(31)	456
Mandeville Unit	426	11	(8)	-	(24)	405
Other (individually less than 5%)	3,028	338	(542)	-	(164)	2,660
<b>Total Restricted funds</b>	<b>7,064</b>	<b>439</b>	<b>(762)</b>	<b>-</b>	<b>(391)</b>	<b>6,350</b>
<b>Grand Total</b>	<b>7,090</b>	<b>439</b>	<b>(762)</b>	<b>-</b>	<b>(391)</b>	<b>6,376</b>

The above expenditure excludes the notional audit fee of £7k.

## SOUTHERN HEALTH AND SOCIAL CARE TRUST – CHARITABLE TRUST FUNDS ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

### NOTES TO THE ACCOUNTS

#### 12.2. Comparative figures for Endowment Funds

	Fund at 1 April 2021 £000	Incoming resources £000	Resources expended £000	Transfers £000	(Loss)/Gain £000	Fund at 31 March 2022 £000
DHH legacy Mrs Hussey Deburgh 2	3	-	-	-	-	3
Banbridge Community Nursing Fund - CIP	15	-	-	-	-	15
Mary Adams Trust CIP	2	-	-	-	-	2
Armagh Community Hospital – Primate Robinson Charity	3	-	-	-	-	3
Other (individually less than 5%)	3	-	-	-	-	3
<b>Endowment funds total</b>	26	-	-	-	-	26

#### Comparative figures for Restricted Funds

	Fund at 1 April 2021 £000	Incoming resources £000	Resources expended £000	Transfers £000	(Loss)/ Gain £000	Fund at 31 March 2022 £000
Covid-19 DoH Fund	3,000	19	(6)	-	46	3,059
Neo Natal Unit	511	21	(12)	-	31	551
Mandeville Unit	606	22	(234)	-	32	426
Other (individually less than 5%)	2,908	302	(352)	-	170	3,028
<b>Total Restricted funds</b>	7,025	364	(604)	-	279	7,064
<b>Grand Total</b>	7,051	364	(604)	-	279	7,090

The above expenditure excludes the notional audit fee of £6k.

## **SOUTHERN HEALTH AND SOCIAL CARE TRUST – CHARITABLE TRUST FUNDS ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023**

### **NOTES TO THE ACCOUNTS**

#### **Restricted Funds:**

The Restricted Funds listed above represent donations received to support expenditure in the following areas:

- Patient / Client / Relative / Visitor Comfort and Amenity, including enhancement to the physical environment and facilities, entertainment, education and support and the provision of aids, appliances and other equipment to individuals or groups;
- Staff appreciation, to include the funding of general hospitality, social events and celebrations within the “Gifts, Hospitality and Sponsorship Policy”;
- Staff Education and Training and other forms of skill enhancement;
- Up to 5% of the Directorate Fund balance may be used for Academic Research and Development, in areas of interest associated with services directly provided by the Trust. Commercial research will be fully funded by the sponsor organisation;
- Neonatal Fund – This fund provides enhancements to services and amenities associated with new born babies during the first month after their birth; and
- Mandeville Fund - This fund provides enhanced locally based cancer treatment services and treatment for a number of blood disorders. Chemotherapy and numerous clinical procedures are carried out in the Mandeville Unit in addition to supportive therapy and blood transfusions.
- Covid-19 DoH Fund – This fund was set up during 2020-21 to receive the donation from Department of Health. It will be used in accordance with the Ministerial Direction - being aimed at supporting staff.



# SOUTHERN HEALTH AND SOCIAL CARE TRUST – CHARITABLE TRUST FUNDS ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

## NOTES TO THE ACCOUNTS

### 12.3 Analysis of Trust Funds

	Restricted Funds	Endowment Funds	2023 Total	2022 Total
	£000	£000	£000	£000
Fixed asset investments	5,056	26	5,082	5,473
Cash at bank and in hand	1,570	-	1,570	1,587
Current Assets	76	-	76	84
Current Liabilities	(352)	-	(352)	(54)
	<b>6,350</b>	<b>26</b>	<b>6,376</b>	<b>7,090</b>

### 13. Comparative figures for the Statement of Financial Activities

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	2022 Total Funds £000
<b>INCOME AND ENDOWMENTS FROM:</b>				
Donations and Legacies	-	215	-	215
Investments	-	149	-	149
<b>Total Income</b>	-	364	-	364
<b>EXPENDITURE ON:</b>				
Raising Funds				
Investment Management Costs	-	(20)	-	(20)
Charitable Activities	-	(590)	-	(590)
<b>Total Resources Expended</b>	-	(610)	-	(610)
Gain on Investment Assets	-	279	-	279
<b>Net Movement in Funds</b>	-	33	-	33
Adjustment to add back:				
Notional Audit Fee	-	6	-	6
<b>Net Movement in Funds excluding Notional Audit Fees</b>	-	39	-	39
<b>RECONCILIATION OF FUNDS</b>				
<b>Fund balances brought forward at 1 April 2021</b>	-	7,025	26	7,051
<b>Fund balances carried forward at 31 March 2022</b>	-	7,064	26	7,090

**SOUTHERN HEALTH AND SOCIAL CARE TRUST – CHARITABLE TRUST FUNDS ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023**

**NOTES TO THE ACCOUNTS**

**14. Financial Instruments**

	<b>2023 Total £000</b>	<b>2022 Total £000</b>
Financial Assets measured at fair value through the SOFA	6,652	7,060
Financial Assets measured at amortised cost	76	84
	<b>6,728</b>	<b>7,144</b>
	<b>2023 Total £000</b>	<b>2022 Total £000</b>
Financial Liabilities measured at amortised cost	352	54
	<b>352</b>	<b>54</b>

Financial assets measured at fair value through the SOFA comprise cash in bank and at hand and Fixed Asset Investments.

Financial assets measured at amortised cost comprise other debtors and accrued income, net of bad debt provisions.

There are no financial liabilities measured at fair value through the SOFA.

Financial liabilities measured at amortised cost comprises of other creditors.

**15. Transfer between Funds**

There were no transfers between funds in the year ended 31 March 2023 (2022: £nil).

**16. Financial Guarantees, Indemnities and Letters of Comfort**

The SHSCT Trust Funds has not entered into any financial guarantees, indemnities or provided letters of comfort (2022: £nil).

**17. Investment Management Costs**

Expenditure of £20,556 (2022: £20,377) was incurred on portfolio management within NICIFC and is disclosed within Note 4.

## **SOUTHERN HEALTH AND SOCIAL CARE TRUST – CHARITABLE TRUST FUNDS ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023**

### **NOTES TO THE ACCOUNTS**

#### **18. Related Party Transactions**

Board Members (and other senior staff) take decisions both on Trust Funds 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.

During the year none of the Trustees or members of the key management staff or parties related to them have undertaken any transactions with the Trust Funds.

The Trust Funds made revenue and capital payments to the Southern Health and Social Care Trust where the Trustees are also members of the Trust Board. In 22-23, the Trust Funds paid £147,298 (2022: £378,996) to the Southern Health and Social Care Trust and owed £226,005 (2022: £18,802) to the Southern Health and Social Care Trust as at 31 March 2023. The Trust Funds received £nil (2022: £9,790) from the Southern Health and Social Care Trust during 21-22 and was owed £1,361 (2022: £1,361) from the Southern Health and Social Care Trust as at 31 March 2023.

#### **19. Financial Commitments**

The SHSCT Trust Funds have no contingencies or commitments (2022: £nil).

#### **20. Ultimate Holding Organisation and Registered Address**

The ultimate controlling party of the Trust Funds is Southern Health and Social Care Trust. Copies of the 2022-23 Annual Report and Accounts of Southern Health and Social Care Trust can be obtained by writing to Director of Finance, Procurement and Estates, Southern Health and Social Care Trust.

Registered Address of Trust Funds:  
Southern Health and Social Care Trust  
Trust Headquarters  
Southern College of Nursing  
Craigavon Area Hospital  
68 Lurgan Road  
Portadown  
BT63 5QQ

**SOUTHERN HEALTH AND SOCIAL CARE TRUST – CHARITABLE TRUST  
FUNDS ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023**

**21. Post Balance Sheet Events**

There are no post balance sheet events having a material effect on the accounts.

**Date Authorised for Issue**

The Accounting Officer authorised the issue of these financial statements on 05 July 2023.

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