

Barnet, Enfield and Haringey

Mental Health NHS Trust

Title:	Charitable Funds Annual Report and Accounts for the year ending 31 March 2016
Report to:	Trust Board
Date:	30 January 2017
Security Classification:	Public Board Meeting
Purpose of Report:	This is an annual report to the Trust Board reporting on the Charitable Funds Annual Report and Accounts for the year ending 31 March 2016.
Recommendations:	The Trust Board is invited to review the Charitable Funds Annual Report and Accounts for the year ending 31 March 2016 and, as corporate trustee of the Charitable Fund, approve and sign these documents.
Report Sponsor:	Simon Goodwin, Chief Finance and Investment Officer
Comments / views of the Report Sponsor:	As the Corporate Trustee the Trust Board is required to approve and authorise the signing of the Charitable Funds Annual Report and Accounts.
Report Author:	Name: Martin Davies Title: Head of Financial Control Tel Number: 020 8702 3703 E-mail: martin.davies@beh-mht.nhs.uk
Report History:	Annual report
Budgetary, Financial / Resource Implications:	The annual report and accounts report the income & expenditure and financial position of the Charitable Fund for the year to 31 March 2016.
Equality and Diversity Implications:	None. The Charitable Fund promotes the imperatives of delivering equality in Mental Health and Community Health Services.
Links to the Trust's Objectives, Board Assurance Framework and / or Corporate Risk Register	The Objects of the Barnet, Enfield and Haringey Mental Health Trust Charity are to apply the income and, at their discretion, so far as permissible, the capital for any charitable purpose relating to the National Health Service.
List of Appendices:	<ul style="list-style-type: none"> • Appendix 1 - Charitable Funds Annual Accounts for the year ending 31 March 2016 • Appendix 2 - Charitable Funds Annual Report for the year ending 31 March 2016 • Appendix 3 - Charitable Funds Letter of Representation for the year ending 31 March 2016

Report

1. Introduction and Background

- 1.1 The Annual Report and Accounts is an annual report to the Trust Board reporting the income and expenditure for the year and the closing position at 31 March 2016.
- 1.2 The Annual Report and Accounts for the Charitable Fund have to be prepared, authorised by the Trustee and submitted to the Charity Commission within 10 months of the year end.
- 1.3 The Annual Report and Accounts were reviewed by the Trust and Charitable Funds Committee (“TCFC”) on 21 November 2016 who recommended that they be approved by the Trust Board.
- 1.4 Due to the size of the charitable fund it only requires an Independent Examination of the accounts rather than a full statutory audit.
- 1.5 The Independent Examination is undertaken by the same firm of auditors as undertake the audit of the Trust. Therefore, this year’s Independent Examination was completed by Ernst & Young, having been completed by Grant Thornton in prior years.

2. Annual Report and Accounts

- 2.1 The Annual Accounts are attached as Appendix 1.
- 2.2 The Annual Report is attached as Appendix 2. As the Trust Board acts as sole corporate trustee in the administration of the charitable funds it is a requirement that the Annual Report includes details of all members of the Board who served during the financial year ended 31 March 2016 and up to the date the accounts were signed. Therefore, the version of the Annual Report that the Board is asked to approve has been updated from that approved by TCFC in November 2016 to include Rebecca Harrington’s departure on 3 January 2017 and the appointment of Ruchi Singh with effect from 16 January 2017.
- 2.3 The Annual Accounts have been prepared in accordance with all relevant accounting standards and the accounting policies contained within the notes to the accounts.
- 2.4 In prior years no letter of representation has been required by Grant Thornton, on the basis that the accounts are only subject to an independent examination and not a full audit. However, Ernst & Young require a letter of representation to be signed by the Chairman on behalf of the Trust Board as the Corporate Trustee of the charitable funds, even for an Independent Examination. This letter is attached as Appendix 3.
- 2.5 Ernst & Young will sign the independent examiners report contained in the accounts once these have been approved by the Trust Board and signed on behalf of the Trustee. The accounts will then be submitted to the Charity Commission on 31 January.

3 Reserves Policy

- 3.1 The Charitable Fund Reserves Policy is that total reserves should be at a level between 6 months and 2 years of expenditure in accordance with the Charity Commission Guidance. At 31 March 2016 the total reserves exceed 2 years of expenditure due to the size of the Former NHS Enfield Charitable Fund.

- 3.2 If unrestricted funds are viewed in isolation, unrestricted reserves of £20k approximate to 10 years of the £2k unrestricted expenditure in the 12 months to 31 March 2016, meaning that the 2 year advisory maximum is exceeded. However, the unrestricted expenditure in 2015/2016 was unusually low, and unrestricted expenditure will be higher in 2016/2017, with unrestricted expenditure of over £7k already having been authorised by the TCFC. Therefore, unrestricted funds are compliant with the Reserves Policy.

Implications

4. Budgetary / Financial Implications

- 4.1 None.

5. Risk Management

- 5.1 None

6. Equality and Diversity Implications

- 6.1 None. The Charitable Fund promotes the imperatives of delivering equality in Mental Health and Community Health Services.