

Item 14.3.1\*



## Charitable Funds Annual Report 2019/20



# CONTENTS

<b>Chairman's welcome</b>	<b>1</b>
<b>Who we are</b>	<b>2</b>
<b>Our achievements</b>	<b>4</b>
<b>Structure, governance and management</b>	<b>5</b>
<b>Contact us, trustee and advisors</b>	<b>6</b>
<b>Financial review</b>	<b>7</b>
Reserves policy	7
Fund expenditure policy	8
Investments	8
Independent examiners report	9
Statement of Trustee's responsibilities	10
Statement of Financial Activities	11
Balance Sheet as at 31st March 2019	12
Cash Flow Statement	13
Notes to the accounts	14



# Chairman's welcome

Welcome to our annual report for 2019/20. We exist to support the work of Liverpool Heart and Chest Hospital NHS Foundation Trust. Liverpool Heart and Chest Hospital is one of the largest specialist heart and lung centres in the UK with over 115,000 people depending on our services every year. The ground breaking work carried out here changes lives - and with heart and lung diseases remaining the main cause of death and disability in the UK, it's never been more needed.



Liverpool Heart and Chest Hospital  
NHS Foundation Trust

The Liverpool Heart and Chest Hospital Charity exists to support that work in three ways:

## Extending the Excellence

Providing additional amenities and support for our patients, their families and our staff. Many of our patients travel long distance to access our specialist services and we help by providing accommodation for family and loved ones during what is often a very stressful time.

## Tomorrow's medicine today

Research undertaken at Liverpool Heart and Chest Hospital could change the way heart and lung medicine is practised in the future.

## The latest and the best

The LHCH Charity ensures that wherever possible our dedicated medical staff have access to the very latest and best in equipment and training. In this way we can make sure that our patients are always receiving the most up to date treatments available.

## Key highlights of our year:

- The successful conclusion of our Drive out Delirium campaign which will significantly reduce the incidence of delirium amongst our most critically ill patients
- Supporting the development of a special area in our new Imaging Centre which has been specifically designed to alleviate the distress of those with dementia or other cognitive problems when undergoing medical imaging
- Continuing to support our Robotics Campaign with additional funds provided to further develop the service and to train other surgeons in this extremely skilled area
- Supporting research, education and training with the provision of grants to purchase new equipment, enable attendance at seminars and training courses and with the development of new projects such as the 3D Heart Models
- Recognising of the excellent work of our staff and volunteers

## Bob Burgoyne – Chair of Charitable Funds Committee



# Who we are



The Liverpool Heart and Chest Hospital Charity exists to support the work of the hospital by providing additional support and resources that are above and beyond what would normally be available through statutory sources.

## The Object of LHCH Charity is:-

“For any charitable purpose or purposes relating to the National Health Service wholly or mainly for the service provided by the Liverpool Heart and Chest Hospital NHS Foundation Trust”.

## Aims of LHCH Charity:-

Heart and Lung diseases are amongst the 2 biggest killers in the UK today. Every 2 minutes someone has a heart attack and 1 in 5 people are affected by respiratory diseases.

LHCH Charity aims to support Liverpool Heart and Chest Hospital in its care and treatment of patients, their families and staff by:

- assisting the hospital with the purchase of the latest state of the art equipment, research and training
- supporting innovative research to improve our understanding of heart and lung Diseases
- providing patients and their families with additional amenities which would otherwise not be available from statutory sources.

By doing this LHCH Charity ensures that its legal purpose is fulfilled

## How we achieve our aims

The strategy for achieving our aims breaks down into two separate strands:-

- Identification of areas for support
- A strategy for fundraising for the identified areas

### a) Identification of areas for support

LHCH Charity, in conjunction with the Executive Team of the hospital, identify projects that have a criteria that fits within the 3 aims which will be supported via the General Fund. These projects are broken down by size in terms of cost into short, medium or longer term projects.

In addition each of the Funds which sit underneath the Charity umbrella have been requested to complete a form indicating how they propose to spend monies within each 12 month period. The recommendation for each Fund is that in line with best practice at least 33% of the Fund's opening balance is spent within the year unless they are planning on building funds towards a specific service or item of equipment.

### b) Fundraising Strategy for identified projects.

The Head of Fundraising produces a yearly strategy which identifies the potential for fundraising for the short term aims (usually required within the financial year) as well as providing details of plans for achieving the medium and long term goals including Income and Expenditure projections as well as a Fundraising Ratio Cost and a Return on Investment Cost. This is approved by the Charitable Funds Committee and then, ultimately, the Corporate Trustee.

The Fundraising Strategy is then evaluated at each meeting of the Charitable Funds Committee in relation to its progress in achieving the support required for each of the projects.

### How LHCH Charity Fundraises

LHCH Charity is guided in all of its fundraising by the Code of Fundraising Practice. Campaigns are run and managed by the charity's staff and the charity does not work with professional fundraisers or commercial participators in generating funds.

During the year LHCH Charity received no complaints from its donors or others about the standard of its fundraising approaches. It did receive 1 request from the Fundraising Preference Service for a donor to be removed from its database which was immediately complied with.

### LHCH Charity and Social Investment

LHCH Charity was not involved in any social investment during the past 12 months

### LHCH Charity and Grant Making

LHCH Charity was not involved in making grants to external organisations during the last 12 months but did make several grants to internal projects as per our aims and objectives during the year.

### LHCH Charity and Donated Goods, services and volunteers

The Charity does occasionally receive goods for re-sale in its office premises at the hospital. These are recorded as gift in kind items and processed through the till with other purchased merchandise. If a gift equalling more than £1,000 is received then this is reported to the Charitable Funds Committee for noting.

The Charity did not work with any volunteers during the past 12 months.

### Public benefit

Liverpool Heart and Chest Hospital NHS Foundation Trust is the main beneficiary of the charity and is a related party by virtue of being Corporate Trustee of the charity. By working in partnership with the Trust, the charitable funds are used to best effect for the benefit of the public served by the Trust. When deciding upon the most beneficial way to use charitable funds, the Corporate Trustee has regard to the main objectives, strategies and plans of the Trust, whilst ensuring that the grants reflect the wishes of patients and staff.

At the core of every charity is the requirement to provide benefit to the public. This is the foundation of their charitable status, and each charity must demonstrate how this requirement is met through their aims and activities.



The focus of our activities is to benefit the public who utilise the services of Liverpool Heart and Chest NHS Foundation Trust. This hospital mainly services the community of Cheshire, Merseyside, North Wales and the Isle of Man, all of whom have equal access to its facilities. Charitable expenditure is made by way of direct grants to the Liverpool Heart and Chest Hospital NHS Foundation Trust, to enhance the patient care already provided.

The Trustee refers to Charity Commission guidance on achieving public benefit when reviewing the aims and objectives of the charity and in the planning of future activities.

During the year the funds raised were distributed to provide a wide range of benefits, over and above what would be expected from statutory sources to our patients, their families and our staff.

The agents of the Corporate Trustee have complied with their duty to have due regard to the guidance on public benefit published by the Charities Commission in exercising their powers or duties.



# Our achievements

During the year LHCH Charity continued to support the hospital in every aspect of its work. At the beginning of the year 2 main objects were identified as key to patient benefit. These were:-

## The Drive Out Delirium Campaign



It is estimated that over 90% of intensive care patients in the UK develop some form of delirium and over 30% of those that do will still exhibit the symptoms equivalent to that of mild brain injury over a year after their discharge from hospital.

In order to mitigate and reduce the incidence of delirium amongst our critically ill patients a project was developed to tackle the 3 main causes of delirium.

**Disassociation:** By providing Sky Tiles in rooms with no natural light we aimed to reduce disassociation in patients helping to maintain their natural sleep rhythms,

**Isolation:** Many intensive care patients can feel isolated from their families and friends during prolonged periods in hospital. The provision of updated family facilities allows visitors to stay as long as possible providing a taste of home life for patients

**Access to Outdoors:** A major step on the road to recovery for critically ill patients is to allow them to be outdoors. The CCU has a garden but its use is weather dependent so the aim was to provide a roof cover for the garden to be enjoyed all year round.

LHCH Charity supported the work around this and has raised £60,000 to allow work to begin on all three years – helping to reduce the development of delirium by, what has been shown in some US studies, up to 40%

## A safe space for those with Dementia and Cognitive Disorders

Liverpool Heart and Chest Hospital is a Centre of Excellence for Cardiac Imaging and carries out more than 7,000 cardiac scans each year – making it one of the highest volume centres in the world.

For those who need regular imaging the non-invasiveness of CT/MRI are significantly safer than the more invasive forms of diagnostic assessment. But for those with dementia or other cognitive problems the large, busy and very often noisy areas around the clinics can also be unsettling and frightening.

To help provide the best for some of our most vulnerable patients the Charity supported the development of a specially designed waiting area to provide the most calming and relaxing atmosphere possible. This new area included the provision of “quiet areas” for those who were particularly stressed, mood lighting and music and comfortable chairs and a calming colour scheme to enhance the area.

This additional work would not have been possible had it not been for the support of LHCH Charity.



In addition to our two main priorities the charity also assisted in:-

### **The latest and the best - Robotic Surgery**

Continuing support for our Robotic Surgery programme with funds being used for the provision of equipment as well as education and training of surgeons to allow for more patients to benefit from this state of the art surgical programme.

### **Patient and Family Focused**

The Robert Owen House Appeal supports the provision of inexpensive overnight accommodation for relatives and friends of patients. This is particularly important given the wide catchment area of the hospital which extends across the entire North West Region, North Wales and for certain specialist treatments, nationally and internationally.

The provision of this accommodation has only been possible due to the on-going fundraising of various groups and individuals, in particular the Isle of Man Friends of Robert Owen House.

### **Tomorrow's medicine today**

Supporting research is a key part of the remit of LHCH Charity. During the past year the Charity has supported a number of research initiatives including a 5 year grant of £20,000 per annum from a charitable trust in support of the work of a Patient Research Ambassador.

### **Monitoring our Performance:**

LHCH Charity, through the Charitable Funds Committee and ultimately the Corporate Trustee, benchmarks its performance in a number of ways:-

- It identifies fundraising projects and measure its fundraising achievement against the targets set for the achievement of each project.
- It reviews the external factors which may affect the charity including national and local economic forecasts
- It provides comparator information with similar charities and measures itself against them in terms of performance, percentage fundraising costs and return on investment.

In the past year LHCH Charity realised its fundraising target achieving a total income of £714,000 for the year.

This is particularly positive outcome for LHCH Charity as it has now moved away from its over-dependence on legacy income and the use of a more diverse mix of income streams means that the work of the charity is not subject to fluctuating income levels meaning that the shortfall had no material effect on our ability to do our work.

In terms of its overall performance management the charity is second in terms of its Fundraising Percentage and Return on Investment ratios with our nearest comparator charities.



## How our Supporters Helped

Dashing Santa's, mountain climbing and singing out to the world – these are just a few of the events undertaken by our supporters this year

On a bitterly cold Sunday morning in December Caroline Douglas and a group of her friends braved the slippery Liverpool streets in the world famous Santa Dash – raising the truly magnificent sum of £4,200 for the hospital as a thank you following her minimally invasive heart surgery here.

Other grateful family members almost covered the entire North West of England in their running shoes whilst raising thousands of pounds for LHCH Charity. These include:-

Lorna Galbraith who ran the Liverpool half marathon, Lindsey Walker who took part in the Liverpool Rock and Roll Marathon, Sara Martin in the Port Sunlight 5K, Joanne McDonnell participated in the Chester Marathon, Rachel Ingram completed the Manchester half marathon and Sarah Chriscoli's dad ran a 5K on Sarah's behalf as she was being treated for a tumour at the hospital.

Mount Snowdon welcomed many supporters of LHCH Charity in 2019 including –



Philip Thornhill and the 15-strong gang from Vodafone UK took to the slopes on 27<sup>th</sup> September to say thank you for the amazing care that Philip has received over many years for his congenital heart disease – raising over £1,700 for LHCH Charity.

Zowie Railton conquered the mountain just a few weeks later on 13<sup>th</sup> October. Battling atrocious weather Zowie and her family members made it to the top to celebrate the life of her mum who had sadly passed away earlier in the year. The whole family raised the fantastic sum of £1,433 and already planning their next event.

The wonderful Sing Me Merseyside put their vocal talents to great use at

Liverpool One on Sunday 8<sup>th</sup> September 2019.



Belting out a marvellous medley of songs the choir sang their hearts out for an hour and a half. They were so good that many shoppers just stopped and sat on the steps listening to the whole performance!

## How You Can Help

You can get involved with LHCH Charity by:-

Ringling the Charity Office on:	0151 600 1409
Emailing us at:	<a href="mailto:enquiries@lhchcharity.org.uk">enquiries@lhchcharity.org.uk</a> .
Writing to us at:	LHCH Charity, Freepost RRLL-KSHT-ZLKE, Thomas Drive, Liverpool L14 3PE

There are so many things you can do:

- Show your support by making a donation by post, online or by calling the Charity Office
- Be one of our Charity Ambassadors and use your time to promote our work and get people involved – even set up your own local fundraising group
- Volunteer – you can help at events, at the Charity Office, be a collection box and badge placer, you can even work at home helping us with research



# Structure, governance and management

## Charity Structure

LHCH Charity is an umbrella charity which holds a number of individual funds under one Charity Registration Number (Charity Registration Number 1052813). The overall responsibility for the running of the charity lies with the Corporate Trustee i.e. the Board of Directors of Liverpool Heart and Chest Hospital.

The Charitable Funds Committee is established as a Committee of the Board of Directors of Liverpool Heart and Chest Hospital NHS Foundation Trust in order to ensure the Trust's duty as Corporate Trustee of its Charitable Funds has been discharged.

The Charitable Funds Committee operates within Terms of Reference authorised by the Board of Directors of Liverpool Heart and Chest Hospital NHS Foundation Trust. The Committee has no executive powers other than those specifically delegated in its Terms of Reference which are:-

- Develop the strategy and objectives for the Charity for consideration and approval by the Corporate Trustee
- Oversee the implementation of an infrastructure appropriate to the efficient and effective running of the Charity
- Oversee the development and delivery of the Fundraising Strategy, as aligned to the Trust's annual plan
- Oversee the expenditure of the Charity
- Oversee the Charity's Investment Plans
- Monitor the performance of all aspects of the Charity's activities and ensures that it adheres to the principles of good governance and complies with all relevant legal requirements
- Act as the Committee that discharges the Board's responsibilities (as sole Corporate Trustee) as they relate to Charitable Funds under the Trust's custodianship.
- Ensure that the charitable funds held by the Trust are managed in a manner

consistent with the requirements of the relevant regulatory and statutory frameworks and in accordance with the guidance on NHS Charities set out by the Charity Commission.

When in this role act solely in the best interests of the Charity and in a manner consistent with the Charity Commission's requirements and expectations of the Corporate Trustee.

Oversee the Charity's strategy, governance, major plans and key risks on behalf of the Corporate Trustee.

Establish, prioritise and approve major fundraising projects in accordance with the strategy and approve expenditure items in accordance with delegated authority levels set out in Standing Financial Instructions.

Monitor the performance of fundraising and marketing activity, ensuring that the return on investment is satisfactory and that income targets are met.

Devise and implement an investment strategy for the charity, including the appointment and monitoring of any investment managers

Ensure the approval and submission of statutory returns, annual accounts and Trustee's Report in accordance with the Charity Commission's Statement of Recommended Practice.

Approve any policies and procedures required for the effective management of the Fund

Members of the Charitable Fund Committee attend quarterly Charitable Funds meetings.

## Recruitment and appointment of Trustees

Non-Executive Members of the Board of Directors are appointed by the Council of Governors and Executive Members of the Board are subject to recruitment by the Nominations and Remuneration Committee (Executive). Members of the Board of Directors and the Charitable Funds Committee are not individual Trustees under Charity Law but act as agents on behalf of the Corporate Trustee.

## Trustee Duties

The Corporate Trustee fulfils its legal duty by ensuring that funds are spent in accordance with the objects of each fund and by designating funds, the Trustee respects the wishes of our generous donors for the advancement of health or saving lives, to provide patient and staff benefit or for the advancement of education and research.

### **Day to day management**

The Trust has in place a scheme of reservation and delegation to support the day to day management of the charity.

The Head of Fundraising oversees the day to day running of the charity and the planning of fundraising activities for the charity. The Head of Financial Services acts as the principal officer overseeing the day to day financial management and accounting for the charitable funds during the year.

The charity does not directly employ any staff. The charity funds staffing costs of fundraising and administration staff who run and support the charity. These staffing contracts are held by the Foundation Trust and recharged accordingly. Pay grades for those working within the Charity are set using NHS Pay Scales.

### **Related parties**

The Liverpool Heart and Chest Hospital NHS Foundation Trust is the main beneficiary of the charity and is a related party by virtue of being Corporate Trustee of the charity. The accounts of the charity are not consolidated into the accounts of the Trust as they are not material.

### **Charitable Funds**

The Charity's unrestricted fund was established using the model declaration of trust and all funds held on trust as at the date of registration were part of this unrestricted fund. Subsequent donations and gifts received by the charity that are attributable to the original fund are added to those fund balances within the existing charity.

### **Risk Management**

The Trustees have considered potential risks to which the charity is exposed and a Risk Register has been reviewed and approved by the Charitable Funds Committee. There are no major risks that have been identified.

Due to the close relationship between the charity and Liverpool Heart and Chest NHS Foundation Trust itself, the charity benefits from the risk and control framework in place at the Foundation Trust. The risk policy, and the risk and controls are reviewed by the Charitable Funds Committee, every three years.

### **LHCH Charity and Related Parties**

This year LHCH Charity began exploratory discussions with the University of Liverpool Development Office with a view to developing collaborative projects to the benefit of both organisations.

Professor Dame Janet Beer DBE, Vice Chancellor of the University also accepted an invitation to become a Patron of LHCH Charity during the year.

## Contact us, Trustee and Advisors

Liverpool Heart and Chest Hospital Charity  
Registered Charity Number: 1052813  
(previous names: The Heart Appeal, The Merseybeat Appeal)

Members of the Liverpool Heart and Chest Hospital Board of Directors who served during the financial year were as follows:-

Name	Title
<b>P N Large</b>	Chair
<b>M Savill</b>	Non-Executive Director until 30 <sup>th</sup> April 2019
<b>N Brooks</b>	Non-Executive Director
<b>M Jones</b>	Non-Executive Director
<b>J Farmer</b>	Non-Executive Director
<b>K Morris</b>	Non-Executive Director until 31st March 2019
<b>B Burgoyne</b>	Non-Executive Director from 1st April 2019
<b>K O'Hagan</b>	Non-Executive Director from 1st May 2019
<b>J Tomkinson</b>	Chief Executive Officer
<b>R Perry</b>	Medical Director
<b>Claire Wilson</b>	Chief Finance Officer until 31 <sup>st</sup> December 2019
<b>Frankie Morris</b>	Acting Chief Finance Officer from 1 <sup>st</sup> January 2020
<b>S Pemberton</b>	Director of Nursing

### Principal Financial Advisors:

Banker:	Solicitor
Barclays Bank Plc North West Larger Businesses P O Box 378 71 Grey Street Newcastle Upon Tyne NE99 1JP	Hill Dickinson Pearl Assurance House Derby Square Liverpool L2 9XL

Investment Broker:	Auditor
CCLA Investment Management Senator House, 85 Queen Victoria Street, London EC4V 4ET	Grant Thornton 4 <sup>th</sup> Floor, Royal Liver Building Pier Head Liverpool L3 1PS

Responsibility for the on-going management of funds is delegated by the Corporate Trustee to the Charitable Funds Committee which administers the funds on behalf of the Corporate Trustee. The names of the people who served as agents for the Corporate Trustee, as permitted under regulations 16 of the NHS Trust's (Membership and Procedures) Regulations 1990, were as follows:-

Name	Position
<b>Julian Farmer</b>	Non-Executive Director
<b>Nicholas Brooks</b>	Non-Executive Director
<b>Neil Large</b>	Trust Chair and member of Charitable Funds Committee, taking position of Chair of Charitable Funds Committee from until 30 <sup>th</sup> September 2019
<b>Bob Burgoyne</b>	taking position of Chair of Charitable Funds Committee from 1 <sup>st</sup> October 2019
<b>Jane Tomkinson</b>	Chief Executive Officer
<b>Claire Wilson</b>	Chief Finance Officer until 31 <sup>st</sup> December 2019
<b>Frankie Morris</b>	Acting Chief Finance Officer from 1 <sup>st</sup> January 2020

### Principal office

The principal office for the charity is:

Liverpool Heart and Chest Hospital Charity  
Thomas Drive  
Liverpool  
L14 3PE

For more information on the LHCH Charity please visit our website at [www.lhchcharity.org.uk](http://www.lhchcharity.org.uk)

# Financial Review

The financial statements have been prepared in accordance with the historic cost basis, with the exception of investments which are included at re-valued amounts. The financial statements have been prepared on the going concern basis and in accordance with the Statement of Recommended Practice “Accounting and Reporting by Charities (SORP 2015)” issued in March 2015, applicable to charities preparing their accounts in accordance with the financial reporting standard applicable in the UK and Republic of Ireland (FRS 102), effective 1st January 2015.

The net assets of the charitable fund as at 31<sup>st</sup> March 2020 were £1,687k (2018/19 £1,420k), an increase of £267k during the financial year.

Total incoming resources this year amounted to £714k (2018/19 £620k). The incoming resources have increased due to more donations than in 2018/2019.

Of the total expenditure of £426k (2018/19 £441k), expenditure on charitable activities was £270k (2018/19 £219k) and expenditure on raising funds was £152k (2018/19 £218k).

## Donations Summary Table

		<u>2019-20</u>	<u>2018-19</u>
<b>Donations</b>	LHCH	605,316	324,264
	Robot	0	43,585
	ROH	3,570	93,202
	Legacies	6,722	54,914
		<u>615,608</u>	<u>515,965</u>

## Going Concern

The Trustee has a reasonable expectation that the Charity has adequate resources to continue as a going concern. Expenditure is discretionary and balanced against the reserves policy requirements. Accounting for income and expenditure is on an accruals basis to ensure all committed expenditure is reflected in the reporting process, and the Charity has sufficient resources to meet its committed expenditure for 12 months from the date that the financial statements were approved by the Charitable Funds Committee.

## Reserves policy

The Trustee is under a legal duty to apply charity funds within a reasonable time of receiving them. In order to comply with this duty, the Trustee has developed a reserves policy to explain the level of reserves held and set out how they will be managed.

The reserves policy applies to unrestricted funds, and states that the level of reserves should be sufficient to:

- Ensure stability of grant funding;
- Cover between one and three years administration, fund-raising and support costs; and
- Maintain the level of investments at its current level in order to mitigate against significant fluctuations in the levels of donations

Therefore, the Trustee considers it prudent that the target range of unrestricted reserves is between £500,000 and £1,500,000 to ensure that the charity can run efficiently and meet the needs of its beneficiaries. The Balance Sheet shows that the unrestricted reserves of £1,441k (£1,687k less unrealised gain on investment £246k) at the end of the financial year are within the range required by the policy.

Restricted funds are excluded from this policy, in accordance with the Charity Commission guidance as they are subject to specific trusts and are not fully expendable at the discretion of the Trustee.

On an annual basis, the funds will be examined to ensure compliance with this reserves policy.

### Plans for future

In the coming years LHCH Charity aims to continue its work in raising funds in support of Liverpool Heart and Chest Hospital. In particular it will seek to develop campaigns to assist with the purchase of specific equipment for use in surgical programmes, provide an educational space for the training of medical staff and contribute to the development of the hospital as a continuing centre of excellence in the area of diagnostic imaging.

A strategy is being developed over the coming months to assist us with the planning of these major campaigns which will be overseen and supported by the Charitable Funds Committee and the Corporate Trustee. During this development phase the Charitable Funds Committee will review past fundraising initiatives and review the allocation of resources to the charity to enable it to fulfil its aims.

### Investment Policy

The charity conforms to the investment powers given by the Charity Commission order for a NHS umbrella charity and the Trustee Act 2000.

Charitable funds are invested by the Chief Finance Officer in accordance with the Trust's policy and subject to statutory requirements.

The members of the Charitable Funds Committee review the performance of investment and banking at the quarterly meetings. The Committee has decided that the Charities Official Invest Fund (COIF) is to be used for the investment of charitable funds. In year the Committee has chosen to invest their monies in the COIF charities ethical fund as this aligns with the Trust values and overall strategy as there are tighter restrictions on alcohol, tobacco and fossil fuels.

Amounts to be invested with COIF are decided by the Charitable Funds Committee. The amount originally invested in COIF was £400k. This investment has a current market value as at 31st March 2020 of £646k (31/03/2019 £667k).

At the end of the financial year the Charity held £1,287k (2018/19 £957k) in an instant access bank account.

The Charity has adopted the Trust's policy on investments. This means that all cash balances must remain in a comparatively liquid form and all investments resulting from them must be realisable and have maturity not exceeding three months.

Cash deposits are invested in accordance with the Trust's Treasury Management Policy which has been adopted by the Charity.

Short-term investments should be invested with banks rated: A+ Moody's rating

Long-term investments should be invested with banks rated: A+ Moody's rating

Dividends received are allocated to individual designated funds in proportion to their average closing balances for the relevant quarter.

The risk associated with the normal fluctuation in the value of investments are mitigated by holding investments in a diversified fund of investments and by only investing funds not required in the short or medium.

### Fund Expenditure Policy

Expenditure against any Charitable Fund is conditional upon the item being within the terms of the appropriate fund and the procedures approved by the Board of Directors.

Before expenditure is incurred consideration is given to the following:

- The funds may be used for the benefit of hospital staff (both clinical and support) as long as it is in line with the objective of the fund and it does not go beyond what a good employer would consider reasonable to provide.
- The funds cannot be used to campaign or lobby on behalf of the Trust
- Should comply with the requirements of the Charities Act 2006 on the Public Benefit Test where there is an identifiable benefit or benefits and this benefit must be to the public or section of the public
- Should not generally be spent for the benefit of specific individuals
- To supplement the remuneration (directly or indirectly) of officers

The authorised signatories must consider the following:-



- That the expenditure is within the general and specific restrictions placed upon the funds (the authorising officer must be aware of these)
- Must be applied for the purposes set out in the Governing Document
- That the funds are not freely available from other sources
- Must be applied with complete fairness between persons who are properly qualified to benefit from it.

