

Northern Devon Healthcare NHS Trust Charitable Fund
Registered Number 1051463
Year ended 31 March 2010

Statement of trustees' responsibilities

The trustees are responsible for:

- keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the funds held on trust and to enable them to ensure that the accounts comply with requirements in the Charities Act 1993 and those outlined in the directions issued by the Secretary of State;
- establishing and monitoring a system of internal control; and
- establishing arrangements for the prevention and detection of fraud and corruption.

The trustees are required under the Charities Act 1993 and the National Health Service Act 1977 to prepare accounts for each financial year. The Secretary of State, with the approval of the Treasury, directs that these accounts give a true and fair view of the financial position of the funds held on trust, in accordance with the Charities Act 1993. In preparing those accounts, the trustees are required to:

- apply on a consistent basis accounting policies laid down by the Secretary of State with the approval of the Treasury;
- make judgements and estimates which are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts.

The trustees confirm that they have met the responsibilities set out above and complied with the requirements for preparing the accounts. The financial statements set out on pages 1 to 11 attached have been compiled from and are in accordance with the financial records maintained by the trustees.

By Order of the Trustees

Signed: (NB sign in any colour ink other than black)

Chairman*  Date 24/1 2011

Trustee  Date 24/1 2011

*the Board may authorise another trustee to sign in place of the Chairman.

Independent Examiner's Report to the Trustee of Northern Devon Healthcare NHS Trust Charitable Fund (Charity number 1051463)

I report on the accounts of the charity for the year ended 31 March 2010, which are set out on pages 1 to 11.

Respective responsibilities of trustee and examiner

The charity's trustee is responsible for the preparation of the accounts.

The charity's trustee considers that an audit is not required for this year (under section 43(2) of the Charities Act 1993 (the 1993 Act)) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts (under section 43(3)(a) of the 1993 Act);
- to follow the procedures laid down in the General Directions given by the Charity Commission (under section 43(7)(b) of the 1993 Act); and
- to state whether particular matters have come to my attention.

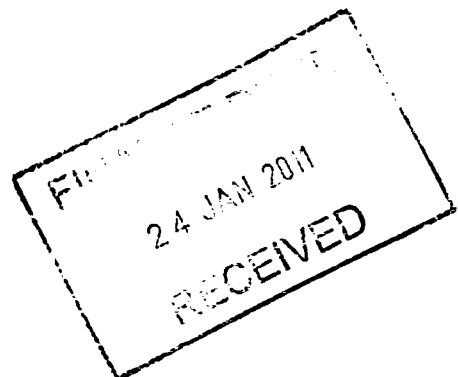
Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In the course of my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect, the trustees have not met the requirements to ensure that:
 - proper accounting records are kept (in accordance with section 41 of the 1993 Act); and
 - accounts are prepared which agree with the accounting records and comply with the accounting requirements of the 1993 Act; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.





Wayne Rickard FCCA
District Auditor
Audit Commission
Units 3-4 Blenheim Court
Lustleigh Close
Matford Business Park
Exeter
EX2 8PW

Date: 19 January 2011

Northern Devon Healthcare NHS Trust Charitable Fund
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Statement of Financial Activities

	Notes	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	Total Funds 2010 £000	Total Funds 2009 £000
Incoming resources						
Incoming resources from generated funds:						
Voluntary income:						
Donations	2.	-	64	-	64	54
Legacies		-	71	-	71	146
Sub total voluntary income		-	135	-	135	200
Activities for generating funds						
Investment income	6.	-	27	-	27	41
Incoming resources from charitable activities						
Other incoming resources		-	2	-	2	-
Total incoming resources		-	164	-	164	241
Resources expended						
Costs of generating funds:						
Costs of generating voluntary income		-	-	-	-	-
Fundraising trading		-	-	-	-	-
Investment management costs		-	3	-	3	2
		-	3	-	3	2
Charitable activities:						
Patient Welfare & Amenities	4.	-	8	-	8	23
Staff Welfare & Amenities		-	10	-	10	32
Contributions to NHS		-	218	-	218	200
		-	-	-	-	-
Sub total direct charitable expenditure		-	236	-	236	255
Governance costs	3.	-	12	-	12	8
Other resources expended		-	-	-	-	-
Total resources expended		-	251	-	251	265
Net incoming resources before transfers and other recognised gains and losses						
		-	(87)	-	(87)	(24)
Gross transfer between funds						
		-	-	-	-	-
Net incoming resources before other recognised gains and losses		-	(87)	-	(87)	(24)
Other recognised gains and losses:						
Realised and unrealised gains/(losses) on investment assets		-	88	2	90	(91)
Net movement in funds		-	1	2	3	(115)
Reconciliation of Funds:						
Total funds brought forward		1	1,012	32	1,045	1,160
Total funds carried forward	10.	1	1,013	34	1,048	1,045

The notes on pages 3 to 11 form part of these accounts.

Northern Devon Healthcare NHS Trust Charitable Fund
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Balance Sheet as at 31 March 2010

	Notes	Total Funds 2010 £000	Total Funds 2009 £000
FIXED ASSETS			
Investments	5.	703	615
Total Fixed Assets		703	615
CURRENT ASSETS			
Debtors	7.	3	-
Current asset investments	8.	250	399
Cash at bank and in hand		110	45
Total Current Assets		363	444
CURRENT LIABILITIES			
Creditors falling due within one year	9.	18	14
Net Current Assets (Liabilities)		345	430
Total Net Assets		1,048	1,045
Funds of the Charity			
Endowment Funds	10.	34	32
Unrestricted income funds:			
Designated income funds		1	1
Restricted income funds		1,013	1,012
Total Funds		1,048	1,045

The notes on pages 3 to 11 form part of these accounts.

Signed Jane Reynolds

Dated 24/1/11

Northern Devon Healthcare NHS Trust Charitable Fund
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Year ended 31 March 2010

Notes to the Financial Statements

1. Accounting Policies

(a) Basis of preparation

The financial statements have been prepared under the historical cost convention with the exception of investments, which are included at market value. The financial Statements have been prepared in accordance with the Statement of Recommended Practice by Charities (SORP 2005) and applicable UK Accounting Standards and the Charities Act 1993.

(b) Funds structure

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

Endowment funds, where the capital is held to generate income for charitable purposes, are sub analysed between those where the trustees have the discretion to spend the capital, expendable endowment, and those where there is no discretion to expend the capital, permanent endowment.

Unrestricted income funds are sub analysed between designated funds, where the trustees have set aside amounts to be used for specific purposes often reflecting the non-binding wishes of the donors, and unrestricted funds, which are applicable for any purpose at the trustees, unfettered discretion.

(c) Incoming resources

All incoming resources are included in the Statement of Financial Activities as soon as all three of the following factors are met:

- i) Entitlement - arises when a particular resource is receivable, or the charity's right becomes legally enforceable;
- ii) Certainty - when there is a reasonable certainty that the incoming resources will be received the charity is legally entitled to the income; and
- iii) Measurement – when the monetary value of the incoming resources can be measured with sufficient reliability.

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Notes to the Financial Statements

1. Accounting Policies (continued)

(d) Incoming resources from legacies

Legacies are accounted for as incoming resources, either upon receipt or where the receipt of the legacy is reasonably certain; this will be once confirmation has been received from the representatives of the estate(s) that payment of the legacy will be made or property transferred and once all conditions attached to the legacy have been fulfilled and the amount of incoming resources is known with reasonable certainty.

Material legacies, which have been notified but not recognised as incoming resources in the Statement of Financial Activities, are disclosed in a separate note to the accounts with an estimate of the amount receivable.

(e) Incoming resources from endowment funds

The incoming resources received from the investment of endowment funds are wholly unrestricted but have been earmarked in accordance with the donor's stated wishes.

(f) Resources expended and irrecoverable VAT

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

(g) Recognition of liabilities for grants payable

Grants payable are payments made to related parties or third party NHS bodies and non NHS bodies in furtherance of the charitable objectives of the funds held on trust, primarily for the relief of those who are sick. The grants are accounted for on an accruals basis where the conditions for their payment have been met or where the recipient has a reasonable expectation that they will receive a grant. Provisions are made where approval has been given by the trustee, due to the approval representing a firm intention, which is communicated to the recipient.

(h) Allocation of overhead and support costs

Overhead and support costs have been allocated between Charitable Activities and Governance costs. Costs that are not wholly attributable to an expenditure category have been apportioned. The analysis of overhead and support costs and the bases of apportionment applied are shown in Note 3. Where costs are shared by two or more charitable activities, support costs have been apportioned between categories, for example financial administration costs, on the basis of the number of individual transactions within the accounting period for each category of charitable activity and this is analysed in Note 4.

Northern Devon Healthcare NHS Trust Charitable Fund
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Notes to the Financial Statements

1. Accounting Policies (continued)

(i) Costs of generating funds

The costs of generating funds are those costs attributable to generating income for the charity, other than those costs incurred in undertaking charitable activities or the costs involved in undertaking trading activities in furtherance of the charity's objects, and represent investment management fees.

(j) Charitable activities

Costs of charitable activities comprise all costs identified as wholly or mainly incurred in the pursuit of the charitable objects of the charity. These costs, where not wholly attributable, are apportioned between the categories of charitable expenditure in addition to the direct costs. The total costs of each category of charitable expenditure therefore include support costs and an apportionment of overheads, as shown in Note 4.

(k) Governance costs

Governance costs comprise all costs identifiable as wholly or mainly attributable to ensuring the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit together with an apportionment of overhead and supports costs.

(l) 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.

Quoted stocks and shares are included in the balance sheet at mid-market price, excluding dividend. The trustees do not consider that any individual holding of securities would have a material effect on the quoted market price.

(m) 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 calculated as the difference between the carrying value at the year end and opening market value (or purchase date if later).

(n) Pensions

The charity is a grant making charity and has no employees and any pension contribution liabilities that may arise are solely the responsibility of the grant recipient.

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Notes to the Financial Statements

2. Analysis of Voluntary Income

	Unrestricted funds £000	Restricted funds £000	Endowment funds £000	Total 2010 £000	Total 2009 £000
Donations	0	64	0	64	54
Legacies	0	71	0	71	146
Total	0	135	0	135	200

3. Allocation of Support Costs and Overheads

	Governance Costs £000	Charitable Activities £000	Total 2010 £000	Total 2009 £000
Financial Administration	8	14	22	20
Independent examination	4	0	4	4
Total	12	14	26	24

4. Analysis of Charitable Expenditure

	Grant funded activity £000	Support costs £000	Total 2010 £000
Patient Welfare & Amenities	8	0	8
Staff Welfare & Amenities	10	1	11
Contributions to NHS	205	12	217
	0	0	0
Total	223	13	236

5. Fixed Asset Investments

Movement in fixed asset investments	2010	2009
	£000	£000
Market value brought forward	615	708
Add: Additions to investments at cost	267	62
Less: Disposals at carrying value	(277)	(70)
Add: Net gain (loss) on revaluation	98	(85)
Market valuation as at 31 March 2008	<u>703</u>	<u>615</u>
Fixed asset investments market value and gross income receivable	Total value held in the UK	Total value held in the UK
	2010	2009
	£000	£000
Investments listed on the Stock Exchange	703	615
Cash held as part of Brokers Portfolio	0	0
Total	703	615

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Notes to the Financial Statements

	Total value held in the UK 2010 £000	Total value held in the UK 2009 £000
Analysis of material fixed asset investments		
KFW International finance 5.75% notes 13/10/08	-	21
Rio Tinto Plc ORD shares 0.10	-	21
EUROPEAN INVESTMENT BANK 5.5% BDS 07/11/11	-	21
Treasury 5 3/4% stk 2009	-	21
Tesco ord gbp 0.05	22	-
Kreditanstalt Fur Wiederaufbau 5.5% gtd bds 7/15/15	23	21
Kreditanstalt Fur Wiederaufbau fr mtn 15/02/13 gbp	25	-
United Kingdom (Gov of) 1.25% idx/lkd stk 22/11/17	25	-
M&G securities ltd optimal income sterling x	28	-
Barclays bank plc 2yr gbp sx5e income note	31	-
LCR Finance 4.75% GTD BDS 2010 REG SRG	-	31
Treasury 2 1/2% I/L stk 2013	-	38
UK Government of 5% Stk 7/3/2012 gbp 100	54	52
UK Gov 4.75% stock 7/9/2015 gbp 100	66	63
UK (Government of) 2.5% idx-lkd stk 26/7/2016 gbp 1	75	-
	<u>349</u>	<u>289</u>
6. Gross income from investments		
Gross income earned from all types of investment		
	2010 £000	2009 £000
Fixed asset investments	0	0
Current asset investments and cash held on deposit	27	41
Total investment income	<u>27</u>	<u>41</u>
7. Analysis of current assets		
	2010 £000	2009 £000
Debtors under one year		
Other debtors	0	0
Accrued income	3	0
Total	<u>3</u>	<u>0</u>
8. Current investment assets held on deposit		
	2010 £000	2009 £000
Analysis of cash at bank on current investments held on deposit		
Short term investments and deposits	250	399
Total	<u>250</u>	<u>399</u>
No current asset investments are held outside the UK.		
	2010 £000	2009 £000
Movement in current asset investments		
Short term investments and deposits b/fwd	399	385
Add: Interest received	1	14
Less: Transfers between accounts	(150)	0
Short term investments and deposits c/fwd	<u>250</u>	<u>399</u>
Analysis of material current asset investments		
	2010 £000	2009 £000
Co-operative bank	250	399
	<u>250</u>	<u>399</u>
9. Analysis of current liabilities		
	2010 £000	2009 £000
Creditors under one year		
Grants payable to other NHS bodies	0	0
Other creditors	0	0
Accruals	18	14
Total	<u>18</u>	<u>14</u>

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Notes to the Financial Statements

10. Analysis of charitable funds

Analysis of Funds	10	10.1 Endowment Funds	Balance 31 March 2009 £000	Incoming Resources £000	Resources Expended £000	Transfers £000	Gains and Losses £000	Balance 31 March 2010 £000
		(list individually)						
		A North Devon Samaritan SPCF	12				1	13
		B Northern Devon Healthcare Staff SPCF	9				1	10
		C NDDH Patients	8					8
		D NDDH General	3					3
		E Isaac Fund	0					0
		Others (number of funds)						0
		Total	32	0	0	0	2	34

Details of material funds - endowment funds	10.2	Name of fund	Description of the nature and purpose of each fund
		A Northern Devon Samaritan SPCF	For the benefit of residents of North Devon who are on limited incomes & who are in need of medical or hospital treatment.
		B Northern Devon Healthcare Staff SPCF	Relief of sickness in the population, served by Northern Devon Healthcare Trust by promoting the efficient performance of their duties by the staff of Northern Devon Healthcare Trust.
		C NDDH Patients	For the relief of sickness of patients who are or have been treated in the North Devon District Hospital
		D NDDH General	For any Charitable purpose or purposes relating to the NHS wholly or mainly for the North Devon District Hospital
		E Isaac Fund	For any Charitable purpose or purposes relating to the NHS wholly or mainly for the Ilfracombe & District Tyrell Hospital.

10.3 Restricted Funds	Balance 31 March 2009 £000	Incoming Resources £000	Resources Expended £000	Transfers £000	Gains and Losses £000	Balance 31 March 2010 £000
Material funds (list individually)						
A NDDH SPCF	308	50	(170)		25	213
B Holsworthy Hospital SPCF	6	1	(1)		1	7
C N Devon Cancer (J Bale) SPCF	114	31	(14)		12	143
D Bideford Hospital SPCF	175	10	(33)		17	169
E Roy Evans SPCF	66	2	(3)		6	71
F South Molton Community Hospital SPCF	84	4	(5)		8	91
G NDDH Patients SPCF	45	15	(8)		5	57
H Ilfracombe & District Tyrell Hospital SPCF	21	32	(3)		2	52
Others (16)	193	41	(44)		20	210
Total	1,012	186	(281)	0	96	1,013

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Notes to the Financial Statements

Details of material funds - restricted funds	10.4	Name of fund	Description of the nature and purpose of each fund
	A	NDDH SPCF	Any charitable purpose for the North Devon District Hospital
	B	Holsworthy Hospital SPCF	Any charitable purpose for Holsworthy Hospital
	C	N Devon Cancer (J Bale) SPCF	Any charitable purpose (principally at the North Devon District Hospital) in connection with the treatment, prevention or relief of cancer
	D	Bideford Hospital SPCF	Any charitable purpose for Bideford Hospital
	E	Roy Evans SPCF	Any charitable purpose (principally at the Roy Evans Unit, NDDH) in connection with the treatment, prevention or relief of blood diseases or thyroid disorders
	F	South Molton Community Hospital SPCF	Any charitable purpose for South Molton Community Hospital
	G	NDDH Patients SPCF	For the relief of sickness of patients of the North Devon District Hospital
	H	Ilfracombe & District Tyrell Hospital SPCF	Any charitable purpose for Ilfracombe & District Tyrell Hospital

10.5 Unrestricted Funds	Balance 31 March 2009 £000	Incoming Resources £000	Resources Expended £000	Transfers £000	Gains and Losses £000	Balance 31 March 2010 £000
General	1	0	0			1
Total	1	0	0	0	0	1

Details of material funds - unrestricted funds	10.6	Name of fund	Description of the nature and purpose of each fund
		Unrestricted	Any charitable purpose or purposes relating to the National Health Service

Contingencies 11
There are no contingencies to report

Commitments, Liabilities and Provisions 12
There are no commitments to report

Post Balance Sheet Events 13
The FTSE 100 Share Index has experienced falls again this year. The Trust is not able to gauge the total effects on the financial year 2010/11.

Notes to the Financial Statements

Trustee and Connected Persons Transactions 14 Details of transactions with trustees or connected persons

Name of party involved, a description of the transaction and a description of the nature of the relationship	Amount 2009-10 £000	Amount 2008-09 £000
1. Northern Devon Healthcare NHS Trust -The Trust is the corporate trustee of the umbrella charity and its subsidiary charities. The acute hospital services administered by the NHS Trust are a major beneficiary of the relevant charities. Grants have been made during the year to the NHS Trust.	223	235
2. North Devon Primary Care Trust - The Trust is a major beneficiary of the charities relevant to the community hospitals and services managed by the Trust.		
3. Devon Partnership Trust - The Trust is a beneficiary of the charities relevant to the mental health and learning disabilities services provided in the North Devon area. Grants have been made during the year to the Trust.		
Total	223	235

North Devon Primary Care Trust ceased to exist on 30 September 2006. The services which benefit from the charitable funds were vertically integrated with Northern Devon Healthcare Trust on 1 October 2006.

Connected Organisations 15

Name, nature of connection, description of activities undertaken and details of any qualifications expressed by their auditors	2009-10		2008-09	
	Turnover of Connected Organisation £000	Net (Profit)/ Loss for the Connected Organisation £000	Turnover of Connected Organisation £000	Net (Profit)/ Loss for the Connected Organisation £000
1. Northern Devon Healthcare NHS Trust is the corporate trustee of the umbrella charity and its subsidiary charities. The NHS Trust manages acute health services in the Northern Devon area.	128,509	5,086	128,855	(7,902)
2. Devon Partnership Trust, as a beneficiary manages mental health and learning disabilities services in the North Devon area.	113,533	(837)	111,323	(1,298)

It is anticipated that the funds held for Devon Partnership Trust will be transferred to the Trust, and this can only be actioned at the end of a financial year.

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Notes to the Financial Statements

Related party transactions **16** Northern Devon Healthcare Trust is the corporate trustee of the Charity. The executive and non-executive directors who serve the Northern Devon Healthcare Trust are as follows:

J Kelly - Interim Chief Executive
C Mills - Director of Nursing
A Robinson - Director of Finance and IMT
J Gibbs - Director of Operations
Dr M Roberts - Medical Director
I Roy - Director of Facilities
M Bignell - Director of Personnel and Development
A Diamond - Associate Medical Director
K Maynard - Director of Development (3)
B Sherwin - Chairman
J Lake - Non-executive Director
A Tucker Jones - Non-executive Director
S Jones - Non-executive Director
J Reynolds - Non-executive Director
R Dennis - Non-executive Director

- (1) The Interim Director of Health and Social Care left on 7 May 2009
(2) The Assitant Director of Health and Social Care commenced on 11 May 2009
(3) The Director of Development left on 01 September 2009

During the year none of the Trustees or members of the key management staff or parties related to them has undertaken any material transactions with the Northern Devon charitable fund.

The charitable trust has made revenue and capital payments to Northern Devon Healthcare NHS Trust and Devon Partnership Trust. Details of payments made are included in note 15.