

**Homerton University Hospital NHS Foundation Trust
Charitable Fund**

Annual Report 2016/17

Reference and Administrative Details

Main Charity

Registered Name: Homerton University Hospital NHS Foundation Trust Charitable Fund
Registered Number: 1061659
Registration Date: 3rd April 1997

Subsidiary Funds

Registered Name: Homerton University Hospital NHS Foundation Trust General Fund (Subsidiary Fund 1)
Registered Number: 1061659-1
Registration Date: 29th November 2002
Registered Name: Homerton University Hospital NHS Foundation Trust Childrens' Services Charity
(Subsidiary Fund 2)
Registered Number: 1061659-2
Registration Date: 29th November 2002

Charity Address

Trust Offices
Homerton University Hospital NHS Foundation Trust
Homerton Row
London E9 6SR
Tel: 020-8510-5154
Fax: 020-8510-7277

Trustee Arrangements

The Homerton University Hospital NHS Foundation Trust is the Corporate Trustee of the Charity.
The Directors who served the Trust during the year end 2016/17 and to date of the report, unless otherwise stated, that were members of the Charitable Fund Committee were:-

Ms Tracey Fletcher
Mr Tim Melville-Ross
Mr Matthew Metcalfe – left trust on 29th April 2016
John Yarnold – Interim Director of Finance from May 16 to July 16
Jonathan Wilson – Director of Finance from Aug 16
Mr Martin Kuper

Governing Document

Main Charity - Declaration of Trust dated 19th March 1997
Subsidiary Funds 1 and 2 – Declaration of Trust dated 10th September 2002

Objectives

For any charitable purpose or purposes relating to the National Health Service provided by Homerton University Hospital NHS Foundation Trust

Bankers

National Westminster Bank Plc,
20, Amhurst Road,
Hackney,
London, E8 1QZ.

The Trust seeks to have at least four Members on its Charitable Funds Committee.

Where a vacancy exists or a Committee Member departs, the new person will be given a copy of the Trust's Committee Member Induction Pack on appointment which includes the Charitable Fund Committee Terms of Reference, the previous year's Annual Accounts and Annual Report, the Charity Commission's publication, 'Guidance on the role of a Corporate Trustee', and a list of funds, fund holders and balances held.

Grant making policy:

In order for the Charitable Funds Committee Members to retain overall management control of the funds, they have established a financial scheme of delegation which sets expenditure authorisation limits as follows: -

For all expenditure the following rules apply:

- Purchases up to £1,999
 - Individual fundholder can authorise
- Purchases between £2,000 and £9,999
 - Two Committee Members to authorise
- Purchases of £10,000 and over
 - To be authorised at a Charitable Funds Committee meeting

Designated funds policy:

Designated funds are set up at the charitable trustees' discretion when a request has been made to the trustees. The trustees will ensure the continuity of the income/ expenditure streams and the charitable benefits to the hospital before deciding on setting up new designated funds.

Public benefit statement

The Trustees confirm that they have complied with public benefit guidance published by the Charity Commission.

Our Charity's objective is to provide support for any charitable purpose or purposes relating to the National Health Services provided by Homerton University Hospital NHS Foundation Trust including services provided to the community. The Trustees ensure that this purpose is carried out for the public benefit by working to the strategic objectives.

Our charitable organisation is set up to benefit patients and their families and the staff of Homerton Hospital. Our grants are structured to ensure that the money raised is used to best effect to support the hospital's work and is in line with donor's wishes and the charity's mission and objectives.

The Charity does not provide facilities directly to the public but provides them to the hospital, in so doing, for the patients of the hospital.

Grants made to the hospital do not focus on the income of patients, but provide a benefit to any patient requiring the services of the hospital, which are available to all entitled to NHS treatment based on need.

Investment Policy

The Charitable Funds Committee reviewed the Investment Policy for Trust Funds during the year 2016/17. The aim of the policy is to optimise the investment income received whilst maintaining the capital value of the funds and ensure:

- There is a balanced portfolio;
- The investment style is conservative;
- We refrain from direct investment in tobacco related companies;
- There is no direct investment exposure through overseas shares; and
- A sufficient cash balance will be held to meet the fund's ongoing working capital requirements.

To ensure that appropriate advice and guidance is received:

- The Charitable Funds Committee has the delegated authority to appoint fund managers; and
- Fund managers are required to submit performance reports and attend meetings where appropriate, to advise on investment performance, trends, opportunities, and highlight areas of concern.

The funds have been managed in accordance with the Investment Policy during 2016/17.

As a part of its regular review of the Charitable Fund's Investment Strategy, the Committee reviews the Fund's investments to ensure they remain focused primarily on cash/short term investments. As at 31st March 2017 approximately £677k of funds were held in the BlackRock Charinco Common Investment Fund and the Charishare Restricted Common Investment Fund.

Risk Management

The Charitable Funds Committee reviews its risk register on an ongoing basis. When risks are identified, systems and procedures are put in place to manage those risks.

The following risks were identified as possible risks faced by Homerton charity:

- Poor investment performance – financial loss due to poor market conditions on investments.
- Cash flow difficulties as a result of lack of fundraising activities.
- Security of Art Assets – Theft or damage of various items of art around the hospital.

Action taken to mitigate above risks are:

- Regular investment performance reviews by both finance department and Committee.
- Trustees to review fundraising activities of the charity.
- Regular inspection of paintings and artwork on site by Art Curator.

Review of achievements and performance

During 2016/17, the Charity continued to support a wide range of charitable and health related activities, benefiting patients and staff. The areas of benefits are varied, but generally relate to the provision of specialist staff, goods and services which would not have been possible using NHS funding. Some of the activities continued over the past year are explained below.

Sensory electronic kits for Regional Neurological Rehabilitation Unit (RNRU)

Industrial tumble dryer for neonatal ward

Breast feeding cushions and screens

Specially adapted overnight and high back chairs for Starlight ward

Christmas decorations for wards

Staff welfare

Staff welfare included funding a number of courses and conferences for staff to attend, together with food and entertainment for the summer staff BBQ. Contributions were also made towards the Healthy Homerton project including providing quarterly life check machine and cost of Christmas entertainment.

Fundraising activities

During the year a number of fundraising activities took place, as outlined below.

Book, Make Up, Jewellery and accessories stands

The Charity has continued to receive contributions from these stalls amounting to over £1,470 during the year.

Collection boxes and money spinner

The Charity has continued to receive income via a range of other initiatives including collection boxes and money spinners located around the hospital. Total funds received in the year were in excess of £1,870.

Donations to charity received

The Charity received a number of donations from various donors as well as through the JustGiving and Virgingiving websites. Total funds received from JustGiving and Virgingiving were in excess of £30,000 (excl. fees). The Charity also received £55,000 from the Monument Trust as funding for social care post.

The proceedings from a sale of set of four artist proofs of the "Sleeping Baby" at Christies auctioneers amounting to £26,000 (excl. fees) were donated to Homerton charity. The funds received are being utilized by the charity's Art Fund.

The Trust did not receive any political donations during the year.

Financial Review

Income

During the year ended 31st March 2017 the Charity received donations of approximately £155k (2015/16 £225k) including £55k designated to the Positive Lives Service. The Charity also received £26k from the "Stik" art event, £20k from courses and general donations of £30k via Just Giving and Virgin giving.

The Charity also generated £19k (2015/16 £19k) from investments.

Homerton University Hospital NHS Foundation Trust
Charitable Fund

Annual Accounts for the Year Ending 31 March 2017

Statement of Trustees Responsibilities

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed.


and

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed . They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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 14 to 24 attached have been compiled from and are in accordance with the financial records maintained by the Trustees.
By order of the Trustees

Trustee  Date 20th November 2017

Trustee  Date 20th November 2017

Independent auditor's report to the Trustees of Homerton University Hospital NHS Foundation Trust Charitable Fund

We have audited the financial statements of Homerton University Hospital NHS Foundation Trust Charitable Fund for the year ended 31 March 2017 set out on pages 14 to 24. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

This report is made solely to the charity's trustees as a body, in accordance with section 144 of the Charities Act 2011 (or its predecessors) and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' Responsibilities set out on page 1 the trustees are responsible for the preparation of financial statements which give a true and fair view.

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2017 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the requirements of the Charities Act 2011.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

J. Lees

Joanne Lees

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

15 Canada Square

22 November 2017

KPMG LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Homerton University Hospital NHS Foundation Trust Charitable Fund Annual Accounts 2016/17

Statement of Financial Activities for the period ended 31 March 2017

| | Notes | Restricted Funds | Unrestricted Funds | Endowment Funds | 2016/17 Total Funds | 2015/16 Total Funds |
|--|-------|------------------|--------------------|-----------------|---------------------|---------------------|
| | | £000 | £000 | £000 | £000 | £000 |
| INCOME FROM: | | | | | | |
| Donations and legacies | 3.0 | 55 | 100 | - | 155 | 225 |
| Other trading activities | 3.1 | - | 5 | - | 5 | 53 |
| Investments | 3.2 | - | 19 | - | 19 | 19 |
| TOTAL INCOME | | 55 | 124 | - | 179 | 297 |
| EXPENDITURE ON: | | | | | | |
| Raising funds | 4.0 | - | (1) | - | (1) | (1) |
| Charitable activities | 4.1 | (65) | (173) | - | (238) | (257) |
| TOTAL EXPENDITURE | | (65) | (174) | - | (239) | (258) |
| Net income/(expenditure) before investment gains/(losses) | | (10) | (50) | - | (60) | 39 |
| Net gains/(losses) on investments | | - | 99 | - | 99 | (20) |
| Net income/(expenditure) before tax | | (10) | 49 | - | 39 | 19 |
| Taxation | | - | - | - | - | - |
| Net income/ (expenditure) for the year | | (10) | 49 | - | 39 | 19 |
| NET MOVEMENT IN FUNDS | | (10) | 49 | - | 39 | 19 |
| Reconciliation of Funds | | | | | | |
| Total funds brought forward as previously reported | | 95 | 990 | 932 | 2,017 | 1,998 |
| Prior year adjustment | | - | - | - | - | - |
| Total funds brought forward as restated | | - | - | - | - | - |
| Net movement in funds for the year | | (10) | 49 | - | 39 | 19 |
| Total funds carried forward | 11 | 85 | 1,039 | 932 | 2,056 | 2,017 |

The notes at pages 17 to 24 form part of these Accounts.

Homerton University Hospital NHS Foundation Trust Charitable Fund Annual Accounts 2016/17

Balance Sheet as at 31 March 2017

| | Notes | Restricted Funds £000 | Unrestricted Funds £000 | Endowment Funds £000 | Total at 31 March 2017 £000 | Total at 31 March 2016 £000 |
|--|-------|--------------------------|----------------------------|-------------------------|-----------------------------------|-----------------------------------|
| Fixed Assets | | | | | | |
| Investments | 8 | - | 936 | - | 936 | 837 |
| | | - | 936 | - | 936 | 837 |
| Current Assets | | | | | | |
| Debtors: amounts falling due within one year | 9.1 | - | - | 31 | 31 | 31 |
| Debtors: amounts falling due over one year | 9.2 | - | - | 590 | 590 | 621 |
| Cash at bank and in hand | | 85 | 117 | 311 | 513 | 568 |
| Total Current Assets | | 85 | 117 | 932 | 1,134 | 1,220 |
| Creditors: amounts falling due within one year | 10 | - | (14) | - | (14) | (40) |
| Net Current Assets | | 85 | 103 | 932 | 1,120 | 1,180 |
| Net Assets | | 85 | 1,039 | 932 | 2,056 | 2,017 |
| Funds of the Charity | | | | | | |
| Funds revenue / capital | 11 | 85 | 1,039 | 932 | 2,056 | 2,017 |
| Total Funds | | 85 | 1,039 | 932 | 2,056 | 2,017 |

The notes at pages 17 to 24 form part of these Accounts.

These financial statements of the Homerton NHS FT Charitable Fund registered number 1061659 were approved by the Board of Trustees and authorised for issue on 20th November 2017. These were signed on its behalf by:

Signed:



Date:

20.11.17

Homerton University Hospital NHS Foundation Trust Charitable Fund Annual Accounts 2016/17

Statement of cash flows

| | Notes | Total funds £000 Mar-17 | Total funds £000 Mar-16 |
|--|-------|-------------------------------|-------------------------------|
| Cash flows from operating activities: | | | |
| Cash generated by operating activities | 18 | <u>(75)</u> | 80 |
| Cash flows from investing activities: | | | |
| Dividends, interest and rents from investments | | <u>20</u> | 20 |
| Net cash provided by (used in) investing activities | | <u>20</u> | 20 |
| Cash flows from financing activities: | | | |
| Change in cash and cash equivalents in the reporting period | | (55) | 100 |
| Cash and cash equivalents at the beginning of the reporting period | | 568 | 468 |
| Cash and cash equivalents at the end of the reporting period | | <u>513</u> | <u>568</u> |

Analysis of Cash and Cash Equivalents

| | £000 Mar-17 | £000 Mar-16 |
|--------------------------------------|----------------|----------------|
| Cash in hand | 1 | 1 |
| Notice Deposits (less than 3 months) | <u>512</u> | <u>567</u> |
| Total Cash and Cash Equivalents | <u>513</u> | <u>568</u> |

NOTES TO THE ACCOUNTS

1 ACCOUNTING POLICIES

1.1 Basis of accounting

The accounts (financial statements) have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16th July 2014 and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

1.2 Income

a) 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 there is control over the rights or other access to the resource, enabling the charity to determine its future application;
- ii) certainty - when 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.

b) Gifts in kind include the following:

- ii) assets given for use by the funds e.g. property for its own occupation are included in the Statement of Financial Activities as incoming resources when receivable; and
- iii) gifts made in kind but on trust for conversion into cash and subsequent application of the funds are included in the accounting period in which the gift is sold.

In all cases the amount at which gifts in kind are recognised in these accounts is at the fair value of those gifts at the time of their receipt to the Charitable Fund or the amount actually realised on disposal of the gift. Where gifts in kind are included in the Statement of Financial Activities at fair value, the value is based on the estimated price the charitable fund would have to pay to acquire the asset in the open market. The basis of the valuation is disclosed in the annual report.

c) Legacies

Legacies are accounted for as incoming resources once the receipt of the legacy becomes probable. This will be once confirmation has been received from the representatives of the estates that payment of the legacy will be made or property transferred and once all conditions attached to the legacy have been fulfilled.

Homerton University Hospital NHS Foundation Trust Charitable Fund Annual Accounts 2016/17

1.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

Raising funds:

Expenditure on raising funds includes the costs incurred in generating fundraising income.

Charitable activities:

Expenditure on charitable activities include: patient welfare and amenities, staff welfare and amenities, charity support costs.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personal, payroll and governance costs which support the charity. These are analysed within note 4.1 under analysis of expenditure.

1.4 Structure of funds

Where there is a legal restriction on the purpose to which a funds may be put, the fund is classified in the accounts as restricted. Funds where the capital is held to generate income for charitable purposes and cannot itself be spent are accounted for as endowment funds. Other funds are classified as unrestricted funds. Funds which are not legally restricted but which the Trustees have chosen to earmark for set purposes are treated as classified funds. An explanation of restricted, unrestricted and endowment have been listed in note 12.

1.5 Fixed Assets Investments

Investments are stated at market value as at the date of the Balance Sheet. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year. Quoted stocks and shares are included in the balance sheet at the mid-market price, excluding dividend.

Art assets are stated at their estimated market value at the balance sheet date. These have been internally valued in the year by the Art Curator. A formal valuation of the entire art portfolio was undertaken by Townley Valuations Limited at the end of March 2013.

Additions to the art portfolio during 2016/17 are shown at the purchase price paid by Charitable Fund.

1.6 Investment 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 carrying value. Unrealised gains and losses are calculated as the difference between market value at the year end and carrying value. Investment gains and losses, whether realised or unrealised are combined and shown in heading 'Gains/ (Losses) on investments in SoFA.

1.7 Pensions Contributions

The costs of two staff members working for the charity are recharged by Homerton University Hospital NHS Foundation Trust. Associated Pension contributions to the NHS Superannuation and other schemes are disclosed within the Trust's financial statements. However, the recharged costs are included within the Charitable Fund Accounts under the heading "Charitable activities".

1.8 Pooling Scheme

No official pooling scheme has been adopted for investments relating to any funds.

1.9 Transfer between funds

Charitable funds policy is not to transfer funds between restricted, unrestricted and endowment funds.

1.10 Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.11 Liabilities

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

1.12 Financial Instrument Disclosure

The charity has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

The Charity holds investments with BlackRock Investment Managers and receives dividend income quarterly. These investments are classed as Financial Instruments. The carrying amount of financial assets measured at fair value through income and expenditure is £677,162.

2 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Charity's accounting policies, which are described in note 1, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The Trustees do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure beyond the accounting policies listed above.

Homerton University Hospital NHS Foundation Trust Charitable Fund Annual Accounts 2016/17

3.0 INCOME

Analysis of income from donations, legacies and grants

| 2016/17 £000 | 2015/16 £000 |
|-----------------|-----------------|
| 155 | 225 |
| - | - |
| - | - |
| <u>155</u> | <u>225</u> |

Donations
Legacies
General grants

3.1 Analysis of income from other trading activities

| 2016/17 £000 | 2015/16 £000 |
|-----------------|-----------------|
| 5 | 52 |
| - | 1 |
| <u>5</u> | <u>53</u> |

Fundraising activities
Bank interest

3.2 Analysis of income from investments:

| 2016/17 £000 | 2015/16 £000 |
|-----------------|-----------------|
|-----------------|-----------------|

Dividend received from BlackRock investment

19 19

4 EXPENDITURE

Analysis of expenditure on raising funds

| 2016/17 £000 | 2015/16 £000 |
|-----------------|-----------------|
|-----------------|-----------------|

Operating fundraising events

(1) (1)

4.1 Analysis of expenditure on charitable activities

| 2016/17 £000 | 2015/16 £000 |
|-----------------|-----------------|
|-----------------|-----------------|

Patient welfare and amenities
Staff welfare and amenities
Salaries
Statutory Audit
Other costs

| | |
|--------------|--------------|
| (139) | (169) |
| (48) | (51) |
| (39) | (31) |
| (5) | (5) |
| (7) | (1) |
| <u>(238)</u> | <u>(257)</u> |

The charity does not directly employ any staff. The costs of Trust staff who engage in the charity's activities are recharged to the charity.

Statutory Audit fees £5k above includes VAT of £1k.

Other costs include expenses in running courses.

Homerton University Hospital NHS Foundation Trust Charitable Fund Annual Accounts 2016/17

5 COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

| | Restricted Funds | Unrestricted Funds | Endowment Funds | 2015/16 Total Funds |
|--|---------------------|-----------------------|--------------------|---------------------------|
| | £000 | £000 | £000 | £000 |
| INCOME FROM: | | | | |
| Donations and legacies | 133 | 92 | - | 225 |
| Other trading activities | - | 53 | - | 53 |
| Investments | - | 19 | - | 19 |
| TOTAL INCOME | 133 | 164 | - | 297 |
| EXPENDITURE ON: | | | | |
| Raising funds | - | (1) | - | (1) |
| Charitable activities | (87) | (170) | - | (257) |
| TOTAL EXPENDITURE | (87) | (171) | - | (258) |
| Net income/(expenditure) before investment gains/(losses) | 46 | (7) | - | 39 |
| | | | | |
| Net gains/(losses) on investment | - | (20) | - | (20) |
| Net income/(expenditure) before tax | 46 | (27) | - | 19 |
| Taxation | - | - | - | - |
| Net income/ (expenditure) for the year | 46 | (27) | - | 19 |
| Transfer between funds | - | - | - | - |
| Other recognised gains/ (losses): | - | - | - | - |
| Actuarial gains/(losses) on defined benefit schemes | - | - | - | - |
| NET MOVEMENT IN FUNDS | 46 | (27) | - | 19 |
| Reconciliation of Funds | | | | |
| Total funds brought forward as previously reported | 49 | 1,017 | 932 | 1,998 |
| Prior year adjustment | - | - | - | - |
| Total funds brought forward as restated | - | - | - | - |
| Net movement in funds for the year | 46 | (27) | - | 19 |
| Total funds carried forward | 95 | 990 | 932 | 2,017 |

6 ANALYSIS OF ASSETS AND LIABILITIES BETWEEN FUNDS

| | Restricted Funds | Unrestricted Funds | Endowment Funds | Total |
|------------------------------|---------------------|-----------------------|--------------------|--------------|
| | £000 | £000 | £000 | £000 |
| Tangible fixed assets | - | 936 | - | 936 |
| Current assets | 85 | 117 | 932 | 1,134 |
| Current liabilities | 0 | (14) | - | (14) |
| Creditors due after one year | | | | |
| At 31 March 2017 | 85 | 1,039 | 932 | 2,056 |
| At 31 March 2016 | 95 | 990 | 932 | 2,017 |

Homerton University Hospital NHS Foundation Trust Charitable Fund Annual Accounts 2016/17

7 NET MOVEMENT IN FUNDS

| | 2015/16 | 2015/16 |
|------------------------------------|-----------|-----------|
| | £000 | £000 |
| Net outgoing resources | (58) | 39 |
| Net movement on investments | 99 | (20) |
| Net movement in funds for the year | <u>41</u> | <u>19</u> |

8 ANALYSIS OF FIXED ASSET INVESTMENTS

31 March 2017 31 March 2016
£000 £000

8.1 Market Valuation

BlackRock Investments

| | | |
|-------------------------|------------|------------|
| Opening market value | 579 | 614 |
| Net gain on revaluation | 98 | (35) |
| Closing market value | <u>677</u> | <u>579</u> |

Art Investments

| | | |
|----------------------|------------|------------|
| Opening market value | 258 | 243 |
| Additions | 1 | 15 |
| Disposals | - | - |
| Closing market value | <u>259</u> | <u>258</u> |

8.2 Type of Investments

31 March 2017 31 March 2016
Held in UK Held in UK

£000 £000

| | | |
|---------------------------------------|------------|------------|
| Investments in Common Investment Fund | 677 | 579 |
| Other investments | 259 | 258 |
| | <u>936</u> | <u>837</u> |

Investments are the funds invested within BlackRock Investment Management. The market value as at 31 March 2017 was £677,162. Investment Management fees were £90 for the year 2016-2017.

Other investments are the Art Assets, valued at market value as at 31st March 2017 with additions during 2016/17 being valued at cost.

9 ANALYSIS OF DEBTORS

31 March 2017 31 March 2016

9.1 Amounts falling due within one year:

£000 £000

| | | |
|---|-----------|-----------|
| Endowment funds | 31 | 31 |
| Other Debtors | - | - |
| Total debtors falling due within one year | <u>31</u> | <u>31</u> |

9.2 Amounts falling due over one year:

| | | |
|--|------------|------------|
| Endowment funds | 590 | 621 |
| Total debtors falling due after more than one year | <u>590</u> | <u>621</u> |

| | | |
|----------------------|------------|------------|
| Total debtors | <u>621</u> | <u>652</u> |
|----------------------|------------|------------|

The Endowment funds debtor reflects the balance of an interest free loan originally in the amount of £932,000 from the Charity's permanent endowment fund for the purpose of providing a new lecture theatre at the Homerton University Hospital Foundation Trust. The original repayment term was 30 years from August 2006.

Homerton University Hospital NHS Foundation Trust Charitable Fund Annual Accounts 2016/17

| | | | |
|-----------|------------------------------|-----------------|-----------------|
| 10 | ANALYSIS OF CREDITORS | 31 March | 31 March |
| | | 2017 | 2016 |
| | | £000 | £000 |

Amounts falling due within one year:
Accruals

| | |
|-----------|-----------|
| <u>14</u> | <u>40</u> |
|-----------|-----------|

11 STATEMENT OF MOVEMENTS ON RESERVES

| | Restricted Funds | Unrestricted Funds | Endowment Funds | Total |
|--|---------------------|-----------------------|--------------------|--------------|
| | £'000 | £000 | £000 | £000 |
| Fund balances brought forward at 1st April | 95 | 990 | 932 | 2,017 |
| Income | 55 | 124 | - | 179 |
| Expenditure | (65) | (174) | - | (239) |
| Gains/ (losses) | - | 99 | - | 99 |
| Fund balances carried forward at 31 March | <u>85</u> | <u>1,039</u> | <u>932</u> | <u>2,056</u> |

12 ANALYSIS OF FUNDS

12.1 Restricted Funds

Restricted fund account had a balance of £95,000 as at end of March 2016. Charity received a grant of £55,000 from The Mounument trust for HIV co-ordinator post in September 2016. During the year the charity spent £65,000 of restricted funds for the specific use of the HIV Co-ordinator post and the Peer Navigator programme. The balance of £85,000 is to be spend on patients who seek treatment in sexual health.

12.2 Unrestricted Funds

During the year the charity received unrestricted funds totalling £124,000.

Unrestricted funds are those funds that may be spent at the discretion of the trustees on the charity's objectives where no restrictions have been made in writing.

12.3 Endowment Funds (Children Services Fund)

This was set up to partially fund the build for the new lecture theatre. The value of the fund at 31 March 2017 was £932,000 and there has been no movement on this fund during the year.

13 FUNDS NOTE

The objectives of the unrestricted funds are 'for any charitable purpose or purposes relating to the National Health Service provided by Homerton Hospital NHS Foundation Trust'.

14 COMMITMENTS, LIABILITIES AND PROVISIONS

There were no commitments outstanding at year end other than those disclosed in the accounts. Liabilities are recognised in the accounts once they have incurred either a legal or constructive obligation to expend funds.

Homerton University Hospital NHS Foundation Trust Charitable Fund Annual Accounts 2016/17

15 RELATED PARTY TRANSACTIONS

Homerton University Hospital NHS Foundation Trust has a close relationship with the charity as the fund is set up to benefit the hospital's patients and staff. Related party transactions are explained below.

The balance of the interest free loan provided by the charity to the Trust as at 31st March 2017 is £621,350. During the year the Trust has paid £31,065 to the charity as a loan repayment. At the same time the charity has paid the Trust £41,281 in respect of salary recharges, £53,000 to fund the HIV Social Care co-ordinator post and £2,000 as hall hire fees for Bariatric Symposium.

16 TRUSTEE REMUNERATION AND EXPENSES

The Trustees did not receive any remuneration, benefits or reimbursement of expenses during the year ended 31 March 2017.

17 POST BALANCE SHEET EVENTS

There are no post balance sheet events to report for the financial year ended 31 March 2017.

18 RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASHFLOW FROM OPERATING ACTIVITIES

| | Mar-17 | Mar-16 |
|--|--------|--------|
| | £ | £ |
| Net Income for the year | 39 | 19 |
| Adjustment for: | | |
| Dividends, interest and rents from investments | (20) | (20) |
| Operating cash flow before movement in working capital | 19 | (1) |
| Loss / (profit) on investment assets | (99) | 20 |
| (Increase) / decrease in debtors | 31 | 31 |
| Increase / (decrease) in creditors | (26) | 30 |
| Cash generated by operating activities | (75) | 80 |