



**Northumberland,  
Tyne and Wear**  
NHS Foundation Trust

# ANNUAL REPORT

**Northumberland,  
Tyne And Wear  
NHS Foundation  
Trust Charity**

REGISTERED CHARITY NUMBER - 1165788

31 MARCH 2017





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The background features a large, abstract geometric design. It consists of several triangles. A light blue triangle is in the top-left corner. A dark blue triangle is in the bottom-left corner. A yellow triangle is in the center-right area, pointing towards the top-right. The word "FOREWORD" is written in a bold, blue, sans-serif font, positioned to the right of the light blue triangle and above the yellow triangle.

# **FOREWORD**

## The Board of Directors of Northumberland, Tyne and Wear NHS Foundation Trust as corporate trustee presents the charitable funds annual report together with the Audited financial statements for the year ended 31 March 2017.

The Charity's annual report and accounts for the year ended 31 March 2017 have been prepared by the corporate trustee in accordance with Part 8 of the Charities Act 2011 and the Charities (Accounts & Reports) Regulations 2008. The Charity's report and accounts include all the separately established funds for which the Northumberland, Tyne and Wear NHS Foundation Trust is the sole beneficiary.

The Charity has a corporate trustee: the Northumberland, Tyne and Wear NHS Foundation Trust. The members of the NHS Board of Directors who served during the financial year were as follows:

Hugh Morgan Williams Chair	Lisa Crichton-Jones Executive Director of Workforce and Organisational Development	Paul McEldon Non-Executive Director
John Lawlor Chief Executive	Lisa Quinn Executive Director of Commissioning and Quality Assurance	Peter Studd Non-Executive Director
James Duncan Executive Director of Finance and Deputy Chief Executive	Alexis Cleveland Non-Executive Director	Ruth Thompson Non-Executive Director
Dr Rajesh Nadkarni Executive Medical Director	Dr Les Boobis Non-Executive Director	Neil Hemming Non-Executive Director (up to 31.12.16)
Gary O'Hare Executive Director of Nursing and Operations	Martin Cocker Non-Executive Director	Miriam Harte Non-Executive Director (from 01.01.17)

The Charitable Funds are registered with the Charity Commission (no. 1165788) in accordance with the Charities Act 2011.

# Reference and administrative details

The main charity Northumberland, Tyne and Wear NHS Foundation Trust Charity, registered Charity Number 1165788, is constituted of 81 individual funds as at 31 March 2017. The notes to the accounts distinguish the types of fund held and disclose separately all material funds.

Charitable funds received by the charity are accepted, held and administered as funds and property held on trust for purposes relating to the health service in accordance with the National Health Service Act 2006, and these funds are held on Trust by the corporate body.

## Trustee

Northumberland, Tyne and Wear NHS Foundation Trust is constituted as the sole Corporate Trustee of the Charity and its charitable funds governed by the law applicable to Trusts, principally the Trustee Act 2000 and the Charities Act 2011.

All members of the Board of Directors of Northumberland, Tyne and Wear NHS Foundation Trust are the Trustee within charitable law and as such are required to ensure that any funds donated to the Trust for charitable purposes are used for the purposes for which they were given, that funds are managed appropriately and that balances are invested wisely.

The Board of Directors has devolved responsibility for the on-going management of funds to a sub-committee of the Board of Directors whose meetings are governed by the Trust's Standing Orders and whose financial transactions must comply with the Trust's Standing Financial Instructions. A Non-Executive Director chairs the Charitable Funds Sub Committee and its other members comprise the Executive Directors of the Trust.

Trustees and members of the Charitable Funds Sub-Committee during 2016/17 were as follows:

Chair	Martin Cocker	Non-Executive Director
Members	James Duncan	Executive Director of Finance and Deputy Chief Executive
	Gary O'Hare	Executive Director of Nursing and Operations
	Lisa Quinn	Executive Director of Commissioning and Quality Assurance
	Alexis Cleveland	Non-Executive Director
	Chris Macklin	Governor

# Principal office

The principal office for the Charity is:

Northumberland, Tyne and Wear NHS Foundation Trust Charity  
C/o Northumberland, Tyne and Wear NHS Foundation Trust  
St Nicholas Hospital  
Jubilee Road  
Gosforth  
Newcastle upon Tyne  
NE3 3XT

# Principal professional advisers


Bankers:  
Lloyds Banking Group  
4th Floor  
102 Grey Street  
Newcastle upon Tyne  
NE1 6AG

## Independent examiners

Mazars LLP  
Salvus House  
Ayckley Heads  
Durham  
DH1 5TS

## Solicitors

Withers LLP  
16 Old Bailey  
London  
EC4M 7EG



# Structure, governance and management

Northumberland, Tyne and Wear NHS Foundation Trust Charity was established by Trust deed and is registered with the Charity Commission (charity number 1165788). The charity's funds were established using the model declaration of trust.

**As a body we are a member of the Association of NHS Charities.**

All trust funds are registered with the Charity Commission. The Charitable Funds (the Charity) of Northumberland Tyne and Wear NHS Foundation Trust (the Trust) comprise a range of funds under one umbrella registration. Funds are held relevant to individual wards and departments and by specific purpose within those areas. These funds are, within certain delegated limits, available for the staff to expend on items appropriate to the fund concerned in line with the financial procedures laid down from time to time.

In 2015/16 the charitable funds of the Northumberland Tyne and Wear NHS Foundation Trust were mainly administered under the umbrella of the Newcastle Healthcare Charity. South Tyneside NHS Foundation Trust Charity also administered a small level of funds specific to the Northumberland Tyne and Wear NHS Foundation Trust services which were based in their locality. Due to the outcome of the 2011/12 Department of Health review of the future regulation and governance arrangements of NHS charities the Newcastle Healthcare Charity was no longer able to operate in its form and it was necessary for the funds held to transfer into the stewardship of the respective Trusts for which it held charitable funds for. The restructuring and transfer was approved by the Department of Health and resolutions were passed by the Charity Commission and the transfer took place on the official date of transfer of 1st April 2016. The Charity was established on 26th February 2016 but there were no activities which took place in the Northumberland Tyne and Wear NHS Foundation Trust Charity until after the effective date of 1st April 2016.

Larger donations, often received by virtue of a legacy, are managed directly by the Charitable Funds Sub Committee which ensures that the wishes of the donor are met and that expenditures are not at variance to the Trust's own activities and that, where relevant, investment in new equipment or services is sustainable and supported in future years.

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 Board of Directors. Members of the Board of Directors and the Charitable Funds Sub-Committee are not individual Trustees under Charity Law but act as agents on behalf of the corporate Trustee.

All members of the Board of Directors have a responsibility to adhere to the NHS Foundation Trust Code of Governance.

The Executive Director of Finance and Deputy Chief Executive has a responsibility to highlight to members of the Charitable Funds Committee any changes to charity law and updates from the Charity Commission. These items are circulated to all members and included as an agenda item for the next meeting as they occur.



Acting for the Corporate Trustee the Charitable Funds Committee is responsible for the overall management of the Charitable Funds. Details of the Trustee's responsibilities are provided in the statement accompanying the attached accounts for the year.

The Trustee is responsible for preparing the Trustee's 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 and Wales requires the Trustee 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 Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice (SORP);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.


The Trustee is 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. The Trustee is 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 Trustee is 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 Trustee confirms that it has met the responsibilities set out above and complied with the requirements for preparing the accounts. The financial statements set out within the annual report have been compiled from and are in accordance with the financial records maintained by the Trustee.

By Order of the Trustee, and those with delegated responsibility

Chairman.....  ..... Date 25 Oct 2017

Executive Director.....  ..... Date 25 Oct 2017

The accounting records and the day to day administration of the funds are dealt with by the Finance Department located at Northumberland, Tyne and Wear NHS Foundation Trust, St Nicholas Hospital, Jubilee Road, Gosforth, Newcastle upon Tyne, NE3 3XT.

# Consolidation of accounts with Northumberland, Tyne and Wear NHS Foundation Trust

In accordance with NHS Improvement's Annual Reporting Manual 2016-17 and the Department of Health Group Accounting Manual (DH GAM), where an NHS Foundation Trust is the corporate Trustee to an NHS Charitable Fund, the NHS Foundation Trust was required to consider whether the accounts of that charitable fund represent a subsidiary. This is likely to be the case where the NHS Foundation Trust both:

- has control over the NHS Charitable Fund, i.e.
  - controls the majority of the voting rights in the entity;
  - has the power to govern the financial and operating policies of the entity; and
  - has the power to appoint or remove directors at meetings of the board. and;
- benefits from the NHS Charitable Fund.

Based upon the above it was considered Northumberland, Tyne and Wear NHS Foundation Trust Charitable Funds represented a subsidiary of Northumberland, Tyne and Wear NHS Foundation Trust, however, the Trust has opted not to consolidate the charitable fund in its financial statements on the grounds of the fund not being material.

## Risk management

The Trustee, in reviewing risks appropriate to the charitable activities, places reliance upon the risk management review carried out by Northumberland, Tyne and Wear NHS Foundation Trust and the overall internal control arrangements within the Trust. The Trust's internal auditors include Charitable Funds in their annual plans and their findings, which include an assessment of risk, are reported to the Trustee via the Trust's Audit Committee.

## Partnership working and networks

Northumberland, Tyne and Wear 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. When deciding upon the most beneficial way to use charitable funds the Corporate Trustee has regard to the main activities, objectives, strategies and plans of the Trust.

# Public benefit statement

Public benefit, as defined by the Charities Act 2011, The Trustees can report that the two key principles that underpin 'public benefit' have been met:

- there is always an identifiable benefit or benefits and these are apparent from the contents of the Annual Report and are all related to the aims of the charities; and
- there is a benefit to the public or a section of the public. The beneficiaries are appropriate as laid down by the aims of the various charities and there are no unreasonable restrictions. It is recognised that the Trustees exercises a discretion in deciding upon who will benefit from the charities but that this is permissible under the aims and objects of the charities concerned and the beneficiaries constitute a 'section of the public' and therefore this is a reasonable exercise of that discretion. The aims and objects of the Charity are contained in the Charity's Scheme. The Trustees confirm that they:
  - o ensure that they pursue the aims and objects of the various charities for the public benefit, as defined by the Charities Act 2011;
  - o have proper regard to the guidance published by the Charity Commission in respect of the subject of public benefit; and
  - o confirm that this Annual Report provides sufficient information as to the ways in which the public benefit is achieved.

## Independent Examination

The Charity's Trustee considers that an audit is not required for this year under section 144(2) of the Charities Act 2011 and that an independent examination is required as a lower-income Charity. An independent examination has been carried out by Mazars LLP for the financial statements for 2016/17.



## Objectives and activities

The Charity's purpose is as follows:

**“The funds held can be used for any charitable purposes relating to the general or specific purposes of Northumberland, Tyne and Wear NHS Foundation Trust or purposes relating to the National Health Service.”**

Typically the purpose of the funds is to benefit the public through its support for current and former service users of the Northumberland, Tyne and Wear NHS Foundation Trust. The funds provide items of comfort for patients or therapeutic activities beyond the normal levels expected for patient welfare and amenities. The funds held relevant to individual wards and departments are often raised by the staff and friends or are from small donations given by patients and relatives in gratitude for the care they have received. These funds are available for the staff to expend on items appropriate to the fund concerned in line with the financial procedures laid down from time to time.

The largest spend in the year of £24,975 was to provide funding for the provision of a unified, person centred, recovery service in collaboration with Chilli Studios. Other large spends during the year included £15,518 for the set-up of Recovery colleges in North and South Tyneside, Northumberland and Sunderland. Woodhorn ward received £11,820 to purchase software and tablets specifically designed for patients with Dementia.

There were four new funds opened in the year, two related to bequests. The Charitable Funds Sub Committee continued with its policy of rationalisation of the funds held on Trust to promote clarity of purpose and a more active use of the monies available by publicising the availability of all legacies to ensure expenditure to date was appropriate and ultimately requests for funding are considered in line with the original bequest.

## A Review of our finance, achievements and performance

Total incoming resources amounted to £69,528. There were two legacies included in incoming resources within the year amounting to £37,218. The Charity continues to rely on donations, legacies and investment income as the main sources of income. Income comprised: funds raised by staff, relatives, friends and other donations £28,887, legacies £37,218 and investment income £3,423.

Of the total expenditure of £176,911, charitable expenditure for patient welfare and amenities was £148,576, costs of generating voluntary income was £407 and governance costs were £27,927. Governance costs include one off set up costs to procure a financial ledger system and for legal costs relating to the establishment of the charity.

The net assets of the Charitable Funds as at 31 March 2017 were £1,481,356. Further details are provided in the annual accounts and notes.

### Reserves policy

The policy of the Trustee is to spend Charitable Funds and not allow funds to accumulate. The policy states that fund holders need to balance the interests of present and future beneficiaries of the fund. Expenditure plans should ideally aim to spend a minimum target of 10% of the fund per annum and raise funds equal to 10% of income per annum.

The Trustee considers that it should be the aim to hold sufficient reserves to be able to provide funds to meet charitable expenditure as it is incurred and to review the position on an annual basis. Access to the funds is encouraged so that cash is used often to provide benefits to the current and former service users of the Northumberland, Tyne and Wear NHS Foundation Trust. It has not yet been considered necessary to hold a set amount in reserves as in many instances the minimum spend targets are not yet being met.

## Investments

The Charity's assets are short term investments held in interest-bearing deposit accounts. The Charity is in the process of developing an investment policy and in 2017/18 will be making some longer term investments.

## Plans for future periods

The Trustee reviews the spending priorities for each fund quarterly at the Charitable Funds Sub-Committee meetings and fund holders are regularly notified of balances.

Charitable fund activity will be consistent with the Trust's business plan and be set against identified corporate objectives.

Plans developed for 2017/18 include providing summer therapeutic activity programme for the Ferndene unit over the summer holidays.

## A big thank you

On behalf of the staff and patients who have benefited from improved services due to donations and legacies, the Corporate Trustee would like to thank all patients, relatives and staff who have made charitable donations.

## Annual Accounts 2016-17

The annual accounts for the Charitable Funds are published on the Trust's Intranet site. Further copies can be obtained from Mr James Duncan at the Principal Office.



Martin Cocker  
Chair



James Duncan  
Executive Director of  
Finance and Deputy  
Chief Executive

Charitable Funds  
Sub-Committee

Charitable Funds  
Sub-Committee

Date: Wednesday 25 October 2017

# Independent examiner's report to the Trustee of Northumberland, Tyne and Wear NHS Foundation Trust Charity

II report on the accounts of the Charity for the year ended 31 March 2017, which are set out on pages '22' to '31'.

## Respective responsibilities of trustees 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 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

This report, including my statement, has been prepared for and only for the charity's trustee as a body. My work has been undertaken so that I might state to the charity's trustee those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustee as a body for my examination work, for this report, or for the statements I have made.

## 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 trustee concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

## Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements to keep accounting records in accordance with section 130 of the 2011 Act; and to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed:



Name: Cameron Waddell (CPFA) for and on behalf of Mazars LLP Relevant professional qualification or body: CPFA

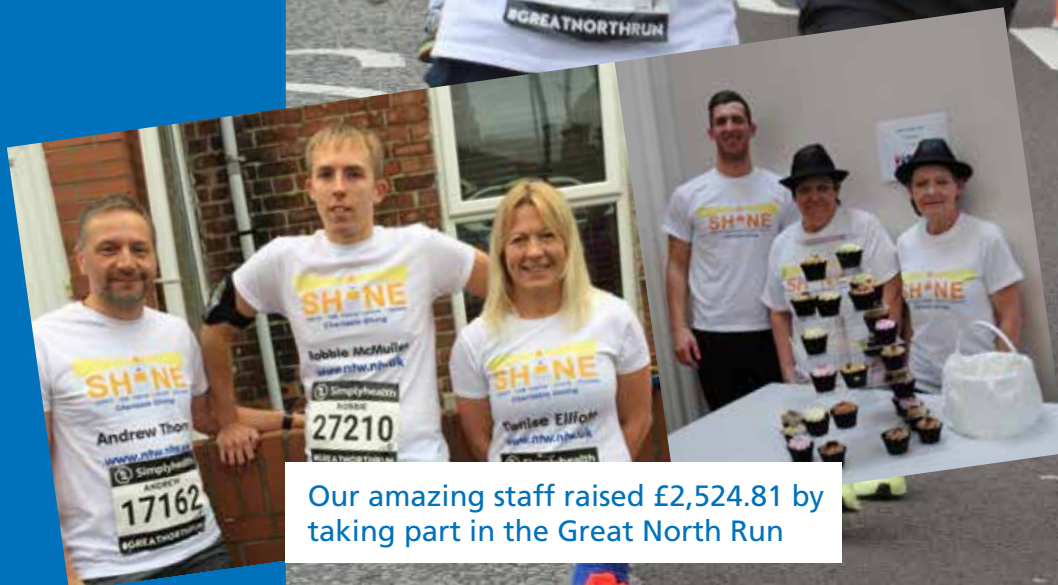
Address: Salvus House, Aykley Heads, Durham DH1 5TS

Date: 2 November 2017





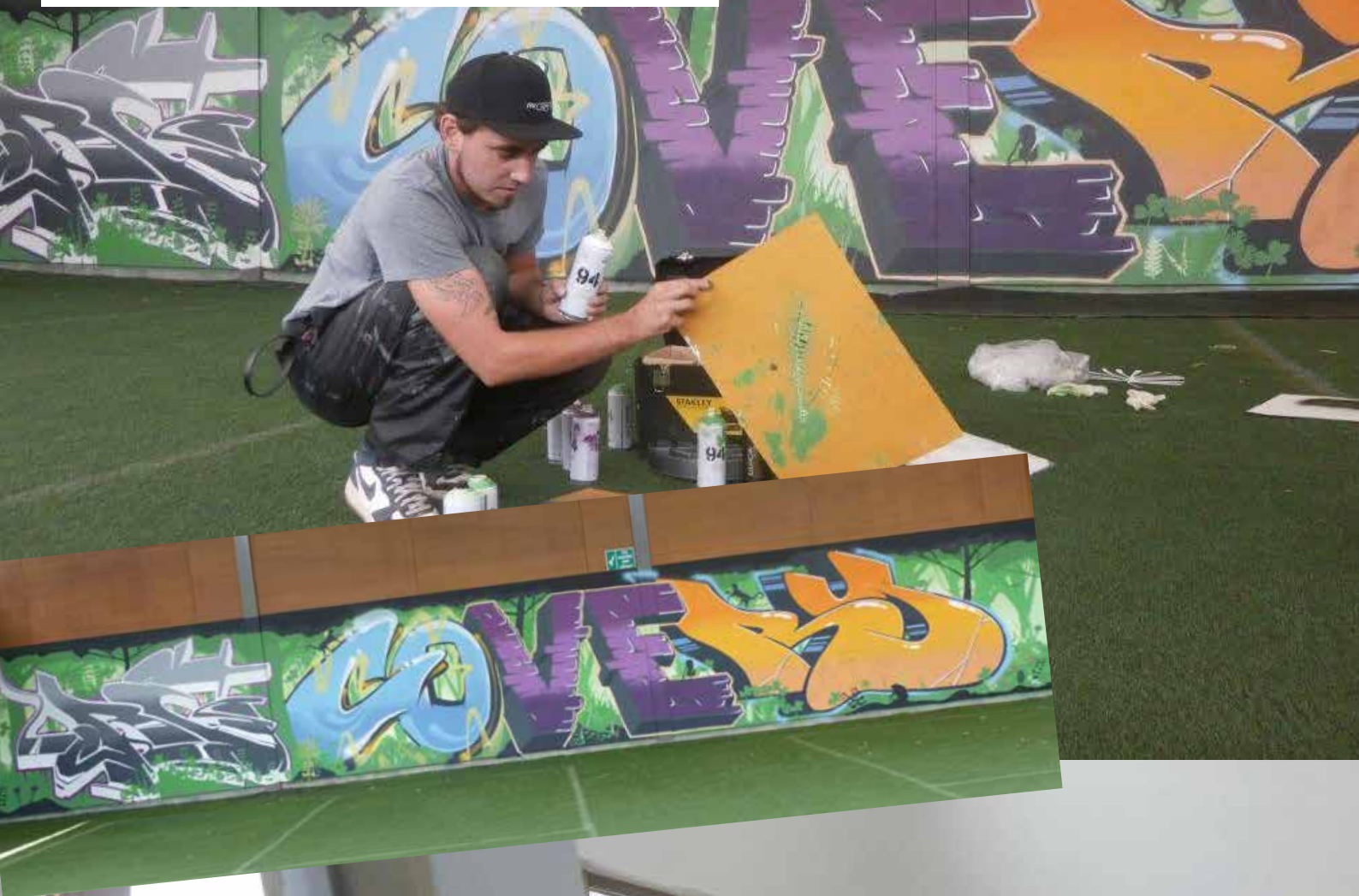
# FUNDRAISING NEWS



Our amazing staff raised £2,524.81 by taking part in the Great North Run



Images of artwork produced with Artist Tom Growcott who worked with patients at Bamburgh Clinic on the Recovery College Graffiti project which was SHINE funded. The completed Graffiti wall spells out the word 'Recovery'



Easels purchased to showcase changing exhibitions of patients' artwork at Bamburgh Clinic





At christmas time SHINE Funds supported a Theatre company to perform a pantomime which proved a hugely popular family event

## Walkergate Park Centre for Neurorehabilitation and Neuropsychiatry.

SHINE fund makes a huge difference for patients during their stay at Walkergate Park for example we are able to offer community access for patients enabling them to meet up with family and friends in familiar surroundings, often for the first time in months



SHINE Fund has supported the purchase of new computer equipment for the learning zone at Bamburgh Clinic



SHINE Funds have enabled patients at Walkergate Park to experience various activities and events which have included a reptile experience and birds of prey demonstration as well as a summer BBQ

## How the SHINE Fund is helping The Recovery College Collective (ReCoCo)

ReCoCo is a highly innovative peer led and peer delivered community mental health resource in the heart of Newcastle (Broadacre House on Market Street). ReCoCo collaborates with around 40 different statutory, voluntary and community organisations to deliver around 60 courses and 30 ongoing groups every term. SHINE Fund has been essential to ReCoCo success by providing a grant to recruit a Consultant to further strengthen a solid, secure and sustainable peer led service







In addition to these activities and events our charitable funds have been used to purchase numerous televisions, games, consoles, pool tables, books, craft materials and board games

SHINE Fund is proud of its achievements thus far supporting good causes and we hope our Charity will be able to grow and provide even more support for the coming years



# **ANNUAL ACCOUNTS**

The background of the page is a solid yellow color. In the upper left, the words "ANNUAL" and "ACCOUNTS" are stacked vertically in a bold, blue, sans-serif font. Below the text, there is a large, abstract geometric shape. This shape is composed of a white triangle pointing towards the top right, a blue triangle pointing towards the bottom left, and a yellow triangle pointing towards the top left. The blue triangle is on the left side of the white triangle, and the yellow triangle is on the right side of the white triangle. The overall effect is a clean, modern, and minimalist design.

# Statement of financial activities

		Unrestricted Funds	Restricted Funds	Total 2016/17
	Note	£000	£000	£000
<b>INCOMING RESOURCES</b>				
Incoming resources from generated funds		-	-	-
Income from donations and legacies		-	-	-
Donations		22	-	22
Legacies			37	37
Sub total income from donations and legacies	3.1	22	37	59
Other trading activities	3.2	4	-	4
Income from investments	3.3	3	-	3
Other income	3.4	4	-	4
<b>TOTAL INCOME FROM CHARITABLE ACTIVITIES</b>		<b>33</b>	<b>37</b>	<b>70</b>
<b>RESOURCES EXPENDED</b>				
Expenditure on raising funds	4.1	(1)	-	(1)
Expenditure on charitable activities	4.2	(176)	(1)	(177)
<b>TOTAL RESOURCES EXPENDED</b>		<b>(177)</b>	<b>(1)</b>	<b>(178)</b>
Net income / (expenditure)		(144)	36	(108)
Transfers between funds		-	-	-
<b>NET (OUTGOING) RESOURCES</b>		<b>(144)</b>	<b>36</b>	<b>(108)</b>

OTHER RECOGNISED GAINS/(LOSSES)				
Gains/(losses) on revaluation and disposal of investment assets		-	-	-
NET MOVEMENT IN FUNDS	5	(144)	36	(108)
Fund balances brought forward		-	-	-
Funds transferred in from other NHS Charities due to reorganisation		1,589	-	1,589
FUND BALANCES CARRIED FORWARD	9	1,445	36	1,481

In 2015/16 the charitable funds of the Northumberland, Tyne and Wear NHS Foundation Trust were mainly administered under the umbrella of the Newcastle Healthcare Charity. South Tyneside Foundation Trust Charity also administered a small level of funds specific to the the Northumberland, Tyne and Wear NHS Foundation Trust. £1,589,000 of funds were received during the year from these charities due to a restructuring of NHS charities approved by the Department of Health and resolutions passed by the Charity Commission.

There are no other material items of income or expenditure or extraordinary items in the reporting period.



# Balance sheet

		Unrestricted Funds	Restricted Funds	Total 2016/17
	Note	£000	£000	£000
<b>CURRENT ASSETS</b>				
Short term investments and deposits	6	750	0	750
Cash at bank and in hand	7	706	36	742
<b>TOTAL CURRENT ASSETS</b>		<b>1,456</b>	<b>36</b>	<b>1,492</b>
<b>CURRENT LIABILITIES</b>				
Payables	8	11	0	11
<b>TOTAL CURRENT LIABILITIES</b>		<b>11</b>	<b>0</b>	<b>11</b>
<b>TOTAL CURRENT ASSETS LESS CURRENT LIABILITIES</b>		<b>1,445</b>	<b>36</b>	<b>1,481</b>
<b>TOTAL NET ASSETS</b>		<b>1,445</b>	<b>36</b>	<b>1,481</b>
<b>FUNDS OF THE CHARITY</b>				
Restricted		0	36	36
Unrestricted		1,445	0	1,445
<b>TOTAL FUNDS</b>	<b>8</b>	<b>1,445</b>	<b>36</b>	<b>1,481</b>

The financial statements were approved by the Board on Wednesday 25 October 2017 and signed on its behalf by:



John Lawlor  
Chief Executive



# Notes to the accounts

## Accounting policies

The financial statements have been prepared under the historic cost convention, with the exception of investments which are included at their fair value.

The Northumberland, Tyne and Wear NHS Foundation Trust Charity is a public benefit entity.

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

The accounts have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view.' This departure has involved following Accounting and reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities : Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Trustee considers that there are no material uncertainties about the Northumberland, Tyne and Wear NHS Foundation Trust Charity's ability to continue as a going concern. There are no material uncertainties or key risks affecting the current year's accounts.

## Funds structure

The Northumberland, Tyne and Wear NHS Charity is a UK Charity registered with the Charity Commission (charity number 1165788). The Charity was formally established on 1st April 2016. The 2016/17 financial statements are the first financial statements for the Charity.

The Northumberland, Tyne and Wear NHS Foundation Trust Charity has both restricted and unrestricted funds but has no endowment funds. The Charity has specific funds for certain service areas which have specific objectives and purposes and are classified as unrestricted designated funds. If a general donation is made and no specific area is identified then the monies are paid into the the SHINE Fund which is used for the general benefit of services users and former service users of the Northumberland, Tyne and Wear NHS Foundation Trust at the discretion of the Trustees. The major funds are disclosed in note 8.

## Incoming resources

All incoming resources are recognised once the Charity has entitlement to the resources, it is probable that the resources will be received and the monetary value of the incoming resources can be measured with sufficient reliability.

Where there are terms and conditions attached to the incoming resources, particularly grants, then these terms and conditions must be met before the income is recognised as the entitlement condition will not be satisfied until that point. Where terms and conditions have not been met or uncertainty exists as to whether they can be met then the relevant income is not recognised in the year but deferred and shown in the balance sheet as deferred income.

## Legacies

Legacies are accounted for as incoming resources either upon receipt or where the receipt of the legacy is probable.

Receipt is probable when:

- Confirmation has been received from the representatives of the estate(s) that probate has been granted
- The executors have established that there are sufficient assets in the estate to pay the legacy and
- All conditions attached to the legacy have been fulfilled or are within the charity's control.

# Notes to the accounts (continued)

If there is uncertainty as to the amount of the legacy and it cannot be reliably estimated then the legacy is shown as a contingent asset until all of the conditions for income recognition are met.

## Resources expended and irrecoverable VAT

All expenditure has been accounted for on an accruals basis and has been classified under headings that aggregate all costs related to each category of expense shown in the Statement of Financial Activities. Expenditure is recognised when the following criteria are met:

- There is a present legal or constructive obligation resulting from a past event'
- It is more likely than not that a transfer of benefits (usually a cash payment) will be required in settlement
- The amount of the obligation can be measured or estimated reliably

Irrecoverable VAT is charged against the category of resources expended for which it was incurred

## Expenditure on raising funds

Expenditure on raising funds are those costs attributable to generating income for the Charity, other than those costs incurred in under expenditure on charitable activities. These costs include expenses for fundraising activities.

## Expenditure on charitable activities

Expenditure on charitable activities comprise all the costs 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 include an apportionment of support costs as shown in note 4.

Governance costs are also included within Expenditure On charitable activities comprising recharges of appropriate apportions of the funds administration costs from the Northumberland, Tyne and Wear NHS Foundation Trust, plus internal audit and independent examination fees, system costs and legal and professional charges.

## Receivables

Receivables are amounts owed to the charity. They are measured on the basis of their recoverable amount.

## Cash and cash equivalents

Cash at bank and in hand is held to meet the day to day running costs of the charity as they fall due. Cash equivalents are short term, highly liquid investments, usually in less than 90 day notice interest bearing savings accounts.

## Payables

'Payables are amounts owed by the Charity. They are measured at the amounts that the Charity must pay to settle the debt.

## Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening carrying value (or date of purchase if later). Unrealised gains and losses are calculated as the difference between the market value at the year end and opening carrying value (or date of purchase if later).

## Pensions

The Charity does not employ any staff and does not make contributions to a pension scheme.

# Related party transactions

Northumberland, Tyne and Wear NHS Foundation Trust patients are the main beneficiaries of the Charity and the Trust is a related party by virtue of being corporate trustee of the charity. As the Northumberland, Tyne and Wear NHS Foundation Trust has been determined to have control over the charity and are the main beneficiaries, the Northumberland, Tyne and Wear NHS Foundation Trust is the controlling parent of the Charity as a subsidiary. The Charity has provided funding to the Trust for approved expenditure made on behalf of the charity. During the current financial year this funding amounted to £149,000 for patients welfare and amenities and equipment.

The Northumberland, Tyne and Wear NHS Foundation Trust is a provider of mental health and disability services in the Northumberland, Tyne and Wear regions. The registered address for the Trust is St Nicholas Hospital, Jubilee Road, Gosforth, Newcastle upon Tyne, Tyne and Wear NE3 3XT.

The charity has no employees. Compensation was paid to the Northumberland, Tyne and Wear NHS Foundation Trust of £4,409 for key personnel to provide administration and accounting services. There was £nil remuneration or expenses paid directly to trustees or staff employed by the Northumberland, Tyne and Wear NHS Foundation Trust.

During the year no members with delegated responsibility for the Trustee, or parties related to them has undertaken any material transactions with the Northumberland, Tyne and Wear NHS Foundation Trust Charity.

Northumberland, Tyne and Wear NHS Foundation Trust is the sole corporate trustee of the charity. Delegated responsibility of the the Trustee is applied to executive and non-executive members of Northumberland, Tyne and Wear NHS Foundation Trust Board (names listed below).

Hugh Morgan Williams	-	Chair
John Lawlor	-	Chief Executive
James Duncan	-	Executive Director of Finance and Deputy Chief Executive
Dr Rajesh Nadkarni	-	Executive Medical Director
Gary O'Hare	-	Executive Director of Nursing and Operations
Lisa Crichton-Jones	-	Executive Director of Workforce and Organisational Development
Lisa Quinn	-	Executive Director of Commissioning and Quality Assurance
Alexis Cleveland	-	Non-Executive Director
Dr Les Boobis	-	Non-Executive Director
Martin Cocker	-	Non-Executive Director
Paul McEldon	-	Non-Executive Director
Peter Studd	-	Non-Executive Director
Ruth Thompson	-	Non-Executive Director
Neil Hemming	-	Non-Executive Director (up to 31.12.16)
Miriam Harte	-	Non-Executive Director (from 01.01.17)

# Incoming resources

		Unrestricted Funds	Restricted Funds	Total 2016/17
	Note	£000	£000	£000
<b>INCOME FROM DONATIONS AND LEGACIES</b>				
Public donations		17	-	17
Electronically received donations		1	-	1
Corporate donations		4	-	4
Legacies		-	37	37
<b>TOTAL INCOME FROM DONATIONS AND LEGACIES</b>	<b>3.1</b>	<b>22</b>	<b>37</b>	<b>59</b>
<b>OTHER TRADING ACTIVITIES</b>				
Fund raising income		2	-	2
Collections		1	-	1
Lotteries		1	-	1
<b>TOTAL OTHER TRADING ACTIVITIES</b>	<b>3.2</b>	<b>4</b>	<b>-</b>	<b>4</b>
<b>INCOME FROM INVESTMENTS</b>				
Bank interest received		3	-	3
<b>TOTAL INCOME FROM INVESTMENTS</b>	<b>3.3</b>	<b>3</b>	<b>-</b>	<b>3</b>
<b>OTHER INCOME</b>				
Other income received		4	-	4
<b>TOTAL OTHER INCOME</b>	<b>3.4</b>	<b>4</b>	<b>-</b>	<b>4</b>
<b>TOTAL INCOMING RESOURCES</b>		<b>33</b>	<b>37</b>	<b>70</b>

## Resources expended

		Unrestricted Funds	Restricted Funds	Total 2016/17
	Note	£000	£000	£000
<b>EXPENDITURE ON RAISING FUNDS</b>				
Event costs		1	-	1
<b>TOTAL EXPENDITURE ON RAISING FUNDS</b>	<b>4.1</b>	<b>1</b>	<b>-</b>	<b>1</b>
<b>EXPENDITURE ON CHARITABLE ACTIVITIES</b>				
Activities in furtherance of the charities objectives				
Patients' Welfare and Amenities		86	-	86
Capital: Equipment		63	-	63
<b>TOTAL EXPENDITURE ON ACTIVITIES IN FURTHERANCE OF THE CHARITIES OBJECTIVES</b>		<b>149</b>	<b>-</b>	<b>149</b>
Governance costs				
Independent Examiners Fee		1	-	1
Legal and Set Up Fees		10	-	10
System Set up and Maintenance Costs		10	-	10
Administration costs		6	1	7
<b>TOTAL EXPENDITURE ON CHARITABLE ACTIVITIES</b>	<b>4.2</b>	<b>176</b>	<b>1</b>	<b>177</b>

In 2016/17, £18,000 of the governance costs relate to one-off costs for the establishment of the charity in relation to legal fees and the purchase of a software accounting system.

## Changes in resources available for charity use

		Unrestricted Funds	Restricted Funds	Total 2016/17
	Note	£000	£000	£000
Net movement in funds for the year before transfers	5	(144)	36	(107)
Funds transferred in from other NHS Charities due to reorganisation		1,589	0	1,589
<b>NET INCREASE IN FUNDS FOR THE YEAR</b>		<b>1,445</b>	<b>36</b>	<b>1,481</b>

## Current asset investments

	£000
Short term deposits	750
<b>TOTAL CURRENT ASSET INVESTMENTS</b>	<b>750</b>

## Cash and cash equivalents

	£000
Bank current account	742
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>742</b>

## Payables

	£000
Accruals	11
<b>TOTAL PAYABLES FALLING DUE WITHIN ONE YEAR</b>	<b>11</b>

## 9 Details of material funds


### 9.1 Restricted funds

	Fund Balances 1st April 2016	Incoming Resources	Resources		Transfers from Other NHS Charities	Fund Balances 31st March 2017
			Expended			
			Activities Undertaken Directly	Support Costs		
	£000	£000	£000	£000	£000	£000
Tranwell restricted fund	-	23	(1)	-	-	22
St Nicholas Hospital restricted fund	-	14	-	-	-	14
TOTALS	-	37	(1)	0	-	36

## 9.2 Unrestricted funds

	Fund Balances 1st April 2016	Incoming Resources	Resources		Transfers from Other NHS Charities	Fund Balances 31st March 2017
			Expended			
			Activities Undertaken Directly	Support Costs		
	£000	£000	£000	£000	£000	£000
SHiNE fund	-	23	(101)	(21)	1,191	1,092
Aldervale Ward fund	-	-	(9)	(1)	56	46
Castleside Ward fund	-	-	(3)	(1)	63	59
Centre for Elderly fund	-	-	0	0	15	15
Claremont House psychology fund	-	-	0	0	13	13
Woodhorn fund	-	-	(13)	0	31	18
Huntingtons Disease fund	-	1	0	0	16	17
Richardson Eating Disorders fund	-	1	(1)	0	12	12
Others (71 Funds)	-	7	(21)	(5)	192	173
TOTALS	0	32	(148)	(28)	1,589	1,445

The SHINE Fund is the only material fund held by the Northumberland, Tyne and Wear NHS Foundation Trust Charity and this fund is a general fund relating to any of the current and former service users of the Trust'. This fund is accessed on the basis of bids approved and there are no restrictions or planned usage of this fund identified at the 31 March 2017.



**This report is available on request in other formats; we will do our best to provide a version of this report in a format that meets your needs.**

**For other versions telephone 0191 246 6977 or email us at [qualityassurance@ntw.nhs.uk](mailto:qualityassurance@ntw.nhs.uk)**

Copies of the Annual Report can be obtained from our website [www.ntw.nhs.uk](http://www.ntw.nhs.uk) and the NHS Choices website [www.nhs.uk](http://www.nhs.uk)

If you have any feedback or suggestions on how we could improve our Annual Report, please do let us know by emailing [communications@ntw.nhs.uk](mailto:communications@ntw.nhs.uk) or calling 0191 245 6877.

Copies can be obtained by contacting:

Communications Department  
St. Nicholas Hospital  
Jubilee Road, Gosforth  
Newcastle upon Tyne  
NE3 3XT  
Tel: 0191 245 6877