



Northumberland,  
Tyne and Wear  
NHS Foundation Trust

# ANNUAL REPORT

Northumberland, Tyne and Wear  
NHS Foundation Trust Charity

Registered Charity Number - 1165788

Year ending  
31 March  
2018





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# 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 Financial Statements for the year ended 31 March 2018.

The Charity's annual report and accounts for the year ended 31 March 2018 have been prepared by the Corporate Trustee in accordance with Part 8 of the Charities Act 2011 and the Charities (Accounts and 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 Trust Board of Directors who served during the financial year were as follows:

Hugh Morgan Williams  
Chair (up to 31.07.17)

Ken Jarold  
Chair (from 01.02.18)

Alexis Cleveland, Acting Chair and  
Non-Executive Director  
(acting chair from 01.04.17 to  
31.01.18)

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

Dr Les Boobis  
Non-Executive Director

Martin Cocker  
Non-Executive Director

Paul McEldon  
Non-Executive Director  
(up to 30.06.17)

Peter Studd  
Non-Executive Director

Ruth Thompson  
Non-Executive Director

Miriam Harte  
Non-Executive Director

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

# Reference and administrative details

Northumberland, Tyne and Wear NHS Foundation Trust Charity, registered Charity Number 1165788, is constituted of 81 individual funds as at 31 March 2018. 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 2017/18 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 (up to 21.06.17)
	Fiona Grant	Governor (from 21.06.17)

# 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  
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

The 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.

Large 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 have 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 judgments 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: 28 November 2018

Executive Director



.....

Date: 28 November 2018

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

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

In accordance with NHS Improvement's Annual Reporting Manual 2017-18 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.

During 2016/17, the Northumberland, Tyne and Wear NHS Foundation Trust's only subsidiary was the charity and on the grounds of materiality, the Trust opted not to consolidate the charity into its financial statements. On 2nd November 2016, Northumberland, Tyne and Wear NHS Foundation Trust incorporated a wholly owned subsidiary named NTW Solutions Limited which commenced trading on 1st April 2017. The Trust has prepared consolidated group financial statements for 2017/18 for the Trust and its subsidiaries including the Northumberland, Tyne and Wear NHS Foundation Trust Charity. The 2016/17 comparators for the charity have also been included in the comparators for the NTW Group for 2016/17.

## 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 Trustee 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 Trustee confirms 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 2017/18.



# 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 bid for the year was £15,000 to provide a car for Aldervale and Clearbrook wards for a three year period from their specific charitable fund to provide activity based outings for patients. Another large spend was an extensive summer programme of activities for the young people at Ferndene of £10,000 including a sports day every week, environmental awareness days, nature challenges, building tepees, pet therapy, and creative music workshops. This included various zones for activities which included a wet zone with sand and water play. Northgate Hospital purchased a quadricycle for patients to ride around the site for £1,800 and Plummer Court purchased children's seating and a bookshelf for their family area for £750.

There were two new funds opened in the year, one for the Forensic Recovery College's Café Cart project and one related to a bequest. The Charitable funds Committee continued with its policy of rationalisation of the funds held on Trust to promote clarity of purpose and by actively publicising the availability of all legacies to ensure expenditure to date was appropriate.

# A Review of our finance, achievements and performance

Total incoming resources amounted to £38,778. There was one legacy fund included in incoming resources within the year amounting to £3,000. 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 £27,319, legacies £3,000 and investment income £8,459.

Of the total expenditure of £105,494, charitable expenditure for patient welfare and amenities was £97,934, costs of generating voluntary income was £1,147 and governance costs were £6,412.

The net assets of the Charitable Funds as at 31 March 2018 were £1,414,639. 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 working on an investment policy and this will be implemented and some longer term investments will be made during 2018/19.

## 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.

Future plans for the coming year include funding for the Recovery Colleges which will provide them with equitable financial support. The Recovery College deliver innovative free courses which give people a safe place to learn, connect with other people and develop skills.

## Going concern

The Charity's Trustee has a reasonable expectation that the Charity has adequate fund balances to continue in operational existence for the foreseeable future.

This expectation is based upon fund balances as at the 31st March 2018 of £1,414,639 with minimal future liabilities and commitments.

# 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 2017-18

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

Charitable Funds  
Sub-Committee

Date: 28 November 2018



James Duncan  
Executive Director of Finance  
and Deputy Chief Executive

Charitable Funds  
Sub-Committee

28 November 2018



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

I report on the accounts of the Charity for the year ended 31 March 2018, which are set out on pages 24 to 36.

## Respective responsibilities of trustees and examiner

The charity's trustee is responsible for the preparation of the financial statements. 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 financial statements under section 145 of the 2011 Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act; and
- 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 financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, 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 financial statements 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, which is complete, no matters have come to my attention which give me reasonable cause to believe that in any material respect:

- accounting records were not kept in respect of Northumberland, Tyne and Wear NHS Foundation Trust Charity in accordance with section 130 of the 2011 Act; or
- the financial statements do not accord with those records; or
- the financial statements do not comply with the applicable requirements concerning the form and content of financial statements set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the financial statements give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Signed: 

Name: **Cameron Waddell (CPFA) for and on behalf of Mazars LLP,**

Relevant professional qualification or body: **CIPFA**

Address: **Salvus House, Aykley Heads, Durham DH1 5TS** Date: **5 December 2018**





# Fundraising News



## Great North Run

Our amazing staff raising funds for charity including our very own SHINE Fund. Thank you!





# Exercise Therapy Football Tournament

Staff and service users had a great day taking part in a football tournament in Gateshead on Tuesday 19 September 2018 which saw the Early Intervention in Psychosis (EIP) and Bamburgh Clinic through to the final. EIP won 3-0. Well done to all involved!

The 'Shining a Light Trophy' went to a player in goal, he provided constant motivation, support and encouragement to his team.

A total of £121.75 was raised for the SHINE fund.







# Gardening group

SHINE Funds have supported a gardening group at Walkergate Park in Newcastle.

Adaptive equipment has been purchased to enable patients with a range of disabilities to garden. These tools and equipment help to show patients that despite their disability they can continue gardening and DIY after being discharged.

SHINE funds helped to purchase a Polytunnel and greenhouse heaters to allow staff to run the gardening group all year round.

DIY tools were purchased to expand the range of tasks carried out by the group.





The Richardson Eating Disorders Service at Royal Victoria Infirmary, Newcastle purchased a new sewing machine for patients use and also equipment to improve the patient's outdoor garden area.

Charitable funds enabled the purchase of a pool table for the patient's activity area at Tyne Unit at Northgate Hospital, Morpeth

### Altering Images of Mentality (AIM) Calendar

Charitable Funds have been helping to fund the AIM calendar for a number of years. The AIM calendar features original art work by service users from across the North East of England which is available free to download at [www.aimmentalhealth.org.uk](http://www.aimmentalhealth.org.uk)



# Animal care workshop

SHINE Funds have supported patients from Kenneth Day Unit and Gees Centre at Northgate Hospital and Bamburgh Clinic and Bede Ward at St. Nicholas Hospital to participate in an animal care workshop with Bill Quay Farm. The course was facilitated by a peer support worker from the Recovery College. The workshop covered animal welfare, therapeutic value of animal care and the benefits of volunteering and peer support. Positive feedback was received from all who attended.



## Other improvement projects ...



Recovery Gardens at  
**Northgate Hospital, Morpeth**



Improved outdoor garden area at  
**Hauxley Ward, St. George's Park,  
Morpeth**

New garden furniture  
**at Elm House, Gateshead**





# ANNUAL ACCOUNTS



# Statement of financial activities

	2017/18				2016/17		
		Unrestricted Funds	Restricted Funds	Total 2017/18	Unrestricted Funds	Restricted Funds	Total 2016/17
	Note	£000	£000	£000	£000	£000	£000
<b>INCOMING RESOURCES</b>							
Incoming resources from generated funds							
Income from donations and legacies							
Donations		21	1	22	22	-	22
Legacies		-	3	3	-	37	37
<b>Sub total income from donations and legacies</b>	<b>3.1</b>	<b>21</b>	<b>4</b>	<b>25</b>	<b>22</b>	<b>37</b>	<b>59</b>
Other trading activities	3.2	3	-	3	4	-	4
Income from investments	3.3	8	-	8	3	-	3
Other income	3.4	3	-	3	4	-	4
<b>TOTAL INCOME FROM CHARITABLE ACTIVITIES</b>		<b>35</b>	<b>4</b>	<b>39</b>	<b>33</b>	<b>37</b>	<b>70</b>
<b>EXPENDITURE ON CHARITABLE ACTIVITIES</b>							
Expenditure on raising funds	4.1	(2)	-	(2)	(1)	-	(1)
Expenditure on charitable activities	4.2	(104)	-	(104)	(176)	(1)	(177)
<b>TOTAL EXPENDITURE ON CHARITABLE ACTIVITIES</b>		<b>(106)</b>	<b>-</b>	<b>(106)</b>	<b>(177)</b>	<b>(1)</b>	<b>(178)</b>
Net income / (expenditure)		(85)	4	(67)	(144)	36	(108)
Transfers between funds		-	-	-	-	-	-
<b>NET (Outgoing) Resources</b>		<b>(85)</b>	<b>4</b>	<b>(67)</b>	<b>(144)</b>	<b>36</b>	<b>(108)</b>
Other Recognised gains / (losses)							
Gains / (losses) on revaluation and disposal of investment assets		-	-	-	-	-	-
<b>NET MOVEMENT IN FUNDS</b>	<b>5</b>	<b>(85)</b>	<b>4</b>	<b>(67)</b>	<b>(144)</b>	<b>36</b>	<b>(108)</b>
Fund balances brought forward		1,445	36	1,481	-	-	-
Funds transferred in from other NHS charities due to reorganisation		-	-	-	1,589	-	1,589
<b>FUND BALANCES CARRIED FORWARD</b>	<b>9</b>	<b>1,360</b>	<b>40</b>	<b>1,414</b>	<b>1,445</b>	<b>36</b>	<b>1,481</b>

# Balance sheet

	2017/18				2016/17		
		Unrestricted Funds	Restricted Funds	Total 2017/18	Unrestricted Funds	Restricted Funds	Total 2016/17
	Note	£000	£000	£000	£000	£000	£000
<b>CURRENT ASSETS</b>							
Short term investments and deposits	6	450	0	450	750	0	750
Cash at bank and in hand	7	935	40	975	706	36	742
<b>TOTAL CURRENT ASSETS</b>		<b>1,385</b>	<b>40</b>	<b>1,425</b>	<b>1,456</b>	<b>36</b>	<b>1,492</b>
<b>CURRENT LIABILITIES</b>							
Payables	8	11	0	11	11	0	11
<b>TOTAL CURRENT LIABILITIES</b>		<b>11</b>	<b>0</b>	<b>11</b>	<b>11</b>	<b>0</b>	<b>11</b>
<b>TOTAL CURRENT ASSETS LESS CURRENT LIABILITIES</b>		<b>1,374</b>	<b>40</b>	<b>1,414</b>	<b>1,445</b>	<b>36</b>	<b>1,481</b>
<b>TOTAL NET ASSETS</b>		<b>1,374</b>	<b>40</b>	<b>1,414</b>	<b>1,445</b>	<b>36</b>	<b>1,481</b>
<b>FUNDS OF THE CHARITY</b>							
Restricted		0	40	40	0	36	36
Unrestricted		1,374	0	1,374	1,445	0	1,445
<b>TOTAL FUNDS</b>	<b>9</b>	<b>1,374</b>	<b>40</b>	<b>1,414</b>	<b>1,445</b>	<b>36</b>	<b>1,481</b>

The financial statements were approved by the Board on 28 November 2018 and signed on its behalf by:



John Lawlor  
Chief Executive  
Date 28 November 2018

# Notes to the accounts

## 1. 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.

## 1.1 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 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 9.

## 1.2 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.

# Notes to the accounts (continued)

## 1.2.1 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.

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.

## 1.3 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.

### 1.3.1 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.

### **1.3.2 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.

### **1.4 Receivables**

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

### **1.4 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.

### **1.5 Payables**

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

### **1.6 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).

### **1.7 Pensions**

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

## 2. Related Party Transactions

Northumberland, Tyne and Wear NHS Foundation Trust patients are the main beneficiaries of the charity and the Trust (including its subsidiary NTW Solutions Ltd) 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 £98,000 for patients welfare and amenities.

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, Tyne and Wear NE3 3XT.

The Charity has no employees. Compensation was paid to the Northumberland, Tyne and Wear NHS Foundation Trust of £4,490 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 (up to 31.07.17)
Ken Jarold	-	Chair (from 01.02.18)
Alexis Cleveland	-	Acting Chair and Non-Executive Director (acting chair from 01.04.17 to 31.01.18)
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 Quinn	-	Executive Director of Commissioning and Quality Assurance
Lisa Crichton-Jones	-	Executive Director of Workforce and Organisational Development
Paul McEldon	-	Non-Executive Director ( up to 30.06.17)
Martin Cocker	-	Non-Executive Director
Ruth Thompson	-	Non-Executive Director
Dr Les Boobis	-	Non-Executive Director
Peter Studd	-	Non-Executive Director
Miriam Harte	-	Non-Executive Director (from 01.01.17)



# Incoming resources

	2017/18				2016/17		
		Unrestricted Funds	Restricted Funds	Total 2017/18	Unrestricted Funds	Restricted Funds	Total 2016/17
	Note	£000	£000	£000	£000	£000	£000
INCOME FROM DONATIONS AND LEGACIES							
Public donations		18	1	19	17	-	17
Electronically received donations		3	-	3	1	-	1
Corporate donations		-	-	-	4	-	4
Legacies		-	3	3	-	37	37
TOTAL INCOME FROM DONATIONS AND LEGACIES	3.1	21	4	25	22	37	59
OTHER TRADING ACTIVITIES							
Fundraising income		2	-	2	2	-	2
Collections		1	-	1	1	-	1
Lotteries		-	-	-	1	-	1
TOTAL OTHER TRADING ACTIVITIES	3.2	3	-	3	4	-	4
INCOME FROM INVESTMENTS							
Bank interest received		8	-	8	3	-	3
TOTAL INCOME FROM INVESTMENTS	3.3	8	-	8	3	-	3
OTHER INCOME							
Other income received		3	-	3	4	-	4
TOTAL OTHER INCOME	3.4	3	-	3	4	-	4
TOTAL INCOMING RESOURCES		35	4	39	33	37	70



# Expenditure on charitable activities

	2017/18				2016/17		
		Unrestricted Funds	Restricted Funds	Total 2017/18	Unrestricted Funds	Restricted Funds	Total 2016/17
	Note	£000	£000	£000	£000	£000	£000
<b>EXPENDITURE ON RAISING FUNDS</b>							
Event costs		2	-	2	1	-	1
<b>TOTAL EXPENDITURE ON RAISING FUNDS</b>	<b>4.1</b>	<b>2</b>	<b>-</b>	<b>2</b>	<b>1</b>	<b>-</b>	<b>1</b>
<b>EXPENDITURE ON CHARITABLE ACTIVITIES</b>							
Activities in furtherance of charities objectives							
Patients' welfare and amenities		98	-	98	86	-	86
Capital: Equipment		-	-	-	63	-	63
<b>TOTAL EXPENDITURE ON ACTIVITIES IN FURTHERANCE OF CHARITIES OBJECTIVES</b>		<b>98</b>	<b>-</b>	<b>98</b>	<b>149</b>	<b>-</b>	<b>149</b>
Governance costs							
Independent Examiners Fee		1	-	1	1	-	1
Legal and set up fees		-	-	-	10	-	10
System set up and maintenance costs		1	-	1	10	-	10
Administration costs		4	-	4	6	1	7
<b>Total governance costs</b>		<b>6</b>	<b>-</b>	<b>6</b>	<b>27</b>	<b>-</b>	<b>28</b>
<b>TOTAL EXPENDITURE ON CHARITABLE ACTIVITIES</b>	<b>4.2</b>	<b>104</b>	<b>-</b>	<b>104</b>	<b>176</b>	<b>1</b>	<b>177</b>

# Changes in resources available for charity use

	2017/18				2016/17		
	Note	Unrestricted Funds	Restricted Funds	Total 2017/2018	Unrestricted Funds	Restricted Funds	Total 2016/17
		£000	£000	£000	£000	£000	£000
Net movement in funds for the year before transfers	5	(85)	4	(81)	(144)	36	(108)
Funds transferred in from other NHS Charities due to reorganisation		-	-	0	1,589	0	1,589
<b>NET INCREASE IN FUNDS FOR THE YEAR</b>		<b>(85)</b>	<b>4</b>	<b>(81)</b>	<b>1,445</b>	<b>36</b>	<b>1,481</b>

## Current asset investments

	2017/18	2016/17
	£000	£000
Short term deposits	450	750
<b>TOTAL CURRENT ASSET INVESTMENTS</b>	<b>450</b>	<b>750</b>

## Cash and cash equivalents

	2017/18	2016/17
	£000	£000
Bank current account	975	742
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>975</b>	<b>742</b>

## Payables

	2017/18	2016/17
	£000	£000
Accruals	11	11
<b>TOTAL PAYABLES FALLING DUE WITHIN ONE YEAR</b>	<b>11</b>	<b>11</b>

# Details of material funds

## Restricted funds 2017/18

2017/18						
	Fund balances 1 April 2017	Incoming Resources	Resources Expended		Transfers from other NHS Charities	Fund balances 31 March 2018
			Activities undertaken directly	Support costs		
	£000	£000	£000	£000	£000	£000
Tranwell restricted fund	22	1	-	-	-	23
St. Nicholas Hospital restricted fund	14	-	-	-	-	14
Ferndene restricted fund	-	3	-	-	-	3
<b>TOTALS</b>	<b>36</b>	<b>4</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>40</b>

## Restricted funds 2016/17

2016/17						
	Fund balances 1 April 2016	Incoming Resources	Resources Expended		Transfers from other NHS Charities	Fund balances 31 March 2017
			Activities undertaken directly	Support costs		
	£000	£000	£000	£000	£000	£000
Tranwell restricted fund	-	23	(1)	-	-	22
St. Nicholas Hospital restricted fund	-	14	-	-	-	14
<b>TOTALS</b>	<b>-</b>	<b>37</b>	<b>(1)</b>	<b>0</b>	<b>0</b>	<b>36</b>

## Unrestricted Funds 2017/18

2017/18					
	Fund balances 1 April 2016	Incoming Resources	Resources Expended	Transfers from other NHS Charities	Fund balances 31 March 2017
		Activities undertaken directly	Support costs		
	£000	£000	£000	£000	£000
SHINE Fund	1,092	26	(52)	-	1,060
Castleside ward fund	59	1	(15)	-	44
Aldervale ward fund	46	1	(6)	-	41
Woodhorn fund	18	-	(1)	-	17
Huntingtons Disease fund	17	-	-	-	17
Centre for Elderly fund	15	-	(1)	-	14
Richardson Eating Disorders fund	12	3	(3)	-	12
Claremont House Psychology fund	13	-	(3)	-	10
Others (71 funds)	173	7	(21)	-	159
<b>Totals</b>	<b>1,445</b>	<b>38</b>	<b>(102)</b>	<b>(7)</b>	<b>1,374</b>


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 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 2018.

## Unrestricted Funds 2016/17

2016/17						
	Fund balances 1 April 2016	Incoming Resources	Resources Expended		Transfers from other NHS Charities	Fund balances 31 March 2017
			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	-	-	-	-	15	15
Claremont House Psychology fund	-	-	-	-	13	13
Woodhorn fund	-	-	(13)	-	31	18
Huntingtons Disease Fund	-	1	-	-	16	17
Richardson Eating Disorders Fund	-	1	(1)	-	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 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.





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Copies of the Annual Report can be obtained from  
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If you have any feedback or suggestions on how we could improve our  
annual report, please do let us know by calling 0191 246 7238.

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