

## **Trustees Annual Report for the Royal Berkshire and Battle Hospitals Charity**

### **Foreword**

The beneficiary Trust plans to become the 'first choice provider of specialist clinical services in the area it serves' and has been developing a strategic plan to achieve this. This exciting new direction is underpinned by the following threads of work and effort, and work is ongoing to deliver our vision through each of them.

- Exceeding our customers and patients expectations
- Providing more services in more places, closer to home for more people
- Investing success so that our services will be in the top 10% nationally
- Bringing together key providers to form a modern viable healthcare system.

The Charity's Annual Report and Accounts for the year ended 31 March 2008 have been prepared by the Corporate Trustee in accordance with Part VI of the Charities Act 1993, Charities (Accounts & Reports) Regulations 2005 and the Charities Act 2006.

The Corporate Trustee presents the charitable funds Annual Report together with the Audited Financial Statements for the year ended 31 March 2008.

The Charity's report and accounts include all the separately established funds for which the Royal Berkshire NHS Foundation Trust is the sole beneficiary.

The Charity's corporate trustee is 'The Royal Berkshire NHS Foundation Trust'.

Charitable funds received by the Charity are accepted, held and administered as funds held on trust for purposes relating to the National Health Service in accordance with the National Health Service Act 1977 and the National Health Service and Community Act 1990. These funds are held on trust by the body corporate.

The Royal Berkshire and Battle Hospitals Charity administers all charitable funds held on trust by the 'The Royal Berkshire NHS Foundation Trust'.

**Chairman**

**Date**

**Trustee**

**Date**



## Background of the beneficiary Hospital

The Hospital is one of the largest general Hospitals in the country and provides acute medical and surgical services to Reading, Wokingham and West Berkshire and specialist services to a wider population.

The Hospital is one of Reading's biggest employers and one of the largest general hospital trusts in the country treating over half a million patients each year.

The Royal Berkshire NHS Foundation Trust also encompasses The Prince Charles Eye Unit based at King Edward VII Hospital at Windsor and the Day Surgery Unit and the acute out-patients department of West Berkshire Community Hospital in Newbury.

The Royal Berkshire NHS Foundation Trust became an NHS Foundation Trust on 1 June 2006; previously it was the Royal Berkshire and Battle Hospitals NHS Trust.

## Foundation Trusts:

**Foundation Trusts** are a fundamental part of the NHS reform programme, accountable to Parliament. They reflect the move from a centrally managed service towards one that is managed locally where local people can be involved in how their health services are shaped and provided. This is achieved through the creation of a membership community to which the trust is accountable through a council of Governors.

NHS Trusts are part of the NHS. Funding for the hospital services comes predominantly from local NHS primary care trusts (PCTs)

NHS Foundation Trust's level of private income is also capped by law.

As a Foundation Trust, the Royal Berkshire NHS Foundation Trust, (the sole beneficiary of the Charity)

- Has the freedom to decide locally how to meet its obligations
- Is accountable to local people who can become members and governors
- Has greater financial freedom than NHS Trusts
- Is authorised and monitored by Monitor, Independent regulator of NHS Foundation Trusts.

Thus as a Foundation Trust, the Royal Berkshire NHS Foundation Trust is managed (by a membership community), made up of the public.

Has a Council of Governors, elected by public members of the Royal Berkshire NHS Foundation Trust, who advise the Board of Directors.

## Council of Governors

### Key responsibilities

The broad roles envisaged for the Council of Governors of any foundation trust are as follows

a) *advisory*; providing a steer on how the Trust can carry out its business in ways consistent with the needs of the members and the wider community

b) *guardianship*; acting as guardians to ensure the Trust operates in a way that fits with its Statement of purpose and complies with its authorisation, and acting in a trustee role for the welfare of the organisation

c) *strategic*; advising on the longer term direction of the Trust so that the Board can effectively determine its policies

d) *ambassadorial*; representing and promoting the Trust and its activities within the local Community.

These roles give greater clarity and definition to the statutory role of the Council set out in the Constitution of the Royal Berkshire NHS Foundation Trust, which are explained below.

In setting out the areas of responsibility of the Council of Governors, **it should be emphasised that management of the Trust rests with the Board of Directors.**

### Statutory and constitutional powers and responsibilities of the Council of Governors

- the roles and responsibilities of the Council of Governors are to be carried out in accordance with the Constitution of the Foundation Trust
- to appoint or remove the Chairman and the other Non-Executive Directors
- to approve an appointment (by the Non-Executive Directors) of the Chief Executive
- to decide the remuneration and allowances, and the other terms and conditions of office, of the Non-Executive Directors
- to appoint or remove the Trust's external auditor
- to be presented with the annual accounts, any report of the external auditor on them and the annual report
- to provide their views to the Board of Directors when the Board of Directors is preparing the document containing information about the Trust's forward planning
- to respond as appropriate when consulted by the Board of Directors in accordance with the constitution
- to provide support to the Board of Directors on request
- to occasionally review and make recommendations regarding the Trust's membership Strategy and its policy for the composition of the Council of Governors and Non Executive Directors

- when appropriate to make recommendations for the revision of the constitution
- to undertake this role, either in response to a request for advice from the Board of Directors or to be in a position to provide views on Trust forward planning, the Council of Governors may wish, for example, to establish topic or theme groups and hold focus groups or surgeries for members
- **in exercising the above roles, the Council of Governors must recognise that the business of the Trust is to be managed by the Board of Directors. The Health and Social Care (Community Health and Standards) Act, 2003 provides that all the powers of the NHS Foundation Trust are to be exercised by its directors. The Council of Governors cannot, therefore, veto decisions made by the Board of Directors.**

### **The Board of Directors**

- Is responsible for the business and management of the Trust and comprises Executive and Non executive directors of the Trust.

### **The Council of Governors is chaired by**

**Colin Maclean OBE, who also chairs the Trust Board.**

### **Directors of the Royal Berkshire NHS Foundation Trust**

Name	Designation
Mr. Colin Maclean OBE	Chairman and Non-Executive Director
Professor Ann Sheen OBE	Chief Executive and Executive Director (Deputy Chair)
Mr. John Barrett	Non-Executive Director
Mr. Tim Caiger	Non-Executive Director
Mr. Ken Hydon	Non-Executive Director
Ms Irene Inskip	Non-Executive Director
Mr. Rajinder Sohpal (until March 2008)	Non-Executive Director
Mr. Nigel Davies	Executive Director
Professor Rory Shaw	Executive Director
Mr. Martin Sheldon	Executive Director

Professor Rachel Hall, Chief Medical Officer and Director of Clinical Standards, retired in July 2007.

Mr. Paul Allen, Chief Operating Officer and Deputy Chief Executive, left the Trust in September 2007.

Mr. Chris Bates retired as Non-Executive Director in June 2007.

Drawn from the private sector, the public sector and the National Health Service, Non-Executive Directors are appointed by the Council of Governors.

The Trust recognises that the induction and continuing development of the Executive and Non-Executive Directors, and the Board as a team, is fundamental to the effective direction, oversight and governance of the Trust. To this end, the training and induction policy establishes the framework within which Executive Directors will be inducted to and developed within the Trust.

**Non-Board Directors**

The Trust Board is attended by the following non-voting directors:

- . Stuart Mathieson, Director of Strategy and Development
- . Clare Edmondson, Director of Workforce Development and Human Resources
- . Dr Keith Eales, Director of Corporate Affairs and Trust Secretary

## Reference and Administrative Details

### Full name of the Charity:

**Royal Berkshire and Battle Hospitals Charity** (It is intended by the Trustees, in consultation with the Charity Commission, to change the name of the charity to '**Royal Berkshire NHS Foundation Trust Charity**' to reflect the change in the status and name of the host beneficiary trust.)

### Registration Number

1052720

### Bankers

The Principle Office of the Charity

The Royal Berkshire NHS Foundation Trust  
London Road  
Reading  
RG1 5AN  
Telephone: 0118 3226796  
Fax: 0118 3225473

**Lloyds Bank PLC**  
1-2 Market Place  
Reading  
RG1 2EQ

### Investment fund Managers

RCM (UK) Ltd  
155 Bishopsgate  
London  
EC2M 3AD

### Auditors

Audit Commission  
Unit 5  
Isis Business Centre  
Horspath  
Oxford  
OX4 2RD.

**KPMG have been appointed as auditors of the Trust in 2008/09.**

### Corporate Trustee

The Royal Berkshire NHS Foundation Trust, since 1 June 2006 and formerly 'The Royal Berkshire and Battle Hospitals NHS Trust' **is the corporate trustee of this Charity.**

The Royal Berkshire and Battle Hospitals Charity is governed by the laws applicable to trusts, principally the Trustee Act 2000 and the laws applicable to charities which are governed by the Charities Act 1993, Charities (Accounts & Reports) Regulations 2005 and the Charities Act 2006

## **Charity Committee**

**The Royal Berkshire NHS Foundation Trust**, formerly, prior to 1 June 2006, 'The Royal Berkshire & Battle Hospitals NHS Trust' is the Corporate Trustee of the charitable funds.

The NHS Trust Board has devolved responsibility for the on going management of funds to the Charity Committee, which administers the funds on behalf of the Corporate Trustee.

Although the members of the Trust board 'The Charity Committee' are not themselves trustees, they are integral to the decision making process for trusteeship and act as agent for the Corporate Trustee. The names of the directors are therefore disclosed.

The Chairman of the Main Board is also the Chairman of the Charity Committee.

The Chief Finance Officer by virtue of his position on the Trust Board is also the Treasurer of the Charity.

The responsibilities of Corporate Trusteeship are thus discharged by the Trust's Charity Committee. This committee's membership is drawn from the Trust's Board and comprises the Trust's Chairman, Chief Executive, Chief Finance officer and 2 non-executive directors.

### **Those serving on the Charity Committee during the year were:**

Mr. Colin Maclean OBE	Chairman and Non-Executive Director
Professor Ann Sheen OBE	Chief Executive and Executive Director
Mr. Rajinder Sohpal	Non-Executive Director
Mr. Ken Hydon	Non-Executive Director
Mr. Martin Sheldon	Executive Director

## **Charity Committee -Terms of Reference 'Extract'**

### **Constitution and membership**

The Royal Berkshire and Battle Hospitals Charitable Fund (Charity Registration Number 1052720) is governed by the Trust Deed which was approved by the Trustees. Under the terms of the deed the Charitable Fund is administered and managed by the Trustees, the members of the Royal Berkshire NHS Foundation Trust as a body corporate.

The membership of the Committee will comprise the Chairman of the Trustees who is the Royal Berkshire NHS Foundation Trust's Chairman, the Chief Executive, the Chief Finance Officer and two Non-Executive Directors.

### **Authority**

The Trustees derive their authority to act from the Trust deed of the NHS Trust Charitable Fund, approved by the Trustees.

### **Duties**

The Trustees are responsible for the overall management of the Charitable Funds. They are required to:

(a) ensure that best practice is followed in terms of guidance from the Charity Commission, Audit Commission, National Audit Office, Department of Health and other relevant organizations

(b) ensure that the appropriate policies and procedures are in place to support the Charitable Funds Strategy and to advise Fund Managers on income and expenditure and that this is reviewed at regular intervals

(c) develop and review the Trust's Charitable Funds Strategy and Trustees' terms of reference on an annual basis and agree changes where appropriate

(d) On an annual basis, review and approve summary level income and expenditure plans from the Chief Finance Officer, ensuring that they complement the strategy. (In support of this Fund Managers must submit detailed plans to the Chief Finance Officer annually)

(e) Ensure an effective mechanism exists whereby equipment needs are identified and satisfied (within resource constraints) through an equitable bidding process underpinned by business plans. (All equipment purchased by charitable funds will be recorded in a separate register)

(f) Oversee the management of investments

(g) Undertake an annual risk assessment.

### **Accountability**

The Trustees are accountable to the Charity Commission for the proper use of the charitable funds and to the public as a beneficiary of those funds.

### **Reporting**

The Committee will review these terms of reference on an annual basis and report to the Board accordingly.

## Structure, Governance and Management

The Charity was set up as an 'umbrella charity' for charitable funds held on trust by the Royal Berkshire and Battle Hospitals NHS Trust, now known as **The Royal Berkshire NHS Foundation Trust**.

This Charity was created by a declaration of Trust made on 28 November 1995 by the then Royal Berkshire and Battle Hospitals NHS Trust with a cash donation of £10.

The Charity was subsequently entered on the Central Register of Charities on 7 February 1996.

In March 1997, by virtue of section 96 of the Charities Act 1993, all charitable funds previously held on trust by the then Royal Berkshire and Battle Hospitals NHS Trust (Comprising 16 special purpose charities) were brought within the Charity's Umbrella registration.

The Charity constitutes 18 special purpose charities and is made up of restricted funds, unrestricted funds and capital endowment funds.

Restricted funds are funds, which are to be used in accordance with specific restrictions imposed by the donor.

Unrestricted funds comprise those funds, which the Trustee is free to use for any purpose in the furtherance of the charitable objects.

Permanent endowment funds are funds where the donor has expressly provided that only the income of the fund may be applied for a specific or non-specific purpose but where the capital is held to generate income and where the trustees have no discretion to expend the capital.

The charity's restricted funds were established using the model declaration of trust and all funds held on trust as at the date of registration were part of the restricted funds, comprising the 16 special purpose charities.

Subsequent donations and gifts received by the Charity are added to those fund balances within the existing charities as unrestricted funds. These are unrestricted but designated funds within the 18 special purpose charities.

Where funds have been received which have specific restrictions set by the donor, new restricted funds have been established.

The charitable funds are managed within the specialities (18 special purpose charities) within the NHS Trust management structure.

The total funds held by the Charity are divided (within the 18 special purpose charities) into many individual fund balances to reflect as far as practicable the wishes of the donors and the Specialities within the NHS Trust Directorate's management and corporate structure. For example there are charitable funds within the special purpose charity 'General Medicine services' which have both restricted funds as well as unrestricted but designated funds. These include ward funds within the General medicine directorate as well funds relating to Parkinson disease, speech therapy, Epilepsy and Neurophysiology fund, dermatology fund, and neurological disability fund among them.

The corporate trustee fulfils its legal duty by ensuring that funds are spent in accordance with the objects of each fund and by designating the funds the Trustees respect the wishes of our donors.

Thus under this umbrella charity, some 236 individual funds are maintained.

The Royal Berkshire NHS Foundation Trust, formerly 'The Royal Berkshire & Battle Hospitals NHS Trust is the sole beneficiary of the Charity

**The Royal Berkshire NHS Foundation Trust, formerly, 'The Royal Berkshire & Battle Hospitals NHS Trust became a Foundation Trust from and including 1 June 2006**

The day-to-day responsibility for the Management of these funds is delegated to fund holders who are in a position to ensure that the wishes of the donors are met as well as meeting the needs of this NHS Trust. The fund holders comprise consultants, clinicians, business managers, ward sisters, departmental managers and other members of the Hospital.

Each fund holder is provided with 'The Fund holder guide' detailing the rules, regulations and procedures regarding the management, receipt and disbursement of Charitable Funds. The purpose of this guide is to inform fund holders of the overall framework under which donated funds are managed by the Trust, as Corporate Trustee, as well as the day-to-day procedures necessary to manage the funds for which they are responsible.

Rules and regulations in the form of financial procedures are in place to ensure that funds are expended correctly. These are the procedures that have been agreed by the Charity Committee and form part of the Trust's Internal Financial Control Procedures. The Chief Executive and Directors, as part of the annual accounts process, are required to certify that the Trust has an appropriate system of financial control and this has been in existence throughout the financial year.

The Finance department of the NHS Trust undertakes all administration, accounting and reporting for the Charity.

## **Risk Management**

It is recognized by the Trust that it has a responsibility to review the major risks to which the Charity is exposed and establish systems to mitigate such risks. The following risks have been identified as the most significant: possible losses from a fall in value of Investments, future levels of Income, insufficient level of reserves and mismanagement of charity monies.

### **Risk management strategy**

Key systems identified and implemented include:

Dedicated policies and procedures, including Standing Financial Instructions, have been formally adopted by the Charity and are issued to all fund holders as 'Financial Procedure 02: Fund holder's Guide'.

An effective mechanism exists whereby equipment needs are identified and satisfied (within resource constraints) through an equitable bidding process underpinned by business plans. (All equipment purchased by charitable funds will be recorded in a register)

Oracle iprocurement is part of the new financial system. It is used for all purchasing undertaken by the Trust including those items financed from charitable funds. Thus the system of charitable grants ensures that all financial transactions will be between the supplier and the Trust, with only an approved 'Grant' moving from charitable funds to the Trust as 'Funding'

The use of funds is regularly reviewed to ensure these policies are followed, and funds are expended in accordance with the objects of the Charity and in accordance with the established rules and regulations including set authorization limits as per the fund holder's guide, including ensuring that Under no circumstances can an official order be placed until all appropriate signatories have signed the order.

Investment risk is minimized through the use of professional fund managers working within agreed guidelines as per the Charity's Investment policy, which is regularly reviewed by the Charity Committee.

The use of funds is regularly reviewed to ensure that both spending and firm financial commitments remain in line with income and fund balances.

There are regular reviews by internal and external audit, the outcome of which will be reported to the Charity Committee and the Audit Committee.

### **Reserves policy**

The majority of the Charity funds are either restricted funds, which are available to be spent in accordance with the restricted purposes for which the funds were donated or as in the case of the unrestricted funds, are available to be spent for any or all of its purposes once the commitments and planned expenditure have been met.

The policy of the trustee is to seek to utilise the funds in the best interests of the Charity for the purposes of the Charity within a set timeframe in accordance with the general legal duty to apply charity funds within a reasonable time of receiving them. As at 31 March 2007 the Charity held reserves, totalling £2,752,000 and has planned expenditure of £63,000.

## Objectives and activities

The Charity's objects as per its trust deed are stated as:

**The trustees shall hold the trust fund upon trust to apply the income, and at their discretion, so far as may be permissible, the capital, for any charitable purpose or purposes relating to the National Health Service.**

The Trustees of the Charity have adopted, (as a basis for further consultation and refinement) the following as the vision and purpose of the charity

- To play a key role in the development of first class healthcare for the community served by the Royal Berkshire NHS Foundation Trust
- To support health improvements which enable people to live healthy lives and respond to particular health needs in ways that will reflect the local and national health policy
- To play a key role in the development of healthcare for the community served exceeding customer expectations
- To work in partnership with other organizations and charities to achieve the greatest impact and promote health exceeding customer expectations.

Expenditure of Charity monies is in accordance with Charity Law, its trust deed and the wishes of the donors.

Trustees endeavor to reflect the wishes of the donors and staff by directing Charity monies where it is needed most.

During the year, the charity continued to support a range of activities benefiting both patients and staff.

The ward charitable funds are often a 'Thank you' to nursing staff from patients and their relatives and these are used to support staff welfare and amenities enabling medical and clinical staff to attend courses and conferences not funded by the NHS, which helps update them on new techniques and modern technology in their specialist fields.

The notes to the accounts distinguish the types of funds held in their special purpose category and disclose all material funds.

### **General welfare and amenities steering group**

A General Welfare and Amenities Steering group has also been set up in order to provide a forum whereby formal requests for funding of expenditure may be considered. Applications are invited from any member of the Hospital. The income to the General Welfare funds is derived from a number of sources principally donations from the public, legacies and bequests to the Trust. The steering group meets regularly and includes the Chief Nurse and Director of Patient and Public affairs (Chair) and the Chief Operations Officer. The committee also includes a staff union representative and a member of the Finance team in an advisory capacity. Based on their knowledge of the hospital and its needs the committee agrees funding and scores the applications for quality, need and value for money. The General welfare funds provide an opportunity to finance projects that might otherwise not be undertaken either due to insufficient monies either in the budgeted revenue allocations or to their particular speciality charity funds.

### **Partnership working**

The Royal Berkshire NHS Foundation Trust is the sole 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 with reference to the main activities, objectives, strategies and plans of the NHS Trust.

The Corporate Trustee also ensures that the charitable funds are spent rather than accumulated over a period of time unless earmarked for specific projects. The Corporate Trustee fulfils its legal duty by ensuring that funds are spent in accordance with the objects of each fund and by designating funds to respect the wishes of the donors.

## Achievements and performance

This financial year the charity has continued to support the acute Trust in a wide variety of charitable activities benefiting both patients and staff of the Trust. This has been a year of reduced activity both in terms of donations received and expenditure incurred by the charity. The charity income in the form of legacies has seen a marked reduction in this financial year. The Trustees have noted this decline in charity activity and [are currently reviewing the situation and considering how this will be addressed](#). However our goal is to continue improving the facilities for patients and staff of this NHS Foundation Trust in line with the wishes of our generous donors.

The total spend on charitable activities for the Hospital were as follows:

Medical equipment £20,000

IT equipment, furniture & fitting £32,000

Research related expenditure £33,000

Patients welfare and amenities £31,000

Staff welfare £72,000

Building and Refurbishment £5,000

## Financial review

The net assets of the Charitable funds as at 31<sup>st</sup> March 2008 were £3,091 million (2007: £2,755 million) Overall, net assets increased by £336k with a loss on the value of investments of £83k, (mainly in line with the fall in the stock market), offset by an excess of income over expenditure of £419k.

In the financial year 2007/08, the charity received £547k of donation income including legacies and £104k of investment income. The charity's total income for the year therefore amounted to £651k. Income during 2007/08 reduced by £202k on the previous year. This was primarily due to a decrease in voluntary donations left to the Charity, which we believe is not indicative of unwillingness to support the Trust but due to lack of awareness of the Trust.

The charity is indebted to the patients, their families and other well wishers who have so generously contributed to the work of this charity.

## Investment objectives: Extract from the Investment policy of the Charity

- . Minimise Investment Risk while Maximising Capital Growth
- . Protect Capital against Inflation
- . Cover Short Term Cash Requirements

The Trustees Investment Act 1961 and Trustee Act 2000 bind investments.

## Ethical considerations

Investments should not be made if a particular range of investments would directly impede the furtherance of the Objects of the Charity (e.g. result in loss of financial support from subscribers (donors)).

Under no circumstances can Trustees exclude investments in order to give effect to a political belief held by the Trustees.

## Management

[The Investment Pool is managed by RCM UK Ltd.](#)

## Investment report for the year ended 31<sup>st</sup> March 2008

The corporate trustee invests the majority of its charitable funds with Rosenberg Capital Management in their common investment funds with a view to maximising the overall return consistent with an acceptable level of risk in accordance with the Charity's investment policy.

Fund	Holding	Value 31/03/08	31/03/07
Chariguard UK Equity Fund	55,283.09 Income units	1,052,590	1,097,249
Chariguard Fixed Interest Fund	88,993.08 income units	1,037,659	1,071,248
Cash (ex accruals)		104,653	69,416
Total		2,194,902	2,237,913

### Portfolio performance

During the year, no funds were returned to the Charity by way of capital. The portfolio decreased in value by £68,232 between 31<sup>st</sup> March 2007 and 31<sup>st</sup> March 2008. This equates to a total return (income and capital) of 0.1% before fees and charges.

### RCM performance

The total returns generated over the year by the two Chariguard funds invested in, before fees and charges, were as below, the returns for their respective benchmarks being shown in the right hand column.

Fund	Fund return %	Benchmark return %
Chariguard UK Equity Fund	-7.6	-7.7
Chariguard Fixed Interest Fund	7.8	7.6

The funds performed broadly in line with their objectives and market performance.

### Investment changes

The **target asset** mix for the fund, is set out below

Investment type	Investment share
UK equities	48.5%
Fixed interest	48.5%
Cash	3.0%

The aggregate changes to the portfolio during the year were as follows

Purchase of Chariguard UK Equity Fund units	£70,001
Sale of Chariguard Fixed Interest Fund units	£64,999

## Plans for the future

The Royal Berkshire NHS Foundation Trust became a Foundation Trust (The sole beneficiary of this Charity) 2 years ago on 1 June 2006. Since then it has continued to strive towards its objective of becoming every patient's Hospital of choice. With this in mind and with the NHS undergoing radical change, the beneficiary host NHS Foundation Trust is preparing itself for the future where it will be able to survive and prosper whatever new challenges may arise. [The first check up as a foundation Trust placed the Trust in upper decile nationally](#). The Trust is developing strategies and initiatives to ensure that the Trust achieves its ambition of being the first choice provider.

In line with the host sole beneficiary Trust the Trustees of this Charity have outlined a strategy for the charity which is designed to ensure that the Charity is able to contribute towards achieving the Trusts ambitions in becoming every patient's hospital of choice. The Trustees are aware and thankful to the patients and staff who contribute so generously to this Charity but are keen to build upon the level of contributions currently received. This incorporates a vision and purpose for the charity as well as adopting new objects for the charity in line with the vision;

- To develop and implement a fund raising strategy based on a prudent mix of high income donations(major donations)and sustainable resources (fundraising) and which seek to achieve an appropriate balance between unrestricted income and project related funding
- To raise the profile of the charity both inside and outside the Trust with a view to encouraging fundraising and giving
- To invest in service improvement , innovation and development
- To identify a programme of significant modernisation and investment projects to be funded by major appeals.

The Trustees of this Charity are therefore united and determined that they would support the Trust in achieving its aims. The Trustees concur that the donated charity monies will be put to good use in line with the strategic plans of the host NHS Foundation Trust but independently and appropriately as charitable funds

The Trustees are aware that the monies of the charity are all donated monies .These monies have been donated by members of the public both patients and staff alike. The Charitable Trustees are grateful to the patients and staff of the hospital and the local community for their very generous donations and will put the money to good use in accordance with their wishes.

## Programmes for the future

The Trustees will reassess the opportunities open to the charity, independently and appropriately as charitable monies, in line with the objectives and strategy of the sole beneficiary. The Trustees are all in agreement that the Charity can play a fuller and more useful role within this NHS Foundation Trust.

## **Donations**

Our world of medicine is constantly changing and moving forward bringing new technologies and new procedures a reality. Our aspirations at this hospital are high for our patients and staff and the challenge to secure funding required reflects this.

Donations are an important source of support for this hospital, coming from patients, their families and staff. It is not just big gifts that matter, every donation counts. To all of you who supported us this year, we thank you.

## **Appeal**

We would like to take this opportunity to appeal for your continued support. Buying specialist equipment can be expensive and as a result of your donations we can endeavour to improve diagnosis, treatment and care of our patients at this hospital.

## **Gifts in wills**

Is an important source of support of this hospital, with gifts coming from current patients, their families and individuals who were patients at this hospital a very long time ago as well as staff members past and present.

## **Corporate support**

Corporate donations are very welcome at this hospital. Through employee and corporate donation schemes, substantial differences can be made to the work at this hospital. Donations help buy necessary equipment and necessary redevelopment work can be carried out.

## **Thank you**

On behalf of the Trustees, the patients, families and staff of this hospital, we would like to thank everyone who has made a charitable donation to this charity and ask that you please continue to support us.

Royal Berkshire and Battle Hospitals Charity Statement of Financial Activities  
For the year ending 31 March 2008

	Note	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	2007-08 Total Funds £000	2006-07 Total Funds £000
<b>Incoming resources</b>						
<i>Incoming resources from generated funds:</i>						
<b>Voluntary Income:</b>						
	6					
Donations		423			423	597
Legacies		122	2		124	158
Sub total voluntary income:		545	2	0	547	755
Investment income	8c	92	12		104	98
<b>Total incoming resources</b>		<b>637</b>	<b>14</b>	<b>0</b>	<b>651</b>	<b>853</b>
<b>Resources expended</b>						
<i>Costs of generating funds:</i>						
Investment management costs	7a	3	0	0	3	3
<i>Charitable activities:</i>						
Purchase of Medical equipment	7b	24	0	0	24	91
Staff education and welfare		79	6	0	85	128
Purchase of other equip and furniture		38	0	0	38	43
Research related expenditure including purchase of medical and IT equipment		38	0	0	38	96
Building and refurbishment		6	0	0	6	538
Patient welfare and amenities		36	0	0	36	17
Sub total charitable expenditure		221	6	0	227	913
Governance costs	7a	2	0	0	2	2
<b>Total resources expended</b>		<b>226</b>	<b>6</b>	<b>0</b>	<b>232</b>	<b>918</b>
<b>Sub Total :Net incoming/(outgoing) resources before Transfers and other recognised gains and losses</b>		<b>411</b>	<b>8</b>	<b>0</b>	<b>419</b>	<b>(65)</b>
<b>Transfers</b>						
<b>Gross transfer between funds</b>						<b>0</b>
<b>Net incoming/(outgoing) resources before other recognised gains and losses</b>		<b>411</b>	<b>8</b>	<b>0</b>	<b>419</b>	<b>(65)</b>
<b>Other recognised gains and losses:</b>						
<b>Realised Gains and unrealised gain /(losses) on investment assets</b>		<b>(72)</b>	<b>(12)</b>	<b>1</b>	<b>(83)</b>	<b>30</b>
<b>Net movement in funds</b>	12	<b>339</b>	<b>(4)</b>	<b>1</b>	<b>336</b>	<b>(35)</b>
<b>Reconciliation of Funds</b>						
<b>Total funds brought forward 31 March 2007</b>		<b>2,413</b>	<b>308</b>	<b>34</b>	<b>2,755</b>	<b>2,790</b>
<b>Total Fund balances carried forward 31 March 2008</b>		<b>2,752</b>	<b>304</b>	<b>35</b>	<b>3,091</b>	<b>2,755</b>

The Notes at pages 3 to 9 are part of this account

Royal Berkshire and Battle Hospitals Charity Balance Sheet  
as at 31 March 2008

	Notes	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	Total at 31 March 2008 £000	Total at 31 March 2007 £000
<b>Fixed Assets</b>						
Investments	8a	1,899	306	35	2,240	2,307
<b>Total Fixed Assets</b>		<b>1,899</b>	<b>306</b>	<b>35</b>	<b>2,240</b>	<b>2,307</b>
<b>Current Assets</b>						
Debtors	9a	8	0	0	8	149
Short term investments and deposits	9b	895	0	0	895	328
Cash in hand	9b	0	0	0	0	0
<b>Total Current Assets</b>		<b>903</b>	<b>0</b>	<b>0</b>	<b>903</b>	<b>477</b>
<b>Liabilities:</b>						
Creditors falling due within one year	10	50	2	0	52	29
<b>Net Current Assets/(Liabilities)</b>		<b>853</b>	<b>(2)</b>	<b>0</b>	<b>851</b>	<b>448</b>
<b>Total Assets less Current Liabilities</b>		<b>2,752</b>	<b>304</b>	<b>35</b>	<b>3,091</b>	<b>2,755</b>
<b>Net Assets</b>		<b>2,752</b>	<b>304</b>	<b>35</b>	<b>3,091</b>	<b>2,755</b>
<b>The Funds of the Charity</b>						
Endowment Funds	11c	-	-	35	35	34
Restricted Income Fund	11a	-	304	-	304	308
Unrestricted Income Fund	11b	2,752	-	-	2,752	2,413
<b>Total Charity Funds</b>		<b>2,752</b>	<b>304</b>	<b>35</b>	<b>3,091</b>	<b>2,755</b>

The Notes at pages 3 to  
9 are part of this  
account

Chairman

Date

Trustee

Date

## Notes on the accounts

### 1. Accounting policies

#### a) Basis of preparation

The financial statements have been prepared under the historic cost convention, with the exception of investments, which are included at market value. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (SORP 2005) issued in March 2005 and applicable UK Accounting Standards and the Charities Act 1993 and the Charities Act 2006.

#### b) Funds Structure

Restricted funds are funds, which are to be used in accordance with specific restrictions imposed by the donor. The restriction may apply to the use of income or capital or both. Where the restriction requires the gift to be invested to produce income but the trustees have the power to spend the capital, it is classed as expendable endowment.

Permanent endowment funds are funds where the donor has expressly provided that only the income of the fund may be applied for a specific or non-specific purpose but where the capital is held to generate income and where the trustees have no discretion to expend the capital.

This charity has two permanent endowment funds

- CIP (Capital in perpetuity) MG Harding –Staff
- CIP (Capital in perpetuity) MG Harding –Patients

Unrestricted funds comprise those funds, which the Trustee is free to use for any purpose in the furtherance of the charitable objects. Income generated from assets held in the unrestricted funds are unrestricted income. Unrestricted funds include designated funds (earmarked), where the donor has made known their non-binding wishes or where the trustees, at their discretion, have created a fund for a specific purpose, often reflecting the wishes of the donors and which are at the trustees' discretion.

The major funds held in each of these categories are disclosed in note 11.

#### c) Incoming resources

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

#### d) Incoming resources from legacies

Legacies are accounted for as incoming resources either upon receipt or where the receipt of the legacy is virtually certain; this will be once confirmation has been received from the representatives of the estate that payment of the legacy will be made and once all conditions attached to the legacy has been fulfilled.

Material Legacies, which have been notified but not recognised as incoming resources in the Statement of Financial Activities, are not included in the year end accounts.

#### e) Resources expended

Expenditure is recognised when a liability is incurred. Expenditure and commitments are recognised only when the payment is made or when the goods or services have been supplied and a liability has been established.

Grants are made only to the sole beneficiary of the charity, 'The Royal Berkshire NHS Foundation Trust' and in furtherance of the charitable objects of the charity. A liability for such grants is recognised only when the payment is made or when the liability has been established to a third party.

## Notes on the accounts

### f) Irrecoverable VAT

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

### g) Allocation of support costs

Support costs have been apportioned across all funds based on the fund balance. These costs have then been allocated between charitable activities for the year in proportion to total spend and are included in the statement of financial activities and shown separately in note 7.

### h) Costs of Generating funds

The costs of generating funds are the cost of the Investment fund management fees. The charity has not actively fund raised or traded.

### i) Charitable activities

All charitable activities are solely for the benefit of the beneficiary NHS Trust 'The Royal Berkshire NHS Foundation Trust' and the corporate trustee operates a scheme of delegation, through which all activity is managed. 'Fund holders' are responsible for the funds and its expenditure in accordance with the rules and regulations set out by the trustees in charity and NHS Trust financial procedures and financial instructions. The charity does not make grants to individuals. The total cost is disclosed in the activity analysis on the face of the statement of Activities. The grants received by the beneficiaries of each category of charitable activity is disclosed in note 7

Costs of charitable activities comprise all costs incurred in the pursuit of the charitable objects of the charity. These costs comprise direct costs and an apportionment of support costs as shown in note 7.

### j) Governance costs

Governance costs comprise all costs attributable to ensuring the public accountability of the charity and its compliance with regulation. These costs relate to statutory audit.

### k) Fixed asset investments

Investments are stated at market value as at the balance sheet date. The charity investment advisors supplied the valuation for the investment. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

### l) Realised gains and losses

All gains and losses are taken to the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and book cost.

### m) Unrealised gains and losses

Unrealised gains and losses are calculated as the difference between the market value at the year-end and opening market value (or purchase date if later).

n) Staff costs

The Charity does not directly employ any staff. However, the Finance department of the beneficiary NHS Trust undertakes all administration, accounting and reporting for the Charity. The NHS Trust makes a charge for this

o) Pension costs

The charity does not directly employ any staff and consequently has no pension costs.

p) Prior Year

## **2. Related party transactions**

The Royal Berkshire NHS Foundation Trust is the sole beneficiary of the Charity. During the year none of the Members of the charity committee or member of the key management staff or parties related to them has undertaken any Material transaction with this charity.

The charity has provided funding to the NHS Trust for approved expenditure.

The funding amounted to £227k (2006/07 £913k) and is included in the total grant making costs as detailed in note 7.

The Charitable Trust has made revenue and capital payments to the Royal Berkshire and Battle Hospitals NHS Trust where the members of the charity Committee (whose names are listed below) are also members of the trust Board.

Mr. Colin Maclean OBE	Chairman and Non-Executive Director
Professor Ann Sheen OBE	Chief Executive and Executive Director
Mr. Ken Hydon	Non-Executive Director
Mr. Rajinder Sohpal	Non-Executive Director
Mr. Martin Sheldon	Executive Director

## **3. Trustee remuneration**

During the year, none of the members of the NHS Trust Board or senior NHS Trust staff or parties related to them were beneficiaries of the charity. Neither the Corporate Trustee nor any member of the NHS Trust Board has received honoraria, emoluments or expenses in the year and the Trustee has purchased trustee indemnity insurance.

## **4. Auditors remuneration**

The auditor's remuneration has been estimated at £1,774 (2006/07 £1,774) related solely to the audit with no additional work being undertaken

## **5. Transfer of Funds**

There were no transfers between restricted and unrestricted funds.

Notes on the accounts

6. Analysis of Voluntary Income

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	Total 2007/08 £000	Total 2006/07 £000
Donations from Individuals	192	0	0	192	376
Corporate Donations	225	0	0	225	219
Legacies	122	2	0	124	158
Other Income	6	0	0	6	2
<b>Total</b>	<b>545</b>	<b>2</b>	<b>0</b>	<b>547</b>	<b>755</b>

7. Details of Resources expended

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	Total 2007/08 £000	Total 2006/07 £000
Charitable activities					
Purchase of Medical Equipment	20	0	0	20	87
Staff Education and welfare	67	5	0	72	123
Purchase of other Equipment and Furnit	32	0	0	32	41
Research	33	0	0	33	92
Building and refurbishment	5	0	0	5	518
Patients welfare and amenities	31	0	0	31	16
	<b>188</b>	<b>5</b>	<b>0</b>	<b>193</b>	<b>878</b>

7a) Governance, Support costs and Investment Management costs

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	Total 2007/08 £000	Total 2006/07 £000
Audit Fee	2	0	0	2	2
Support costs of beneficiary NHS Tru	32	2	0	34	34
Investment Management cost	3	0	0	3	4
	<b>37</b>	<b>2</b>	<b>0</b>	<b>39</b>	<b>40</b>

Apportionment of support costs

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	Total 2007/08 £000	Total 2006/07 £000
Charitable activities					
Purchase of Medical Equipment	3	0	0	3	4
Staff Education and welfare	11	2	0	13	5
Purchase of other Equipment and Furnitu	6	0	0	6	2
Research	6	0	0	6	4
Building and refurbishment	1	0	0	1	20
Patients welfare and amenities	5	0	0	5	1
	<b>32</b>	<b>2</b>	<b>0</b>	<b>34</b>	<b>35</b>

**Notes on the accounts**

**7b) Analysis of total charitable expenditure**

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	Total 2007/08 £000	Total 2006/07 £000
Charitable activities					
Purchase of Medical Equipment	24	0	0	24	91
Staff Education and welfare	79	6	0	85	128
Purchase of other Equipment and Furniture	38	0	0	38	43
Research	38	0	0	38	96
Building and refurbishment	6	0	0	6	538
Patients welfare and amenities	36	0	0	36	17
	<u>221</u>	<u>6</u>	<u>0</u>	<u>227</u>	<u>913</u>

**8. Analysis of Fixed asset Investments**

**8a) Fixed asset Investments**

	2007-08 £000	2006-07 £000
Market Value at 31 March	2,307	2,310
Less ;Disposals at carrying value	-225	-100
Add;Acquisitions at cost	241	67
Net loss on revaluation	-83	30
Market Value at 31 March 2008	<u>2,240</u>	<u>2,307</u>
Historic cost at 31 March 2007	<u>1,942</u>	<u>1,897</u>

**8b) Market value at 31 March**

	Held in the U.k £000	Held Outside the U.K £000	2007-2008 Total £000	2006-2007 Total £000
Fixed asset Investment	2,135	0	2,135	2,213
Cash held as part of the Investment portfolio	105	0	105	94
	<u>2,240</u>	<u>0</u>	<u>2,240</u>	<u>2,307</u>

**Notes on the accounts**

**8c) Total gross Income**

	Held in the U.k £000	Held Outside the U.K £000	2007-2008 Total £000	2006-2007 Total £000
Fixed asset Investment	81	0	81	88
Other Investments	23	0	23	10
	<u>104</u>	<u>0</u>	<u>104</u>	<u>98</u>

**9. Analysis of current assets**

**9a) Debtors falling under one Year**

	2007-2008 £000	2006-2007 £000
Amounts falling due within one year;		
Legacy		3
Other debtors		5
Total debtors falling within one year		<u>8</u>
		<u>149</u>

**9b) Current Investment assets held on deposits.**

	2007-2008 £000	2006-2007 £000
Lloyds premier Interest account		6
Lloyds Business call account		889
Cash in Hand		0
Total		<u>895</u>
		<u>328</u>

**10. Analysis of Creditors**

	2007-2008 £000	2006-2007 £000
Amounts falling due within one year		
Trade creditors		47
RCM fee		5
Total creditors falling due within one year		<u>52</u>
		<u>29</u>

## Notes on the accounts

## 11. Analysis of fund

## 11a) Details of Material funds; Restricted

<b>Material Funds</b>	Balance 31-Mar-07 £000	Incoming resources £000	Resources expended £000	Transfers £000	Gains and losses £000	Balance 31-Mar-08 £000
A Audiology services	1	0	0	0	0	1
B Surgical services	5	2	0	0	0	7
C Diabetes Services	0	0	0	0	0	0
D Renal Services	0	0	0	0	0	0
E Gastroenerology Services	2	0	0	0	0	2
F Cardiology Services	0	0	0	0	0	0
G Chest Services	0	0	0	0	0	0
H Cancer care Services	6	0	0	0	0	6
I General medical Services	54	0	-4	0	0	50
J Child Medicine Services	2	0	0	0	0	2
K Maternity and Gynaecology Services	0	0	0	0	0	0
L Pathology Services	4	0	0	0	0	4
M Intensive Care services	0	0	0	0	0	0
N Royal Berkshire Hospital General Purposes	20	0	-1	0	0	19
O Battle Hospital General purposes	16	0	-1	0	0	15
P Unrealised gains /loss not distributed	112	0	0	0	-16	96
Q Realised gain loss not distributed	45	0	0	0	4	49
R Investment Income not distributed	41	12	0	0	0	53
<b>Total</b>	<b>308</b>	<b>14</b>	<b>-6</b>	<b>0</b>	<b>-12</b>	<b>304</b>

Notes on the accounts

11. Analysis of fund

11b) Details of Material funds; Unrestricted

Material funds	Balance 31-Mar	Incoming resources	Resources expended	Transfers	Gains and losses	Balance 31-Mar-08
A Audiology Services	28	0	-4	0	0	24
B Surgical Services	200	59	-38	2	0	223
C Diabetes Services	117	4	-3	0	0	118
D Renal Services	113	29	-13	0	0	129
E Gastroenterology Services	43	5	-5	0	0	43
F Cardiology Services	113	80	-25	0	0	168
G Chest Services	27	5	-6	0	0	26
H Cancer Care Services	287	69	-12	0	0	344
I General Medical Services	185	46	-35	0	0	196
J Child Medicine Services	75	27	-19	0	0	83
Maternity and Gynaecology Services	90	36	-20	0	0	106
L Pathology Services	32	0	-7	0	0	25
M Intensive care services Royal Berkshire General purposes	29	55	-4	0	0	80
N Battle Hospital General Purposes	500	115	-29	140	0	726
O Prince Charles eye unit nurses fund	32	14	-3	0	0	43
P Prince Charles eye unit Consultant fund	4	2	-3	0	0	3
Q Umbrella fund	3	0	0	0	0	3
R Accrued Legacy Income	12	0	0	0	0	12
S Unrealised gain /loss not distributed	145	0	0	-142	0	3
T Realised gain /loss not distributed	-71	0	0	0	-99	-170
U Investment Income not distributed	210	0	0	0	27	237
V Total	239	91	0	0	0	330
	<u>2,413</u>	<u>637</u>	<u>-226</u>	<u>0</u>	<u>-72</u>	<u>2,752</u>

Note: There have been no transfers between restricted and unrestricted funds. The above transfers refers to advance notification of legacy which are maintained in "accrued legacy" and are transferred to the individual and appropriate funds once monies are received and destination fund established.

Notes on the accounts

11. Analysis of fund

11c) Details of Material funds; Endowment

	Balance 31-Mar-07	Incoming Resources	Resources expended	Transfer	Gains and Losses	Balance 31-Mar-08
A MG Harding	35	0	0	0	0	35
B Unrealised gain not distributed	-1	0	0	0	1	0
Total	34	0	0	0	1	35

Royal Berkshire & Battle Hospitals Charity (1052720)

Royal Berkshire NHS Foundation Trust is one of the largest district general hospitals in the country.

Voluntary donations from the public are very much welcomed in order to complement the services the Trust provides to patients.

When making a donation do not forget to...

**'GIFT AID IT'**

Donate through Gift Aid and get the Government to donate too! A 'Gift Aided' donation will be increased by 28%

(Basic rate taxpayers) meaning more money goes to helping the Hospital.

Donating is easy and can be done a number of ways:

Donate securely, simply and quickly with your Credit/Debit card, or by cheque\*/cash at the Cashiers Office, Level 2, Main Entrance, Royal Berkshire Hospital

You can also donate by telephone – simply call 0118 3227054 (with your Credit/Debit card details to hand) stating that you wish to make a donation to the Trust's Charitable Fund.

Alternatively, you can send your donation by post (cheque\*/postal order\* only) to:

**The Royal Berkshire & Battle Hospitals Charity  
Charitable Fund Accountant  
Finance Department  
North Block  
London Road,  
Reading  
RG1 5AN**

**\*Cheques/postal orders to be made payable to:  
'The Royal Berkshire & Battle Hospitals Charity'**



