

WOLVERHAMPTON CITY PRIMARY CARE TRUST CHARITY ANNUAL REPORT 2006/07

Reference and Administrative Details

Registered charity no 1061148

Registered address: Coniston House
Chapel Ash
Wolverhampton
WV3 0XE

The trustees of the charity are the Board of Wolverhampton City Primary Care Trust:

J Crockett, Chief Executive * (appointed 1 April 2002)
N Nisbet, Director of Finance (appointed 1 October 2005)
M Espley, Director of Care Services (appointed 15 August 2005)
A Philips, Director of Public Health (appointed 1 April 2002)
T Mackriell, Chairman (appointed 1 April 2002 to 30 September 2006)
B Picken, Chairman # (appointed 1 October 2006, previously non-executive director)
C Crosdale, Non-Executive Director * (appointed 1 April 2002)
R Jones, Non-Executive Director # (appointed 1 April 2002)
C Irvine, Non-Executive Director (appointed 1 April 2002 to 31 October 2006)
S Gill, Non-Executive Director # (appointed 1 April 2002 to 31 October 2006)
J Oatridge, Non-Executive Director * (appointed 1 January 2007)
S Asar-Paul, Non-Executive Director * (appointed 1 January 2007)
M Comeby, Non-Executive Director (appointed 1 January 2007)
S Kalirai, Non-Executive Director * (appointed 1 January 2007)
P Woodman, Non-Executive Director (appointed 1 December 2006 to 31 December 2006)

* Current member of the Charitable Funds Committee

Member of the Charitable Funds Committee April 2006-January 2007

The trustees met once during the year on 9 January 2007.

Appointments to the posts of Chairman and Non-Executive Directors are made by the NHS Appointments Commission. Other Board appointments are made through the PCT's Remuneration Committee.

Bankers: The Royal Bank of Scotland
37 Princess Street
Wolverhampton
WV1 1HD

External Auditors: KPMG LLP
2 Cornwall Street
Birmingham
B3 2DL

Internal Auditors: West Midlands Internal Audit Consortium
c/o 3rd Floor
Coniston House
Wolverhampton
WV3 0XE

Structure, Governance & Management

The charity was created by Trust Deed on 26 February 1997 and was named Wolverhampton Health Care Charity. The original object of the charity was "for any charitable purpose or purposes relating to the national health service wholly or mainly for the services provided at Wolverhampton Health Care NHS Trust."

Upon its merger with Wolverhampton Health Charitable fund on 1 April 2005 the charity was re-named Wolverhampton City Primary Care Trust Charity and the objects were amended to "for any charitable purpose or purposes relating to the national health service wholly or mainly for the services provided at Wolverhampton City Primary Care Trust."

The charity is classified as an umbrella charity and has a number of subsidiary charities underneath it which reflect the Directorates within the PCT. These are:

Support Services Charity
Learning Disabilities Charity
Primary Care Services Charity
Childrens & Associated Services Charity
Paramedic Services Charity
Mental Health Services Charity
Elderly Care Services Charity
Rehabilitation Services Charity
Staff Welfare Charity

Each of these charities has its own fund manager who is responsible for managing the fund and producing associated business plans.

Wolverhampton City PCT administers the funds on behalf of the charity in accordance with the PCT's Standing Orders and Standing Financial Instructions.

The Board of the PCT, on behalf of the corporate trustee, has delegated responsibility to manage the charitable funds to the Charitable Funds Committee. The Director of Finance is responsible for the day-to-day management and control of the administration of the charitable funds and reports to the Charitable Funds Committee. The Director of Finance has particular responsibility to ensure that the spending is in accordance with the objects and priorities agreed by the Charitable Funds Committee and the Board; that the criteria for spending charitable monies are fully met; that full accounting records are maintained; and that devolved decision making or delegated arrangements are in accordance with the policies and procedures set out by the Board on behalf of the corporate trustee.

Income and Expenditure is monitored in total and is reported to the Charitable Funds Committee. Fund holders have delegated responsibility for expenditure but any items of expenditure over £500 must be authorised by the Chief Executive or Finance Director of Wolverhampton PCT. Items over £5,000 must be authorised by both the Chief Executive and Finance Director and any items over £10,000 have to be approved by the Charitable Funds Committee. All fund holders are given a charity manual which provides details of the structure of the funds and the procedures and policies that must be adhered to.

The membership of the Charitable Funds Committee for the period April 2006 to December 2006 was:

Mr R Jones	Non-Executive Director Wolverhampton PCT	<i>Chair</i>
Mr C Crosdale	Non-Executive Director Wolverhampton PCT	
Mrs S Gill	Non-Executive Director Wolverhampton PCT	
Mr B Picken	Non-Executive Director Wolverhampton PCT (until 30 September 2006)	
Mr J Crockett	Chief Executive Wolverhampton PCT	

The membership of the Charitable Funds Committee for the period January 2007 to March 2007 was:

Mr J Oatridge	Non-Executive Director Wolverhampton PCT	<i>Chair</i>
Mrs S Asar-Paul	Non-Executive Director Wolverhampton PCT	
Mr C Crosdale	Non-Executive Director Wolverhampton PCT	
Mr S Kalirai	Non-Executive Director Wolverhampton PCT	
Mr J Crockett	Chief Executive Wolverhampton PCT	

As part of their induction programme new Executive and Non-Executive Directors of Wolverhampton PCT are also made aware of their responsibilities as Board members of the corporate trustee of Wolverhampton City PCT Charity. On an ongoing basis Trustees are kept up-to-date on technical matters by the Director of Finance via the Charity Committee meetings.

RISK MANAGEMENT: The charity is not exposed to any major risks since it does not hold any investments and does not support any ongoing projects which would be at risk if the level of income dropped significantly. However, any material changes in income or expenditure are highlighted to trustees for discussion at committee meetings and an action plan agreed where appropriate.

Objectives and Activities

The charity does not currently actively fundraise and relies upon the generosity of patients and their relatives and other donors. The funds are used for the following purposes:

Patients Expenditure: Purchase of small items of equipment, provision of services and the provision of facilities not normally provided by or in addition to the normal NHS provision.

Staff Expenditure:

- a) Motivation of staff by improving staff facilities and by providing services that improve staff wellbeing
- b) Education of staff by providing education over and above what would normally be provided by the NHS.

Medical Research: To provide funds in support of research projects which are of benefit to the NHS.

Groups which benefit from these fund are children/young people, the elderly, people with a disability/special needs and other charities/voluntary bodies.

Achievements, Performance & Financial Review

The charitable fund received donations amounting to £63,000 during 2006/07. This included a donation of £7,600 from Wolverhampton Health Lottery Ltd.

Interest from investments amounted to £6,000 and this represents interest earned on the charity's special interest bearing bank account. The charity does not hold any fixed asset investments and does not invest in money markets.

Total expenditure of £33,000 was used in furtherance of the charity's objects. This expenditure included:

Patient Welfare & Amenities (£33,000)

£23,500 was spent on the purchase of medical equipment and £18,800 related to equipment at West Park Hospital. The equipment included a bladder scanner, hoists, a blood pressure monitor and a hydro tilt chair.

£2,500 was used for training and patient information leaflets.

£7,000 was spent on the purchase of furniture and furnishings for patient areas and this included £4,320 for curtains within the wards at West Park Hospital.

The overall financial performance for 2006/07 recorded a net increase in funds of £24,000. When compared to 2005/06 the level of donations received has remained broadly the same but the level of expenditure has reduced from £106,000 in 2005/06 to £45,000 in 2006/07. The trustees will be working to increase the level of expenditure over the next year and this is reflected in the reserves policy shown on page 5 of this report.

PRINCIPAL FINANCIAL MANAGEMENT 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), and in accordance with Accounting and Reporting by Charities: Statement of Recognised Practice (SORP 2005) and applicable United Kingdom Accounting Standards and the Charities Act 1993.

(b) Incoming Resources

All incoming resources are included in full in the Statement of Financial Activities once the charity has entitlement to the resources, it is certain that the resources will be received and the monetary value of incoming resources can be measured with sufficient reliability.

(c) Incoming Resources from Legacies

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

(d) Resources Expended

All expenditure is accounted for on an accruals basis and is recognised once there is a legal or constructive obligation to make a payment to a third party.

Cost of generating funds

The cost of generating funds are the costs associated with generating income for the charity.

Grants payable

Grants payable are payments, made to third parties (including NHS bodies) in the furtherance of the charity's objectives to relieve those who are sick. They are accounted for on an accruals basis where the conditions for their payment have been met or where a third party has a reasonable expectation that they will receive the grant. This includes grants paid to NHS bodies.

Governance and administrative costs

These are accounted for on an accruals basis and are recharges of appropriate proportions of costs from Wolverhampton City Primary Care Trust. These costs will include recharges of internal and external audit fees and have been apportioned across the funds on the basis of the total value of income held.

(e) Irrecoverable VAT

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

RESERVES POLICY

At 31 March 2007 unrestricted free reserves amounted to £136,000, an increase of £24,000 on the previous year. The target level of free reserves agreed by the trustees is £50,000 which is broadly equivalent to the annual value of donations received. Trustees will be reviewing expenditure plans over the next year to bring the level of reserves down.

Plans for Future Periods

The trustee does not expect any significant changes in the objectives of the charity in the forthcoming year.

The charity will receive its annual donation from Wolverhampton Health Lottery Ltd and this is expected to be approximately £6,000. Bids will be invited from fund managers which meet the charity's objects.

The level of activity for the remainder of the charitable funds will be dependent upon the generosity of donors.

Related Party Transactions

During the year none of the Trustees or members of the key management staff or parties related to them has undertaken any material transactions with the Wolverhampton City PCT Charitable Trust.

The Trustees of the charity are also Board Members of the PCT and members of the Charitable Funds Committee. Board members (and other senior staff) take decisions both on Charity and Exchequer matters but endeavour to keep the interests of each discrete and do not seek to benefit personally from such decisions. Declarations of personal interest have been made in both capacities and are available to be inspected by the public.

Wolverhampton City PCT administers the funds on behalf of the charity in accordance with the PCT's Standing Orders and Standing Financial Instructions, (see details given in the Structure, Governance and Management section). In line with best practice, Wolverhampton City PCT charged the charitable fund a management fee of £12,256 in 2006/07 on an arms length basis.

The charity receives an annual donation from Wolverhampton Health Lottery Ltd. This represents the income generated from operating a lottery specifically for NHS employees in Wolverhampton. This organisation is a limited company separate from both the PCT and the PCT's charitable fund. Following the resignation of the lottery's promoter in October 2004 the PCT agreed to take over the administration and directorship of the lottery. The membership of the lottery as at 31 March 2007 was as follows:

N Nisbet, Director (also Director of Finance of the PCT)
B Picken, Chairman (also Chairman of the PCT)
C Crosdale, Director (also Non-Executive Director of the PCT)
M Tongue, Secretary/Promoter (also Chief Financial Accountant of the PCT)

SIGNED ON BEHALF OF THE TRUSTEES

DATE

