

NATIONAL HEALTH SERVICE
WOLVERHAMPTON CITY PRIMARY CARE TRUST

FUNDS HELD ON TRUST
ANNUAL ACCOUNTS 2006-07
WOLVERHAMPTON CITY PRIMARY CARE TRUST CHARITY

The accounts of the Funds Held on Trust by Wolverhampton City Primary Care Trust

FOREWORD

These accounts have been prepared by the Trustees under section 98(2) of the National Health Service Act 1977 (as amended) in the forms which the Secretary of State has, with the approval of Treasury, directed.

STATUTORY BACKGROUND

The Primary Care Trust is the corporate trustee of the funds held on trust under paragraph 16c of Schedule 2 of the NHS and Community Care Act 1

The Wolverhampton City Primary Care Trust charitable funds held on trust are registered with the Charity Commission.

MAIN PURPOSE OF THE FUNDS HELD ON TRUST

The main purpose of the charitable funds held on trust is to apply income for any charitable purpose relating to the National Health Service wholly or mainly for the services provided by Wolverhampton City Primary Care Trust.

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STATEMENT OF TRUSTEES' RESPONSIBILITIES IN RESPECT OF THE TRUSTEES' REPORT AND THE FINANCIAL STATEMENTS

Under the trust deed and charity law, the trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the trustees to prepare financial statements for each financial year.

The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the excess of expenditure over income for that period.

In preparing these financial statements, generally accepted accounting practice entails that the trustees:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether the financial statements comply with the trust deed, (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 trustees are required to act in accordance with the trust deed of the charity, within the framework of trust law. They are responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the trustees to ensure that, where any statements of accounts are prepared by them under section 42(1) of the Charities Act 1993, those statements of accounts comply with the requirements of regulations under that provision. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

Signed On Behalf Of The Trustees: _____

Date: _____

DON'T USE - SEE WORD DOC.

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Independent Auditors' Report to the Trustees of the Wolverhampton City Primary Care Trust Charity

TBA

Wolverhampton City Primary Care Trust Charity
Statement of Financial Activities for the year ended 31 March 2007

	Note	Unrestricted Funds £000	Endowment & Restricted Funds £000	Total Funds 2007 £000	Total Funds 2006 £000
Incoming resources					
<i>Incoming resources from generated funds:</i>					
Donations		62	1	63	66
Sub-total voluntary income:		62	1	63	66
Investment income	6	6	-	6	7
Total incoming resources		68	1	69	73
Resources expended					
<i>Charitable activities:</i>					
Medical research			-	-	19
Staff education, training & development			-	-	1
Patient welfare and amenities		33	-	33	65
Other				-	11
Sub total: expenditure on charitable activities		33	0	33	96
Governance costs	3	8	1	9	10
Other resources expended	3	3		3	
Total resources expended	5	44	1	45	106
Net incoming/(outgoing) resources before transfers and other recognised gains and losses		24	-	24	(33)
Assumption of Wolverhampton Health Charitable Fund		-	-	-	1
Net incoming/(outgoing) resources before other recognised gains and losses		24	-	24	(32)
Net movement in funds		24	0	24	(32)
<i>Reconciliation of Funds</i>					
Fund balances brought forward at 31 March 2006		112	15	127	159
Fund balances carried forward at 31 March 2007		136	15	151	127

The notes at pages 5 to 11 form part of this account.

Wolverhampton City Primary Care Trust Charity
Balance Sheet As At 31 March 2007

	Notes	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	Total Funds 2007 £000	Total Funds 2006 £000
<i>Current Assets:</i>						
Debtors	7	13	-	-	13	6
Cash at bank and in hand	8	126	7	8	141	159
Total Current Assets		139	7	8	154	165
<i>Liabilities:</i>						
Creditors falling due within 1 year	9	3	-	-	3	38
Net Current Assets/(Liabilities)		136	7	8	151	127
Total Net Assets		136	7	8	151	127
The Funds of the Charity:	10					
Endowment Funds		-	-	8	8	13
Restricted Income Funds		-	7	-	7	2
Unrestricted Income Funds		136	-	-	136	112
Total Funds		136	7	8	151	127

The notes at pages 5 to 11 form part of this account.

Signed on Behalf of Trustees

Date

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Notes to 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), 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) Structure of funds

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

(c) 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.

(d) 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, and the monetary

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(f) 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. There were no such costs in 2006/07 since the charity did not carry out any fundraising activities.

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.

(g) Irrecoverable VAT

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

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

(i) Pensions Contributions

The charitable fund does not have any directly employed staff and does therefore not incur any associated costs.

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2. Analysis of Voluntary Income	Unrestricted Funds	Restricted Funds	Endowment Funds	Total 2007 Funds	Total 2006 Funds
	£000	£000	£000	£000	£000
Donations from individuals	62	1	-	63	66
Total	62	1	-	63	66

Restricted fund donation of £1k relates to a donation received to purchase garden furniture as detailed in note 10b.

3. Analysis of Governance Costs & Other Resources Expended	Unrestricted Funds	Restricted Funds	Endowment Funds	Total 2007 Funds	Total 2006 Funds
	£000	£000	£000	£000	£000
Governance Costs:					
Management Fee	3	-	-	3	1
Internal Audit Fee	2	-	-	2	3
External Audit Fee	4	-	-	4	2
Other Resources Expended:					
Administration Fee	2	-	1	3	4
Total	11	0	1	12	10

These fees relate to recharges of appropriate proportions of costs from Wolverhampton City Primary Care Trust and have been apportioned across the funds on the basis of the total value of income held. The management fee reflects the work undertaken to produce the charity accounts and to manage the financial processes. The administration fee reflects the costs of the day to day running of the charity including processing all orders and payments.

4. Auditor's Remuneration

The external audit fee of £4,000 is related solely to the audit with no other additional work undertaken.

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5. Analysis of Total Resources Expended

	Costs of Generating Funds	Costs of Activities for Charitable Objectives	Admin Costs	Governance Costs	Total 2007	Total 2006
	£000	£000	£000	£000	£000	£000
Management Fee	-	-	4	2	6	5
Auditors remuneration:						
External Audit fee				4	4	2
Internal Audit fee	-	-	-	2	2	3
Other	-	33	-	-	33	96
Total	-	33	4	8	45	106

6. Gross income from investments

	Held in UK	Held outside UK	2006-07 Total	2005-06 Total
	£000	£000	£000	£000
Interest on cash held on deposit	6	-	6	7
Total investment income	6	0	6	7

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7. Analysis of Debtors	31 March 2007	31 March 2006
<i>Amounts falling due within one year:</i>	£000	£000
Trade debtors	13	6
<i>Total debtors falling due within one year</i>	13	6
Total debtors	13	6

8. Cash held on deposit	31 March 2007	31 March 2006
	£000	£000
Royal Bank of Scotland - Special Interest Bearing Account	141	159
Total	141	159

9. Analysis of creditors	31 March 2007	31 March 2006
<i>Amounts falling due within one year:</i>	£000	£000
Trade creditors	3	38
<i>Total creditors falling due within one year</i>	3	38
Total creditors	3	38

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10. Analysis of charitable funds

a) Endowment Funds	Balance 31 March 2006 £000	Incoming Resources £000	Resources Expended £000	Transfers £000	Gains and Losses £000	Balance 31 March 2007 £000
Nell Phoenix Fund	13	-	(1)	(4)	-	8
Total Endowment Funds	13	-	(1)	(4)	-	8

This represents the capital held in perpetuity and therefore only the accumulated interest can be spent. The interest earned is classified as a restricted fund and is to be used to provide musical activities for the benefit of nursing staff. The transfer of £4,000 relates to cumulative interest incorrectly allocated to the endowment fund which has now been transferred to the restricted fund.

b) Restricted Funds

	Balance 31 March 2006 £000	Incoming Resources £000	Resources Expended £000	Transfers £000	Gains and Losses £000	Balance 31 March 2007 £000
Nell Phoenix fund (interest only)	2	-	-	4	-	6
Rehabilitation (restricted donation received in 06/07 to purchase garden furniture)	-	1	0	-	-	1
Total Restricted Funds	2	1	0	4	0	7

c) Unrestricted Funds (Designated Funds)

	Balance 31 March 2006 £000	Incoming Resources £000	Resources Expended £000	Transfers £000	Gains and Losses £000	Balance 31 March 2007 £000
Mental Health	24	8	(6)	-	-	26
Children's	26	25	(11)	-	-	40
Elderly	5	18	(17)	-	-	6
Learning Disabilities	2	-	-	-	-	2
Paramedics	21	3	(6)	-	-	18
Rehabilitation	7	0	(2)	-	-	5
Primary Care	12	3	(2)	-	-	13
Staff Lottery	7	10	-	-	-	17
General Purposes	8	1	-	-	-	9
Total Unrestricted Funds	112	68	(44)	-	-	136

Individual funds are managed on a Directorate level according to service type and consequently unrestricted (designated) funds have been analysed by Directorate. Where possible donations are spent within the area they were donated (e.g. Elderly ward), and for the relief of sickness, patient education and staff training/general welfare.

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11. 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.

Certain members of the Charitable Funds Committee are also members of Wolverhampton City Primary Care Trust Board. 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.

The corporate trustee did not pay expenses to any member of the Primary Care Trust Board nor to any member of the Charitable Funds Committee and members did not receive any honoraria or emoluments from charitable funds in the year.

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. This represented the cost of administering the funds on behalf of the charity and included internal and external audit costs.