

**Royal Devon and Exeter NHS Foundation Trust General Charity Accounts and Annual Report for the year ended 31 March 2011**

**Registered Charity No:** 1061384

**Address of Charity:** Royal Devon and Exeter NHS Foundation Trust General Charity  
Bowmoor House  
Barrack Road  
Exeter  
EX2 5DW

**Corporate Trustee:**

The Royal Devon and Exeter NHS Foundation Trust is the corporate trustee of the Royal Devon and Exeter NHS Foundation Trust General Charity. The executive and non-executive directors who served the Royal Devon and Exeter NHS Foundation Trust are as follows:

A Ballatti	Chairman
B Aird	Non-Executive Director
B Baty	Non-Executive Director (Retired 30 April 2010)
D Bishop	Non-Executive Director (Retired 31 January 2011)
J Gaisford	Non-Executive Director (Appointed 1 May 2010 and resigned 20 September 2011)
J Rackstraw	Non-Executive Director
D Robertson	Non-Executive Director (Appointed 1 November 2010)
G Sturtridge	Non-Executive Director (Retired 31 October 2010)
A Willis	Non-Executive Director (Appointed 1 February 2011)
D Wright	Non-Executive Director
A Pedder	Chief Executive
Mr M Cooper	Joint Medical Director
E Hobson	Chief Operating Officer
L Lane	Director of Human Resources
Dr V Lewis	Joint Medical Director (Appointed 1 April 2011)
Dr V Pearce	Joint Medical Director (Resigned 1 April 2011)
S Tracey	Director of Finance and Business Development
J Viner	Acting Director of Nursing and Patient Care (Resigned 30 June 2010)
E Wilkinson-Brice	Director of Nursing and Patient Care (Appointed 1 July 2010)

**Bankers:** Bank of Scotland  
17 Dix's Field  
Exeter  
EX1 1UZ

**Investment Managers:** BlackRock Investment Management (UK) Limited  
33 King William Street  
London  
EC4R 9AS

**Independent Auditors:** PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
23 Princess Street  
Plymouth  
PL1 2EX

# **Royal Devon and Exeter NHS Foundation Trust General Charity Accounts and Annual Report for the year ended 31 March 2011**

## ***Structure, Governance and Management***

The Charity was created by Trust Deed on the 19<sup>th</sup> March 1997 and was named the Royal Devon and Exeter Healthcare NHS Trust General Charity.

On the 3<sup>rd</sup> August 2004 the Charity was renamed as the Royal Devon and Exeter NHS Foundation Trust General Charity (hereafter called the "Charity"), reflecting the Royal Devon and Exeter NHS Foundation Trust's new foundation status.

The corporate trustee (hereafter called "Trustee") is the Royal Devon and Exeter NHS Foundation Trust (hereafter called the "Trust"), and the executive directors and non-executive directors of the Trust Board share responsibility to ensure that the Trust fulfils its duties as Trustee.

The Trust's Chairman and Non-Executive Directors are appointed by the Trust's Council of Governors (COG) acting on the recommendation of the Nominations Committee, which is a committee of the COG. Prior to the appointment of a Non-Executive Director, the Trust's Board and the COG undertake a review of the 'Policy for the Composition of NED on the Board' to ensure the necessary mix of skills and experience on the Board is achieved.

Executive Directors are appointed in accordance with the Trust's constitution. An Appointments Committee comprising the Chairman and Non-Executive Directors select the Chief Executive and the appointment is ratified by the COG. An Appointments Committee of the Chairman, Non-Executive Directors and the Chief Executive appoint the Executive Directors.

The Director of Finance and Business Development has delegated authority for the day to day management and control of the administration of the Charity.

The Charity is the umbrella under which 12 special purpose charities operate. The special purposes relate to distinct areas within the hospital, for example the medical directorate.

The funds held under special charities are classified as restricted income funds. The remaining funds held by the Charity are classified as unrestricted income funds, i.e. general funds.

Within each of the special charities there are a number of funds relating to particular wards and departments. Each fund is managed on a day to day basis by a fund holder normally the ward/departmental manager.

### ***Trustee induction and training***

As part of their induction program new executive and non-executive directors of the Trust will be made aware of their responsibilities as a board member of the Trustee of the Charity. The induction will include an introduction to the objectives, scope and policies of the Charity, Charity Commission information on trustees' responsibilities, copies of previous years' Charity's Annual Reports and Accounts and a copy of the governing documents for the constituent charitable funds.

### ***Statement of Trustee's responsibilities***

The Trustee is responsible for preparing the Trustee's Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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The law applicable to charities in England & 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 SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustee is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable it to ensure that the financial statements comply with the Charities Act 1993, as amended by the Charities Act 2006, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. It 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.

### ***Objectives & Activities***

The Charity was registered with the objective:

“For any charitable purpose and purposes relating to the National Health Service wholly or mainly for the Royal Devon and Exeter NHS Foundation Trust.”

The objectives of the special charities relating to wards and departments of the hospital are:

“The relief of sickness in the X directorate and for the relief of sickness in the X directorate by promoting the efficient performance of their duties by the staff of the X directorate.”

The general research special charity has different objectives relating specifically to the investigation, and related education, into the causes, prevention, treatment and cure of sickness and disability.

The overall policy of the Charity is to provide support to the Royal Devon and Exeter NHS Foundation Trust by the following means: -

- |                         |   |
|-------------------------|---|
| Patients' expenditure - | purchase of small equipment and the provision of services and 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 the staffs' wellbeing,<br>b) education of staff by providing education over and above that normally provided by the Trust. |
| Capital equipment -     | purchase of equipment in addition to that normally provided by an NHS trust.  |

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Research expenditure - resources to allow staff to undertake non-commercial research and educational activities.

The objectives of each of the individual funds state whether the use of the fund is for patients, staff, and provision of equipment or research.

### ***Royal Devon and Exeter NHS Foundation Trust Profile***

The Trust provides specialist and acute hospital services to a core population of about 420,000 people living in and visiting the city of Exeter, and East and Mid Devon.

Some of the Trust's patients come from further afield in the South West because it has national and internationally recognized excellence in specialist fields, including the Princess Elizabeth Orthopaedic Centre, the Centre for Women's Health (maternity, neonatology and gynaecology services), Exeter Mobility Centre and Mardon neuro-rehabilitation centre.

Increasingly the Trust is providing patient care closer to home including managing the day case surgery activity in community hospital theatres, community midwifery services, renal dialysis units and an innovative mobile eye clinic for glaucoma follow up appointments.

The Trust prides itself on being a forward-thinking healthcare provider with a commitment to improving the quality of patient care and experience through skilled, professional staff who learn new improved ways of working and leading research and development work.

The Trust has 797 inpatient beds and 80 daycase beds.

### ***Review of the Activities of the Charitable Funds***

During the year, the Charity continued to provide grants to the Trust benefiting both patients and staff. The Charity does not currently actively fundraise and relies on the generosity of patients and their relatives, and other donors who provide generous support to their local NHS service.

The Charity's total incoming resources for the year were £648,000, which is a small decrease from the prior year figure of £706,000. The decrease consisted of a fall in voluntary income of £43,000, investment income of £4,000 and income received from charitable activities of £11,000.

The £43,000 fall in voluntary income compared to the prior year is due to the Charity receiving a reduction in legacy income of £120,000, but also an increase in donations of £77,000. The small fall in investment income is mainly due to markets not performing as well as in the prior year.

The decrease in income received from charitable activities is mainly due to the Hospital Ball, which raised £12,500 in the prior year, not being held this year. This has been offset by a small increase in fundraising classed as trading.

Total resources expended during the year were £598,000 compared to £678,000 in the prior year. The fall in expenditure is due to a reduction in resources being expended on capital equipment purchases of £118,000 compared to the prior year, and a fall of £12,000 on staff training and development, welfare and amenities. These decreases were offset by increased expenditure of £50,000 on patient welfare and amenities when compared to the prior year.

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### ***Departmental & Ward Funds:***

There are around 140 departmental and ward funds; these funds are used specifically in the designated area for the benefit of patients and staff.

The funds benefit patients through purchasing supplementary/complimentary equipment or services, which the Trust is unable to provide through exchequer funds. Examples of this include the provision of massage for parents of babies staying on the Neonatal Unit, Christmas decorations for the wards, newspapers for the Chemotherapy Day Unit and holidays for terminally ill children and their families.

Staff expenditure is used to further staff training and education thereby promoting efficient performance of their duties and development of staff skills, with support also given to team building activities.

Where funding is not available from capital funds the Charity supports the Trust's equipment and building purchasing programme. The Charity made grants of £63,000 to purchase equipment and contribute towards other capital schemes.

### ***General Funds***

The income received in these funds is not specific with regard to department or ward but may be used more generally across the Trust.

General funds include the patients' fund, the staff fund and the nurses' comfort fund. The general fund may be used to support charitable expenditure that is relevant to the hospital as a whole.

***The following are examples of some of the Charity's achievements during the year: -***

#### ***The Kidney Unit***

Donations are mainly received in memory of patients to thank the Unit for the care and attention received and from various fundraising activities. Nearly £10,000 of donations from individuals were received.

The Fund provided nearly £4,500 to support staff attendance at local, national and international courses and conferences to enhance the renal service and for personal development. The Fund also supported psychology staff training in conjunction with a donation from Exeter and District Kidney Patients Association.

The Fund provided over £1,000 to support Patient and Public Involvement meetings. Over £1,100 was used for the provision of easy chairs for use at meetings with staff, patients and relatives. Nearly £2,000 was provided to support the initial introduction of the "Sidney Kidney" logo for staff uniforms.

#### ***Breast Care Unit***

The Fund has received donations from individual patients and fundraising from organised events. Proceeds of nearly £400 from a weekly sweepstake and raffle held on the evening of the annual skittles match between the Old Court House pub and Breast Care Unit were donated.

Funds are used mainly to benefit patients clinically, or to enhance their surroundings. Several magazine subscriptions were paid for and floral arrangements for the waiting areas

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have been maintained at a cost of nearly £70. A vacuum biopsy unit costing £12,000 was purchased, which is quicker and more patient-friendly than the previous piece of equipment.

Over £300 has been used to support courses and conferences for staff. The Fund has supported radiographers attending a mammography study day, and also paid for one of the senior radiographers to attend a day course on the Alexander Technique for Mammographers at the Society of Radiographers in London. With the knowledge acquired, they have been able to advise radiographers on their technique to help prevent repetitive strain injuries.

### ***Paediatric Oncology Fund***

The Fund received nearly £18,000 of donations, of this around £12,000 was spent, the majority going to help the families of children with cancer directly.

A taxi account for patients has been funded at a cost of just over £700 and other patient travel support exceeded £800. Children from North Devon are now treated, so travel and transport has become increasingly important.

Nearly £8,000 of patient grants were provided including crisis breaks for patients and their families. Helpful Holidays provided crisis breaks and a caravan has been provided at Ladram Bay. The Fund provided other crisis grants, reflecting the financial pressure families face upon diagnosis, as patients go to Bristol and can stay there for weeks or months.

The Fund provided zoo passes at a cost of over £500. These passes enable families to have some quality time out together which they could not afford without this help.

The Fund paid over £1,200 to help staff with training. Being a shared care centre with Bristol, it is crucial that staff spend time at Bristol to help maintain standards and aid communication.

### ***Oncology Department***

The Fund spent over £1,000 on patient information leaflets, booklets and posters, also newspapers for waiting rooms have been purchased at a cost of nearly £1,200.

The Fund supported environmental improvements such as £500 on supplying and fitting new sign boards, £500 on a lamp and a further £600 on various other improvements. Storage has been improved by spending nearly £2,000 on storage boxes. General office improvements were made including nearly £1,500 expenditure on a steel cabinet.

Both course fees and associated travel expenses have been supported, with nearly £2,300 paid in total. Catering has also been provided for in-house study programmes. Other improvements have included the purchase of a computer for £1,300.

### ***Neonatal Trust Fund***

The Fund is supported by families who have used the service and by the wider community. Over £26,000 was donated from individuals or via fundraising activities.

The Fund has been used to purchase equipment including a feeding pump at a cost of £900 and over £7,000 was spent on resuscitation equipment to be used for staff training.

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The Fund has provided staff development opportunities by allowing a number of staff members to attend courses at a cost of over £3,500, massage for parents at a cost of nearly £2,000 and £60 has been used to provide flowers for babies' funerals.

The Fund has spent nearly £200 to maintain the staff photographic project, updating it as staff leave and new staff join.

### ***Bramble Ward***

A snack trolley has been provided at a cost of over £700, which has allowed children and young people the opportunity to enhance their dietary needs between meals. Treats such as cakes, chocolate biscuits, crisps etc have been provided in collaboration with a paediatric dietician. The trolley will continue to be funded alongside a new nutrition assessment tool.

The Bramble fish tank has been maintained using nearly £400 and is a popular attraction for children and their visitors.

Specialist equipment has been purchased, with over £4,500 being used to obtain Optiflow breathing equipment. This was funded by donations made from the Provincial Grand Lodge of Devonshire. Over £4,000 has been spent on scrubs for nurses.

### ***West of England Eye Unit (WEEU)***

The Fund has been fortunate to receive generous donations in memory of patients that were cared for by the unit of over £350. Over £27,000 in income from legacies generously left to the unit and a donation of £5,000 from another charity were received.

The Fund has contributed nearly £2,000 to updating the outpatients department, with improvement to vision assessment areas being made including fixing the clock that has been with the unit for many years.

The Fund has supported several of the clinical staff by paying for Ophthalmic journals subscriptions at a cost of over £1,500. The Fund has also invested over £13,000 in extra equipment for the Mobile Eye Unit and equipment to assist with research trials.

The Fund has contributed nearly £3,000 to update the rest room available to theatre staff, which has improved the environment for the surgical team.

### ***Contribution of Volunteers***

The Trustee of the Charity is extremely grateful to the volunteers who help support front line staff. These volunteers work in diverse areas such as guiding patients around the hospital, and assisting the chaplaincy service. Volunteers involved with affiliated charities such as the WRVS and the St. Johns Library Service also provide a valuable service to the hospital.

### ***Fund-Raising***

Individuals and groups have carried out a large number of fundraising events. Examples of these include: -

Over £16,000 was raised for the Neonatal Unit. Examples of fundraising activities have included £5,500 raised by a member of the public who organised a football match along with a day of other fundraising activities, £2,500 raised by a member of the public who took part in a coast-to-coast endurance event and nearly £2,000 was raised by a member of the public who took part in a sponsored parachute jump.

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Over £5,000 was raised for Paediatric Oncology. Examples of fundraising activities have included £1,400 raised by South West Truckers by holding a bingo event and over £700 by a member of the public who held sheepdog trials.

### ***Public benefit statement***

The Trustee has complied with its duty under the Charities Act 2006 to have due regard to public benefit guidance published by the Charity Commission.

To identify and respond to the needs of the intended beneficiaries of the Charity, individual wards and departments have been granted authority over the use of their charitable fund, so long as any and all expenditure falls within the overall objective of the Charity.

The delegated authority ensures that those closest to the intended beneficiaries are able to directly influence and develop the Charity to meet the needs of its beneficiaries.

### ***Events since the year end and future plans***

No significant changes are expected in the activities of the Charity in the forthcoming year.

Examples of some proposed future activities are detailed below: -

The future use and restructure of Sid Ward is being pursued by the Kidney Unit. With some changes already having taken place, consideration will be given to how the Fund can further support future restructuring changes.

The Breast Care Unit plans include having a television placed in the main waiting area.

The Neonatal Unit plans include a new software data system for a Cerebral Function Monitor. This monitor is essential when providing cooling treatment to babies who have suffered a brain injury. One family, their friends and colleagues have raised a significant amount of money for this area of care.

Bramble Ward plans to purchase an educational DVD to assist staff in communicating with children who have a learning disability. It is also hoped that the Fund is used to support the proposed review and upgrade to the Bramble accommodation.

The West of England Eye Unit is investigating the possibility of updating its library so that trainee ophthalmic doctors have a space where they can study and learn effectively.

### ***Investment Policy***

The Charity's investment powers are determined by the Trust deed, which gives the Trustee a general power of investment, subject to a restriction that no speculative or hazardous investments be made. Specifically futures or traded options are not allowed.

The investment policy is reviewed on an annual basis. The investment objective is to achieve a balance of maximizing current income while aiming for growth in capital value.

The current method of investing is via the use of common investment funds. The performance of the investments is reviewed on a quarterly basis in comparison with suitable benchmarks.

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The performances of the Common Investment Funds, in comparison to their benchmarks are: -

Performance on a Total Return basis (12 months to 31 December 2010)

	Charity %	Index %	
Charinco (UK Gilts/Bonds)	8.8	7.2	FTSE Govt. All stocks index
Charishare Restricted CIF	15.4	14.1	FTSE All-share index (excluding Tobacco & Defence)

### ***Reserve Policy***

The Charity has a formal policy regarding the holding of reserves. The Trustee, having examined the circumstances facing the Charity and its future income and expenditure patterns, has determined that no minimum level of reserves is necessary. This policy is applicable to the unrestricted reserves.

The Charity's expenditure for the year represents 35% of the opening reserves. The unrestricted reserves available to the Charity as at the 31 March 2011 were £85,000.

### ***Grant Making Policy***

This year the Charity made grants of £541,000, excluding support costs of £45,000. The Charity awards grants in the following areas on an ad-hoc basis, and in accordance with the objectives of the individual funds and special charities. The grants policy is summarised as follows:

a) Grants to the NHS for the purchase of capital assets

The needs of the relevant hospital departments are assessed and grants are awarded in the circumstances where the NHS would not normally provide equipment and where there is a benefit to patients in the provision of the equipment.

b) Grants to other research institutions

Grants are made on an ad-hoc basis to other local research institutions where elements of research cannot be carried out within the hospital or where there are joint funding arrangements.

c) Grants to individuals

In certain cases of hardship or severe illness, small grants will be made on an ad-hoc basis to patients and/or relatives. Although grants must be approved by a fund manager, the basis of an assessment may be conducted by either the relevant fund manager or by other staff involved in the case.

### ***Risk Management Policy***

The Trustee has drawn up a risk management policy. This policy details the process to be used in identifying risks and controls, assessing risks and evaluating the actions required. This information is consolidated onto a risk register.

The Risk Register is reviewed on an annual basis and the Trustee reviews any new risks identified during the year on an ongoing basis.

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The major risks to which the Charity is exposed, as identified by the Trustee, have been reviewed and systems have been established to manage those risks.

***A Big Thank You***

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

Approved on behalf of the Corporate Trustee.

A handwritten signature in black ink, appearing to read 'Angela Pedder', written in a cursive style.

Angela Pedder: Chief Executive  
30 November 2011

**Royal Devon and Exeter NHS Foundation Trust General Charity Accounts and Annual Report for the year ended 31 March 2011**

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEE OF THE ROYAL DEVON AND EXETER NHS FOUNDATION TRUST GENERAL CHARITY**

We have audited the financial statements of Royal Devon and Exeter NHS Foundation Trust General Charity for the year ended 31 March 2011 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

**Respective responsibilities of the trustee and auditors**

As explained more fully in the Trustee's Responsibilities Statement, the trustee is responsible for the preparation of financial statements which give a true and fair view.

We have been appointed as auditors under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the charity's trustee in accordance with Regulation 27 of The Charities (Accounts and Reports) Regulations 2008 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustee; and the overall presentation of the financial statements. In addition, we read all the financial and nonfinancial information in the Trustee's annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2011 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 1993.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities Act 1993 requires us to report to you if, in our opinion:

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- the information given in the Trustee's Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

*PricewaterhouseCoopers LLP*

PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Plymouth

8 December 2011

PricewaterhouseCoopers LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

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## Statement of Financial Activities for the year ended 31 March 2011

	Notes	Unrestricted funds £000	Restricted funds £000	Endowment funds £000	Total funds 2011 £000	Total funds 2010 £000
<b>Incoming resources</b>						
Incoming resources from generated funds:						
Voluntary income:						
	2					
Donations		8	488	-	496	419
Legacies		20	40	-	60	180
Sub total voluntary income		<u>28</u>	<u>528</u>	<u>-</u>	<u>556</u>	<u>599</u>
Investment income	7	4	39	-	43	47
Incoming resources from charitable activities		-	49	-	49	60
<b>Total incoming resources</b>		<u>32</u>	<u>616</u>	<u>-</u>	<u>648</u>	<u>706</u>
<b>Resources expended</b>						
Charitable activities:						
	4					
Capital equipment and contributions towards capital schemes		-	68	-	68	186
Patient welfare and amenities		2	209	-	211	161
Staff training and development, welfare and amenities		18	258	-	276	288
Medical research		-	31	-	31	31
<b>Sub total direct charitable expenditure</b>		<u>20</u>	<u>566</u>	<u>-</u>	<u>586</u>	<u>666</u>
Governance costs	3	1	11	-	12	12
<b>Total resources expended</b>		<u>21</u>	<u>577</u>	<u>-</u>	<u>598</u>	<u>678</u>
<b>Net incoming resources before other recognised gains and losses</b>		<u>11</u>	<u>39</u>	<u>-</u>	<u>50</u>	<u>28</u>
Other recognised gains and losses:						
Realised and unrealised gains on investment assets		2	45	2	49	276
<b>Net movement in funds</b>		<u>13</u>	<u>84</u>	<u>2</u>	<u>99</u>	<u>304</u>
<b>Reconciliation of funds:</b>						
Total funds brought forward		72	1,577	59	1,708	1,404
<b>Total funds carried forward</b>	13	<u>85</u>	<u>1,661</u>	<u>61</u>	<u>1,807</u>	<u>1,708</u>

The notes on pages 15 to 21 form part of these accounts.

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**Balance Sheet as at 31 March 2011**

	Notes	Unrestricted funds £000	Restricted funds £000	Endowment funds £000	<b>Total funds 2011 £000</b>	Total funds 2010 £000
<b>Fixed assets</b>						
Investments	8	40	1,057	61	<b>1,158</b>	1,109
<b>Total fixed assets</b>		<u>40</u>	<u>1,057</u>	<u>61</u>	<b><u>1,158</u></b>	<u>1,109</u>
<b>Current assets</b>						
Debtors	9	20	5	-	<b>25</b>	4
Cash at bank and in hand		30	626	-	<b>656</b>	651
<b>Total current assets</b>		<u>50</u>	<u>631</u>	<u>-</u>	<b><u>681</u></b>	<u>655</u>
<b>Current liabilities</b>						
Creditors falling due within one year	10	3	29	-	<b>32</b>	56
<b>Net current assets</b>		<u>47</u>	<u>602</u>	<u>-</u>	<b><u>649</u></b>	<u>599</u>
<b>Total net assets</b>		<u><b>87</b></u>	<u><b>1,659</b></u>	<u><b>61</b></u>	<b><u>1,807</u></b>	<u>1,708</u>
<b>Funds of the Charity</b>						
Endowment funds	13	-	-	61	<b>61</b>	59
Unrestricted income funds:						
Designated income funds	13	85	-	-	<b>85</b>	72
Restricted income funds	13	-	1,661	-	<b>1,661</b>	1,577
<b>Total funds</b>		<u><b>85</b></u>	<u><b>1,661</b></u>	<u><b>61</b></u>	<b><u>1,807</u></b>	<u>1,708</u>

The accounts on pages 13 to 21 were approved by the Corporate Trustee on 30 November 2011 and were signed on its behalf by:



Angela Pedder: Chief Executive

# Royal Devon and Exeter NHS Foundation Trust General Charity Accounts and Annual Report for the year ended 31 March 2011

## Notes to the Accounts

### 1. Accounting policies

#### 1.1 Basis of preparation

The financial statements have been prepared on a going concern basis and under the historical 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, as amended by the Charities Act 2006.

The Charity has taken advantage of the exemption in FRS 1 (revised 1996) 'Cash flow statements' from the requirement to present a cash flow statement on the grounds that it is a small entity.

#### 1.2 Funds structure

Where there is a legal restriction on the purpose to which a fund may be put, the fund is classified either as an endowment fund, where the donor has expressly provided that only the income of the fund may be applied, or as a restricted income fund where the donor has provided for the donation to be spent in furtherance of a specified charitable purpose.

Unrestricted income funds comprise those funds which the Trustee is free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds, where the donor has made known their non binding wishes or where the Trustee, at its discretion, has created a fund for a specific purpose.

#### 1.3 Incoming resources

All incoming resources are recognised 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.

#### 1.4 Incoming resources from legacies

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

Material legacies which have been notified but not recognised as incoming resources in the Statement of Financial Activities are disclosed in a separate note to the accounts with an estimate of the amount receivable, note 11.

#### 1.5 Resources expended and irrecoverable VAT

All expenditure is accounted for on an accruals basis and is recognised when a legal or constructive obligation arises, that results in a payment being unavoidable.

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

#### 1.6 Recognition of liabilities for grants payable

Grants payable are payments made to related party or third party NHS bodies and non NHS bodies in furtherance of the charitable objects of the funds. They are accounted for on the accruals basis where the conditions for their payment have been met or where the recipient has a reasonable expectation that they will receive the grant.

# Royal Devon and Exeter NHS Foundation Trust General Charity Accounts and Annual Report for the year ended 31 March 2011

## Notes to the Accounts

### 1. Accounting policies (continued)

#### 1.7 Allocation of overhead and support costs

Overhead and support costs have been allocated between Charitable Activities and Governance costs. Costs that are not wholly attributable to an expenditure category have been apportioned. The analysis of overhead and support costs and the bases of the apportionment applied are shown in note 3.

#### 1.8 Charitable activities

Costs of charitable activities comprise all costs incurred in the pursuit of the objects of the Charity. These costs comprise direct costs and an apportionment of overhead and support costs as shown in note 4.

#### 1.9 Governance costs

Governance costs comprise all costs incurred in the governance of the Charity. These costs include costs related to the statutory audit together with an apportionment of overhead and support costs.

#### 1.10 Fixed asset investments

Investments are stated at the bid price as at the balance sheet date. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

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

#### 1.11 Pensions

The Charity is a grant making charity and has no employees.

### 2. Analysis of voluntary income

	Unrestricted funds £000	Restricted funds £000	<b>Total 2011 £000</b>	Total 2010 £000
Donations	8	488	<b>496</b>	419
Legacies	20	40	<b>60</b>	180
<b>Total</b>	<u>28</u>	<u>528</u>	<u><b>556</b></u>	<u>599</u>

# Royal Devon and Exeter NHS Foundation Trust General Charity Accounts and Annual Report for the year ended 31 March 2011

## Notes to the Accounts

### 3. Allocation of support costs and overheads

Once costs have been allocated to governance the residual balance has been apportioned between the charitable activities based upon expenditure incurred by each activity. However, for apportionment purposes the expenditure relating to the purchase of capital equipment and contributions towards capital schemes has been restricted to a maximum of £100,000. It is considered that without including this restriction the weighting of the apportionment to this category would be too high.

#### 3.1 Allocation and apportionment to governance and support costs

	<i><b>Basis of apportionment</b></i>	Allocated to governance costs £000	Residual for apportionment to charitable activities £000	<b>Total 2011</b> £000	Total 2010 £000
Financial administration	<i>Allocated on time</i>	10	45	<b>55</b>	53
External audit	<i>Governance</i>	2	-	<b>2</b>	2
<b>Total</b>		<b>12</b>	<b>45</b>	<b>57</b>	<b>55</b>

#### 3.2 Apportionment of support costs across charitable activities

	Capital equipment and contributions towards capital schemes £000	Patient welfare and amenities £000	Staff training and development, welfare and amenities £000	Medical research £000	<b>Total allocated 2011</b> £000	Total allocated 2010 £000
Financial administration	5	16	21	3	<b>45</b>	43

### 4. Analysis of charitable expenditure

The Charity did not undertake any direct charitable activities on its own account during the year. Grants were approved in favour of beneficiaries and the Charity incurred expenditure with third parties in pursuance of those grants or reimbursed expenditure incurred by beneficiaries.

	Grant funded activity £000	Support costs £000	<b>Total 2011</b> £000	Total 2010 £000
Capital equipment and contributions towards capital schemes	63	5	<b>68</b>	186
Patient welfare and amenities	195	16	<b>211</b>	161
Staff training and development, welfare and amenities	255	21	<b>276</b>	288
Medical research	28	3	<b>31</b>	31
<b>Total</b>	<b>541</b>	<b>45</b>	<b>586</b>	<b>666</b>

# Royal Devon and Exeter NHS Foundation Trust General Charity Accounts and Annual Report for the year ended 31 March 2011

## Notes to the Accounts

### 5. Analysis of grants

The majority of grants are made to the Royal Devon and Exeter NHS Foundation Trust. Grants are sometimes made to individuals, e.g. to help families with travel expenses. The total cost of making grants, including support costs, is disclosed in note 4.

Individual grants are not made by the corporate trustee, instead the fund managers have been given delegated authority to manage their funds in accordance with the Charity's objectives and the donors' wishes.

<b>Institution receiving grant support</b>		<b>Total amount paid 2011 £000</b>	Total amount paid 2010 £000
Royal Devon and Exeter NHS Foundation Trust	<i>Scheme of delegation</i>	<b>532</b>	611
Other grants		<b>9</b>	12
		<b><u>541</u></b>	<b><u>623</u></b>

### 6. Auditors' remuneration

The auditors' remuneration of £2,000 (2010 - £2,000) is related solely to the statutory audit with no additional work undertaken (2010 - £nil).

### 7. Total gross income from investments and cash on deposit

	<b>2011 Total (held in the UK) £000</b>	2010 Total (held in the UK) £000
Quoted investments (fixed asset investments)	<b>38</b>	41
Interest on cash held on deposit (current assets)	<b>5</b>	6
	<b><u>43</u></b>	<b><u>47</u></b>

### 8. Fixed asset investments

<b>Movement in fixed asset investments</b>	<b>2011 £000</b>	2010 £000
Market value brought forward	<b>1,109</b>	833
Gain on revaluation	<b>49</b>	276
Market valuation as at 31 March	<b><u>1,158</u></b>	<b><u>1,109</u></b>

<b>Fixed asset investments market value and gross income receivable</b>		<b>2011 Total (held in the UK) £000</b>	2010 Total (held in the UK) £000
	Units held in 2011 and 2010		
BlackRock Charinco Common Investment Fund	123,560	<b>225</b>	224
BlackRock Charishare Restricted Common Investment Fund	652,057	<b>933</b>	885
<b>Total</b>		<b><u>1,158</u></b>	<b><u>1,109</u></b>

There are no direct investments made outside of the UK by the Charity. Both common investment fund holdings are considered to be material and are disclosed.

**Royal Devon and Exeter NHS Foundation Trust General Charity Accounts and Annual Report for the year ended 31 March 2011**

**Notes to the Accounts**

**9. Analysis of current assets**

	<b>2011</b>	2010
<b>Debtors under one year</b>	<b>£000</b>	<b>£000</b>
Other debtors	<u>25</u>	<u>4</u>

**10. Analysis of current liabilities**

	<b>2011</b>	2010
<b>Creditors falling due within one year</b>	<b>£000</b>	<b>£000</b>
Royal Devon and Exeter NHS Foundation Trust	5	56
Other creditors	<u>27</u>	<u>-</u>
	<u><b>32</b></u>	<u><b>56</b></u>

**11. Material legacies**

Legacy income is only included in incoming resources where receipt is reasonably certain and the amount is known with certainty, or the legacy has been received. As at 31 March 2011 the Charity had been notified of several legacies with an estimated value of £220,000 (2010: £6,000), which have not been accrued due to them not meeting the recognition criteria, see accounting policy note 1.4.

**12. Related party transactions**

The Royal Devon and Exeter NHS Foundation Trust is the Charity's Trustee. The Charity has made grants of £532,000 (2010: £611,000) (Note 5) and £57,000 (2010: £55,000) relating to support and governance costs (Note 3.1) to the Royal Devon and Exeter NHS Foundation Trust.

No members of the Trust's Board of Directors have received honoraria, emoluments or expenses in the year.

**13. Analysis of charitable funds**

**13.1 Analysis of endowment fund movements**

	Balance b/fwd	Gains	Balance c/fwd
	£000	£000	£000
Chorley	48	-	<b>48</b>
Other funds	<u>11</u>	<u>2</u>	<u><b>13</b></u>
	<u><b>59</b></u>	<u><b>2</b></u>	<u><b>61</b></u>

The objects of the Chorley Endowment Fund are to apply the income from the permanently endowed gift for the benefit of staff and patients within the Royal Devon and Exeter NHS Foundation Trust.

# Royal Devon and Exeter NHS Foundation Trust General Charity Accounts and Annual Report for the year ended 31 March 2011

## Notes to the Accounts

### 13. Analysis of charitable funds (continued)

13.2 Analysis of restricted fund movements	Balance b/fwd £000	Incoming resources £000	Resources expended £000	Transfers £000	Gains £000	Balance c/fwd £000
Breast Cancer Support Fund	55	14	(15)	-	-	54
Breast Care Unit fund	43	1	(21)	-	-	23
Cardiology Research Fund Dr Smith	35	1	-	-	-	36
Clinical Measurements Research Fund	37	2	-	-	-	39
Gastroenterology Research Fund	40	1	(1)	-	-	40
General Research Fund	43	-	-	-	-	43
Improving Working Lives Staff Lottery Fund	25	29	(19)	-	-	35
Kidney Unit Fund	70	24	(17)	-	-	77
Lung Research	92	1	(1)	-	-	92
Medical Physics	3	67	-	-	-	70
Neonatal Unit Fund	37	33	(18)	-	-	52
North Devon Satellite Kidney Unit Fund	35	3	(3)	-	-	35
Oncology Department Fund	60	3	(15)	-	-	48
Orthopaedic Unit Fund	89	6	(38)	2	-	59
Paediatric Oncology	31	18	(12)	-	-	37
Pan Peninsula Diabetes Education Fund	27	28	(18)	-	-	37
Postgraduate Medical Education Fund	41	-	-	-	-	41
Rheumatology Fund	35	3	(4)	-	-	34
West of England Eye Unit Fund	87	32	(22)	-	-	97
Yeo Ward	14	28	(9)	-	-	33
Other funds	678	322	(364)	(2)	45	679
	<u>1,577</u>	<u>616</u>	<u>(577)</u>	<u>-</u>	<u>45</u>	<u>1,661</u>

The above individual funds represent funds with balances in excess of £30,000 either at the 1 April 2010 or 31 March 2011.

The objective and purpose of the funds shown above are as follows: -

Breast Cancer Support Fund	Assist with the funding of breast cancer support, including training, education, equipment purchases and recreation.
Breast Care Unit fund	Provide extra comforts for patients and staff, support training and education and contribute towards equipment.
Cardiology Research Fund Dr Smith	Research, understanding and practice of cardiology in the Cardiology department.
Clinical Measurements Research Fund	Research into development of existing and new diagnostic and therapeutic patient services, including methodologies etc.
Gastroenterology Research Fund	Assist with the funding of research staff, the training of research staff, scientific journals and equipment for research.
General Research Fund	Investigation of causes of sickness and disability and prevention. Advancement of scientific research and medical education.
Improving Working Lives Staff Lottery Fund	The provision of equipment. The carrying out of works or the provision of services. Facilities or events that benefit staff through environmental, social physical or other means.
Kidney Unit Fund	To support the purchase of complementary equipment, provide training to staff and team building within the unit.
Lung Research	To fund staff, equipment, materials or other activities involved in the research, treatment and prevention of lung diseases.
Medical Physics	Provide for staff training. Provide for departmental equipment. Provide for staff social expenses
Neonatal Unit	To help provide support and comfort to parents and provide equipment and staff training for the department.
North Devon Satellite Kidney Unit Fund	Provide extra comforts for patients, support staff educational events, assist with the purchase of equipment.
Oncology Department fund	To support the purchase of complementary equipment, provide training to staff and team building within the department.
Orthopaedic Unit Fund	Provide extra comforts for patients and staff, support training and education and contribute towards equipment.
Paediatric Oncology	Facilities and equipment to help children with cancer and their family. Staff education and welfare.
Pan Peninsula Diabetes Education Fund	To develop, support and deliver diabetes education to health professionals throughout the south west peninsula. The courses and study days are educational days are educational events that are largely funded by donations from sponsors.
Postgraduate Medical Education Fund	Support post graduate medical education and contributing towards the Trust's capital equipment and buildings.
Rheumatology Fund	Provide extra comforts for patients and staff, support training and education and contribute towards equipment.
West of England Eye Unit Fund	Support the education and welfare of staff and provide equipment and facilities for patients.
Yeo Ward	To purchase non-essential equipment and items that will improve the comfort and quality of care for the patient. To staff training to enhance their knowledge and skills. Staff development and support in the way of team building activities.

# Royal Devon and Exeter NHS Foundation Trust General Charity Accounts and Annual Report for the year ended 31 March 2011

## Notes to the Accounts

### 13. Analysis of charitable funds (continued)

#### 13.3 Analysis of unrestricted fund movements

	Balance b/fwd £000	Incoming resources £000	Resources expended £000	Transfers £000	Gains £000	<b>Balance c/fwd £000</b>
General Fund	17	28	(9)	-	-	<b>36</b>
Other funds	<u>55</u>	<u>4</u>	<u>(12)</u>	<u>-</u>	<u>2</u>	<b><u>49</u></b>
	<u><u>72</u></u>	<u><u>32</u></u>	<u><u>(21)</u></u>	<u><u>-</u></u>	<u><u>2</u></u>	<b><u><u>85</u></u></b>

The objective and purpose of the fund shown above is as follows: -

General Fund            To provide benefit to both staff and patients of the Trust.