



**SWFT CHARITY**

**ACCOUNTS**

**2018-19**

## **Independent auditor's report to the trustees of South Warwickshire NHS Foundation Trust Charitable Fund**

### **Report on the audit of the financial statements**

#### **Opinion**

In our opinion the financial statements of South Warwickshire NHS Foundation Trust Charitable Fund (the 'charity'):

- give a true and fair view of the state of the charity's affairs as at 31 March 2019 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, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the Charities Act 2011.

We have audited the financial statements which comprise:

- the statement of financial activities;
- the balance sheet;
- the statement of cash flows; and
- the related notes 1 to 18.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is **sufficient** and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

We are required by ISAs (UK) to report in respect of the following matters where:

- the trustees' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

#### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Report on other legal and regulatory requirements**

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

Under the Charities (Accounts and Reports) Regulations 2008 we are required to report in respect of the following matters if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; 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.

We have nothing to report in respect of these matters.

#### **Use of our report**

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Deloitte LLP  
Statutory Auditor  
Leeds, UK  
12 December 2019

Deloitte LLP is eligible for appointment as auditor for the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

## Statement of Financial Activities for the year ending 31 March 2019

|   | Notes | Unrestricted<br>Funds | Restricted<br>Funds | Endowment<br>Funds | Total<br>Funds<br>2018/19 | Total<br>Funds<br>2017/18 |
|---|-------|-----------------------|---------------------|--------------------|---------------------------|---------------------------|
|   |       | £000                  | £000                | £000               | £000                      | £000                      |
| <b>INCOME FROM:</b>                               |       |                       |                     |                    |                           |                           |
| Donations & legacies                              | 3     | 973                   | 137                 | 0                  | 1,110                     | 727                       |
| Other trading activities - fundraising activities | 4     | 0                     | 2                   | 0                  | 2                         | 9                         |
| Investments                                       |       | 0                     | 0                   | 0                  | 0                         | 4                         |
| <b>TOTAL INCOME</b>                               |       | <b>973</b>            | <b>139</b>          | <b>0</b>           | <b>1,112</b>              | <b>740</b>                |
| <b>EXPENDITURE ON:</b>                            |       |                       |                     |                    |                           |                           |
| Raising funds                                     | 5     | 51                    | 4                   | 0                  | 55                        | 43                        |
| <i>Charitable activities</i>                      |       |                       |                     |                    |                           |                           |
| - Purchase of Medical Equipment                   | 6     | 173                   | 34                  | 0                  | 207                       | 741                       |
| - Furniture & Fittings                            |       | 0                     | 0                   | 0                  | 0                         | 0                         |
| - Staff Training and Welfare                      | 6     | 18                    | 7                   | 0                  | 25                        | 37                        |
| - Patient Welfare                                 | 6     | 67                    | 248                 | 0                  | 315                       | 64                        |
| - Other   | 6     | 853                   | 195                 | 0                  | 1,048                     | 307                       |
| <b>TOTAL EXPENDITURE</b>                          |       | <b>1,162</b>          | <b>488</b>          | <b>0</b>           | <b>1,650</b>              | <b>1,192</b>              |
| <b>2018-19</b>                                    |       | <b>(189)</b>          | <b>(349)</b>        | <b>0</b>           | <b>(538)</b>              | <b>(453)</b>              |
| Transfer between funds                            | 16    | 0                     | 0                   | 0                  | 0                         | 0                         |
| <b>NET MOVEMENT IN FUNDS</b>                      |       | <b>(189)</b>          | <b>(349)</b>        | <b>0</b>           | <b>(538)</b>              | <b>(453)</b>              |
| <b>Reconciliation of Funds</b>                    |       |                       |                     |                    |                           |                           |
| Total Funds brought forward                       |       | 1,073                 | 420                 | 5                  | 1,498                     | 1,951                     |
| Net Movement in Funds                             |       | (189)                 | (349)               | 0                  | (538)                     | (453)                     |
| <b>Total Funds carried forward</b>                |       | <b>884</b>            | <b>71</b>           | <b>5</b>           | <b>960</b>                | <b>1,498</b>              |

The notes at pages 10 to 19 form part of these accounts

All activities in both years arise from continuing activities. There were no recognised gains or losses after those shown above.

## Statement of Financial Activities for the year ending 31 March 2018

|   | Notes | Unrestricted<br>Funds | Restricted<br>Funds | Endowment<br>Funds | Total<br>Funds<br>2017/18 |
|---|-------|-----------------------|---------------------|--------------------|---------------------------|
|   |       | £000                  | £000                | £000               | £000                      |
| <b>INCOME FROM:</b>                               |       |                       |                     |                    |                           |
| Donations & legacies                              | 3     | 292                   | 435                 | 0                  | 727                       |
| Other trading activities - fundraising activities | 4     | 0                     | 9                   | 0                  | 9                         |
| Investments                                       |       | 4                     | 0                   | 0                  | 4                         |
| <b>TOTAL INCOME</b>                               |       | <b><u>296</u></b>     | <b><u>444</u></b>   | <b><u>0</u></b>    | <b><u>740</u></b>         |
| <b>EXPENDITURE ON:</b>                            |       |                       |                     |                    |                           |
| Raising funds                                     | 5     | 36                    | 7                   | 0                  | 43                        |
| <i>Charitable activities</i>                      |       |                       |                     |                    |                           |
| - Purchase of Medical Equipment                   | 6     | 136                   | 605                 | 0                  | 741                       |
| - Furniture & Fittings                            |       | 0                     | 0                   | 0                  | 0                         |
| - Staff Training and Welfare                      | 6     | 34                    | 3                   | 0                  | 37                        |
| - Patient Welfare                                 | 6     | 63                    | 1                   | 0                  | 64                        |
| - Other   | 6     | 29                    | 278                 | 0                  | 307                       |
| <b>TOTAL EXPENDITURE</b>                          |       | <b><u>298</u></b>     | <b><u>894</u></b>   | <b><u>0</u></b>    | <b><u>1,192</u></b>       |
| <b>2018-19</b>                                    |       | <b><u>(3)</u></b>     | <b><u>(450)</u></b> | <b><u>0</u></b>    | <b><u>(453)</u></b>       |
| Transfer between funds                            | 16    | 0                     | 0                   | 0                  | 0                         |
| <b>NET MOVEMENT IN FUNDS</b>                      |       | <b><u>(3)</u></b>     | <b><u>(450)</u></b> | <b><u>0</u></b>    | <b><u>(453)</u></b>       |
| <b>Reconciliation of Funds</b>                    |       |                       |                     |                    |                           |
| Total Funds brought forward                       |       | 1,076                 | 870                 | 5                  | 1,951                     |
| Net Movement in Funds                             |       | (3)                   | (450)               | 0                  | (453)                     |
| <b>Total Funds carried forward</b>                |       | <b><u>1,073</u></b>   | <b><u>420</u></b>   | <b><u>5</u></b>    | <b><u>1,498</u></b>       |

The notes at pages 10 to 19 form part of these accounts

All activities in both years arise from continuing activities. There were no recognised gains or losses after those shown above.

## Balance Sheet as at 31 March 2019

|  | Notes | Unrestricted<br>Funds | Restricted<br>Funds | Endowment<br>Funds | Total<br>Funds<br>2019 | Total<br>Funds<br>2018 |
|--|-------|-----------------------|---------------------|--------------------|------------------------|------------------------|
|  |       | £000                  | £000                | £000               | £000                   | £000                   |
| <b>CURRENT ASSETS</b>                        |       |                       |                     |                    |                        |                        |
| Debtors                                      | 11    | 25                    | 6                   | 0                  | 31                     | 20                     |
| Short Term Investments                       | 12    | 0                     | 0                   | 0                  | 0                      | 635                    |
| Cash and cash equivalents                    | 13    | 1,054                 | 301                 | 5                  | 1,360                  | 963                    |
| <b>Total Current Assets</b>                  |       | <b>1,079</b>          | <b>307</b>          | <b>5</b>           | <b>1,391</b>           | <b>1,618</b>           |
| <b>Creditors</b> falling due within one year | 14    | (195)                 | (236)               | 0                  | (431)                  | (120)                  |
| <b>NET CURRENT ASSETS</b>                    |       | <b>884</b>            | <b>71</b>           | <b>5</b>           | <b>960</b>             | <b>1,498</b>           |
| <b>NET ASSETS</b>                            |       | <b>884</b>            | <b>71</b>           | <b>5</b>           | <b>960</b>             | <b>1,498</b>           |
| <b>The funds of the charity:</b>             |       |                       |                     |                    |                        |                        |
| Endowment funds                              | 18    | 0                     | 0                   | 5                  | 5                      | 5                      |
| Restricted income funds                      |       | 0                     | 71                  | 0                  | 71                     | 420                    |
| Unrestricted income funds                    |       | 884                   | 0                   | 0                  | 884                    | 1,073                  |
| <b>2018-19</b>                               |       | <b>884</b>            | <b>71</b>           | <b>5</b>           | <b>960</b>             | <b>1,498</b>           |

These financial statements of SWFT Charity registered number 1056424 were approved by the Trustee and authorised for issue on  
They were signed on its behalf by:

Glen Burley - Chief Executive

## Balance Sheet as at 31 March 2018

|  | Notes | Unrestricted<br>Funds | Restricted<br>Funds | Endowment<br>Funds<br>2019 | Total<br>Funds<br>2018 |
|--|-------|-----------------------|---------------------|----------------------------|------------------------|
|  |       | £000                  | £000                | £000                       | £000                   |
| <b>CURRENT ASSETS</b>                        |       |                       |                     |                            |                        |
| Debtors                                      | 11    | 15                    | 5                   | 0                          | 20                     |
| Short Term Investments                       | 12    | 635                   | 0                   | 0                          | 635                    |
| Cash and cash equivalents                    | 13    | 509                   | 449                 | 5                          | 963                    |
| <b>Total Current Assets</b>                  |       | <b>1,159</b>          | <b>454</b>          | <b>5</b>                   | <b>1,618</b>           |
| <b>Creditors</b> falling due within one year | 14    | (86)                  | (34)                | 0                          | (120)                  |
| <b>NET CURRENT ASSETS</b>                    |       | <b>1,073</b>          | <b>420</b>          | <b>5</b>                   | <b>1,498</b>           |
| <b>NET ASSETS</b>                            |       | <b>1,073</b>          | <b>420</b>          | <b>5</b>                   | <b>1,498</b>           |
| <b>The funds of the charity:</b>             |       |                       |                     |                            |                        |
| Endowment funds                              | 18    | 0                     | 0                   | 5                          | 5                      |
| Restricted income funds                      |       | 0                     | 420                 | 0                          | 420                    |
| Unrestricted income funds                    |       | 1,073                 | 0                   | 0                          | 1,073                  |
| <b>2018-19</b>                               |       | <b>1,073</b>          | <b>420</b>          | <b>5</b>                   | <b>1,498</b>           |

## Statement of Cash Flows for the year ending 31 March 2019

|  | Notes | Unrestricted<br>Funds | Restricted<br>Funds | Endowment<br>Funds | Total<br>Funds<br>2018/19 | Total<br>Funds<br>2017/18 |
|--|-------|-----------------------|---------------------|--------------------|---------------------------|---------------------------|
|  |       | £000                  | £000                | £000               | £000                      | £000                      |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                        |       |                       |                     |                    |                           |                           |
| <i>Net cash provided by (used in) operating activities</i>         | 15    | (90)                  | (148)               | 0                  | (238)                     | (30)                      |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                        |       |                       |                     |                    |                           |                           |
| Interest from investments  |       | 0                     | 0                   | 0                  | 0                         | 4                         |
| Payment to Short Term Investment                                   |       | 0                     | 0                   | 0                  | 0                         | (635)                     |
| Receipt of Fixed Term Deposits                                     |       | 0                     | 0                   | 0                  | 0                         | 940                       |
| Receipt of Short Term Investment                                   |       | 635                   | 0                   | 0                  | 635                       | 0                         |
| <i>Net cash provided by (used in) investing activities</i>         |       | <u>635</u>            | <u>0</u>            | <u>0</u>           | <u>635</u>                | <u>309</u>                |
| <b>CHANGE IN CASH AND CASH EQUIVALENTS IN THE REPORTING PERIOD</b> |       |                       |                     |                    |                           |                           |
|  |       | <u>545</u>            | <u>(148)</u>        | <u>0</u>           | <u>397</u>                | <u>279</u>                |
| <b>CASH &amp; CASH EQUIVALENTS:</b>                                |       |                       |                     |                    |                           |                           |
| AT THE BEGINNING OF THE REPORTING PERIOD                           |       | 509                   | 449                 | 5                  | 963                       | 684                       |
| AT THE END OF THE REPORTING PERIOD                                 | 13    | <u>1,054</u>          | <u>301</u>          | <u>5</u>           | <u>1,360</u>              | <u>963</u>                |



## Statement of Cash Flows for the year ending 31 March 2018

|  | Notes | Unrestricted<br>Funds | Restricted<br>Funds | Endowment<br>Funds | Total<br>Funds<br>2017/18 |
|--|-------|-----------------------|---------------------|--------------------|---------------------------|
|  |       | £000                  | £000                | £000               | £000                      |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                        |       |                       |                     |                    |                           |
| <i>Net cash provided by (used in) operating activities</i>         | 15    | 338                   | (368)               | 0                  | (30)                      |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                        |       |                       |                     |                    |                           |
| Interest from investments  |       | 4                     | 0                   | 0                  | 4                         |
| Payment to Short Term Investment                                   |       | (635)                 | 0                   | 0                  | (635)                     |
| Receipt of Fixed Term Deposits                                     |       | 159                   | 781                 | 0                  | 940                       |
| <i>Net cash provided by (used in) investing activities</i>         |       | <u>(472)</u>          | <u>781</u>          | <u>0</u>           | <u>309</u>                |
| <b>CHANGE IN CASH AND CASH EQUIVALENTS IN THE REPORTING PERIOD</b> |       |                       |                     |                    |                           |
|  |       | <u>(134)</u>          | <u>413</u>          | <u>0</u>           | <u>279</u>                |
| <b>CASH &amp; CASH EQUIVALENTS:</b>                                |       |                       |                     |                    |                           |
| <b>AT THE BEGINNING OF THE REPORTING PERIOD</b>                    |       | 643                   | 36                  | 5                  | 684                       |
| <b>AT THE END OF THE REPORTING PERIOD</b>                          | 13    | <u>509</u>            | <u>449</u>          | <u>5</u>           | <u>963</u>                |

## Notes on the accounts

### 1. Accounting Policies

#### (a) Basis of preparation

SWFT Charity is governed by a Trust Deed and is administered and managed by the Corporate Trustee, the South Warwickshire NHS Foundation Trust. The Charitable Fund operates as a public benefit entity.

The accounts have been prepared under the historic cost convention.

The financial statements have been prepared in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities (SORP 2015)" applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), effective 1 January 2015; and the Charities Act 2011.

The principal accounting policies are set out below.

#### (b) Funds structure

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor. Where the restriction requires the gift to be invested to produce income but the Trustee does not have the power to spend the capital, it is classed as permanent endowment.

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

The Charity has an permanent endowment fund, the Woods Award, created by a gift from relatives of a former member of staff. Only the interest can be spent and the fund's use is restricted to the making of an annual nursing award to a member of staff who had made an outstanding contribution.

The major funds held in each of these categories are disclosed in note 18.

#### (c) Income

All income is recognised once the Charity has entitlement to the resources, it is probable that the resources will be received and the monetary value can be measured with sufficient reliability.

Where there are terms or conditions attached to income, particularly grants, then these terms or conditions must be met before the income is recognised as the entitlement condition will not be satisfied until that point. Where terms or conditions have not been met or uncertainty exists as to whether they can be met then the relevant income is not recognised in the year but deferred and shown on the balance sheet as deferred income.

#### (d) Income from legacies

Legacies are accounted for as income either upon receipt or where the receipt of the legacy is probable.

Receipt is probable when:

- Confirmation has been received from the representatives of the estate(s) that probate has been granted;
- The executors have established that there are sufficient assets in the estate to pay the legacy; and
- All conditions attached to the legacy have been fulfilled or are within the charity's control.

If there is uncertainty as to the amount of the legacy and it cannot be reliably estimated then the legacy is shown as a contingent asset until all of the conditions for income recognition are met.

(e) **Expenditure**

Expenditure is recognised when a liability is incurred, goods and services are supplied. Grant commitments are recognised when a constructive obligation arises that result in payment being unavoidable.

Grants are only made to related or third party NHS bodies and non NHS bodies in furtherance of the charitable objects of the Charity. A liability for such grants is recognised when approval has been given by the Trustee and the grant communicated to the recipient. The NHS Trust has full knowledge of the plans of the Trustee, therefore a grant approval is taken to constitute a firm intention of payment which has been communicated to the NHS Trust, and so a liability is recognised.

Charitable expenditure is aggregated within the most appropriate category.

Contractual arrangements are recognised as goods or services supplied.

(f) **Irrecoverable VAT**

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

(g) **Allocation of overhead and support costs**

Support costs are those costs which do not relate directly to a single activity. These include some staff costs, costs of administration, internal and external audit costs and IT support.

Support costs have been apportioned between fundraising costs and charitable activities on an appropriate basis. The analysis of support costs and the basis of apportionment applied are shown in note 8.

(h) **Costs of raising funds**

The costs of raising funds are the costs associated with the fundraising staff costs.

(i) **Charitable activities**

Costs of charitable activities comprise all costs incurred in the pursuit of the charitable objects of the Charity.

(j) **Debtors**

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

(k) **Cash and cash equivalents**

Cash at bank and in hand is held to meet the day to day running costs of the charity as they fall due. Cash equivalents are short term, highly liquid investments, usually in 95 day notice interest bearing savings accounts.

(l) **Going Concern**

Expenditure is only authorised after it has been ascertained that there are sufficient funds within the individual charitable fund to support the expenditure. In addition, the Trustee asks fund managers to submit annual spending plans.

The Trustee therefore has a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing these accounts.

(m) **Financial Instruments**

Financial assets and financial liabilities are recognised when the Charity becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a finance transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. The charity only holds financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

## Note 2. Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In the application of the Charity's accounting policies, which are described in note 1, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The Trustees do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure beyond the accounting policies listed above.

## Note 3. Analysis of Income from Donations, Legacies and Grants

|           | <b>Unrestricted<br/>Funds</b> | <b>Restricted<br/>Funds</b> | <b>Endowment<br/>Funds</b> | <b>Total<br/>Funds<br/>2018/19</b> | <b>Total<br/>Funds<br/>2017/18</b> |
|-----------|-------------------------------|-----------------------------|----------------------------|------------------------------------|------------------------------------|
|           | <b>£000</b>                   | <b>£000</b>                 | <b>£000</b>                | <b>£000</b>                        | <b>£000</b>                        |
| Donations | 848                           | 53                          | 0                          | 901                                | 595                                |
| Legacies  | 114                           | 9                           | 0                          | 123                                | 92                                 |
| Grants    | 11                            | 75                          | 0                          | 86                                 | 40                                 |
|           | <b>973</b>                    | <b>137</b>                  | <b>0</b>                   | <b>1,110</b>                       | <b>727</b>                         |

## Note 4. Analysis of Income from Other Trading Activities - Fundraising Activities

|                     | <b>Total<br/>Funds<br/>2018/19</b> | <b>Total<br/>Funds<br/>2017/18</b> |
|---------------------|------------------------------------|------------------------------------|
|                     | <b>£000</b>                        | <b>£000</b>                        |
| Fund raising events | <u>2</u>                           | <u>9</u>                           |
|                     | <b>2</b>                           | <b>9</b>                           |

## Note 5. Analysis of Expenditure on Raising Funds

|                              | Unrestricted Funds | Restricted Funds | Endowment Funds | Total Funds 2018/19 | Total Funds 2017/18 |
|------------------------------|--------------------|------------------|-----------------|---------------------|---------------------|
|                              | £000               | £000             | £000            | £000                | £000                |
| Operating fundraising events | 4                  | 4                | 0               | 8                   | 7                   |
| Costs (includes Salaries)    | 47                 | 0                | 0               | 47                  | 36                  |
|                              | <u>51</u>          | <u>4</u>         | <u>0</u>        | <u>55</u>           | <u>43</u>           |

The charity does not have any employees. The Trust recharges the charity for salary costs incurred.

## Note 6. Analysis of Expenditure on Charitable Activities

| 2018/19                       | Grant funded activities<br>£000 | Support costs<br>£000 | Total<br>2018/19<br>£000 |
|-------------------------------|---------------------------------|-----------------------|--------------------------|
| Purchase of Medical Equipment | 203                             | 4                     | 207                      |
| Furniture & Fittings          | 0                               | 0                     | 0                        |
| Staff Training and Welfare    | 24                              | 1                     | 25                       |
| Patient Welfare               | 309                             | 6                     | 315                      |
| Other                         | 1,026                           | 22                    | 1,048                    |
| <b>Fundraising Activities</b> | <u>54</u>                       | <u>1</u>              | <u>55</u>                |
|                               | <u>1,616</u>                    | <u>34</u>             | <u>1,650</u>             |

| 2017/18                       | Grant funded activities<br>£000 | Support costs<br>£000 | Total<br>2017/18<br>£000 |
|-------------------------------|---------------------------------|-----------------------|--------------------------|
| Purchase of Medical Equipment | 727                             | 14                    | 741                      |
| Furniture & Fittings          | 0                               | 0                     | 0                        |
| Staff Training and Welfare    | 34                              | 3                     | 37                       |
| Patient Welfare               | 58                              | 6                     | 64                       |
| Other                         | 304                             | 3                     | 307                      |
|                               | <u>1,123</u>                    | <u>26</u>             | <u>1,149</u>             |

## Note 7. Role of volunteers

Volunteers play a valuable role across the Trust and in particular when supporting our Charitable Fund. As an unpaid resource, volunteers donate their time in a variety of ways including; helping at events, supporting with administration or hosting their own events and activities. The Trust is extremely grateful to all volunteers, their dedication and support helps us to generate more charitable income.

## Note 8. Allocation of support costs

Support and overhead costs are allocated between fundraising activities and charitable activities. Governance costs are those costs which relate to the strategic management of the charity. Total governance costs are £4,200 (2017/18 £4,200).

|                     | <b>Raising<br/>Funds</b> | <b>Charitable<br/>Expenditure</b> | <b>Total<br/>Funds<br/>2018/19</b> | <b>Basis</b> |
|---------------------|--------------------------|-----------------------------------|------------------------------------|--------------|
| <b>2018/19</b>      | <b>£000</b>              | <b>£000</b>                       | <b>£000</b>                        |              |
| Administration Cost | 1                        | 29                                | 30                                 | Fund balance |
| Audit               | 0                        | 4                                 | 4                                  | Fund balance |
|                     | <u>1</u>                 | <u>33</u>                         | <u>34</u>                          |              |

|                     | <b>Raising<br/>Funds</b> | <b>Charitable<br/>Expenditure</b> | <b>Total<br/>Funds<br/>2017/18</b> | <b>Basis</b> |
|---------------------|--------------------------|-----------------------------------|------------------------------------|--------------|
| <b>2017/18</b>      | <b>£000</b>              | <b>£000</b>                       | <b>£000</b>                        |              |
| Administration Cost | 2                        | 22                                | 24                                 | Fund balance |
| Audit               | 0                        | 4                                 | 4                                  | Fund balance |
|                     | <u>2</u>                 | <u>26</u>                         | <u>28</u>                          |              |

## Note 9. Trustees' remuneration, benefits and expenses

The charity's trustees give their time freely and receive no remuneration for the work that they undertake as trustees (in either year).

In addition, they have not received any expenses for costs incurred in fulfilling their duties (in either year).

## Note 10. Auditor's remuneration

The auditor's remuneration of £3,500 +VAT for an audit (2017/18: £3,500 +VAT) related solely to the audit with no other additional work being undertaken (2017/18: £nil)

## Note 11. Debtors under 1 year

|                | <b>Total<br/>Funds<br/>2018/19<br/>£000</b> | <b>Total<br/>Funds<br/>2017/18<br/>£000</b> |
|----------------|---|---|
| Accrued income | 31  | 20  |
|                | <b><u>31</u></b>                            | <b><u>20</u></b>                            |

## Note 12. Short Term Investments

|                       | <b>Total<br/>Funds<br/>2018/19<br/>£000</b> | <b>Total<br/>Funds<br/>2017/18<br/>£000</b> |
|-----------------------|---|---|
| Short Term Investment | 0   | 635   |
|                       | <b><u>0</u></b>                             | <b><u>635</u></b>                           |

Short Term Investment in 2017/18 related to a property purchased for donation to the Trust, but at year end was still owned by the Charity at 31 March 2018. This property was transferred to the Trust during 2018/19 and therefore is no longer a short term investment of the Charity.

## Note 13. Cash and Cash Equivalents

|              | <b>Total<br/>Funds<br/>2018/19<br/>£000</b> | <b>Total<br/>Funds<br/>2017/18<br/>£000</b> |
|--------------|---|---|
| Cash in hand | 1,360                                       | 963   |
|              | <b><u>1,360</u></b>                         | <b><u>963</u></b>                           |

No cash or cash equivalents were held in non-cash investments or outside of the UK.

## Note 14. Creditors under 1 year

|                 | <b>Total<br/>Funds<br/>2018/19<br/>£000</b> | <b>Total<br/>Funds<br/>2017/18<br/>£000</b> |
|-----------------|---|---|
| Trade Creditors | 431   | 120   |
|                 | <b><u>431</u></b>                           | <b><u>120</u></b>                           |

**Note 15. Reconciliation of net income / (expenditure) to net cash flow from operating activities**

|   | Unrestricted<br>Funds | Restricted<br>Funds | Endowment<br>Funds | Total<br>Funds<br>2018/19 | Total<br>Funds<br>2017/18 |
|---|-----------------------|---------------------|--------------------|---------------------------|---------------------------|
|   | £000                  | £000                | £000               | £000                      | £000                      |
| <b>NET INCOME/(EXPENDITURE) FOR<br/>THE YEAR</b>      | (189)                 | (349)               | 0                  | (538)                     | (453)                     |
| <b>Adjustments for:</b>                               |                       |                     |                    |                           |                           |
| Interest from investments                             | 0                     | 0                   | 0                  | 0                         | (4)                       |
| (Increase)/decrease in debtors                        | (10)                  | (1)                 | 0                  | (11)                      | 373                       |
| Increase/(decrease) in creditors                      | 109                   | 202                 | 0                  | 311                       | 54                        |
| <b>NET CASH GENERATED BY<br/>OPERATING ACTIVITIES</b> | <u>(90)</u>           | <u>(148)</u>        | <u>0</u>           | <u>(238)</u>              | <u>(30)</u>               |

**Note 16. Transfers between funds**

There have been no internal transfers between funds in 2017/18 or 2018/19.

**Note 17. Related Party Transactions**

Patients of South Warwickshire NHS Foundation Trust (SWFT), the Corporate Trustee, are the main beneficiary of the Charity. SWFT is the immediate parent and the Department of Health is the ultimate controlling party for the Trust. SWFT's principal purpose is as a healthcare provider. The Charity incurred charitable expenditure, relating to SWFT, totalling £1,616k (2017/18 £1,123k) as detailed in note 6 in the furtherance of its charitable objectives. At the end of the year there was a creditor of £9k (2017/18 £20k), for charitable expenditure which had been incurred by SWFT. There was a debtor balance between the Charity and SWFT of £5k (2017/18 £nil). During the year none of the members of the NHS Board of Directors' or senior NHS Trust staff or parties related to them were direct beneficiaries of the Charity.



## Note 18. Analysis of Charitable

|   | Balance at<br>1 April 2018 | Income       | Expenditure    | Transfers | Gains and<br>Losses | Balance at<br>31 March 2019 |
|---|----------------------------|--------------|----------------|-----------|---------------------|-----------------------------|
|   | £000                       | £000         | £000           | £000      | £000                | £000                        |
| <b>ENDOWMENT FUNDS</b>                    |                            |              |                |           |                     |                             |
| Woods Award                               | 5                          | 0            | 0              | 0         | 0                   | 5                           |
| <b>TOTAL ENDOWMENT FUNDS</b>              | <b>5</b>                   | <b>0</b>     | <b>0</b>       | <b>0</b>  | <b>0</b>            | <b>5</b>                    |
| <b>RESTRICTED</b>                         |                            |              |                |           |                     |                             |
| Stratford Hospital Appeal 703210          | 325                        | 17           | (296)          | 0         | 0                   | 46                          |
| Stratford Hosp Appeal-Cancer 703211       | 7                          | 0            | (7)            | 0         | 0                   | 0                           |
| Birth And Babies Appeal 702314            | 62                         | 112          | (173)          | 0         | 0                   | 1                           |
| Palliative Care - Community 773101        | 15                         | 3            | (8)            | 0         | 0                   | 10                          |
| Other Funds: 7                            | 11                         | 7            | (4)            | 0         | 0                   | 14                          |
| <b>TOTAL RESTRICTED FUNDS<br/>2018-19</b> | <b>420</b>                 | <b>139</b>   | <b>(488)</b>   | <b>0</b>  | <b>0</b>            | <b>71</b>                   |
| <b>UNRESTRICTED</b>                       |                            |              |                |           |                     |                             |
| J Caseby Legacy 707205                    | 24                         | 0            | (24)           | 0         | 0                   | 0                           |
| Leam Neurological Rehab Appeal 763050     | 26                         | 35           | (13)           | 0         | 0                   | 48                          |
| Aylesford Unit Patients 704101            | 220                        | 62           | (66)           | 0         | 0                   | 216                         |
| <b>Haematology 711001</b>                 | 78                         | 7            | (4)            | 0         | 0                   | 81                          |
| Warwick General Purpose 702301            | 152                        | 735          | (860)          | 0         | 0                   | 27                          |
| Stratford General Purpose 703301          | 51                         | 0            | (50)           | 0         | 0                   | 1                           |
| Warwick Hospital Rheumatology 704320      | 15                         | 0            | (1)            | 0         | 0                   | 14                          |
| Cardiac Development 704345                | 25                         | 0            | (1)            | 0         | 0                   | 24                          |
| Cardiology Unit Patients 704300           | 117                        | 1            | (32)           | 0         | 0                   | 86                          |
| <b>Special Care Baby Unit 741010</b>      | 13                         | 16           | (27)           | 0         | 0                   | 2                           |
| Machen Eye Unit Amenities 716304          | 77                         | 1            | (23)           | 0         | 0                   | 55                          |
| Rigby Awards 702333                       | 32                         | 0            | (1)            | 0         | 0                   | 31                          |
| Ellen Badger Patients General 762000      | 16                         | 33           | (4)            | 0         | 0                   | 45                          |
| Breast Care Unit 716317                   | 16                         | 6            | (6)            | 0         | 0                   | 16                          |
| Ellen Badger Day Unit Patients 762010     | 14                         | 0            | 0              | 0         | 0                   | 14                          |
| Other Funds: 106                          |                            |              |                |           |                     |                             |
| Corporate Division (1 fund)               | 1                          | 0            | 0              | 0         | 0                   | 1                           |
| Elective Division (28 funds)              | 57                         | 15           | (7)            | 0         | 0                   | 65                          |
| Emergency Division (27 funds)             | 53                         | 21           | (13)           | 0         | 0                   | 61                          |
| Out of Hospital (18 funds)                | 30                         | 4            | (7)            | 0         | 0                   | 27                          |
| Support Services (12 funds)               | 28                         | 20           | (13)           | 0         | 0                   | 35                          |
| Women & Childrens (17 funds)              | 28                         | 17           | (10)           | 0         | 0                   | 35                          |
| <b>TOTAL UNRESTRICTED FUNDS</b>           | <b>1,073</b>               | <b>973</b>   | <b>(1,162)</b> | <b>0</b>  | <b>0</b>            | <b>884</b>                  |
| <b>GRAND TOTAL</b>                        | <b>1,498</b>               | <b>1,112</b> | <b>(1,650)</b> | <b>0</b>  | <b>0</b>            | <b>960</b>                  |

## Note 18. Analysis of Charitable

|   | Balance at<br>1 April 2017 | Income     | Expenditure    | Transfers | Gains and<br>Losses | Balance at<br>31 March 2018 |
|---|----------------------------|------------|----------------|-----------|---------------------|-----------------------------|
|   | £000                       | £000       | £000           | £000      | £000                | £000                        |
| <b>ENDOWMENT FUNDS</b>                    |                            |            |                |           |                     |                             |
| Woods Award                               | 5                          | 0          | 0              | 0         | 0                   | 5                           |
| <b>TOTAL ENDOWMENT FUNDS</b>              | <b>5</b>                   | <b>0</b>   | <b>0</b>       | <b>0</b>  | <b>0</b>            | <b>5</b>                    |
| <b>RESTRICTED</b>                         |                            |            |                |           |                     |                             |
| Stratford Hospital Appeal 703210          | 837                        | 372        | (884)          | 0         | 0                   | 325                         |
| Stratford Hosp Appeal-Cancer 703211       | 7                          | 0          | 0              | 0         | 0                   | 7                           |
| Stratford Hosp Appeal-Eyes 703212         | 1                          | 0          | (1)            | 0         | 0                   | 0                           |
| Birth And Babies Appeal 702314            | 0                          | 63         | (1)            | 0         | 0                   | 62                          |
| Palliative Care - Community 773101        | 14                         | 3          | (2)            | 0         | 0                   | 15                          |
| Other Funds: 8                            | 11                         | 6          | (6)            | 0         | 0                   | 11                          |
| <b>TOTAL RESTRICTED FUNDS<br/>2018-19</b> | <b>870</b>                 | <b>444</b> | <b>(894)</b>   | <b>0</b>  | <b>0</b>            | <b>420</b>                  |
| <b>UNRESTRICTED</b>                       |                            |            |                |           |                     |                             |
| J Caseby Legacy 707205                    | 24                         | 0          | 0              | 0         | 0                   | 24                          |
| Leam Neurological Rehab Appeal 763050     | 35                         | 26         | (35)           | 0         | 0                   | 26                          |
| Aylesford Unit Patients 704101            | 177                        | 97         | (54)           | 0         | 0                   | 220                         |
| Haematology 711001                        | 77                         | 3          | (2)            | 0         | 0                   | 78                          |
| Warwick General Purpose 702301            | 195                        | 32         | (75)           | 0         | 0                   | 152                         |
| Stratford General Purpose 703301          | 52                         | 0          | (1)            | 0         | 0                   | 51                          |
| Warwick Hospital Rheumatology 704320      | 16                         | 0          | (1)            | 0         | 0                   | 15                          |
| Cardiac Development 704345                | 26                         | 0          | (1)            | 0         | 0                   | 25                          |
| Cardiology Unit Patients 704300           | 98                         | 22         | (3)            | 0         | 0                   | 117                         |
| Special Care Baby Unit 741010             | 14                         | 21         | (22)           | 0         | 0                   | 13                          |
| Machen Eye Unit Amenities 716304          | 86                         | 24         | (33)           | 0         | 0                   | 77                          |
| Rigby Awards 702333                       | 47                         | 0          | (15)           | 0         | 0                   | 32                          |
| Ellen Badger Patients General 762000      | 18                         | 1          | (3)            | 0         | 0                   | 16                          |
| Breast Care Unit 716317                   | 18                         | 6          | (8)            | 0         | 0                   | 16                          |
| Ellen Badger Day Unit Patients 762010     | 12                         | 3          | (1)            | 0         | 0                   | 14                          |
| Other Funds: 106                          |                            |            |                |           |                     |                             |
| Corporate Division (1 fund)               | 0                          | 1          | 0              | 0         | 0                   | 1                           |
| Elective Division (28 funds)              | 48                         | 13         | (4)            | 0         | 0                   | 57                          |
| Emergency Division (27 funds)             | 54                         | 15         | (16)           | 0         | 0                   | 53                          |
| Out of Hospital (18 funds)                | 28                         | 6          | (4)            | 0         | 0                   | 30                          |
| Support Services (11 funds)               | 18                         | 16         | (6)            | 0         | 0                   | 28                          |
| Women & Childrens (17 funds)              | 33                         | 10         | (15)           | 0         | 0                   | 28                          |
| <b>TOTAL UNRESTRICTED FUNDS</b>           | <b>1,076</b>               | <b>296</b> | <b>(299)</b>   | <b>0</b>  | <b>0</b>            | <b>1,073</b>                |
| <b>GRAND TOTAL</b>                        | <b>1,951</b>               | <b>740</b> | <b>(1,193)</b> | <b>0</b>  | <b>0</b>            | <b>1,498</b>                |

## Note 18. Analysis of Charitable Funds cont.

### Details of Material Funds - Restricted

| Name of Fund                        | Fund<br>at 31 March<br>2019<br>£000 | Description, nature and purposes of the fund  |
|-------------------------------------|-------------------------------------|---|
| Stratford Hospital Appeal 703210    | 46                                  | To enhance the facilities for the new Stratford hospital development. Appeal now ceased |
| Birth And Babies Appeal- 702314     | 1                                   | To enhance the facilities of a new birthing centre at Warwick                           |
| Palliative Care - Community -773101 | 10                                  | To be used for services and to benefit Palliative Care Services in the community.       |
| Other                               | 14                                  | To provide equipment and facilities.  |
|                                     | <u>71</u>                           |   |

### Details of Material Funds - Designated Unrestricted (including Endowment)

|                                       |            |  |
|---------------------------------------|------------|--|
| Leam Neurological Rehab Appeal 763050 | 48         | To facilitate the enhancement of the Acquired Brain Injury Unit and purchase specialist Equipment. |
| Aylesford Unit Patients 704101        | 216        | To be used for services and to benefit patients in the Aylesford Unit.                             |
| Haematology 711001                    | 81         | To be used for research purposes for the Haematology Unit.   |
| Warwick General Purpose 702301        | 27         | To be used for services and to benefit patients and staff in Warwick General Hospital              |
| Stratford General Purpose 703301      | 1          | To be used for services and to benefit patients and staff in Stratford General Hospital            |
| Warwick Hospital Rheumatology 704320  | 14         | To be used for development within the Rheumatology department.                                     |
| Cardiac Development 704345            | 24         | To be used for development within the Cardiac department.  |
| Cardiology Unit Patients 704300       | 86         | To be used for services and to benefit patients in the Cardiac Unit.                               |
| Special Care Baby Unit 741010         | 2          | To be used for services and to benefit patients and staff SCBU.                                    |
| Machen Eye Unit Amenities 716304      | 55         | To be used for services and to benefit patients and staff of the Machen Eye Unit                   |
| Rigby Awards 702333                   | 31         | To fund and manage awarded projects funded by the Rigby Foundation                                 |
| Ellen Badger Patients General 762000  | 45         | To be used for services and to benefit patients and staff of the Machen Eye Unit                   |
| Breast Care Unit 716317               | 16         | To be used for services and to benefit patients and staff of the Breast Care Unit                  |
| Ellen Badger Day Unit Patients 762010 | 14         | To be used for services and to benefit patients and staff of the Ellen Badger Unit                 |
| Other                                 | 229        | To provide equipment and facilities for the appropriate charitable fund.                           |
|                                       | <u>889</u> |  |