

**Cover report to the Trust Board meeting to be held on 3 November 2022
(Corporate Trustee business)**

	Trust Board paper U
Report Title:	Charitable Funds Committee – Committee Chair’s Report
Author:	Helen Stokes – Corporate and Committee Services Manager

Reporting Committee:	Charitable Funds Committee (CFC)
Chaired by:	Professor Tom Robinson – Non-Executive Director
Lead Executive Director(s):	Chief Nurse
Date of meeting:	7 October 2022

Summary of key public matters considered by the Committee:

This report provides a summary of the key public issues considered at the Charitable Funds Committee meeting on 7 October 2022 (*involving Professor T Robinson CFC Non-Executive Director Chair; Ms V Bailey Non-Executive Director; Ms B Cassidy Director of Corporate and Legal Affairs; Ms J Hogg Chief Nurse; Ms L Davies Director of Leicester Hospitals Charity; Mr J MacDonald Trust Chairman; Mr Z Safdar Assistant Director of Finance; Ms R Stonehouse-Hanson Senior Financial Accountant, and Ms J Woolley Charity Finance Manager*). Full Minutes will be submitted to the December 2022 Charitable Funds Committee and Trust Board thereafter (as Corporate Trustee).

Items recommended for approval by the public Trust Board as Corporate Trustee:

- **2021/22 Charity Accounts and Annual Report** – CFC reviewed and endorsed the following papers, for recommendation to the Trust Board:
 - Trustees’ annual report 2021/22 (endorsed subject to the removal of one of the case studies);
 - Charity annual accounts 2021/22;
 - Audit report for inclusion in the accounts;
 - Letter of Representation, and
 - Audit Findings Report 2021/22.

The 2021/22 annual audit process had gone smoothly, and the Charity’s auditors (Cooper Parry) had identified no adjusted or unadjusted audit differences needing to be brought to CFC’s attention. The Charity’s net assets for 2021/22 stood at £7.693m, a reduction of £0.355m on 2020/21. In discussion, CFC requested (and received) assurance that Cooper Parry’s audit process had been appropriately robust and thorough. CFC noted the contract length for the current auditors and the need to include the Charity auditor procurement process in UHL’s SFIs.

The Trustees’ annual report 2021/22, Charity annual accounts 2021/22 and related papers above are endorsed by CFC and recommended for Trust Board approval. A stand-alone report is included on the 3.11.22 Trust Board agenda accordingly.

Discussion items:

- **Charity performance report 2022/23: month 5** – CFC was briefed on the performance of the Charity against targets and KPIs (the majority of which were on track), and on the factors behind the current position. Although performance to date against the 2022/23 fundraising target remained strong, the Director of Leicester Hospitals Charity advised that donations and event sign-ups had recently begun to slow. CFC also noted messages from the recent donor survey undertaken by the Charity team, including the impact of financial constraints on donors. In discussion, CFC emphasised the need to take account of the spectrum of local religious festivals and celebrations, and to ensure appropriate feedback to/engagement with all sectors of the local community in between events.

<ul style="list-style-type: none"> • Finance and governance report 2022/23: month 5 – CFC noted that the Charity’s year to date income of £1,954k was £605k above plan, while year to date expenditure of £1,044k was £1,016k below plan. The report showed an overall net increase in funds of £603k, giving a closing balance of the Charity’s funds (at month 5) of £8,296k. The General Purposes fund available balance was £797k as at month 5, after commitments. Investment losses continued in month 5, and CFC noted the continuing market volatility. • Charitable funds investment update – investment performance continued to deteriorate in month 6, with 2022/23 investment losses of £492k for the year to date. The value of the Trust’s investments as at month 6 was £4,845k. CFC noted the position. 	
Public matters requiring Trust Board consideration and/or approval as Corporate Trustee:	
<i>Recommendations for approval</i>	
<ul style="list-style-type: none"> • 2021/22 Charity annual accounts, Trustees’ annual report, and accompanying papers. 	
<i>Items highlighted to the Trust Board for information:</i>	
<ul style="list-style-type: none"> • None. 	
Matters deferred or referred to other Committees: none	
Date of next CFC meeting:	16 December 2022