

LEICESTER HOSPITALS CHARITY

**TRUSTEES ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2009**

FOREWORD

Leicester Hospitals Charity provides benefits to the patients and staff of Leicester Royal Infirmary, Leicester General Hospital and Glenfield General Hospital, together known as the University Hospitals of Leicester NHS Trust.

The Corporate Trustee presents the Charitable Funds Annual Report together with the audited financial statements for the year ended 31 March 2009.

The Charity's annual report and accounts for the year ended 31 March 2009 have been prepared by the Corporate Trustee in accordance with Part VI of the Charities Act 1993 and the Charities (Accounts & Reports) Regulations 2008. The Charity's report and accounts include all the separately established funds for which the patients, their carers and the communities served by the Leicester Hospitals Charity.

REFERENCE & ADMINISTRATIVE DETAILS

Charity Name	Leicester Hospitals Charity
Charity Address	Trust Headquarters Gwendolen House Gwendolen Road Leicester LE5 4QF
Registered Number	1056804
Internal Auditors	East Midlands NHS Internal Audit Services Daisy Peake Building Towers Hospital Site Gipsy Lane Leicester LE5 0TD
External Auditors	KPMG LLP 2 Cornwall Street Birmingham B3 2DL
Solicitors	Eversheds 1 Royal Standard Place Nottingham NG1 6FZ
Bankers	The Royal Bank of Scotland St Johns House East Street Leicester LE1 9NB
Investment Managers	Schroders and Co Ltd 31 Gresham Street London EC2V 7QA

TRUSTEES

The Charity has a Corporate Trustee, the University Hospitals of Leicester NHS Trust. The members of the NHS Trust's Board who served during the financial year were as follows:

Name	Title
Martin Hindle	Chairman
M Lowe-Lauri	Chief Executive (<i>from 6th May 2008</i>)
A Kapur	Non Executive Director
J Worthington	Non Executive Director
C Emmett	Non Executive Director
J Matharu	Non Executive Director
Professor I Lauder	Non Executive Director (<i>to 31st July 2008</i>)
I Reid	Non Executive Director
D Tracy	Non Executive Director
C Walker	Director of Finance & Procurement (<i>to 22nd June 2008</i>)
J Shuter	Acting Director of Finance & Procurement (<i>from 23rd June 2008</i>)
P Tagg	Director of Nursing (<i>to 31st July 2008</i>)
C Ribbins	Acting Director of Nursing (<i>1st August to 31st December 2008</i>)
S Hinchcliffe	Director of Nursing (<i>from 1st January 2009</i>)
Dr A Cole	Medical Director
A Maitland	Director of Operations
Professor D Wynford-Thomas	Non Executive Director (<i>from 1st August 2008</i>)

STRUCTURE, GOVERNANCE AND MANAGEMENT

- Structure

The Leicester Hospitals Charity (the Charity) was formed in April 2000. This followed the merger of three separate NHS Trusts, the Leicester Royal Infirmary, Leicester General Hospital and Glenfield General Hospital Trusts, as the University Hospitals of Leicester NHS Trust (the NHS Trust). This resulted in the creation of one overall umbrella charity, then known as the University Hospitals of Leicester NHS Trust Charitable Funds.

The Charity was renamed as the Leicester Hospitals Charity in 2007 to give it its own separate identity. The Charity's governing document is a Declaration of Trust dated 19th June 1996 and amended by supplemental deeds dated 28th March 2002 and 1st March 2007.

The Charity holds restricted, unrestricted and endowment funds. Separate funds are held for each of the Trust's operational areas.

- Governance

The NHS Trust's Board (the Board) acts as Corporate Trustee and has overall responsibility for the management and activities of the Charity. Non-Executive members of the Board are appointed by the NHS Appointments Commission and Executive members are subject to recruitment by the Board. Members of the Board are not individual Trustees under Charity Law but act as agents on behalf of the Corporate Trustee.

The Corporate Trustee fulfils its legal duty by ensuring that funds are spent in accordance with the objects of each fund and by designating funds the Trustee respects the wishes of our generous donors to benefit patient care and advance the good health and welfare of patients, their carers and the staff who look after them.

New Trustees are provided with an introduction to the Charity as part of their induction programmes within the NHS. The Charity is planning to further enhance the way in which new Trustees are provided with relevant training for their role. Consideration is being given to providing Trustees with training on charity governance including an induction with the Head of Fundraising and Charity Finance Manager to explain policies, procedures and current and future plans.

The Charitable Funds Committee (the Committee) acts for the Corporate Trustee and is responsible for the overall management of the funds, and for ensuring that Trustees are regularly appraised of changes in legislation and other important issues relating to Charities. The Committee meets every two months and its core membership includes Executive and Non-Executive Directors. The Chairman of the Committee is also the Chairman of the NHS Trust. Additional attendees are also invited, including senior Finance staff, the Trust Administrator and a representative from the Fundraising Team. Investment managers and other NHS staff are also invited to attend on an ad-hoc basis.

The Committee is responsible for:

- controlling, managing and monitoring the use of the Charity's resources for the public benefit, having regard for the guidance issued by the Charity Commission;
- providing support and guidance for its income raising activities whilst ensuring that the receipt of all income is effectively managed;
- ensuring that 'best practice' is followed in the conduct of all its affairs fulfilling all of its legal responsibilities;
- ensuring that the Investment Policy approved by the NHS Trust Board as Corporate Trustee is adhered to and that performance is continually reviewed, whilst being aware of ethical considerations; and
- keeping the NHS Trust Board fully informed on the activity, performance and risks of the Charity.

- Management

There is a designated Charitable Funds Finance Team within the NHS Trust's Finance directorate which comprises of three members of staff including the Charity Finance Manager. This team is primarily responsible for the maintenance of accounting records and administration of the funds. Their salaries are recharged back to the Charity along with associated accommodation costs.

The Charity also has a Fundraising Team which comprises of four members of staff, including the Head of Fundraising, who was appointed the 30th March 2009. This team is responsible for the coordination, management and reporting of appeals as well as providing support and advice to the Trust's wards and departments about their own specific income generation activities.

The Charity's Fundraising Team provides a point of contact for donors and fundraisers and coordinates the publicity aspects of fundraising events. The Fundraising Team also has an integral role to play in the wider promotion and marketing of the Charity in order to encourage additional voluntary income over and above that generated from specific appeals. All fundraising staff are employed by the Trust and the costs are recharged to the Charity.

RISK MANAGEMENT

The major risks to the Charity have been identified and appropriate controls and systems have been established to mitigate them. The primary risk to the Charity is the potential loss from a fall in the market value of investments. The Charity has established an investment strategy to mitigate this risk, and this requires a balanced investment portfolio which balances risk and return, and includes investments which can be converted to meet short term cash requirements.

Financial reports are reviewed by the Charitable Funds Finance Team and are presented to the Charitable Funds Committee. Any significant trends and risks are highlighted in the commentaries supporting the reports.

In addition to the internal processes for risk management, the Charity also benefits from regular reviews of the systems of internal control by Internal Audit. For 2008/09, Internal Audit gave the Charity significant assurance that there is a generally sound system of control designed to meet the system's objectives.

The Trust's Audit Committee routinely receives updates on the Charity's performance and is responsible for the financial probity and control of the charity and for overseeing the work of the auditors.

PARTNERSHIP WORKING & NETWORKS

The Charity continues to support and participate in the activities of the Association of NHS Charities. This enables the Charity to keep up to date on current and developing issues and share knowledge and experiences with similar organisations.

The patients of the Trust are the main beneficiaries of the Charity and the Trust itself is a related party by virtue of being the Charity's Corporate Trustee. By working in partnership with the Trust, the charitable funds are used to best effect. When deciding upon the most beneficial way to use charitable funds, the corporate Trustee has regard to the main activities, objectives, strategies and plans of the Trust.

There are a number of key charity and fundraising partners, whose work supports the patients and staff of UHL, including:

- WRVS;
- Heartlink;
- Take Heart;
- ProstaId;
- Glenfield Hospital Support Shop;
- St John Library Service;
- Next Retail;
- John Lewis;
- Leicester Kidney Patients Association;
- Ratcliffe College;
- Index Books and The Book People.

The majority of these partners operate by directing funds raised through the Leicester Hospitals Charity; others prefer to respond to direct requests from the directorates with which they are linked. For example Leicester Kidney Patients is closely linked to the Renal and Urology directorate.

MISSION, OBJECTIVES AND STRATEGY

- Our Mission Statement

Leicester Hospitals Charity exists to provide support to patients, their carers and the NHS staff who look after them in Leicester, Leicestershire, Rutland and beyond. It does this through targeted fundraising campaigns and effective management of donations, to provide additional resources, assets and skills, which link closely with the strategic aims of UHL, and the broader strategic aims of NHS healthcare in the East Midlands.

- Our objectives

The Charitable Funds of the Leicester Hospitals Charity comprise mainly of donations and legacies from members of the public and private organisations. The Charity's overall objective is to use these funds for the following purposes:

- to provide welfare and amenities to patients;
- to purchase medical, surgical and other equipment and services;
- to purchase or construct assets for donation to the Trust;
- to provide welfare and amenities to staff; and
- to enable funding of research.

Specific objectives for delivery in 2008/09 were to:

- increase levels of voluntary and fundraising income;
- deliver investment income in accordance with investment strategy;
- improve administrative processes within the Charity; and
- conclude the modernisation process outlined by the Trustees.

Further information relating to these objectives is provided in the section of this report entitled Review of the Charity's Finances, Achievements and Performance.

The NHS Board reviews the Charity Commission's general guidance on public benefit when setting the terms of reference for the Charitable Funds Committee. The Charitable Funds Committee take account of the Charity Commission's guidance on public benefit in planning the budget for each year and in setting or reviewing the guidelines for Fund Advisers, who are authorised to spend charitable funds

Leicester Hospitals Charity is at its most effective when it combines the expertise and commitment of highly skilled NHS staff, with the generous support of the Leicester and Leicestershire communities, to bring about better quality care and support for patients.

SIGNIFICANT ACTIVITIES

- Making a difference to patients and staff

Throughout 2008/09, the Charity has continued to support a wide range of charitable and health related activities benefiting patients, their carers, and staff. In general the funds are used to purchase additional goods and services that the NHS Trust is unable to afford. For example the Charity awarded a number of grants to undertake construction projects and purchase equipment for donation to the NHS Trust.

Important construction works have included:

- replacing flooring in hospital areas;
- creating kitchen areas on wards;
- renovating rooms for inpatients; and
- building a play area for the Childrens Hospital.

Charitable funds have also been used to purchase a Microwave Generator and several Haemodialysis machines.

- How we have raised the funds

Successful appeals and fundraising events during 2008/09 have included the following:

- Fashion show – the first UHL fashion show was held at the Porsche centre in Leicester and raised £14,500 for the Leicester Children’s Hospital appeal, to improve the look and feel of the children’s wards and to purchase two phototherapy units. Thanks go to Waitrose for supplying refreshments, and Fenwicks for the clothing.
- Kidney Care Appeal – in June 2008 a sponsored walk was held at Ratcliffe College, raising nearly £30,000. A musical event at Stamford Hall raised a further £3,500. The Charity raised over £40,000 by the end of the year in total. This has gone to support research and development into the benefits of exercise during dialysis.
- Successful opening of the fourth floor play roof for the **Childrens Hospital** at the LRI. Donations totalled over £100,000 from **John Lewis Partnership, Next Retail, Rays of Sunshine, Wates Construction** and **Palmers Garden Centre**. Leicester Tigers formally reopened the play area after it had been closed for six years.
- Community fundraiser **Mark Storer** a former cancer patient and his **Brown Dog** charity donated £23,000 to purchase an Acculis MTA System for the LRI. This cutting edge machine uses microwave technology to treat liver cancer and was developed by UHL’s consultant surgeon **David Lloyd** and scientists from the University of Bath. In recognition of this David Lloyd has been made Honorary Citizen of the Year by the Lord Mayor of Leicester.
- Muslim community group, the **Ummah Welfare Trust** raised £25,000 to purchase a Cerebral Oximeter to monitor the level of oxygen in the blood in young patients brains via special sensors. The Trust treats over 1,000 children a year in intensive care and considers that at least half will benefit from this technology. This was the first time that the Ummah Welfare Trust had funded a project for UHL.
- **Nikki Olorenshaw** raised money in memory of her son Jack Speller, who sadly passed away several years ago in the Cardiology department of Glenfield Hospital. She raised an amazing £6,000 at an auction night at Warwick Castle for Children’s Cardiology equipment.
- The Charity also received an anonymous donation of £10,000 from Leicester residents, to express gratitude for the service received from the Trust’s staff.
- **Doug Skehan**, consultant cardiologist at the Glenfield, ran the Flora London Marathon, and raised enough money to fund a new wet room at the LRI.
- The Rotary Club of Leicester successfully raised over £100,000 for the Leicester Bone Bank appeal.

A special note of thanks must go to **Next Retail** for their continued corporate support and donating £25,000, as well as vouchers and advice.

Wards continue to receive donations specifically given to thank the nursing staff who care for the patients, and these are used for charitable activities that benefit staff. The charitable funds also enable consultants and other medical staff to attend courses, not funded by the NHS, which will update them on the new ideas and modern techniques in their specialties.

The Charity has also received a number of large legacies in the year.

THE CHARITY'S FUTURE PLANS

The Charity has ambitious aims over the medium term, and these reflect its commitment to benefiting the patients and staff;

- **To increase the amount of donations, legacies and income from fundraising**
In 2008/09, the charity generated £1.9 million from donations, legacies and specific fundraising initiatives, an increase of £178,000 on 2007/08. The objective over the next 5 years is to further increase the level of income generated by the charity.

The Fundraising Team has specific targets to achieve in this area:

Short term targets

- Consolidate current fundraising and administration activities
- Create an annual fundraising events calendar
- Develop and maintain an up-to-date presence on the UHL website

Medium term targets

- Develop new fundraising activities, including
- Develop a major donor programme
- Implement a direct mail programme
- Increase income from grant-making trusts and foundations

- **To deliver the investment income target**

The objective is to generate a minimum of 3% return from investments. This is exclusive of gains from disposal of assets and revaluations. This objective forms part of the investment strategy and Schroders are tasked with managing investments to deliver this objective.

- **To refine the management and administration processes**

A key objective for the charity over the next two financial years is to revise the current principles for the management and administration of charitable funds. This will involve consultation with Trustees, fund administrators, administrative and managerial staff. The key areas under review will be:

- Role of Trustees
- Role of Charitable Funds Committee
- Grant Making and Approval policy
- Fund Structure, Turnover and Rationalisation
- Transaction Processing

The aim of the review is to improve the internal workings of the Charity by streamlining the management and administrative processes and provide a clearer focus and strategy in relation to the awarding of grants.

- How we plan to use your donations

With an increased level of income and refinement of its management and administrative processes, the Charity will be even better placed to make the most effective use of your donations as possible, in order to achieve its mission.

We currently have a variety of expenditure plans in place to benefit the patients of the Trust. The total value of these plans is in excess of £2m for 2009/10. We will continue to support children's services and plan to support investment within the Trust's the neo-natal unit. The Charity will also fund smaller schemes within more than 150 of the areas funded by the Charity, including the purchase of equipment to improve patient care.

This reflects the our ongoing commitment to supporting the NHS.

REVIEW OF THE CHARITY'S FINANCES, ACHIEVEMENTS AND PERFORMANCE

- Maintaining a healthy balance sheet

The assets and liabilities of the Charity as at 31 March 2009 are stated below, compared with the position at 31 March 2008.

	Total Funds 08/09 £000	Total Funds 07/08 £000
Fixed Asset Investments	4,288	5,751
Net Current Assets	480	122
Total Net Assets	4,768	5,873
Funds of the Charity		
Endowment Funds	946	1,130
Restricted Funds	3,515	4,555
Unrestricted Funds	307	188
Designated Funds	0	0
Total Funds of the Charity	4,768	5,873

- Useful definitions:

Fixed Asset Investments are investments in quoted stocks and shares.

Net Current Assets represent cash held on deposit less the value of outstanding liabilities.

Endowment Funds represents endowments which are held in perpetuity so that only the income is available for distribution.

Restricted Funds represents money which is held by the Trustees which can only legally be used for specified purposes.

Unrestricted Funds are funds available to be spent within the objects of the charity which can legally be spent wholly in accordance with the discretion of the Trustees.

Designated Funds represent the numerous unrestricted funds held at ward and department level. These funds have no legal restriction as to their use although they require that the Trustees respect, as far as practicable, the specific intentions of the donor. By designating funds the Trustees ensure that the donations are channelled towards charitable purposes in those areas. These funds are supervised by Fund Advisors within each ward and department.

At the end of 2008/09 an analysis of funds was undertaken to ensure that funds were being classified correctly as either restricted or unrestricted. This was undertaken in accordance with the requirements of the Charities Statement of Recommended Practice (SORP) and NHS Guidance issued by the Charity Commission.

It was found that many of the restricted funds had no legal restriction, and should be reclassified as designated funds. These funds will receive unrestricted, designated classifications in the 2009/10 financial statements, they are still identified as designated funds representing the purpose or request made by donors as to how they wish the money to be spent. Further information can be found in Note 15 of the Charity's Annual Accounts 2008/09.

- Sources of funds

Incoming resources for the Charity increased from £1.94m in 2007/08 to £2.14m in 2008/09. This increase was principally from legacies. Total resources expended have reduced slightly from £2.03m in 2007/08 to £1.95m in 2008/09.

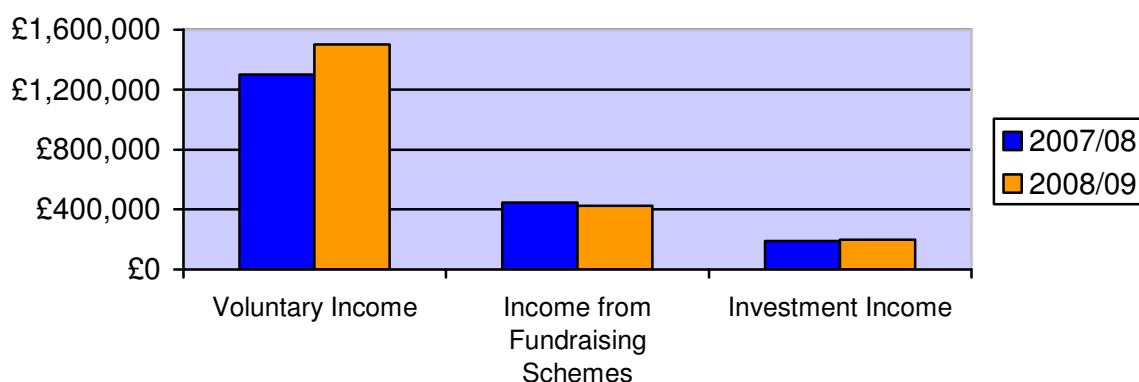
The Charity generated a deficit of £1.1m on the Statement of Financial Activities, with an excess of income compared to expenditure of £191k and an investment loss of £1.3m. The Trustees are monitoring the investments which have been hit by the worldwide downturn in the stock markets.

The assets of the Charity have fallen from £5.9m in 2007/08 to £4.8m in 2008/09, which primarily reflects the poor performance of our investments in 2008/09. The balance sheet shows an increase in net current assets to £480,000, relating to an increase in cash.

Overall the Charity has increased income and decreased expenditure further to the achievement of its objectives. The only concern is the loss on investments which had not been planned for, but improvements in the stock market means the investments are gradually recovering in 2009/10.

Income performance was as follows:

Chart 1: Income by type



- **Voluntary Income (Donations and Legacies)**

The level of income from donations and legacies increased from £1.3m in 2007/08 to £1.5m in 2008/09. Voluntary income most notably included legacies of £164k, £95k and £91k. Donations from the WRVS totalled £238k in the year. Next Retail donated £25k.

- **Income from Fundraising Activities**

Income from fundraising schemes has marginally reduced from £445,000 in 2007/08 to £425,000 in 2008/09. Notable successes in 2008/09 include the fashion show which raised £15k and the Kidneycare appeal which generated more than £40k.

The staff lottery has again been a success and raised £167k in 2008/09, whilst giving out £106k in prizes.

- **Investment Income**

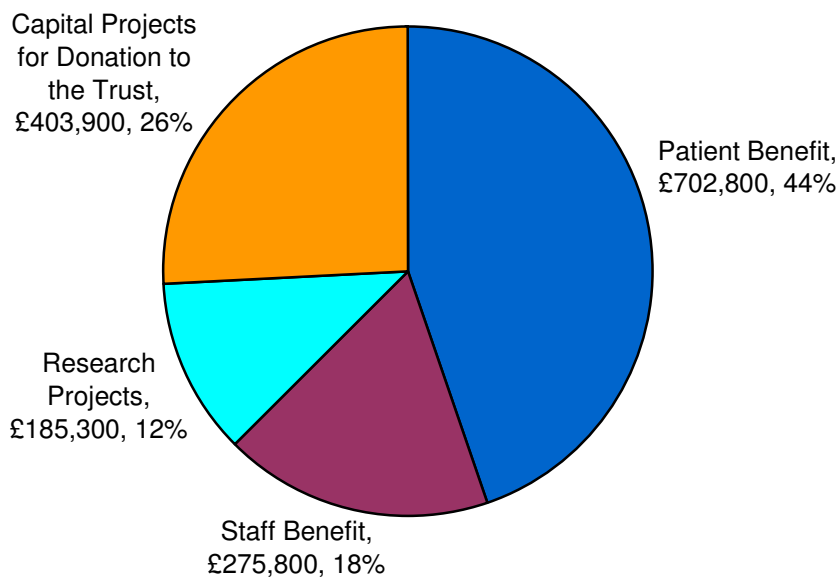
During the year, the total return, including dividends and interest, was £198k (or 3.3%). This compares favourably with the plan set by the Trustees of £181k (or 3.1%).

However, the Charity suffered investment losses of £1.3m (a loss of £769,000 in 2007/08) reflecting the performance of the stock market over the last twelve months.

- Where we spent the money

The awarding of grants represents the main activity for the Charity. During the 2008/09 financial year, the Charity expended approximately £1.7m in grants as follows:

Chart 2: Value of Grants Awarded in 2008/09



Grants to Provide Benefits to Patients

The Charity spent £703k on grants with a purpose to provide benefits to the Trust's patients, including:

- | | |
|--|----------|
| • Purchases of Equipment to Supplement Wards and Departments | £382,600 |
| • Furnishings of Patient Areas | £166,800 |
| • Play Equipment and Toys for Children | £15,300 |
| • Social Activities with Patients | £5,200 |
| • Literature and similar materials for Patients | £7,400 |
| • Other Miscellaneous | £125,500 |

Capital projects for donation to the NHS Trust

The Charity spent £404k on grants with a purpose to provide benefits to the Trust's patients and staff, including:

- | | |
|------------------------------------|----------|
| • Capital equipment | £312,100 |
| • Capital expenditure on buildings | £91,800 |

Grants to Provide Benefits to Staff

The Charity spent £276k on grants with a purpose to provide benefits to the Trust's staff, including:

- | | |
|---|---------|
| • UK and Overseas Course Fees, Study Leave and Travel | £67,300 |
| • Purchases of Computer and Other Staff Equipment | £12,800 |
| • Social Activities | £14,500 |
| • Hospitality | £69,300 |
| • Staff Awards and Retirement Gifts | £42,400 |
| • Furnishing Improvements to Staff Areas | £25,100 |
| • Literature and Other similar materials for staff | £3,500 |
| • Other Miscellaneous Expenditure | £40,900 |

Grants awarded for Research Projects

The Charity has a number of research funds and during the year £185k was spent on research related activities. The majority of this expense related to salaries for staff undertaking research activities.

GRANT MAKING POLICY

The use of our funds is restricted by the governing document which established the charity to purposes connected with the NHS. When approving grant expenditure consideration is first given to the public benefit that will be generated from the expenditure, as this is a core value in our activities.

The main activity for the Charity is the awarding of grants to the NHS Trust. Grants are awarded through the scheme of delegation, and authorisation is dependant on the fund's purpose and the value of the application. The grant application process ensures that individual funds are not able to commit expenditure in the absence of available funds.

Where expenditure relates to the purchase of medical equipment there is an expectation that the NHS Trust Medical Equipment Panel approves these before any application is submitted for consideration. This ensures that there remains consistency between the capital expenditure plans of the NHS Trust and the Charity in terms of capital planning.

The Committee approves grants up to £25,000 in relation to the use of the Charity's funds (except that the Charity Finance Manager is empowered by the Committee to consider and approve/reject grant applications involving proposed expenditure of up to £10,000 from restricted or unrestricted funds – within the criteria set by the Committee from time to time – with a report being made to the next meeting of the Committee on his/her decisions)

Applications involving proposed expenditure of £25,000 or more are referred to the NHS Trust Board, as Corporate Trustee, with the Committee's recommendation as to whether or not they should be approved or rejected.

RESERVES

The Charity has a reserves policy as part of its overall plan to provide long term support to the NHS Trust. Historically the Charity has not held formal reserves, or established a required minimum level of reserves.

The Trustees have held the view that income donated to charitable funds should be expended in a timely way in accordance with the donor's wishes. This does not prevent any individual departments building up fund balances in order to purchase larger items in the future. Fund Managers submit annual plans to the Charitable Funds Committee which are regularly monitored to ensure that funds are spent in a timely manner and in accordance with donor's wishes.

The Trustees intend that designated funds are spent within a reasonable period of receipt and therefore foresee a need only to maintain reserves sufficient to provide certainty of funding for the ongoing costs of the Charity. The Charity has calculated that it needs to maintain total general reserves of at least £80,000 to meet its ongoing running costs and to meet expected future commitments.

The level of unrestricted funds was £307k at the 31st March 2009. The level of unrestricted funds, which were also undesignated and therefore generally available for use will increase in 2009/10 following the reclassification of funds. The level of reserves available for general use as at 1st April 2009, following the reclassification of funds from restricted to unrestricted, is as follows:

	£ '000
Total reserves	£4,768
<i>less</i> restricted funds	(£458)
<i>less</i> endowments	(£946)
<i>less</i> designated funds	<u>(£3,049)</u>
Reserves available for general use	£315

Anticipated income for 2009/10 is £2,037k, and expenditure plans total £2,017k. The level of total reserves is therefore anticipated to remain constant to 31st March 2010. This level of reserves is considered sufficient to meet ongoing expenditure, particularly given the proposed increase in fundraising activity.

The Charity does not apportion unrealised investment gains or losses across funds unless losses are in excess of £250k.

The Trustees will continue to review the balances held in designated funds, in accordance with the provisions of the NHS Acts relating to charitable funds, to determine whether these funds are likely to be committed in the near future and the extent to which there is a continuing need identified for any particular designated fund(s). In the event that the need identified for any designated funds no longer exists, those funds will be redirected to the general fund.

OUR INVESTMENTS

The investments of the Charity are managed by Schrodgers and Co Ltd with the emphasis on maintaining a high level of liquidity and a low to moderate investment risk.

As part of the investment policy, Schroders and Co Ltd has the delegated authority to invest funds into equity, property and bond markets as well as maintain cash holdings. The investment firm are expected to work within the agreed portfolio mix shown below:

Investment Class	Permissible Range (%)	Current Range (%)
UK Equities	60 to 80	62.8
Property	0 to 20	6.3
Bonds	5 to 25	15.4
Cash	0 to 15	15.5
Total	100%	100%

The following restrictions also apply to the Trustees investment portfolio:

- investments that are not readily realisable must not exceed 10% of the total portfolio;
- investment in any one issuer's securities should not exceed 10%; and
- payment must be made on demand to the Trustees in line with agreed procedures and approved signatories.

The general power of Investment is set out in Section 3 of the Trustee Act 2000. The Act enables Trustees to invest Trust funds in any kind of investment excluding land in which they would be allowed to invest if they were absolute owners of the funds. The Charity's governing document imposes two further restrictions on the Trustees' power to invest funds:

- Trustees must not make any speculative or hazardous investment (and for the avoidance of doubt, this power to invest does not extend to the laying out of money on the acquisition of futures or traded options); and
- Trustees must not engage in trading ventures

The Trustees do not wish to invest in companies whose principal activities are tobacco related. The Trustees accept that the investment in common investment funds (and similar products) may give the Charity indirect exposure to tobacco related investments.

The Charitable Funds Committee reviews investment management performance on a quarterly basis. The Investment Manager provides the Trustees with quarterly performance reports highlighting performance against key indices such as the FTSE All Share Index. The Investment Manager also provides the Trustees with a commentary in relation to the portfolio and market outlook. The Charity receives regular advice from its investment managers and reviews opportunities to amend the Investment Strategy.

THANK YOU

On behalf of all the patients who continue to benefit from improved services due to donations and legacies, the Corporate Trustee would like to thank all patients, relatives, staff and partners of the Charity for their support.

Further details of the Charity's activity can be found in the Annual Review.

If you want to know more about how to become involved in the work of the Trust, or take part in fundraising activities, or simply make a donation, contact the Leicester Hospitals Charity Fundraising team on 0116 258 8709, or email fundraising@uhl-tr.nhs.uk.