

Birmingham Children's Hospital Charities Group

Consolidated Financial Statements

For the period ended 31 March 2010

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

Under charity law, the Trustees are responsible for preparing the Trustees' Report and financial statements for each financial year which show a true and fair view of the state of affairs of the charity and of the charity's financial position for the period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements comply with applicable accounting standards and statements of recommended practice, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue its activities.

The Trustees are required to act in accordance with the trust deed of the charity, within the framework of Trust law. They are responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the Trustees to ensure that, where any statements of accounts are prepared by them under section 42(1) of the Charities Act 1993, those statements of accounts comply with the requirements of the regulations under that provision. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the financial and other information included on the charity's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees confirm that they have met the responsibilities set out above and complied with the requirements for preparing the Trustees' Report and the financial statements. The financial statements set out in the attached pages (pages 3 to 15) have been compiled from and are in accordance with the financial records maintained by the Trustees.

Independent auditor's report to the trustees of Birmingham Children's Hospital Charities

We have audited the financial statements of Birmingham Children's Hospital Charities for the year ended 31st March 2010 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets and related notes. The financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of trustees and auditors

The trustees' responsibilities for preparing the consolidated financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities.

We have been appointed as auditors under section 43 of the Charities Act 1993 and report in accordance with regulations made under that Act. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

This report, including our opinion, has been prepared for and only for the charity's trustees as a body. 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.

We report to you our opinion as to whether the financial statements give a true and fair view and are prepared in accordance with the Charities Act 1993. We also report to you if, in our opinion, the information given in the Trustees' Annual Report is not consistent with those financial statements, if the charity has not kept sufficient accounting records, if the charity's financial statements are not in agreement with these accounting records or if we have not received all the information and explanations we require for our audit.

We read the Trustees' Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view of the state of affairs of the charity and its subsidiary as at 31st March 2010 and of their incoming resources and application of resources, including their income and expenditure, for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the Charities Act 1993.

Mazars LLP
Chartered Accountants and Statutory auditors
Lancaster House
67 Newhall Street
Birmingham
B3 1NG

Birmingham Childrens Hospital Charity Group**Statement of Financial Activities for the year ended 31 March 2010**

	Note	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	2009-10 Total Funds £000	2008-9 Total Funds £000
Incoming resources						
<i>Incoming resources from generated funds</i>						
Voluntary income:	3					
- Donations		608	0	0	608	889
- Legacies		742	0	0	742	848
- Grants		129	255	0	384	222
Activities for generating funds:						
- Fundraising Events		1,108	0	0	1,108	1,057
- Red Balloon Trading CIC	2.1	10	0	0	10	120
Investment Income	10.3	173	24	0	197	361
<i>Incoming resources from charitable activities</i>						
Course / Conference Fees	4	10	0	0	10	12
Total incoming resources		2,780	279	0	3,059	3,509
Resources expended						
<i>Costs of generating funds</i>						
Costs of generating voluntary income:						
- Costs of Fundraising Office		469	67	0	536	358
Costs of Activities for Generating Funds:						
- Costs of Fundraising Events		23	0	0	23	18
- Red Balloon Trading CIC	2.1	5	0	0	5	83
Investment management costs		27	0	0	27	27
Total Costs of Generating Funds		524	67	0	591	486
<i>Charitable Activities</i>						
Medical Research	6	668	0	0	668	571
Purchase of New Equipment		728	215	0	943	358
New Building and Refurbishment		1,118	0	0	1,118	108
Staff Education and Welfare		225	15	0	240	166
Patient Education and Welfare		268	50	0	318	191
Total Charitable Expenditure		3,007	280	0	3,287	1,394
<i>Governance costs</i>	5.2	98	0	0	98	75
<i>Governance costs Red Balloon Trading CIC</i>	2.1	0	0	0	0	5
Total resources expended		3,629	347	0	3,976	1,960
Net incoming/(outgoing) resources before Transfers						
		(849)	(68)	0	(917)	1,549
Gross transfer between funds	15	0	0	0	0	0
Net (outgoing)/Incoming resources before other recognised gains and losses		(849)	(68)	0	(917)	1,549
(Losses)/gains on revaluation and disposal of investment assets	16	1,907	0	111	2,018	(2,196)
Net movement in funds		1,058	(68)	111	1,101	(647)
Total funds brought forward 31 March 2009		6,200	161	408	6,769	7,416
Total Funds carried forward at 31 March 2010		7,258	93	519	7,870	6,769

The notes at pages 6 to 15 form part of these accounts.

Birmingham Childrens Hospital Charity Group
Balance Sheet as at 31 March 2010

	Note	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	Total at 31 March 2010 £000	Total at 31 March 2009 £000
Fixed Assets						
Investments	10	7,414	70	519	8,003	6,187
Total Fixed Assets		<u>7,414</u>	<u>70</u>	<u>519</u>	<u>8,003</u>	<u>6,187</u>
Current Assets						
Stock		3	0	0	3	0
Debtors	11.1	29	0	0	29	218
Short term investments and deposits		2,477	126	0	2,603	4,115
Cash at bank and in hand	11.2	481	0	0	481	440
Total Current Assets		<u>2,990</u>	<u>126</u>	<u>0</u>	<u>3,116</u>	<u>4,773</u>
Current Liabilities						
Creditors:	12	1,528	0	0	1,528	1,434
Provisions for liabilities and charges	13	1,618	103	0	1,721	2,757
Total Current Liabilities		<u>3,146</u>	<u>103</u>	<u>0</u>	<u>3,249</u>	<u>4,191</u>
Net Current (Liabilities)/Assets		<u>(156)</u>	<u>23</u>	<u>0</u>	<u>(133)</u>	<u>582</u>
Total Assets less Current Liabilities		<u>7,258</u>	<u>93</u>	<u>519</u>	<u>7,870</u>	<u>6,769</u>
Amounts falling due after one year						
Provisions for liabilities and charges	13	0	0	0	0	0
Total Net Assets		<u>7,258</u>	<u>93</u>	<u>519</u>	<u>7,870</u>	<u>6,769</u>
Funds of the Charity						
Capital Funds:						
Endowment Funds	16.1	0	0	519	519	408
Income Funds:						
Restricted	16.2	0	93	0	93	161
Unrestricted	16.3	7,258	0	0	7,258	6,200
Total Funds		<u>7,258</u>	<u>93</u>	<u>519</u>	<u>7,870</u>	<u>6,769</u>

The notes at pages 6 to 15 form part of these accounts.

Signed:

John Russell

Chairman

Sue Jay

Vice Chairman

21 September 2010

Date:

21 September 2010

Date:

Birmingham Childrens Hospital Charity
Balance Sheet as at 31 March 2010

	Note	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	Total at 31 March 2009 £000	Total at 31 March 2008 £000
Fixed Assets						
Investments	10	7,414	70	519	8,003	6,187
Total Fixed Assets		7,414	70	519	8,003	6,187
Current Assets						
Debtors	11.1	27	0	0	27	218
Short term investments and deposits		2,477	126	0	2,603	4,115
Cash at bank and in hand	11.2	478	0	0	478	404
Total Current Assets		2,982	126	0	3,108	4,737
Current Liabilities						
Creditors:	12	1,525	0	0	1,525	1,430
Provisions for liabilities and charges	13	1,618	103	0	1,721	2,757
Total Current Liabilities		3,143	103	0	3,246	4,187
Net Current (Liabilities)/Assets		(161)	23	0	(138)	550
Total Assets less Current Liabilities		7,253	93	519	7,865	6,737
Amounts falling due after one year						
Provisions for liabilities and charges	13	0	0	0	0	0
Total Net Assets		7,253	93	519	7,865	6,737
Funds of the Charity						
Capital Funds:						
Endowment Funds	16.1	0	0	519	519	408
Income Funds:						
Restricted	16.2	0	93	0	93	161
Unrestricted	16.3	7,253	0	0	7,253	6,168
Total Funds		7,253	93	519	7,865	6,737

The notes at pages 6 to 15 form part of these accounts.

Signed:

John Russell

Chairman

Sue Jay

Vice Chairman

21 September 2010

Date:

21 September 2010

Date:

Notes to the Accounts

1 Accounting Policies

These accounts for the year ended 31 March 2010 have been prepared under Part VI of the Charities Act 1993 and applicable Regulations.

1.1 Accounting Convention

The Financial Statements have been prepared under the historic cost convention, with the exception of investments which are included at market value. The Financial Statements have been prepared in accordance with the Statement of Recommended Practice by Charities (SORP 2005) issued in March 2005 and with applicable UK Accounting Standards.

1.2 Structure of Funds

Where there is a legal restriction on the purpose to which a fund may be put, the fund is classified either as an *endowment fund*, where the donor has expressly provided that only the income of the fund may be applied, or as a *restricted income fund* where the donor has provided for the donation to be spent in furtherance of a specified charitable purpose. Endowment funds, where the capital is held to generate income for charitable purposes, are sub analysed between those where the Trustees have the discretion to spend the capital, *expendable endowment*, and those where there is no discretion to expend the capital, *permanent endowment*. The charity has one permanent endowment fund and no expendable endowments.

Those funds which are neither endowment nor restricted income funds, are *unrestricted income funds* which are sub-analysed between *designated (earmarked) funds* where the donor has made known their non-binding wishes or where the Trustees, at their discretion, have created a specific fund for a specific purpose, and *wholly unrestricted funds* which are wholly at the Trustees' unfettered discretion.

The major funds held in each of these categories are disclosed in note 16.

1.3 Incoming Resources

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

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

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

Incoming resources from the investment of endowment funds are wholly restricted.

1.4 Resources Expended and Irrecoverable VAT

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. All expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party.

Provisions are included for grants payable where approval has been given by the Trustees.

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

1.5 Allocation of Overhead and Support Costs

Overhead and support costs have been allocated between Costs of Generating Funds, Charitable Activities and Governance Costs. Costs which are not wholly attributable to an expenditure type have been apportioned. The analysis of overhead and support costs and the basis of allocation is shown in note 5.

- a) Costs of Generating Funds are all costs attributable to generating income for the charity other than income arising from charitable activities, and represent fundraising costs together with investment management fees. Fundraising costs include expenses for fundraising activities and a fee paid to a related party, Birmingham Children's Hospital NHS Foundation Trust under a fundraising agreement. The fee is used to pay the salaries and overhead costs for the Hospital's fundraising office.
- b) Costs of Charitable Activities comprise all expenditure identified as wholly or mainly incurred in the pursuit of the charitable objects of the charity. These costs, where not wholly attributable, are apportioned and in addition to direct costs include an apportionment of overhead and support costs as shown in the second stage allocation disclosed in note 6.
- c) Governance Costs comprise all costs identifiable as wholly or mainly attributable to ensuring the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit together with an apportionment of overhead and support costs.

1.6 Fixed Assets

Investments are stated at market value as at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Quoted stocks and shares are included in the balance sheet at bid price ex-dividend.

Exceptionally, where the size or nature of a holding of securities is such that the disposal of those securities would have a material effect on the quoted market price, a separate disclosure by way of note would advise of the adjustment to the market price and valuation necessary to reflect this situation. Currently the Charity does not hold any investments of this type.

1.7 Realised Gains and Losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening carrying value (purchase price if later). Unrealised gains and losses are calculated as the difference between the market value at the year end and the opening market value (or purchase price if later).

1.8 Pensions

Past and present employees are covered by the provisions of the NHS Pensions Scheme. Details of the benefits payable under these provisions can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. The scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The scheme is not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS Body of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

The scheme is subject to a full actuarial valuation every four years (until 2004, every five years) and an accounting valuation every year. An outline of these follows:

a) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the scheme (taking into account its recent demographic experience), and to recommend the contribution rates to be paid by employers and scheme members. The last such valuation, which determined current contribution rates was undertaken as at 31 March 2004 and covered the period from 1 April 1999 to that date.

The conclusion from the 2004 valuation was that the scheme had accumulated a notional deficit of £3.3 billion against the notional assets as at 31 March 2004. In order to defray the costs of benefits, employers pay contributions at 14% of pensionable pay and most employees had up to April 2008 paid 6%, with manual staff paying 5%.

Following the full actuarial review by the Government Actuary undertaken as at 31 March 2004, and after consideration of changes to the NHS Pensions Scheme taking effect from 1 April 2008, the Valuation report recommended that employer contributions could continue at the existing rate of 14% of pensionable pay, and from 1 April 2008 employee contributions are on a tiered scale from 5% up to 8.5% of pensionable pay depending on total earnings.

On advice from the scheme actuary, scheme contributions may be varied from time to time to reflect changes in the scheme's liabilities.

b) Accounting valuation

A valuation of the scheme liability is carried out annually by the scheme actuary as at the end of the reporting period by updating the results of the full actuarial valuation.

Between the full actuarial valuations at a two-year midpoint, a full and detailed member data-set is provided to the scheme actuary. At this point the assumptions regarding the composition of the scheme membership are updated to allow the scheme liability to be valued.

The valuation of the scheme liability as at 31 March 2010 is based on detailed membership data as at 31 March 2008 (the latest midpoint) updated to 31 March 2010 with summary global member and accounting data.

The latest assessment of the liabilities of the scheme is contained in the scheme actuary report, which forms part of the annual NHS Pension Scheme (England and Wales) Resource Account, published annually. These accounts can be viewed on the NHS Pensions website. Copies can also be obtained from The Stationery Office.

2 Related Party Transactions

None of the Trustees or parties related to them, has undertaken any transactions with Birmingham Children's Hospital Charities or received any benefit from the charity in payment or kind.

The charity has made Charitable Grants to Birmingham Children's Hospital NHS Foundation Trust and these are detailed in note 7.

Birmingham Children's Hospital NHS Foundation Trust makes a number of clerical and transaction services available to the charity, by agreement with the Trustees. These include fundraising services and provision of an office. The charges made by the Trust are at a fair open market rate and are included in the overhead and support costs detailed in note 5.

No Trustee received honoraria or emoluments in the year and the Trustees have not purchased trustee indemnity insurance.

During the year one Trustee received reimbursement of £48.00 for travel expenses which were incurred wholly in fulfilment of charity business. (During 2008/09 one Trustee received travel expenses of £34.00)

- 2.1. The Charity has a trading company registered in the UK trading under the name of 'Red Balloon Trading CIC' which gift aids all its profits to the Charity. As the Charity controls the Company their accounts have been consolidated into those of the Charity. The Red Balloon Trading CIC stand alone trading results for 2009/2010 are shown below:

Red Balloon Income Statement

	2009-10 £	2008-09 £
Turnover		
Operating Income	9,816	119,681
Expenditure		
Cost of Sales	<u>(853)</u>	<u>(82,818)</u>
Gross Profit	<u>8,963</u>	<u>36,863</u>
Administrative expenses	(3,883)	(5,084)
Interest Receivable	<u>50</u>	<u>257</u>
Profit for the year	<u>5,130</u>	<u>32,036</u>
Gift Aid Donation to BCH Charity	(5,130)	(32,036)
Retained Profit	<u><u>0</u></u>	<u><u>0</u></u>

Red Balloon Balance Sheet

Assets Employed		
Current Assets		
Stock	3,158	0
Debtors	2,370	35,772
Bank	<u>3,078</u>	<u>0</u>
	8,606	35,772
Current Liabilities		
Creditors and Accruals	(8,606)	(35,772)
Net Assets	<u><u>0</u></u>	<u><u>0</u></u>

BIRMINGHAM CHILDREN'S HOSPITAL CHARITIES GROUP 2009/10

3	Analysis of Voluntary Income	Unrestricted	Restricted	Endowment	Total	Total
		Funds	Funds	Funds	2010	2009
		£000	£000	£000	£000	£000
	Donations from individuals	141	0	0	141	349
	Donations from companies	467	0	0	467	540
	Legacies	742	0	0	742	848
	Grants	129	255	0	384	222
		<u>1,479</u>	<u>255</u>	<u>0</u>	<u>1,734</u>	<u>1,959</u>

4 Incoming Resources from Charitable Activities

The income was derived from the provision of training courses in furtherance of the charity's objects in both the current and previous year.

5 Support Costs and Overheads

5.1	Analysis of Expenditure	Unrestricted	Restricted	Endowment	Total	Total
		Funds	Funds	Funds	2010	2009
		£000	£000	£000	£000	£000
	Support Costs Financial SLA	73.3	0.0	0.0	73.3	71.6
	Salaries & Associated Costs	105.0	0.0	0.0	105.0	87.9
	External Audit	8.2	0.0	0.0	8.2	8.0
	Internal Audit	10.0	0.0	0.0	10.0	10.0
	Office Rental	6.0	0.0	0.0	6.0	5.7
	Annual Report	2.4	0.0	0.0	2.4	2.8
	Legal fees	7.3	0.0	0.0	7.3	7.0
	Stationery	5.3	0.0	0.0	5.3	1.5
	Staff Training	1.0	0.0	0.0	1.0	2.1
	Bank Charges	0.2	0.0	0.0	0.2	0.1
	Trustee Expenses	1.9	0.0	0.0	1.9	1.1
	Trustee Recruitment	2.7	0.0	0.0	2.7	0.0
	Telephone	0.2	0.0	0.0	0.2	0.5
	Membership Fees	3.9	0.0	0.0	3.9	1.7
	Insurance	1.8	0.0	0.0	1.8	1.8
	Postage	0.5	0.0	0.0	0.5	0.4
	Miscellaneous	3.2	0.0	0.0	3.2	1.1
		<u>232.9</u>	<u>0.0</u>	<u>0.0</u>	<u>232.9</u>	<u>203.3</u>

All support costs have been allocated to unrestricted funds due to minimal restricted transactions.

5.2	Governance Costs	Total	Allocate to	Residual to	Basis of Allocation
		2010	Governance	Apportion	
		£000	£000	£000	
	Support Costs Financial SLA	73.3	7.3	66.0	Allocated on time
	Salaries & Associated Costs	105.0	44.8	60.2	Allocated on time
	External Audit	8.2	8.2	0.0	Governance
	Internal Audit	10.0	10.0	0.0	Governance
	Office Rental	6.0	2.1	3.9	Proportionate to Salaries
	Annual Report	2.4	2.4	0.0	Governance
	Legal fees	7.3	7.3	0.0	Governance
	Stationery	5.3	1.9	3.4	Proportionate to Salaries
	Staff Training	1.0	1.0	0.0	Governance
	Bank Charges	0.2	0.0	0.2	Charitable Expenditure
	Trustee Expenses	1.9	1.9	0.0	Governance
	Trustee Recruitment	2.7	2.7	0.0	Governance
	Telephone	0.2	0.1	0.1	Proportionate to Salaries
	Membership Fees	3.9	3.9	0.0	Governance
	Insurance	1.8	0.9	0.9	50% Governance
	Postage	0.5	0.2	0.3	Proportionate to Salaries
	Miscellaneous	3.2	3.2	0.0	Governance
		<u>232.9</u>	<u>97.9</u>	<u>135.0</u>	

6 Analysis of Charitable Expenditure

The charity, under a Scheme of Delegation, either incurred expenditure with third parties in pursuance of grants or reimbursed expenditure incurred by beneficiaries. The charity did not undertake any direct charitable activities during the year.

Support costs attributable to Charitable Expenditure have been apportioned between categories on the basis of the number of individual transactions undertaken by the charity.

	Grant Funded Activity £000	Support Costs £000	Total 2010 £000	Total 2009 £000
Medical Research	649	19	668	571
Purchase of New Equipment	897	46	943	358
Building and Refurbishment	1,116	2	1,118	108
Staff Education and Welfare	221	19	240	166
Patient Education and Welfare	276	42	318	191
	3,159	128	3,287	1,394

The remaining £7.0k support costs have been allocated to the Costs of Generating Funds on the basis of the number of transactions.

7 Grants

The charity does not make grants to individuals. Grants are made to Birmingham Children's Hospital NHS Foundation Trust and other institutions.

The Trustees operate a Scheme of Delegation under which Fund Advisors manage day to day disbursements in accordance with protocols set out by the Trustees. Funds disbursed in this way represent ongoing activity which it is not possible to segment into individual grant awards.

Institution Receiving Support	Number of Grants	Total 2010 £000	Total 2009 £000
Birmingham Children's Hospital NHS Foundation Trust	*	2,639	1,049
University of Birmingham	*	430	216
Ronald MacDonald House Charity (Parents Accomodation)	1	50	0
Birmingham Womens NHSFT Charities (Tiny Babies Appeal)	1	20	0
University Hospital Birmingham NHSFT (Proton Therapy Bid)	1	20	0
	1	3,159	1,265

* As per Scheme of Delegation

8 Analysis of Staff Costs

	Total 2010 £000	Total 2009 £000
Salaries and wages	86	71
Social security costs	7	6
Other pension costs	12	10
	105	87
Average full time equivalents of employees in the year:	2.3	2

An Assistant Director was recruited in December 2009.

No employees had emoluments in excess of £60,000 (2009: none)

9 Auditor's Remuneration

The external auditor's remuneration of £8,175 (2009: £8,000) related solely to statutory audit work. The charity did not commission any additional work from the auditor.

BIRMINGHAM CHILDREN'S HOSPITAL CHARITIES GROUP 2009/10

	2010	2010	2009	2009
10	Charity	Group	Charity	Group
10.1	£000	£000	£000	£000
Analysis of Fixed Asset Investments				
Movements during the year				
Market value at start of year	6,187	6,187	8,190	8,190
Less: Disposals at carrying value	(4,258)	(4,258)	(1,842)	(1,842)
Add: Acquisitions at cost	4,748	4,748	1,854	1,854
Net gains on revaluation	1,326	1,326	(2,015)	(2,015)
Market value at end of year	<u>8,003</u>	<u>8,003</u>	<u>6,187</u>	<u>6,187</u>
Historic cost at year end	<u>6,400</u>	<u>6,400</u>	<u>6,702</u>	<u>6,702</u>

10.2	Held	Held	2010	2009
Market value at 31 March	in UK	outside UK	Total	Total
BCH Charity	£000	£000	£000	£000
UK Equities	2,875	0	2,875	2,543
Overseas Equities	997	0	997	1,132
Bonds	1,390	0	1,390	679
Hedge Funds	1,179	0	1,179	891
Property	558	0	558	237
Private Equity	18	0	18	12
Commodities	467	0	467	285
COIF Investment Units	519	0	519	408
Red Balloon Trading	0	0	0	0
	<u>8,003</u>	<u>0</u>	<u>8,003</u>	<u>6,187</u>

The Trustees have set 5% of total investments held as at 31 March as the threshold for reporting material investments. The following investments were material as at 31 March 2010.

	2010	2009
	%	%
<u>UK Equities</u>		
Schroder UK Alpha Plus Fund A Fund Income Units	12.3	11.8
Schroder Charity Equity Fund	11.3	0.0
Blackrock UK Dynamic Fund	5.5	0.0
<u>Bonds</u>		
Schroder Charity Fixed Interest A Fund Income Units	1.7	8.8
<u>COIF Investment Units</u>		
COIF Charities Investment Fund Income Units	6.5	6.6
<u>Alternative Investments</u>		
Cazenove Absolute Return Trust	11.6	7.1

10.3	Held	Held	2009-10	2008-9
Total gross income from	in UK	outside UK	Total	Total
	£000	£000	£000	£000
A. Fixed Asset Investments				
Investments listed on a recognised Stock Exchange	149	0	149	182
B. Current Assets				
Interest earned on cash deposits in the year	48	0	48	179
	<u>197</u>	<u>0</u>	<u>197</u>	<u>361</u>

11	2010	2010	2009	2009
Analysis of Current Assets (Debtors)	Charity	Group	Charity	Group
11.1	£000	£000	£000	£000
Amounts falling due within one year:				
Trade debtors	21	22	21	21
Accrued income	6	7	197	197
Total debtors falling due within one year	<u>27</u>	<u>29</u>	<u>218</u>	<u>218</u>
Total debtors	<u>27</u>	<u>29</u>	<u>218</u>	<u>218</u>

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The value of legacies receivable included in accrued income above is £5K (2009: £197K). No legacies expected to be in excess of £100k had been notified which failed to meet the criteria of certainty necessary for accruing them within the accounts (2009: two).

11.2	Cash at Bank and in Hand	2010	2010	2009	2009
		Charity	Group	Charity	Group
		£000	£000	£000	£000
	Cash	478	481	404	440
		<u>478</u>	<u>481</u>	<u>404</u>	<u>440</u>

12	Creditors	2010	2010	2009	2009
		Charity	Group	Charity	Group
		£000	£000	£000	£000
	Amounts falling due within one year:				
	Trade creditors	1,362	1,365	1,335	1,339
	Other creditors	0	0	0	0
	Accruals	163	163	95	95
	Total creditors falling due within one year	<u>1,525</u>	<u>1,528</u>	<u>1,430</u>	<u>1,434</u>
	Total creditors	<u>1,525</u>	<u>1,528</u>	<u>1,430</u>	<u>1,434</u>

13	Liabilities and Provisions	Charitable	Other	2010	2009
		Expenditure	Expenditure	Total	Total
		£000	£000	£000	£000
13.1	Movements during the year				
	BCH Charity				
	Opening Provisions	2,757	0	2,757	4,561
	Add: New provisions charged in the year	2,239	0	2,239	565
	Less: Provisions released in the year	(3,274)	0	(3,274)	(2,211)
	Change in value of brought forward provisions	(1)	0	(1)	(158)
	Provisions outstanding at end of year	<u>1,721</u>	<u>0</u>	<u>1,721</u>	<u>2,757</u>
	Red Balloon	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
		<u>1,721</u>	<u>0</u>	<u>1,721</u>	<u>2,757</u>
13.2	Timing of Provisions				
	Provisions payable within one year	1,721	0	1,721	2,757
	Provisions payable after more than one year	0	0	0	0
	Provisions outstanding at end of year	<u>1,721</u>	<u>0</u>	<u>1,721</u>	<u>2,757</u>

Provisions included in the accounts relate to grants payable that have been approved by the Trustees but not yet paid.

14 Commitments BCH Charity

Trustees have entered into contracts with future commitments as follows:

	2010	2010	2009	2009	
	Land & Buildings	Other	Land & Buildings	Other	
		£000	£000	£000	£000
Expiring within a year					
Fundraising SLA	0	1,155	0	550	
Finance SLA	0	75	0	73	
Office Accomodation	6	0	6	0	
	<u>6</u>	<u>1,230</u>	<u>6</u>	<u>623</u>	
Expiring between 2-5 years	0	0	0	0	
Expiring over 5 years	0	0	0	0	

Commitments include rents payable under a property licence and fees expected to fall due under agreements to provide finance and fundraising services.

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15 Transfers Between Funds

There were no transfers between the three reported fund categories.

16 Analysis of Charitable Funds - BCH Charity

16.1 Endowment Funds

	Balance 31 March 2009 £000	Incoming Resources £000	Resources Expended £000	Transfers £000	Gains and Losses £000	Balance 31 March 2010 £000
A Hannah Guy Endowment	408	0	0	0	111	519
Total Endowment Funds	408	0	0	0	111	519

The objects of the Hannah Guy Endowment Fund are to apply the income from the original, permanently endowed gift to promote the preservation of health and recovery of patients and former patients of Birmingham Children's Hospital and other Birmingham Hospitals.

16.2 Restricted Funds - BCH Charity

	Balance 31 March 2009 £000	Incoming Resources £000	Resources Expended £000	Transfers £000	Gains and Losses £000	Balance 31 March 2010 £000
B Hannah Guy Income	74	24	(86)	0	0	12
C New Renal Ward (Restricted)	87	255	(261)	0	0	81
Total	161	279	(347)	0	0	93

The objects of the restricted funds are as follows:

B The Hannah Guy Income fund is restricted to promote the preservation of health and recovery of patients and former patients of Birmingham Children's Hospital and other Birmingham hospitals.

C The New Renal Ward (Restricted) Fund is restricted for the fitting out of a new renal ward in the newly completed Burn, Neonatal and Education Centre building.

16.3 Unrestricted and Designated (Earmarked) Funds

The Trustees set a balance (opening or closing) of £100,000 or above as the threshold for reporting material designated funds. In the interests of accountability and transparency a summary of all designated funds is available upon written request.

(Earmarked) Funds	Balance 31 March 2009 £000	Incoming Resources £000	Resources Expended £000	Transfers £000	Gains and Losses £000	Balance 31 March 2010 £000
D BCH Research Foundation	653	0	(370)	1,000	0	1,283
E New Renal Ward (Earmarked)	566	534	(1,100)	0	0	0
F Haematology & Oncology	377	132	(126)	0	0	383
G BMT Fund	159	5	(49)	0	0	115
H Leukaemia and Cancer	144	17	(27)	0	0	134
I ITU Ward	127	74	(69)	0	0	132
J Epilepsy Research	120	0	(47)	0	0	73
K Stuart Masters Fund	113	0	0	0	0	113
L Heart Unit Ward Fund	75	105	(69)	0	0	111
M BCH Blantyre Link Fund	87	59	(20)	0	0	126
N Other Designated Funds	1,959	380	(663)	0	0	1,676
O General Unrestricted Funds	1,788	1,464	(1,084)	(963)	1,907	3,112
BCH Charity:	6,168	2,770	(3,624)	37	1,907	7,258
Red Balloon Trading:	32	10	(5)	(37)	0	0
Consolidated Total	6,200	2,780	(3,629)	0	1,907	7,258

The realised losses of £118k along with the unrealised gain have all been allocated against the General Fund.

**16.3 Unrestricted and Designated
(Earmarked) Funds - *continued***

The objects of the material designated funds are as follows:-

- D** The BCH Research Foundation is designated for paediatric medical research;
- E** The New Renal Ward (Earmarked) Fund is designated for the fitting out of a new renal ward in the newly completed Burn, Neonatal and Education Centre building.
- F** The Haematology & Oncology Fund is a ward fund designated for the welfare and benefit of staff and patients on the relevant wards;
- G** The Bone Marrow Transplant Fund is designated to support research into Leukaemia;
- H** The Leukaemia and Cancer Fund is designated for research, equipment and other facilities for paediatric oncology;
- I** The ITU Ward Fund is a ward fund designated for the welfare and benefit of staff and patients on the Paediatric Intensive Care Unit;
- J** The Epilepsy Research Fund is designated for paediatric epilepsy research;
- K** The Stuart Masters Fund is designated for research into paediatric small bowel transplants;
- L** The Heart Unit Ward Fund is designated for the welfare and benefit of staff and patients on the wards treating cardiac patients;
- M** The BCH Blantyre Link Fund is designated to support the partnership between Birmingham Children's Hospital and the Children's Department at the Queen Elizabeth Hospital, Blantyre, Malawi;
- N** Other designated funds relate to other wards and clinical departments within the Birmingham Children's Hospital NHS Foundation Trust for which donors have indicated their non-binding wishes when making their generous gifts;
- O** General unrestricted funds are those funds for which a donor has not expressed any specific non-binding wish and the unrestricted income accruing to the charity. These funds are applied for any charitable purpose for the benefit of the patients of Birmingham Children's Hospital NHS Foundation trust at the discretion of the Trustees.