CHARITABLE FUNDS POLICY

POLICY/PROCEDURE NUMBER: FP09-03a
VERSION NUMBER: 2
AUTHOR: Head of Financial Accounts
CONSULTATION: Charitable Funds Committee
Audit Committee
Senior Finance Staff
IMPLEMENTATION DATE: April 2017
AMENDMENT DATE(S):
LAST REVIEW DATE: September 2018
NEXT REVIEW DATE: September 2021
APPROVAL BY AUDIT COMMITTEE: 6th September 2018

POLICY SUMMARY

The policy outlines the governance structure around the Trust’s charitable funds, and should be read in conjunction with the associated procedure.

The Trust Monitors the implementation of and compliance with this policy in the following ways:

Internal Audit

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The Director responsible for monitoring and reviewing this policy is Executive Chief Finance Officer
ESSEX PARTNERSHIP UNIVERSITY NHS FOUNDATION TRUST

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1.0 INTRODUCTION

1.1 The Trust Board of Directors act as Corporate Trustees for the Essex Partnership NHS Foundation Trust General Charitable Fund. The charity is registered with the Charity Commission (registration number 1053793) as an NHS Charity, and is governed by both NHS legislation and charity law.

1.2 In line with IAS1 (Presentation of Financial Statements) the Trust has opted out of the requirements of IAS27 (Consolidation and Separate Financial Statements) and the requirement to consolidate the charities’ accounts into the main Trust accounts, on the basis of materiality (subject to an annual review).

1.3 This policy should be read in conjunction with the Charitable Funds Procedure.

2.0 SCOPE

2.1 This policy refers solely to the management and administration of the Trusts registered charity whilst it continues to maintain the NHS charity status. In the event that the Trust exercises the option to transfer to independent charity status, this policy would need to be reviewed.

3.0 DUTIES

3.1 The Board are responsible for:

3.1.1 keeping proper accounting records which disclose with reasonable accuracy at any time, the financial position of the charity and to enable them to ensure that the accounts comply with requirements in the Charities Act 2006;

3.1.2 establishing and monitoring a system of internal control; and

3.1.3 establishing arrangements for the prevention and detection of fraud and corruption
3.2 In addition, the Trustees are responsible for the preparation of financial statements in accordance with the latest applicable Charities Statement of Recommended Practice (SORP) for each financial year. The Charity Commission directs that these accounts give a true and fair view of the financial position of the charity, in accordance with the latest applicable Charities SORP. In preparing the charity accounts, the Trustees are required to:

3.2.1 apply on a consistent basis, accounting policies laid down by applicable accounting standards.

3.2.2 make judgements and estimates which are reasonable and prudent

3.2.3 state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts

3.2.4 prepare the accounts on a going concern basis unless it is inappropriate to presume the charities will continue in operation

3.3 The Trustees are required to approve the annual report and accounts of the charity each financial year, sign a Letter of Representation confirming the above points have been addressed and make an annual return to the Charity Commission by the 31st January for the proceeding financial year’s accounts.

3.4 The Charitable Funds Committee is a sub-committee of the Board of Directors, and in line with its terms of reference, is required to report to the Board on an agreed timeframe on such matters as financial performance of the charity, and any legislative changes. In addition, the Committee are responsible for developing and maintaining an Investment Policy for Charitable Funds, and ensuring the risk portfolio and returns are appropriate.

4.0 INVESTMENT

4.1 The Charity aims to create sufficient financial return to enable the charity to carry out its purposes effectively, and without interruption, where the charity sets out to provide services over a period of time.

4.2 Appendix 1 sets out the Investment Policy and includes the maintenance and enhancement of investment of funds, risk management and ethics.

END