

NATIONAL HEALTH SERVICE

PEMBROKESHIRE NHS TRUST

NHS TRUST CODE

RF1

FOREWORD TO THE ACCOUNTS

These accounts for the year ended 31 March 1996 have been prepared by the Pembrokeshire NHS Trust under section 98(2) of the National Health service Act 1977 in the form which the Secretary of State has, with the approval of the Treasury, directed.

**INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED
31 MARCH 1996**

	£000	1994-95 £000
INCOME		
Subscriptions and donations	174	144
Legacies	14	18
Dividends and interest	40	40
Net income from freehold and leasehold property	0	0
Income from fund-raising	9	1
Other income	13	2
[Net expenditure transferred to capital reserves:- other funds]	0	61
TOTAL	<u>250</u>	<u>266</u>
EXPENDITURE		
Administration expenses	5	4
Patients welfare and amenities	80	148
Staff welfare and amenities	51	60
Research	0	0
Contributions to hospital capital expenditure	38	33
Fund-raising expenses	0	0
Other expenditure	19	21
[Net income transferred to capital reserves:- other funds]	57	0
TOTAL	<u>250</u>	<u>266</u>

BALANCE SHEET AS AT 31 MARCH 1996

	£000	31 March 1995 £000
ASSETS		
Property	3	3
Investments:		
a. Narrower range	410	354
b. Wider range	150	145
c. Special range (including charity commission investment fund)	0	0
Stock in hand	0	0
Sundry debtors	16	20
Cash in hand	6	0
TOTAL ASSETS	585	522
RESERVES		
Capital reserves - funds held in perpetuity:		
a. General purposes	0	0
b. Special purposes	9	9
Capital reserves - other funds:		
a. General purposes	36	40
b. Special purposes	513	437
LIABILITIES		
Sundry creditors	27	32
Cash overdrawn at bank	0	4
TOTAL RESERVES AND LIABILITIES	585	522

Market value of investments at 31 march 1996		31 March 1995 £000
	£000	£000
a. Narrower range	421	358
b. Wider range	175	168
c. Special range	0	0

Chairman

Director of Finance

CASHFLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 1996

	£000	£000	1994-95 £000
OPERATING ACTIVITIES			
Net cash inflow / (outflow)		16	(111)
RETURNS ON INVESTMENTS			
Dividends and interest received	40		40
Net receipts from freehold or leasehold properties	<u>0</u>		<u>0</u>
Net cash inflow from return on investments		40	40
INVESTING ACTIVITIES			
Purchase of investments	(69)		(53)
Sale of investments	23		120
Purchase of property	0		0
Sale of property	<u>0</u>		<u>0</u>
Net cash inflow / (outflow) from investing activities		<u>(46)</u>	<u>67</u>
Net cash inflow / (outflow) before financing		10	(4)
FINANCING			
Capital donations and legacies	0		0
Transfer of cash from NHS and Local Authorities	0		0
Transfer of cash to NHS and Local Authorities	<u>0</u>		<u>0</u>
Net cash inflow / (outflow) from financing		<u>0</u>	<u>0</u>
Increase / decrease in cash and cash equivalents		<u>10</u>	<u>(4)</u>

NOTES TO THE ACCOUNTS

1. Accounting policies

a. The accounts have been prepared in accordance with the Standard Accounting Practices and policies for cost principles to tangible fixed assets, and in accordance with directions issued by the Secretary of State.

b. Income

The policies followed, which deal with income, voluntary assistance and donations, are:

i. cash donations, gifts and legacies are included in full in the income and expenditure account as soon as they are received, except for gifts and legacies for permanent endowment funds, which are accounted for along with other such funds, with only the income received on such assets being included in the income and expenditure account.

ii. cash collected from fund raising events is included in the income and expenditure account as soon as it is received by the trustees.

iii. donations in kind (eg, donated stock or facilities and voluntary assistance) are not valued for accounting purposes. Where donations in kind are judged to be material however, the extent of such support is indicated in a separate note.

iv. investment income dividends are included in the income and expenditure account when they are receivable at an amount which includes the tax credits recoverable from Inland Revenue.

c. Fixed assets

The Trustees of these funds have no retained fixed assets.

d. Investments

i. Property assets are not depreciated but are shown at market valuation.

ii. Investment properties are stated initially at cost, thence revalued every three years [revalued on a rolling programme over every five years]. Valuation gains and losses are recorded in the statement of net gains, with the balance sheet reflecting the revalued amounts.

iii. profits or losses realised on the sale of investments are noted in the statement of Capital Reserves (Notes 2 and 3).

NOTES TO THE ACCOUNTS (continued)

1. Accounting policies (continued)

- iv. Stocks and shares quoted on the London Stock Exchange are included in the balance sheet at book value, market value figures being presented in memorandum.

e. Permanent endowment funds

Transactions and other events which increase or decrease the permanent endowment funds are not dealt with in the income and expenditure account. Instead they are taken directly to the balance sheet.

f. Cash at bank

Cash at bank - only the balance in the bank current account is to be included. Any balances in interest bearing bank or building society accounts are treated as investments.

2. Capital reserves: Funds held in perpetuity

	£000	1994-95 £000
Balance of funds at 1 April 1995	9	9
Add:		
Funds transferred from other: - NHS bodies	0	0
- local authorities	0	0
Legacies and donations	0	0
Net profit on realisation of investments	0	0
Gains on revaluation of property / fixed asset	0	0
Transfer from other funds to amend incorrect allocation of income	0	0
TOTAL ADDITIONS	0	0
Deduct:		
Funds transferred to other: - NHS bodies	0	0
- local authorities	0	0
Net loss on realisation of investments	0	0
Loss on revaluation of property / fixed assets	0	0
Transfer to other funds to amend incorrect allocation of income	0	0
TOTAL DEDUCTIONS	0	0
Balance of funds at 31 March 1996	9	9

3. Capital reserves: other funds

	£000	1994-95 £000
Balance of funds at 1 April 1995	477	527
Add:		
Funds transferred from other: - NHS bodies	0	0
- local authorities	0	0
Net income transferred from income and expenditure account	57	0
Net profit on realisation of investments	13	12
Gifted legacy not held in perpetuity	2	0
Transfer from capital Reserves: funds held in perpetuity, to amend incorrect allocation of income	0	0
TOTAL ADDITIONS	72	12
Deduct:		
Funds transferred to other: - NHS bodies	0	0
- local authorities	0	0
Net expenditure transferred from income and expenditure account	0	61
Net loss on realisation of investments	0	1
Loss on revaluation of property / fixed assets	0	0
Transfer to capital Reserves: funds held in perpetuity, to amend incorrect allocation of income	0	0
TOTAL DEDUCTIONS	0	62
Balance of funds at 31 March 1996	549	477

4. Property valuation

	£000	1994-95 £000
The basis of valuation of property were:		
a. at cost	0	0
b. at professional valuation	3	3
Total	<u>3</u>	<u>3</u>

5. Fund raising

Sundry creditors includes £ 0 (1994-95 £ 0) due to exchequer funds in respect of sums provided to finance the initial organisation of fund raising appeals under Section 5 of the NHS Act 1980. During the year £ 0 (1994-95 £ 0) was advanced from exchequer funds for this purpose and £ 0 (1994-95 £ 0) was refunded.

6. Notes to Cashflow

6.1: Reconciliation of Net income / (expenditure) to Net cash inflow / (outflow) from Operating Activities:

	£000	1994-95 £000
Net income / (expenditure)	57	(61)
Less income:		
dividends and interest	(40)	(40)
net income from freehold and leasehold properties	0	0
(increase) / decrease in debtors	4	(8)
increase / (decrease) in creditors	(5)	(2)
(increase) / decrease in stocks	<u>0</u>	<u>0</u>
Net cash inflow / (outflow) from Operating Activities	<u>16</u>	<u>(11)</u>

6.2: Analysis of change in Financing during year:

	Funds in perpetuity £000	Other funds £000	Total £000	1994-95 £000
Balance at 1 April 1995	9	477	486	536
Cash inflow/(outflow) from financing	0	0	0	0
Other movements in reserves	0	72	72	(50)
Balance at 31 March 1996	9	549	558	486

6.3: Analysis of cash and cash equivalents:

	31 March 1996 £000	Change in year £000	31 March 1995 £000
Cash at bank and in hand	6	6	0
Bank overdraft	0	4	(4)
Short-term investments	0	0	0
TOTAL	6	10	(4)

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DIRECTORS STATEMENT**Director of Finance's Certificate**

I certify that the funds held on trust accounts set out on page 1 to 9 attached which I am required to prepare on behalf of the NHS Trust for the year ended 31 March 1996 have been compiled from and are in accordance with the financial records maintained by the Trust and with the accounting standards and policies for the NHS funds held on trust approved by the Secretary of State.

Date: 1996 Director of Finance

Chairman's and Chief Executive's Certificate

I acknowledge the funds held on trust accounts set out on pages 1 to 9 which have been prepared and certified by the Director of Finance, as the annual accounts which the Trust is required to submit to the Secretary of State for the year ended 31 March 1996.

Date: 1996 Chairman

Date: 1996 Chief Executive

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ON THE FUNDS HELD ON TRUST ACCOUNTS:

We have audited the financial statements on pages 1 to 9 which have been prepared by the Director of Finance and acknowledged by the Chief Executive on behalf of the trustees.

Basis of Opinion

We carried out our audit in accordance with relevant auditing standards, which included examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. 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 as to whether the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. However, these funds held on trust, in common with many others of a similar size and organisational type, derive a proportion of income from voluntary donations which cannot be fully controlled until they are entered in the accounting records, and are not therefore susceptible to independent audit verification.

Qualified Opinion Arising from Limitation in Audit Scope

Except for any adjustments which might have been found to be necessary had we been able to obtain sufficient audit evidence concerning voluntary donations, in our opinion the financial statements give a true and fair view of the funds held on trust as at 31 March 1996 and of its income and expenditure for the year then ended.

..... Date

..... Signature

..... Address Name