

CHARITABLE FUNDS POLICY

Document Summary

To ensure that the income and property of the charitable funds are applied in furtherance of the purposes of those funds, and for no other purpose.

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ACCOUNTABLE DIRECTOR	Director of Finance
POLICY AUTHOR	Head of Financial Services

Important Note:

The Intranet version of this document is the only version that is maintained.

Any printed copies should therefore be viewed as “uncontrolled” and, as such, may not necessarily contain the latest updates and amendments.

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1 SCOPE

This policy applies to all staff within the Cumbria Partnership NHS Foundation Trust.

2 INTRODUCTION

NHS Trusts are empowered by their incorporating Statutory Instrument to receive, hold and apply new funds on trust. It is these funds and property held on trust for exclusively charitable purposes that constitute one or more charities.

Although Cumbria Partnership NHS Foundation Trust holds the funds on trust they are not themselves a charity. Where the Trust holds and administers property for exclusively charitable purposes then it is acting as charity trustees in respect of that property.

As well as being governed by the statutory duties under the NHS Acts, as NHS trustees, the Trust must comply with the relevant Charities Acts and guidance.

The Trust has registered its charitable funds with the Charities Commission under the name Cumbria Partnership NHS Trust Charitable Fund, Registration No. 1097632. Each individual fund within this umbrella registration is earmarked and has its individual rules that determine how the funds can be spent.

3 STATEMENT OF INTENT

The Trustees and Fund Managers have a duty to apply funds for the purposes outlined in the Charity's Governing documents and that the Charity Commissioners consider that a failure to give consideration to the spending of funds and to simply allow them to accumulate without good reason is a breach of trust.

4 DEFINITIONS

Charitable Funds

As defined by The Charities Act, in order to be deemed charitable, the purpose(s) of funds held on trust must be exclusively charitable. The Act defines a charitable purpose, explicitly, as one that falls within the following list of purpose descriptions and is for the public benefit:-

- The prevention or relief of poverty
- The advancement of education
- The advancement of religion

- The advancement of health or the saving of lives
- The advancement of citizenship or community development
- The advancement of arts, culture, heritage or science
- The advancement of amateur sport
- The advancement of human rights, conflict resolution or reconciliation, or the promotion of religious or racial harmony or equality and diversity
- The advancement of environmental protection or improvement
- The relief of those in need by reason of youth, age, ill-health, disability, financial hardship or other disadvantage
- The advancement of animal welfare
- The promotion of efficiency of the armed forces of the Crown, or of the efficiency of the police, fire and rescue services, or ambulance services
- Other purposes that are currently recognised as charitable or are in the spirit of any purposes recognised as charitable

Consequently, NHS charitable funds held by the Trust should only be discharged for a charitable purpose that meets the above criteria, and must be for services provided by Cumbria Partnership NHS Foundation Trust.

Types of fund

Any money or other asset given to the charity and accepted by the trustees, are held upon trust for the declared charitable objectives.

Funds received may be held for a specific or general purpose but how they will be accounted for will depend on the specific terms on which they have been given.

There are three main types of charitable fund recognised in law. These are:-

- **Unrestricted funds** – are those funds that may be spent at the discretion of the trustees on the charity's objectives.
- **Restricted funds** – which can be spent only in accordance with restrictions imposed when the funds were donated, granted, or raised for the charity. The Trustees are not obliged to receive funds on trust and may refuse where the conditions of the donor are too onerous or where the funds are unlikely to be able to be used as directed.
- **Endowment funds** – where capital funds are made available to the charity and the trustees are legally required to invest or retain them.

Additionally, funds may be **designated** at the discretion of the Trustees and earmarked for a specific purpose. Where a fund is designated:-

- The designation must be acceptable within the overall purpose of the Trust Charitable Fund

- The designation does not create a legal obligation to use the funds in that way and does not, therefore, restrict Trustees' future flexibility.

5 DUTIES

5.1 Cumbria Partnership NHS Foundation Trust Board

The Trust is the sole corporate trustee of the Charity, members of the Trust Board are not themselves trustees of the Charity. The duties, responsibilities and liabilities of trusteeship lie with the corporate body.

The Trust has statutory powers to delegate administration of its funds to officers, committees or sub committees. Where such powers are exercised the corporate body will remain as sole trustee.

The Trust Board retain their statutory duties and responsibilities to the charitable funds, but have delegated the responsibility for the general control and management of the funds to the Audit Committee

5.2 Audit Committee

This is a standing committee of the Trust which oversees the Charitable Funds activity within the organisation. It has powers to recommend changes in the way Charitable Funds are invested and spent, and reviews the systems in operation.

The Audit Committee has delegated certain responsibilities to Fund Holders to oversee the day to day processes of individual funds.

5.3 Fund Holder

The Fund Holder for an individual fund will be a senior staff member as delegated by the Audit Committee.

All Fund Holders must be employees of Cumbria Partnership NHS Foundation Trust.

Individual Fund Holders hold a delegated responsibility from the Trustees for the individual funds under their stewardship. The income and property of the fund must be applied in furtherance of the purpose of the Charity and for no other purpose. The Fund Holder has a delegated responsibility to ensure that the donor's wishes are complied with.

6 CHARITABLE FUND MANAGEMENT

6.1 *Application of Funds (Expenditure)*

Before deciding to spend charitable funds, Fund Holders must consider: -

- (a) whether alternative sources of funding are appropriate before authorising the release of charitable funds. As a general guide it is not appropriate in the following cases: -
 - Where a Trust revenue budget is normally used for the expenditure.
 - Where the expenditure is in respect of goods and services that are funded through Service Level Agreements.
- (b) whether the expenditure is for a charitable purpose in line with the criteria stated in Paragraph 2 – DEFINITIONS.
- (c) the wishes of the donor, and therefore any restriction or designation placed on the fund.
- (d) Whether Charitable Funds may be used where Trust funds have been used to partially fund a project. This can include additions to basic levels of goods; services; equipment where the needs and requirements of patients are only partially met through exchequer funding.
- (e) the number of individuals who will benefit from any expenditure. A purpose is not charitable if it is wholly or mainly for the benefit of specific individuals.

The types of expenditure which are routinely paid from Charitable Funds fall into four main areas, namely: -

- Enhancing the patient environment
- Patient specific expenditure
- Staff and service development
- Funding of projects.

See Appendix 1 – “APPLICATION OF FUNDS GUIDANCE”, for detailed guidance.

All purchases made from the Charitable Funds belong to the Trust; any member of staff who leaves the Trust must ensure that all equipment etc. purchased by the Charity is left at the Trust.

Expenditure from Charitable Funds is restricted to the purpose of each fund and can only be made with the express approval of the fund holder/authorised officer and within their delegated limit.

Detailed guidance is given in Appendix 2 - GUIDANCE TO FUND HOLDERS (CHARITABLE FUND EXPENDITURE).

6.2 Income

Money received into the Charitable Funds may be gifts, donations or legacies. Income must be used strictly in accordance with the donors' wishes. Cheques should be made payable to Cumbria Partnership Charitable Fund. Where appropriate, donors should be asked to consider making their donation under the Gift Aid Scheme (details in Appendix 3).

Detailed guidance is supplied in Appendix 3 – GUIDANCE TO FUND HOLDERS (CHARITABLE FUND INCOME). All funds remain the property of the charity and cannot be transferred.

6.3 Fundraising / Sponsorship

Anyone wishing to raise funds or carry out sponsorship must have the approval of the Director of Finance prior to carrying out this work. All fundraising and sponsorship proposals should be appropriate and reasonable and not expose the Trust or Charity to undue risk or negative publicity and the Director of Finance will consider the proposal with this in mind.

All funds are the property of the charity. If an individual has raised money for the charity and subsequently transfers to another post with another organisation the money cannot be transferred.

6.4 Reclassification or Closure of Funds

Any correction of fund classifications e.g. between restricted and unrestricted designated, or unrestricted, must be determined in accordance with Charity Commission guidance and approved by the Audit Committee.

Where the purposes of a fund has ceased to be relevant or the balance has been spent or reduced to below £500, the Head of Financial Services in consultation with the appropriate Fund Holder will decide if the fund should be closed. Any remaining balance in the fund being closed will be transferred to another appropriate fund.

If a reorganisation of services within Cumbria Partnership NHS Foundation Trust has an impact on a fund, the Head of Financial Services in consultation with the appropriate Fund Holder will present a report to the Audit Committee recommending the closure of the affected fund(s), and the transfer of any balance to another appropriate fund.

6.5 Investment of Funds

The Trust, in its capacity as Charity Trustee, has the general duty of properly managing and protecting the funds of the Charities. In particular it should:-

- a) invest money not needed immediately, or place it on deposit to earn interest if expenditure is expected in the near future;

- b) invest the funds in a way which aims to both preserve their capital value and produce a proper return consistent with prudent investment.
- c) not place the fund at risk by speculative investment; and
- d) invest only as permitted by the investment powers of the Charity.

In order to carry out these duties, the Director of Finance on behalf of the Trustee is responsible for all aspects of the management of the investment of Charitable Funds.

The Trust must also be aware and take into account, advice and guidance given in respect of investments and investment management by the Charity Commission.

The Audit Committee is responsible for reviewing the performance of any investments, and if appropriate the Fund investment advisors.

Under the Trustee Act 2000, Trustees are required to have a written investment policy that can demonstrate effective management of Charitable Funds. The investment policy is attached at Appendix 4.

Use of Professional Investment Advisors

Should the Trustees decide to appoint a Professional Investment Advisor, the Trusts procurement process should be followed to identify the preferred Advisor.

During the procurement process the Trustees should consider:

- Whether the response from the procurement process meets their needs
- The firm's reputation and track record including short and long term performance, the type and number of portfolios held and the value of assets it manages. Trustees should also bear in mind that a good performance history does not necessarily guarantee a good performance in the future.
- What experience and knowledge the investment manager has in charity investments; investing for the charitable sector; of regulations that apply specifically to charities; whether the firm has existing charity clients
- The nature of the investment and risk review process such as how the investments will be selected and managed and what the decision making structure is
- A realistic breakdown of all the fees and charges that may apply to a portfolio in the short and long term
- The reporting arrangements – this covered by the Investment Policy (Appendix4)
- The investment manager's capacity to handle any ethical requirements.

Realised Gains and Losses/Unrealised Gains and Losses

Gains and losses from the sale of investments and unrealised gains and losses (the difference between book cost and current market value of investments) on the Charitable Funds portfolio are reviewed by the Audit Committee.

6.6 Banking Arrangements

All banking arrangements for Charitable Funds must be in line with the procedures set out in the Trust's Standing Orders, Reservation and Delegation of Powers, and Standing Financial Instructions Policy

The Director of Finance is responsible for ensuring the secure operation of all Charitable Fund bank accounts.

7 TRAINING

There is no mandatory training associated with this policy.

Fund Holders will be provided with appropriate guidance from Finance based on an individual's knowledge of this policy.

8 MONITORING COMPLIANCE WITH THIS DOCUMENT

The table below outlines the Trusts' monitoring arrangements for this policy/document. The Trust reserves the right to commission additional work or change the monitoring arrangements to meet organisational needs.

Aspect of compliance or effectiveness being monitored	Monitoring method	Individual responsible for the monitoring	Frequency of the monitoring activity	Group / committee which will receive the findings / monitoring report	Group / committee / individual responsible for ensuring that the actions are completed
Compliance with the controls contained in the Charitable Funds Policy.	Appropriate authorisation of Charitable Fund activities, and regular review and reporting.	Director of Finance	Monthly within Finance, and to Fund Holders; At least annually to the Audit Committee	Audit Committee	Audit Committee
Charitable Fund activities are undertaken with appropriate authorisation and meet the wishes of the original donation.	Regular monitoring of activity and expenditure requests. Internal Audit examination of controls, procedures, and transactions.				

9 REFERENCES/ BIBLIOGRAPHY

Charity Commission
Hfma – NHS Charitable Funds: a Practical Guide

10 RELATED TRUST POLICY/PROCEDURES

POL/004/001 – Standing Orders, Reservation and Delegation of Powers and
Standing Financial Instructions
POL/002/043 – Procurement Policy

EQUALITY IMPACT ASSESSMENT

(Please refer to the Equality Impact Assessment Guidance available on the Equality and Diversity section of the Trust website)

The Equality Act 2010 came into force on the 1st October 2010. Under the Act there is a legal obligation to undertake Equality Impact Assessments (EIAs). The Trust and its employees must have due regard of the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act
- Advance equality of opportunity between people who share a protected characteristic and those who do not
- Foster good relations between people who share a protected characteristic and those who do not

EIAs assess the impact of the Trust's actions on people from the protected characteristics identified in the Act. In addition they should show how our policies and practices would further or have furthered the above aims. Demonstration of the engagement you have undertaken when doing the assessment will be a key part of this process. Engagement covers a range of different activities, from formal public consultations to direct engagement with people from protected groups. The level of engagement you undertake will depend on the scale of policy/ project/ activity you are developing or updating.

To comply with legislation EIAs must be a comprehensive, formal and structured process and the results must be published. These factors enable the Trust to demonstrate to all stakeholders and regulatory bodies that we have fully addressed Equality and Diversity within the Trust.

An Equality Impact Assessment must be done at the **development stage** of any policy, review, project, service change etc.

(Please refer to the Equality Impact Assessment Guidance available on the Equality and Diversity section of the Trust web site)

1	Name and Job Title of person completing assessment	Tony Bellingham, Head of Financial Services
2	Name of service, policy or function being assessed	Charitable Fund Policy
3	What are the main objectives or aims of the service/policy/function?	Financial probity of Charitable Funds
4	Date	11 November 2013

Stage 1: Initial Screening			
5	What evidence is available to suggest that the proposed service/policy/function could have an impact on people from the protected characteristics? Document reasons, e.g. research, results of consultation, monitoring data and assess relevance as: <i>Not relevant or Relevant Low / Medium / High.</i>		
	Protected Characteristic	Relevance	Evidence
a	Race	Not relevant	Review of expenditure performed monthly. Annual accounts are audited, and approved by the Audit Committee.
b	Religion / Spirituality	Not relevant	
c	Gender	Not relevant	
d	Disability	Not relevant	
e	Sexual Orientation	Not relevant	
f	Age	Not relevant	
g	Pregnancy/maternity	Not relevant	
h	Gender Reassignment	Not relevant	
i	Marriage and Civil Partnership	Not relevant	
j	Carers	Not relevant	
<p>If you assess the service/policy/function as not relevant, please proceed to section 11. If you assess the service/policy/function as relevant, continue to Stage 2, Full Equality Impact Assessment.</p>			

Stage 2: Full Equality Impact Assessment		
6	Are there service user, public or staff concerns that the proposed service/policy/function may be discriminatory, or have an adverse impact on people from the protected characteristics?	
a	Public	
b	Staff	
<p>If there are no concerns, proceed to section 11. If there are concerns, amend service/policy/function to mitigate adverse impact, consider actions to eliminate adverse impact, or justify adverse impact.</p>		
7	Can the adverse impact be justified?	
8	What changes were made to the service/policy/function as result of information gathering?	
9	What arrangements will you put in place to monitor impact of the proposed service/policy/function on individuals from the protected characteristics?	

10	List below actions you will take to address any unjustified impact and promote equality of outcome for individuals from protected characteristics. Consider actions for any procedures, services, training and projects related to the service/policy/function which have the potential to promote equality.	
	Action	Lead
		Timescales
11	Review date	
I am satisfied that this service/policy/function has been successfully equality impact assessed. Date: 11 November 2013 Author: Tony Bellingham		
Please send the completed assessment for scrutiny to: Project Co-ordinator, Cumbria Partnership NHS Foundation Trust, Trust Head Quarters, Voreda, Penrith, CA11 7QQ. Equality@cumbria.nhs.uk		

APPENDIX 1 - APPLICATION OF FUNDS GUIDANCE

Enhancing the Patient's Environment - Examples

Nature of Expenditure	Expenditure Examples	Charitable Purpose
Adding finishing touches	Purchase of pictures, pot plants, garden benches	Relief of those in ill-health.
Upgrading the base standard	Tilting action beds, pressure relieving mattresses.	
Creating more variety	Purchase of magazines, games, DVD's	
Adding to the estate	Creation and maintenance of flower beds.	

Patient Specific Expenditure - Examples

Nature of Expenditure	Expenditure Examples	Charitable Purpose
Outings	Day trips, excursions.	Relief of those in ill-health.
Entertainment	Concerts for the benefit of patients, visits by entertainers.	

Staff and Service Development - Examples

Nature of Expenditure	Expenditure Examples	Charitable Purpose
Training & Education	Service related bursaries for rewarding best practice, courses, and training days (in-house).	Advancement of education.
Research and Development	Subscriptions to trade journals; Secretarial support in furtherance of published research.	
Hand-outs / Publications	Booklet.	
Events	Team development days.	Advancement of education. Relief of those in ill-health (indirectly).

Funding of Projects - Examples

Nature of Expenditure	Expenditure Examples	Charitable Purpose
Expenditure that directly or indirectly benefits patients	Provision of electric wheelchairs for visitors.	Additional funding of project – two thirds rule. Charitable purpose – relief of those in ill-health (indirectly).
Adding to the estate	Garden shed, flower beds.	Additional funding of project – two thirds rule. Charitable purpose – relief of those in ill-health (indirectly).

Who should I contact if I have a query on the financial aspects of Charitable Funds?

Please contact the Financial Services team by phone or email on:-

Tel: 01228 608378

Email: FinanceHelpdesk@cumbria.nhs.uk

APPENDIX 2 - GUIDANCE TO FUND HOLDERS (CHARITABLE FUND EXPENDITURE)

1 INTRODUCTION

Expenditure from charitable funds is restricted to the purpose of each fund and can only be made with the express approval of the fund holder. The Finance Department hold a list of fund holders together with specimen signatures.

Any changes to fund holders must be approved by the Audit Committee.

Always ensure there are sufficient monies to cover the payment, taking into account known commitments, otherwise payment will be refused.

2 STANDING ORDERS, SCHEME OF RESERVATION AND DELEGATION OF POWERS, AND STANDING FINANCIAL INSTRUCTIONS

Authorisation of expenditure from charitable funds is delegated in accordance with the Trust's Standing Orders, Scheme of Reservation and Delegation of Powers, and Standing Financial Instructions policy.

Reference should be made to the above policy for current delegation and financial limits.

3 MAKING CHARITABLE FUNDS PAYMENTS

Orders for goods should be placed with the Purchasing Department on a non-stock requisition clearly stating the fund name and number to be charged. Where the cost exceeds £100, a 'Charitable Funds Request Form' must also be completed, approved by the fund manager and authorised by Finance prior to submitting to Purchasing.

Please note that all requests for payment should still conform to the Trust's Standing Financial Instructions.

4 CHARITABLE FUNDS REQUEST FORM

Please complete this form in full for all proposed purchases over £100.

In exceptional circumstances, where reimbursement or payment is required for goods or service which have not been ordered via Purchasing Department then please ensure that all receipts or relevant paperwork is attached to the "Authorisation to Release Charitable Funds" form.

Authorised signatories requesting payment/reimbursement CANNOT sign for their own reimbursement, a second authorised signatory is required.

5 APPROVAL FROM FINANCE

On completion of the charitable funds request form and associated paperwork please send all relevant documentation to Financial Services for approval. Payment may be refused if there is an insufficient balance to cover the payment, taking account of known commitments, and also if the type of items required are not within the purpose of the fund.

Once approval from Financial Services has been given then:

- If a cheque has been requested then the cheque will be sent to the company or to the individual as specified.
- If the item is to be ordered via the Purchasing Department then the original “Charitable Funds Request Form” will be attached to the non-stock requisition form, the appropriate charitable funds financial code entered on the non-stock requisition form and both will be forwarded to the Purchasing Department for processing with a VAT exemption form if appropriate.
- If the item is to be recharged to a third party this recharge will be undertaken by Financial Services. This will take place once the invoice from the company has been received confirming the exact cost of the goods and when the goods have been delivered to the unit and confirmed by an authorised signatory.

6 PAYMENT OF INVOICES

All invoices relating to items ordered via the Purchasing Department will be sent direct from the supplier to Financial Services to be processed by the Creditors section. Therefore it is essential that the yellow copies of the order are returned to Financial Services immediately the goods are received to allow payment to be made.

7 PAYMENTS TO EMPLOYEES

Any payments to employees of Cumbria Partnership NHS Foundation Trust e.g. for private work, travel expenses etc. must be made by the Salaries and Wages Department. A “Charitable Funds Request Form” still needs to be completed along with the normal paperwork and approved by Financial Services. Once granted the paperwork will be forwarded to Payroll to action the payment.

CHARITABLE FUND - PAYMENT REQUEST FORM

To: Finance Dept, Trust Headquarters, Voreda House, Portland Place, Penrith. CA11 7QQ

From: Name _____ Dept _____
Location _____ Date _____

INFORMATION IN SUPPORT OF REQUEST (please complete all sections)			
Fund Code	Fund Name		
Amount Requested	£ _____ Including/Excluding VAT (delete not applicable)		
For the purchase of	_____		
To be used for the following purposes:	_____		
Will future expenditure be incurred as a result of this purchase?	<table border="1"> <tr> <td>Yes / No</td> <td>If Yes, give details _____</td> </tr> </table>	Yes / No	If Yes, give details _____
Yes / No	If Yes, give details _____		

METHOD OF PAYMENT	
<input type="checkbox"/>	Please raise a cheque made payable to _____ (paperwork attached)
<input type="checkbox"/>	Please order via Purchasing (requisition form completed and attached)
<input type="checkbox"/>	For recharge to _____ (Organisation Name)
	Organisation Address _____
	Contact Name / Number _____

AUTHORISATION		
<input type="checkbox"/>	This request has been approved (see authorisation below)	
<u>Limit</u>	<u>Signature</u>	<u>Name</u>
Up to £20,000 - Nominated Fund Holder	_____	_____
Up to £50,000 - Chief Executive or Director of Finance	_____	_____
Over £50,000 - Audit Committee	_____	_____

For Finance Use Only	
Current Balance £ _____	Current Commitments £ _____

APPENDIX 3 - GUIDANCE TO FUND HOLDERS (CHARITABLE FUND INCOME)

1 INTRODUCTION

Money received into charitable funds can come from a variety of sources, e.g. gifts, donations or legacies from the will of a testator. If the Trust receives prior notification of large sums of money to be received, the donor should be advised to specify the use to which the money must be put. In the case of legacies the Trust will receive a copy of the relevant section of the Will. This information will be held by the Trust's Finance Department.

When a legacy notification is received by a department other than Finance, it is essential that this information is sent to the Finance Department.

It is important that all income is put to use strictly in accordance with the wishes of the giver. This may mean putting it into an existing fund or creating a new one. Approval to open a new fund can only be given by the Director or Deputy Director of Finance. Applications should be by letter and include a brief description of the fund and the names of the people who will manage the fund.

2 CREDITING CHARITABLE FUND INCOME

There are three ways that income can be credited to your fund:

- Cheques/cash deposited with your local cashier.
- Cheques sent to the Finance Department
- Deposits sent electronically to the Charitable Fund bank account.

Please note that cheques should only be made payable to Cumbria Partnership Charitable Fund.

When staff submit donations the cheques/cash should only be presented to the responsible officer and entered into the receipt book.

3 COMPLETING RECEIPTS

A receipt must be issued for every donation received. The Trust's standard receipt form for Charitable donations is provided overleaf.

The form is designed in such a way that it enables Cumbria Partnership NHS Foundation Trust to accurately record the basis upon which informal gifts are made, and at the same time avoid the creation of distinct charities. The donor can still specify where or how they wish the donation to be spent by ensuring the area to benefit and purpose of the donation are ticked on the receipt form.

The receipt form should be completed in full whenever a donation is received.

A copy of the income sheet should be sent to the following address together with the second copy of the bank counterfoil.

Financial Services Manager
Trust Headquarters
Voreda House
Portland Place
Penrith.
CA11 7QQ,

The cashier should retain a copy of the income sheet.

Any void receipts should be sent to Financial Services Manager in the Finance Department.

4 WHY WE NEED THIS INFORMATION

It is important that receipts are completely correctly. It is essential that the fund number and fund name are given to ensure that you get all the information that is due to your fund.

5 WHAT HAPPENS IF WE DO NOT GET THIS INFORMATION

There may be a significant delay in the income reaching your fund if we do not have the specific fund name and number, or alternatively it will be credited to a general fund.

6 DONORS WISHES

It is an audit requirement that the donors' wishes are recorded. Therefore please keep any letters you receive with your donations, together with the completed receipt form, detailing the donor's instructions. A copy of the receipt form and donor letter should be sent to Financial Services (see address on the previous page).

7 BANKING DONATIONS

Please arrange to bank your income as soon as it is practical to do so, into the Nat West - Cumbria Partnership Charitable Fund using the appropriate paying in book.

8 ELECTRONIC BANKING

Where bank details are required in order to receive income by electronic transfer please contact the Financial Services Manager for this information, and also state the amount to be received.

10 GIFT AID DONATIONS

Under the Gift Aid Scheme Charities are entitled to reclaim 25p in tax from the Inland Revenue on every £1 donated by a UK taxpayer.

Donors eligible to make Gift Aid Donations should be encouraged to tick the Gift Aid box on the standard donation receipt form overleaf.

Where a donation is received through the post and the opportunity to ask the donor if they would consider gift aid was missed, then should be sent with the letter of thanks asking if they would consider making their donation within the scheme. A stamped addressed envelope should be included.

Cumbria Partnership NHS Trust Charitable Fund
Registered Charity Number 1097632

<i>Receipt No.</i>	Individual Donation Receipt Form	<i>Date:</i>
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Donor Details: Name: _____

Donor Address: _____

Postcode: _____

Total Amount Donated: Cash * £ _____ Cheque £ _____

* Counted by two members of staff

Without forming a separate trust, you would like your donation to benefit:-
(Please tick only one box in each column)

<p>Area to Benefit:-</p> <p><input type="checkbox"/> Cumbria Partnership NHS Foundation Trust</p> <p><input type="checkbox"/> Department / Ward / Hospital / Service (Please specify)</p> <p>_____</p>	<p>For the purpose of:-</p> <p><input type="checkbox"/> Any charitable purpose</p> <p><input type="checkbox"/> Benefit of Patients (including equipment)</p> <p><input type="checkbox"/> Benefit of Staff</p>
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Donors Signature (If present): _____

giftaid it Use Gift Aid and you can make your donation worth more. For every pound you give to us, we can get an extra 25p from HM Revenue & Customs. Please tick the box below.

I am a UK taxpayer and I would like Cumbria Partnership NHS Trust Charitable Fund (Registered charity number 1097632) to treat all donations I have made for the four years prior to this, and all donations I make in the future as Gift Aid donations, until I notify you otherwise.

To qualify for gift aid, what you pay in income tax or capital gains tax must at least equal the amount we will claim in the tax year.

For staff use only:-

Donation Received by Staff Member:-

(1) Signature _____
Name _____

(2) Signature _____
Name _____

Return completed form to: Financial Services, Voreda House, Portland Place, Penrith, Cumbria. CA11 7QQ

For Finance staff use only:-

Donation credited to Charitable Fund: Name _____

No. _____

APPENDIX 4 – INVESTMENT POLICY

Introduction

Under the Trustee Act 2000, trustees are required to have a written investment policy. They are also required to be able to demonstrate that they review this Policy, and the performance of investment advisors to ensure that charitable funds are being managed in the best interest of all connected parties.

Purpose

This document has been produced to detail current investment policy, and to ensure that Cumbria Partnership NHS Foundation Trust, as a Corporate Trustee, can demonstrate effective management of Charitable funds, whether these are invested or held as liquid assets to meet forecast current expenditure.

Investment Objective

The objective of the Charitable Fund Investments is to generate enough income to cover the cost of administering the funds.

Investment Overview

Currently the general power of investment means the power of investment which is given to trustees by section 3 of the Trustees Act. This Act imposes a duty on those acting as Charity Trustees, when exercising their powers of investment, to consider the need for diversification, in order to reduce the risk of loss should an investment fail. The basic principle governing trustees' decisions about investing their charity's funds is that they must take a prudent approach.

Investment of Funds

To ensure that appropriate advice and guidance is available the following has been agreed:

1. The Audit Committee on behalf of Cumbria Partnership NHS Foundation Trust has delegated authority to appoint investment advisors.
2. If an external "advisor" is appointed, the "advisor" will be required to submit quarterly performance reports, and to meet Finance Department representatives on an annual basis to advise on current performance, investment trends, opportunities and possible concerns.
3. The performance of the appointed external "advisors" will be reviewed on an annual basis using a relevant formal benchmarking process.
4. Investments should only be made that minimise the risk of loss; this does not include Capital left in perpetuity, or liquid resources retained to meet forecast expenditure:

Cash held outside of Investment portfolio

At all times it must be ensured that sufficient liquid resources are maintained to meet routine payment requirements. Cash must be held in the bank accounts operated via the Government Banking Service.

Reporting

A summary statement of the value of funds invested will be presented to the Audit Committee at least annually. This will detail any movement in and out of investments.

All relevant details on Fixed Asset Investments will be included in the Annual Charitable Fund Accounts.

Reviewing the Investment Policy

This policy will be reviewed in line with the review of the Charitable Funds Policy.

DOCUMENT CONTROL CHECKLIST

Checklist is for the review and ratification of trust-wide procedural documents - to be completed and attached to policy prior to ratification by the CPFT Policy Management Group (PMG).

Policy Title	Charitable Funds
Policy Author (original)	Tony Bellingham
Policy Author Checklist Completed	
Assigned Owner	

A.	Details	Yes/No/Unsure	Comments
A. Initial Screening by Policy Reviewer			
1	Document Control		
	Is the title clear and unambiguous?	N	
	Are the policy author/contact details correct?	Y	
	Has the review date been identified?	Y	
	Has the document been equality impact assessed?	Y	
	Does the policy footer contain the policy title and the policy number (under the heading "our ref"), and page 'x' of 'x'?	Y	
	Is the version number of this document identified (in footer of policy)?	Y	
	Is there a statement of changes made to this version (see section B of document control checklist)?	Y	
	What is the purpose of this policy?	To ensure that the income and property of the charitable funds are applied in furtherance of the purposes of those funds, and for no other purpose.	
2	Format/Style/Content		
	Is the document written using the agreed format/template?	Y	
	Does the document use the agreed style (see section 3 of Document Development Resource Pack)?	Y	
	Is there a table of contents page with numbers, including all subsections and appendices within the policy?	Y	
	Does the document include a Summary?	Y	
	Does the document include a Scope?	Y	
	Does the document include an Introduction?	Y	
	Does the document include a Statement of Intent?	Y	
	Does the document include a list of all the	Y	

	definitions used within the policy?		
	Does the document contain a list of key duties?	Y	
	Does the document include the detail of the policy?	Y	
	Does the document include the implementation of training requirements?	Y	
	Does the process for monitoring compliance include the aspect of compliance or effectiveness being monitored, the monitoring method, the individual responsible for the monitoring, the frequency of the monitoring activity the group/committee/individual who will receive the findings and the group/committee/individual responsible for ensuring that the actions are completed?	Y	
	Is the content of the policy clear and unambiguous throughout?	Y	
3	Evidence Base		
	Are key references cited?	Y	
	Are related standards cited?	Y	
	Have you consulted with key stakeholders (aligned with those listed in the duties section).	Y	
	Has the policy been approved by all relevant subcommittees? (please list the subcommittees that is has been through in the "comments" section (right).	Y	Audit Committee
4	NHSLA Standards		
	If the policy relates to an NHSLA standard, has the registration and governance administrator approved the policy to ensure it meets the requirements of the standard?	n/a	

B. Amendments made to policy (Please include details of the changes that have been made to the policy in the most recent review).

General wording update throughout policy in line with Charity Commission and HfMA guidance.
Addition of specific policy areas not covered in previous policy:-
6.3 – Fundraising and Sponsorship
6.5 – Investment of Funds
6.6 – Banking Arrangements

C. Trust Policy Group - Ratification

Approved? <input type="checkbox"/>	Approved after minor amendments. To be submitted to PMG Chair for final sign off. <input type="checkbox"/>	Not approved <input type="checkbox"/>
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PMG Approved	Date:	
Published online	Date:	

THE GOLDEN RULES



[CO/ POL/003/004 – Charitable Funds Policy]

This is a summary document. Full document is available on the Trusts Website.

Introduction

The Policy sets out the processes to be followed to ensure the Trust complies with Charity Commission guidance and the Charities Act for receiving and expending charitable donations.

Objective

The Policy has been developed to ensure that income and property donated to the charitable funds are applied in furtherance of the purposes of those funds, and for no other purpose.

GOLDEN RULES

- **Do** fully complete the standard receipt form when donations are received.
- **Do** arrange for the donor to complete the charitable giving form as the Trust can reclaim tax from HM Revenue & Customs to increase the value of the Funds.
- **Do** ask Finance if you are unsure whether expenditure meets Charitable Fund purposes and/or Charity Commission rules.
- **Do not** place orders or incur expenditure before approval is received from the relevant Fund Holder and Finance Department.