



NHS Greater Glasgow and Clyde Endowment Funds Annual Accounts for the Year Ended 31 March 2011

Registered Charity Number: SC005895



NHS Greater Glasgow and Clyde Endowment Funds

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Trustees' Report

Trustees

Mr A O Robertson OBE	Chairman
Prof D H Barlow	Non-Executive Director (retired 31 December 2010)
Mr C Bell	Non-Executive Director
Dr C Benton MBE	Non-Executive Director
Dr L de Caestecker	Director of Public Health
Mr R Calderwood	Chief Executive
Mr G Carson	Non-Executive Director
Mr R Cleland	Non-Executive Director (retired 31 March 2011)
Cllr J Coleman	Non-Executive Director; Councillor, Glasgow City Council
Dr B N Cowan	Medical Director
Ms R Crocket	Nurse Director
Mr P Daniels OBE	Non-Executive Director
Ms R Dhir MBE	Non-Executive Director
Prof A Dominiczak	Non-Executive Director (from 1 January 2011)
Mr I Fraser	Non-Executive Director (from 1 August 2010)
Mr D Griffin	Director of Finance (replaced by Mr P James from 1 July 2011)
Mr P Hamilton	Non-Executive Director (retired 31 March 2011)
Cllr J Handibode	Non-Executive Director; Councillor, South Lanarkshire Council
Dr M Kapasi MBE	Non-Executive Director
Mr I Lee	Non-Executive Director
Cllr R McColl	Non-Executive Director; Councillor, West Dunbartonshire Council (from 1 August 2010)
Cllr J McIlwee	Non-Executive Director; Councillor, Inverclyde Council
Cllr D MacKay	Non-Executive Director; Councillor, Renfrewshire Council (retired 23 March 2011)
Mr G McLaughlin	Non-Executive Director (retired 5 September 2010)
Mrs J Murray	Non-Executive Director
Mrs R K Nijjar	Non-Executive Director (retired 31 March 2011)
Cllr I Robertson	Non-Executive Director; Councillor, West Dunbartonshire Council (retired 30 June 2010)
Rev Dr N Shanks	Non-Executive Director (from 1 August 2010)
Mr D Sime	Employee Director
Mrs E Smith	Non-Executive Director
Cllr A Stewart	Non-Executive Director; Councillor, East Dunbartonshire Council
Mr B Williamson	Non-Executive Director
Mr K Winter	Non-Executive Director
Cllr D Yates	Non-Executive Director; Councillor, East Renfrewshire Council

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Trustees' Report

Administration Office

Endowments Office
NHS Greater Glasgow and Clyde
140 Fifty Pitches Road
Cardonald Park
Glasgow
G51 4ED

Auditor

PKF (UK) LLP
Citypoint
65 Haymarket Terrace
Edinburgh
EH12 5HD

Bankers

RBS
8-10 Gordon Street
GLASGOW
G1 3PL

Bank of Scotland
167 – 201 Argyll Street
GLASGOW
G2 8BU

Investment Managers

BlackRock Investment Management (UK) Ltd
33 King William Street
London
EC4R 9AS

Lawyers

Scottish Central Legal Office
Anderson House
Breadalbane Street
Bonnington Road
Edinburgh
EH6 5JR

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Trustees' Report for the year ended 31 March 2011

The Trustees present their annual report and the audited financial statements for the year ended 31 March 2011.

The information with respect to Trustees and advisors set out on page 3 forms part of this report. The financial statements comply with applicable Accounting Standards in the United Kingdom, the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in February 2005 and the Charity Accounts (Scotland) Regulations 2006.

Structure, Governance and Management

NHS Greater Glasgow and Clyde's powers to hold funds on trust are set out in Sections 82 to 84 of the NHS Scotland Act 1978. The Charity is registered as a charity with the Office of the Scottish Charity Regulator under the number SC005895.

The Trustees, all of whom served throughout the year to 31 March 2011, except where otherwise disclosed, are listed on page 3. Day to day control of the management of the charity is delegated by the Trustees to the Board's Chief Executive, Mr R Calderwood, and its Director of Finance, Mr Douglas Griffin. The Trustees of the Charity are also members of the Board of NHS Greater Glasgow & Clyde. Non-executive members of the Board are appointed by the Health Department of the Scottish Government.

As part of the major re-organisation of the Board's committee and administrative structures which followed on from the dissolution of NHS Trusts and the establishment of Community Health Partnerships and Community Health and Care Partnerships, the Board established a Nominees Investment Committee – Endowments, subsequently renamed as Endowments Subcommittee, as one of its Standing Committees. Its remit includes approval of annual budgetary proposals, monitoring of expenditure against budget, approval of proposals for individual items of expenditure in excess of £250,000, appointment of investment managers and receipt from them of periodic reports on performance.

The Endowments Subcommittee met four times in 2010-11 and was chaired by Mrs E Smith. The membership of the Endowments Subcommittee comprises Mrs E Smith, Mr A O Robertson OBE and Mr I Lee. The meetings were also attended by Mr Douglas Griffin, the Board's Director of Finance.

The budgetary control arrangements incorporate provisions for the delegation of responsibility to designated senior officials/trustees of the Board. This includes authorisation of expenditure on individual items up to a limit of £250,000 as agreed by the Trustees at their meeting on 15 November 2005.

It is also relevant to note that a significant body of restricted funds are of a custodian nature established at the request of designated fundholders and controlled by them on an operational basis, but subject to the general oversight of the Trustees.

The risk management strategy for NHS Greater Glasgow & Clyde applies equally to the Endowment Funds. There are mechanisms in place to regularly identify risks and actions required to mitigate those risks.

A Background Paper setting out the role and responsibilities of NHS Trustees was circulated for information to Trustees at their meeting in November 2005.

The arrangements for the induction and on-going training of Trustees are being kept under review.

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Strategic Objectives and Activities

The primary objective of the charity is to assist NHS Greater Glasgow and Clyde in the provision of healthcare services and the sponsorship of research activity.

The relevant enabling section of the NHS Scotland Act 1978 legislation states that "A Health Board shall have power to accept, hold and administer any property on trust for purposes relating to any service which it is their function to make arrangements for, administer or provide, or to their functions with respect to research."

The charity aims to enhance the well-being of both patients and staff. The Board's unrestricted funds provide support for a range of patient and staff amenity expenditure for which support is not available from exchequer funds. The delivery of the charity's aims in this connection are reflected in expenditure on a wide range of minor amenities for patients including day trips/holidays for long-term patients, Christmas gifts and hospital concerts. Welfare expenditure for staff includes support for staff retirals and provision of Water at Work facilities where appropriate. The Staff Lottery is also operated under the auspices of endowment funds as a facility beneficial to both patients and staff.

Plans for future periods and review of specific budget allocations

During the course of 2010-11 budget allocations have been made on a non recurring basis for various projects including the following; development and maintenance of the Involving People Database, Ready to Lead Development Initiative, Staff Bursary Scheme and Hospital Visitor Transport Scheme. The Endowments Subcommittee in line with its' governance role as outlined in the Board's Standing Financial Instructions has also given approval for a substantial investment in Radiation Oncology Research funded through the Beatson restricted fund.

A budget for 2011-12 non-recurring allocations from unrestricted funds was agreed at the meeting of the Endowments Subcommittee on 21 June 2011. The budget for 2011-12 has been set at similar level to that agreed for 2010-11.

The Endowments Subcommittee agreed at their meeting on 13 January 2010 to set aside funds of up to £20M as an Endowment contribution to the building of a New South Glasgow Hospital. It is proposed that the fund be built up over a period of years leading up to 2015-16. This new fund will include the allocation of any investment income/gains on General Fund for the years concerned. This fund had a balance as at 31 March of £7.9M.

Expenditure from Restricted funds is in accordance with the wishes of the relevant benefactors/sponsors, subject to the overall governance arrangements of the charity.

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Review of finances, achievements and performance

The statement of financial activities for the year is set out on page 12 of the financial statements. A summary of the financial results and the work of the charity are set out below.

The charity's overall income increased from £9.7 million to £9.8 million. Apart from income generated by investment assets, there are three main categories of income. These are donations from individuals/corporate bodies, sponsorship of research and fee income from courses/other services provided by clinical staff. The charity does not engage directly in fundraising activities other than that it administers a staff lottery which continued to be operated as a restricted fund to simplify administration but produces a separate report and annual accounts for its transactions.

Donations from individuals, corporate bodies and charitable foundations have increased to £2.4 million from £1.6 million in the previous year. These included donations from patients/relatives and from schools, sports clubs and other fundraising groups as well as from numerous commercial organisations. Specifically donations in 2010-11 included an amount of £700,000 received from Women's Royal Voluntary Service.

Total expenditure from unrestricted funds was around £1.9 million, compared with £2.6 million last year. This included support for a range of patient and staff amenity expenditure such as hospital concerts, Christmas gifts, voluntary services and staff libraries as well as specific budget allocations from General Fund.

Expenditure from restricted funds expenditure remained at similar levels to 2009-10 at just over £9 million. This included expenditure of £2.2 million on equipment and capital projects as well as research costs of approximately £3.7 million. This accounted for approximately 64% of total restricted funds expenditure.

Investment Policy and Performance

The Trustees' investment objective is to maximise the overall rate of return. From 2003-04 a separate low risk investment portfolio has been maintained representing 29% of the investment portfolio to cover those funds where protection from capital fluctuation is necessary. This comprises primarily cash or cash-equivalent investments and with some limited exposure to government and other fixed interest bonds. The investment managers may not invest in companies involved in the tobacco industry or in the production of alcoholic beverages. The performance of the investment portfolio is monitored in the quarterly reports provided by the investment managers with the target being to out perform agreed composite benchmarks over rolling 3 year periods.

The current Investment Managers are BlackRock who were reappointed for a period of three years commencing 1 April 2009.

The consolidated asset allocation as at 31 March 2011 was as follows:

	%
UK Equities	43.8
Overseas Equities	12.5
UK Fixed Income	22.0
Property Unit Trusts	16.0
Cash	5.7
Total	<u>100.0</u>

The year end market value of the investment portfolios administered by BlackRock was approximately £78.7 million.

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The portfolio value reduced during the first quarter mainly due to ongoing difficulties with the BP oil spill in Gulf of Mexico impacting on the value of the BP shareholding. However due to generally increasing stock market trends the remainder of the year has seen the overall portfolio recovering to a value of £78.7 million compared with £78.5 million in 2009-10. The improvement in market conditions during the year is reflected in the revaluation gain of £2.6 million for the overall portfolio compared with a gain of £12.9 million in the previous year. Given the uncertainty in the equity markets our investment advisors will continue to place our investments in a defensive position and purchase shares in companies with predictable revenues.

As part of their continuous review of investment strategy the Endowments Subcommittee, after consultation with the Investment Managers agreed to alter weightings in the low risk portfolio to 60% UK Fixed Income and 40% cash. This change was effected as from 1 October 2010.

Investment management costs of £221k were incurred in 2010-11 (prior year £209k). The Statement of Financial Activities (P12) shows only the element of the total fee that was directly invoiced to NHS Greater Glasgow and Clyde Endowment Fund in the year in question. The remainder of the fee is taken through the various BlackRock funds at source. The investment management fee is calculated in accordance with the revised fee scale agreed at time of tender (February 2009).

Reserves

The Trustees have established a policy whereby a proportion of unrestricted funds not invested in tangible fixed assets have been set aside to cover management costs and routine patient/staff amenity expenditure. It is envisaged that the remaining "free reserves" will be utilised over a period of years to fund a phased programme of non-recurring expenditure.

Statement of Trustees' responsibilities

The trustees are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Charity law requires the trustees to prepare financial statements for each financial year. Under that law the trustees are required to prepare financial statements which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity, including its income and expenditure, for that period. In preparing these financial statements the trustees:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

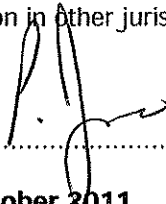
The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the requirements of Regulation 8 of the Charities Accounts (Scotland) Regulations 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements and other information included in annual reports may differ from legislation in other jurisdictions.

By order of the Trustees



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Paul James
Trustee

18 October 2011

NHS Greater Glasgow and Clyde Endowment Funds

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Independent Auditor's Report to the Trustees of NHS Greater Glasgow and Clyde Endowment Fund

We have audited the financial statements of NHS Greater Glasgow and Clyde Endowment Fund for the year ended 31 March 2011 which comprise Statement of Financial Activities, Balance sheet, Cashflow Statement and related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

This report is made solely to the charity's trustees, as a body, in accordance with section 44 of the Charities and Trustee Investment (Scotland) Act 2005. 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 auditors' 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.

Respective responsibilities of trustees and auditor

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the financial statements, which give a true and fair view. We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with that Act. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Accounts to identify material inconsistencies with the audited financial statements. If we become aware of any material misstatements or inconsistencies we consider the implications for our report.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2011 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where regulations made under the Charities and Trustee Investment (Scotland) Act 2005 require us to report to you if, in our opinion:

- proper accounting records have not been kept in respect of the charity; or
- the financial statements do not accord with the accounting records; or
- any information contained in the financial statements is inconsistent in any material respect with the trustees report; or
- any information or explanation to which we are entitled has not been afforded to us.



24 October 2011

PKF (UK) LLP
Statutory auditor
Edinburgh
UK

Date: October 2011

Eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

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Statement of Financial Activities

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2011 £'000	2010 £'000
Incoming resources						
Incoming resources from generated funds:						
Voluntary Income	2	724	2,395	92	3,211	2,190
Activities for Generating Funds		-	-	-	-	-
Investment Income	3	607	1,308	57	1,972	2,168
Incoming resources from charitable activities:						
Research Sponsorship		-	1,075	-	1,075	1,506
Fee Income		44	3,163	-	3,207	3,449
Other Incoming Resources		-	327	-	327	381
Total Incoming Resources		1,375	8,268	149	9,792	9,694
Resources expended						
Costs of generating funds:						
Investment Management Costs		(4)	(6)	-	(10)	12
Charitable activities:						
Medical Research		234	3,913	-	4,147	4,175
Equipment/Capital Projects		634	2,184	-	2,818	3,344
Staff Education/Welfare		313	2,360	-	2,673	2,591
Patient Welfare/Amenities		409	253	-	662	767
Other Resources Expended		329	546	5	880	909
Total Direct Charitable Expenditure	4	1,919	9,256	5	11,180	11,786
Governance Costs		5	7	-	12	11
Total Resources Expended		1,920	9,257	5	11,182	11,809
Net (outgoing)/incoming resources before transfers		(545)	(989)	144	(1,390)	(2,115)
Transfers between Funds		(338)	348	(10)	-	-
Net (outgoing)/incoming resources before revaluations and investment asset disposals		(883)	(641)	134	(1,390)	(2,115)
Gains on the Revaluation and Disposal of Investment Assets		1,075	946	101	2,122	12,930
Net movement in funds		192	305	235	732	10,815
Fund balances brought forward as at 1 April 2010		24,852	51,626	1,896	78,374	67,559
Fund balances carried forward at 31 March 2011		25,044	51,931	2,131	79,106	78,374

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Balance Sheet

	Note	2011 £'000	2010 £'000
FIXED ASSETS			
Tangible fixed assets	7	153	153
Investments	8	78,738	78,526
Total Fixed Assets		78,891	78,679
CURRENT ASSETS			
Debtors	9	544	474
Cash at bank and in hand		1,116	593
		1,660	1,067
CURRENT LIABILITIES			
Creditors due within one year	10	(1,445)	(1,372)
Net current assets/(liabilities)		215	(305)
Total assets less current liabilities		79,106	78,374
FINANCED BY:			
Endowment Funds	13	2,131	1,896
Restricted Funds	13	51,931	51,626
Unrestricted Funds	13	25,044	24,852
		79,106	78,374

Adopted by the Trustees on 18 October 2011

Paul James
Trustee



NHS Greater Glasgow & Clyde Endowment Funds

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Cash Flow Statement

	Note	2011 £'000	2010 £'000
NET OPERATING CASHFLOW			
Net cash outflow from operating activities	14	(3,294)	(4,399)
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest and dividends received		1,833	2,154
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT			
Cash withdrawn from investment portfolio		1,984	-
Increase/(Decrease) in cash in year	15	523	(2,245)

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Notes to the financial statements for the year ended 31 March 2011

1 Principal accounting policies

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom and the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" published in February 2005. A summary of the principal accounting policies, which have been applied consistently, are set out below.

Basis of accounting

The financial statements are prepared in accordance with the historical cost convention, modified by the revaluation of investment assets.

Donations and legacies

Donations and legacies are credited to revenue on a receivable basis. Legacies are accounted for on receipt of correspondence from the personal representative indicating that payment of the legacy will be made.

Fees and similar income

Fees receivable and charges for services are accounted for in the period in which the revenue is receivable. Fees are generated from medical tests performed and training courses delivered.

Fundraising Income (Activities for Generating Funds)

Fundraising income is largely accounted for by income generated from the staff lottery and by several major fundraising efforts at Yorkhill Children's Hospital. The income is accounted for in the period in which the revenue is received.

Grants receivable and research sponsorship

Grants receivable and research sponsorship income are credited to the statement of financial activities in the year in which they are receivable.

Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Fund raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of charitable activities.

Charitable activities

This expenditure is classified to reflect the main areas of activity of the charity with a more detailed analysis given in the notes to the accounts and the Income and Expenditure Accounts. All expenditure is allocated directly to the appropriate expenditure heading.

Management, administration and governance

Management and administration costs, excluding governance costs, which are separately disclosed, have been apportioned to the various activity categories pro rata to the level of expenditure. Governance costs are accounted for by audit fees.

VAT

Any irrecoverable VAT is charged to the statement of financial activities, or capitalised as part of the cost of the related asset, where appropriate. The Charity is not separately registered for VAT. NHS Greater Glasgow and Clyde is entitled to recover VAT on contracted-out services expenditure and this entitlement extends to the charity.

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1 Principal accounting policies (continued)

Recognition of liabilities

Liabilities are recognised when an obligation arises to transfer economic benefits as a result of past transactions or events.

Fund accounting

Unrestricted funds are funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Endowment funds represent those assets which must be held permanently by the charity. Income generated from those assets may be spent in accordance with the donors' wishes.

Investment income and gains are allocated to the appropriate fund.

Tangible fixed assets

Capitalisation and replacement

All assets are included at their purchase price together with any incidental expenses of acquisition.

Depreciation

Land is not depreciated. Depreciation of other assets is calculated so as to write off the cost or valuation of tangible fixed assets, less their estimated residual values, over the expected useful economic lives of the assets concerned.

Investments

Investments are included at closing mid-market value at the balance sheet date. Any realised and unrealised gains and losses on revaluation or disposals are combined in the statement of financial activities.

Income from investments is included in the year in which it is due.

NHS Greater Glasgow & Clyde Endowment Funds
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Notes to the Accounts

2. VOLUNTARY INCOME

	2011	2010
	£'000	£'000
Donations from Individuals	607	686
Donations from Charitable Foundations	700	11
Corporate Donations	1,062	961
Legacies	742	433
Grants	100	99
TOTAL	3,211	2,190

3. INVESTMENT INCOME

	2011	2010
	£'000	£'000
Dividends	1,138	1,511
Interest on fixed interest securities	714	452
Bank and building society interest	120	205
TOTAL	1,972	2,168

4. RESOURCES EXPENDED

	Medical Research	Equipment/ Capital Projects	Staff Welfare /Education	Patient Welfare	Other	2011	2010
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Research Salaries and Supplies	3,873	-	-	-	-	3,873	3,785
Donations	274	-	-	-	-	274	390
Furniture and Equipment	-	1,857	-	-	-	1,857	2,419
Projects/Building Alterations	-	577	-	-	-	577	640
IT Equipment	-	384	-	-	-	384	285
Staff Travel/Conference Expenses	-	-	1,476	-	-	1,476	1,386
Staff Bursaries	-	-	201	-	-	201	234
Staff Amenities	-	-	302	-	-	302	387
Staff Salaries/Lecture Fees	-	-	175	-	-	175	57
Publications/Staff Libraries	-	-	221	-	-	221	184
Professional Fees	-	-	102	-	-	102	152
Staff Lottery	-	-	196	-	-	196	191
Patients' Amenities	-	-	-	580	-	580	676
Christmas Gifts	-	-	-	82	-	82	91
General Management and Administrative Expenses	-	-	-	-	674	674	564
Other Expenditure	-	-	-	-	206	206	345
Total Direct Charitable Expenditure	4,147	2,818	2,673	662	880	11,180	11,786

5. NET INCOMING RESOURCES

	2011	2010
	£'000	£'000
Net incoming resources is stated after charging :		
Auditors' remuneration for Audit Services	12	12

No indemnity insurance for Trustee's liability has been purchased by the charity.

6. EMPLOYEE INFORMATION

	2011	2010
	£'000	£'000
STAFF COSTS		
Salaries and wages	148	141
Social security costs	11	10
Pension costs	17	19
TOTAL	176	170

Note: No employees received emoluments exceeding £60,000 (2010: Nil). No trustee received any remuneration from the charity during the year (2010: Nil).

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Notes to the Accounts

7. TANGIBLE FIXED ASSETS

	2011	2010
	£'000	£'000
Tangible Fixed Assets are represented by:		
Freehold land	153	153
At 31 March 2011	153	153

Freehold land is accounted for primarily by land at Broomhill Hospital included at the valuation that applied when title transferred from the Board of Management for Kirkintilloch and Kilsyth Hospitals to Endowment Funds on 1 April 1974. The balance has been adjusted for sundry minor disposals since that date. Negotiations for the disposal of the remainder of the site have been on-going for some time but it is not practical at this time to give any realistic current valuation in view of the planning issues affecting the final outturn. It also includes freehold land at Yorkhill Hospital.

8. FIXED ASSET INVESTMENTS

	Total
	£'000
Cost or valuation	
At 1 April 2010	78,526
Additions	21,527
Disposals	(13,526)
Cash movements	(10,413)
Net Investment gains	2,624
At 31 March 2011	78,738
Net book value as at 31 March 2010	78,526

	2011	2010
	£'000	£'000
Fixed asset investments are represented by:		
Fixed interest securities	17,364	8,578
Equity shares	42,163	39,728
Investment trusts and unit trust	7,119	7,715
Cash for reinvestment	12,092	22,505
At 31 March 2011	78,738	78,526

All investment assets are invested in the UK with overseas cover being provided by Merrill Lynch Overseas Fund which is a UK registered fund.

Investments included in the above with a market value greater than 5% of the total portfolio market value at 31 March 2011 are as follows:

	2011	%
	£'000	
8,520,222 Units in ML Overseas Fund Dist.	9,858	12.52
145,189 Units in Black Rock Property Fund	4,976	6.32
7,421,743 Units in Charinco Dist Units	13,478	17.12

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9. DEBTORS	2011	2010
	£'000	£'000
Debtors due within one year		
VAT Recoverable	13	13
Prepayments and accrued income	531	461
Total Debtors due within one year	544	474

10. CREDITORS	2011	2010
	£'000	£'000
Creditors due within one year		
Accruals	654	1,250
Due to related undertakings	791	122
Total Creditors due within one year	1,445	1,372

11. ANALYSIS OF THE NET ASSETS BETWEEN FUNDS

	Tangible Fixed Assets	Investments	Net Current Assets	Total at 31 March 2011	Total at 31 March 2010
	£'000	£'000	£'000	£'000	£'000
Endowed Funds	-	2,591	(460)	2,131	1,896
Restricted Funds	13	53,653	(1,735)	51,931	51,626
Unrestricted Funds	140	22,494	2,410	25,044	24,852
Total	153	78,738	215	79,106	78,374

12. TAXATION

The charity is a registered charity, and as such is entitled to certain tax exemptions on income and profits from investments, and surpluses on any trading activities carried on in furtherance of the charity's primary objectives, if these profits and surpluses are applied solely for charitable purposes.

NHS Greater Glasgow & Clyde Endowment Funds

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13. FUNDS

	Balance as at 1 April 2010 £'000	Receipts £'000	Payments £'000	Transfers £'000	Investment Gain/ (Loss) £'000	Balance as at 31 March 2011 £'000
Unrestricted Funds						
Total Unrestricted Funds	24,852	1,375	(1,920)	(338)	1,075	25,044

Total above for Unrestricted Funds includes an amount of £7.9M which has been allocated (see page 6 Trustees' Report) for the New South Glasgow Hospitals fund.

Restricted Funds

Advanced Practice	-	98	(8)	-	(1)	89
Amenity Fd.S.General	133	241	(48)	-	(1)	325
Atherosclerosis/Lipid Research	193	4	(48)	-	(2)	147
Baxter'S Bequest	130	4	-	-	7	141
Beatson Senior Management Fund	94	2	-	-	(1)	95
Biofilm Research	33	44	(46)	25	2	58
Boc Trials Unit	4	687	(684)	-	(1)	6
Breast Cancer 2000	211	142	(60)	-	(2)	291
Cont.Prof.Dev.Gp'S Wofscot	100	2	-	-	(1)	101
Day Release Psychiatry-WofS	83	38	(40)	-	(1)	80
Dbar Lottery Benefit Fund	127	3	-	-	(1)	129
Dbar Rehab Research Fund	87	2	(6)	-	(1)	82
Diabetic	100	3	-	-	5	108
Early Breast Cancer Recurrence	99	61	(3)	-	(1)	156
Education And Training	179	23	(30)	-	(2)	170
Equipment Fund	86	23	(32)	-	(1)	76
F.P. Training Fund	103	7	(5)	-	(1)	104
Friends Of Glasg. Cdm Prog.	77	2	(7)	-	(1)	71
Ggh B'Chem Drug Investig	35	21	(2)	45	(1)	98
Ggh Biochemistry	113	23	(23)	-	(1)	112
Ggh Diabetic Research	277	6	(9)	-	(3)	271
Ggh Ophthalmology Direct	78	2	-	-	(1)	79
Ggh Pain Research	142	35	(71)	-	(1)	105
Ggh Pats & Staff Welfare	151	6	(6)	-	(2)	149
Ggh Rheumatology	72	48	(68)	-	(1)	51
Gghb - Research/Education	353	110	(369)	(3)	18	109
Gghb Nhs A&C Staff Lottery	107	2	-	-	(1)	108
Gghb Social Welfare	941	28	(2)	-	50	1,017
Gghb Staff Lottery	412	315	(197)	-	(5)	525
Ggh-Scottish Virology	65	1	(2)	(8)	(1)	55
Gjnh Cardiology/Cardiac Surg	50	4	-	2	(1)	55
Glas Interventional Rad Res	35	1	-	25	(1)	60
Glasgow Internationa Med Init	382	7	(165)	-	(3)	221
Graham Wilson Mem. Fd	126	4	-	-	7	137
Gri B'Chem Clin Trials	205	48	(24)	-	(2)	227
Gri B'Chem Endocrine Section	204	190	(99)	(33)	(2)	260
Gri B'Chem Lipid Symposia	181	4	(44)	27	(2)	166
Gri B'Chem Lipids	217	67	(22)	1	(3)	260
Gri B'Chem Lipids&Fat Acids Hd	178	121	(120)	-	(2)	177
Gri B'Chem.Chem.Endocrinology	220	90	(54)	-	(2)	254
Gri B'Chem.Departmental	236	27	(42)	(11)	(2)	208
Gri B'Chem.Trace Metals	308	120	(14)	-	(4)	410
Gri Cancer Fund	990	29	(31)	-	52	1,040
Gri Cardiology Fund	-	104	-	-	-	104
Gri Cardiology Prof.Dept	275	13	(39)	-	(3)	246
Gri Chest & Heart Fund	1,107	33	(35)	-	59	1,164
Gri Clinical Res. Project	89	4	(20)	-	(1)	72
Gri Clinical Research Dev.	130	89	7	-	(2)	224
Gri Critical Care Education	68	30	(7)	-	(1)	90
Gri D'Betes Main Dev & Educ	109	3	(8)	-	(1)	103
Gri Diabetic Fund	71	1	(38)	-	(1)	33
Gri General Research	64	2	(2)	-	3	67
Gri Glaucoma Fund	111	2	(2)	-	(1)	110
Gri Gynaecology Oncology	76	2	(2)	-	(1)	75
Gri Haematology Dept	75	4	(2)	-	(1)	76

NHS Greater Glasgow & Clyde Endowment Funds
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13. FUNDS

	Balance as at 1 April 2010	Receipts	Payments	Transfers	Investment Gain/ (Loss)	Balance as at 31 March 2011
	£'000	£'000	£'000	£'000	£'000	£'000
Gri Kidney Unit	151	3	-	-	(2)	152
Gri Liver Research Fund	81	4	(1)	-	(1)	83
Gri M.P.Millar General Fund	442	13	(14)	-	23	464
Gri Matron'S Fund	89	3	-	-	(1)	91
Gri Microbiology Dept	482	77	(86)	32	(5)	500
Gri Nuclear Cardiology Res	84	14	(16)	-	(1)	81
Gri Obstetrics Anaesthesia Res	60	1	(1)	-	(1)	59
Gri Ortho.Lib.Educ.Res.	183	166	(176)	-	(2)	171
Gri Pancreatic Cancer Research	54	17	(17)	-	(1)	53
Gri Periph.Vasc.Research	54	1	(3)	-	(1)	51
Gri Renal Fund	396	12	(12)	-	21	417
Gri Rheumatology Res. (Madhok)	127	29	-	-	(2)	154
Gri St. Mungo Oncology Unit	54	2	-	-	3	59
Gri Thrombosis Research	196	4	(2)	-	(2)	196
Gri-Wofs Haemato-Oncology Mcn	104	43	(2)	-	(1)	144
Guthrie Bequest	193	4	(13)	-	(2)	182
Haemophilia	82	2	-	-	4	88
Helen Smith Bequest	67	2	-	-	4	73
Hiv Testing	454	26	(37)	1	(5)	439
Homeopathic Hosp.Rennie	140	3	(49)	-	6	100
Homeopathic Hospital Phase I	790	24	(8)	-	42	848
Ins Neuroimaging	161	3	(53)	(2)	(2)	107
Intensive Care Education	65	3	(6)	-	3	65
Intensive Care Equipment	98	3	(18)	-	5	88
Intensive Care Research	80	3	-	-	4	87
Irh Cardiac Equip	113	14	(5)	-	(1)	121
Irh Macniven Bequest Fund	116	2	-	-	(1)	117
Irh Oncology	63	6	(30)	-	-	39
Irh Renal / Dialysis	55	4	(4)	-	(1)	54
Jub - Perioperative Reserarch	143	3	(13)	-	(1)	132
Learning & Education Bursary	49	2	(165)	115	(1)	-
Leukaemia & Cancer Res.	608	41	(6)	1	33	677
Lgc - Spdl	-	154	(142)	30	-	42
Library Network Fund	35	2	(2)	40	(1)	74
M.Health/Comm/Pc/Cent. R&D	64	2	(2)	-	(1)	63
Mackechnie Bequest Rhsc	511	15	(1)	-	27	552
Mansionhouse Directorate	64	1	(24)	-	(1)	40
Margaret Bannerman Urquhart	76	2	-	-	(1)	77
Maxwell Bequest	203	6	(15)	-	11	205
Medical Genetics	131	5	(17)	(6)	6	119
Metabolic	67	2	-	-	4	73
Ms Muir'S Bequest	87	3	(3)	-	5	92
National Virology	63	7	(2)	9	(1)	76
Neurology Dept.Donations	121	47	(4)	(4)	(2)	158
Neurosurgical Equip Fund	149	9	(10)	-	(2)	146
Ngt Cap & Rev Initiatives	1,209	25	(117)	-	(13)	1,104
North Glas Lyle'S Executry	390	12	(1) -	-	21	422
North Glasgow Lung Research	80	12	(93)	-	-	(1)
Obstetric Gg Equipment	34	55	(7)	-	(1)	81
Overseas Support & Training	107	2	(1)	-	(1)	107
Pathology Gardiner L'Ship	161	5	-	-	9	175
Pc Pract. Nurs Nhssgg&C Train.	53	14	(26)	-	(1)	40
Phenylketonuria	65	2	(2)	-	3	68
Plumpton C'Burn Plastic	328	10	(1)	-	18	355
Pollok Bequest (Renal)	293	9	(1)	-	16	317
Post Grad Gp Educ W05	179	4	-	-	(2)	181
Price Bequest Wards 6/7	689	20	(22)	-	36	723
Prmh Rottenrow Baby Fund	76	19	(42)	-	(1)	52
Rah Haematology	63	3	(3)	-	(1)	62
Rah Scbu	81	26	(34)	-	(1)	72
Rah Wrvs Equip	92	2	(13)	-	(1)	80
Rbmh Cancer Fund	6,092	182	(112)	-	323	6,485
Rchp General Budget Allocation	46	-	(13)	27	-	60
Reid Bequest - Ophthalmic	134	4	-	-	7	145

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	Balance as at 1 April 2010	Receipts	Payments	Transfers	Investment Gain/ (Loss)	Balance as at 31 March 2011
	£'000	£'000	£'000	£'000	£'000	£'000
Renal Research & Travel	533	19	(14)	-	28	566
Renal Unit	81	8	(7)	-	4	86
Rencom Equipment.Fund	61	1	(1)	-	(1)	60
Research & Education(F.P	181	5	(36)	-	(2)	148
Research And Development	318	23	(111)	-	(3)	227
Royal Sam Women'S Health	2,497	85	(34)	-	133	2,681
S Glasgow Cardiac Equipt	316	10	(1)	-	17	342
S Glasgow Hosps Equipt	292	9	(1)	-	16	316
S.Gen. Cancer Research	113	2	-	-	(1)	114
S.Gen.Clin.Trials Research	517	12	(124)	-	(5)	400
S.Gen.Spinal Injuries	78	13	(18)	-	(1)	72
Schiehallion Adolescent Unit	116	3	(8)	(7)	6	110
Schiehallion Unit	318	5	(319)	-	9	13
Sg Neuro-Oncology	134	14	(4)	-	(2)	142
Sg Staff Gym	242	27	(9)	-	(3)	257
Sgh Centre-Diabetes & Metab	62	6	(5)	-	(1)	62
Sgh Denniston Bequest	92	2	-	-	(1)	93
Sgh Haematology Dept Fd.	132	3	(3)	-	(1)	131
Sgh Ins Nurses Wd.61 Equipment	73	13	(32)	(1)	(1)	52
Sgh Neuro Vascular Develop	62	9	(2)	23	(1)	91
Sgh Neuroimaging Res & Educ	67	3	-	-	(1)	69
Sgh Neurophysiology	61	2	(5)	-	(1)	57
Sgh Neurovascular Research	58	39	(53)	-	-	44
Sgh Nuclear Med. Fund	52	12	(2)	-	(1)	61
Sgh Orthopaedic Fund	57	1	(2)	-	(1)	55
Sgh R & D Support Fund	115	11	(18)	(6)	(1)	101
Sgh Spec.Care Baby Unit	76	21	(64)	-	(1)	32
S'Hill Biochemistry	74	38	(51)	(2)	(1)	58
S'Hill Breast Care	52	2	-	-	(1)	53
S'Hill Chest Unit	74	2	(19)	-	(1)	56
S'Hill Gyn-Laser & Oncology	168	5	(10)	-	(2)	161
S'Hill Haematology Dept.	123	3	(4)	-	(1)	121
S'Hill Medical Cardiology Res	73	1	(37)	8	(1)	44
S'Hill Microbiology Fund	108	17	(10)	51	(1)	165
S'Hill Patients & Staff	145	3	(7)	1	(2)	140
S'Hill Rheumatic Dis.Res	73	2	(7)	-	(1)	67
Spdl-General	-	138	(8)	(80)	(1)	49
Staff Health Action Plan	-	1	(13)	153	(1)	140
Ukneqas-Cardiac Markers	20	93	(83)	-	-	30
Vic Breast Cancer Research	100	2	(5)	-	(1)	96
Vic Cancer Research Fd.	96	3	-	-	5	104
Vic Diabetic Development Fund	166	4	(9)	-	(2)	159
Vic Haematology Lab.Fund	79	4	(1)	-	(1)	81
Vic. Pathology Laboratory Fund	148	79	(14)	2	(2)	213
Vict Inf. Cardiac Rehab Fund	67	1	(7)	-	(1)	60
Vol Alexander S Young Legacy	101	2	(60)	-	(1)	42
Ward 5a	112	5	(18)	-	6	105
Ward 6b	78	4	(1)	-	4	85
Wig Bone Research	59	13	(17)	-	(1)	54
Wig Breast Unit	61	120	(25)	(3)	(1)	152
Wig Cancer	314	9	(24)	-	16	315
Wig Cardiac Research Salary	143	2	(128)	-	(1)	16
Wig Cardiol. (Hamilton/Hastie)	148	4	-	-	8	160
Wig Ct Scanning Res	84	1	(34)	-	(1)	50
Wig Gastro/Ology Research	95	14	(35)	(1)	(1)	72
Wig Gastro-Intestinal	508	35	(59)	(18)	(5)	461
Wig Haematology Educat	306	27	(14)	-	(3)	316
Wig Heart Failure Database	80	2	(11)	-	(1)	70
Wig Interventional Fellow Fund	52	1	(38)	-	-	15
Wig Joint Cardiac Research	133	235	(217)	4	(2)	153
Wig Kidney Research	66	6	(56)	-	(1)	15
Wig Mri Research	61	1	(9)	-	(1)	52
Wig Mycology	75	5	(27)	-	(1)	52
Wig Nuclear Med Research	101	2	(5)	(1)	(1)	96

NHS Greater Glasgow & Clyde Endowment Funds

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13. FUNDS

	Balance as at 1 April 2010	Receipts	Payments	Transfers	Investment Gain/ (Loss)	Balance as at 31 March 2011
	£'000	£'000	£'000	£'000	£'000	£'000
Wig Ophthalmology Fund	63	1	-	-	(1)	63
Wig Path Dept.Fd.Fpa	87	6	(44)	-	(1)	48
Wig Pats & Staff Welfare	54	3	(17)	-	(1)	39
Wig Pgmec Ecovery Fd	277	6	(24)	-	(3)	256
Wig Plastic	150	4	(5)	-	8	157
Wig Renal Unit Fund	80	22	(12)	-	(1)	89
Wig Respiratory Res	390	79	(127)	-	(4)	338
Wig Rheum.Arthritis Res.	64	1	-	-	(1)	64
Wig Scottish Inter Rad Crse	92	2	-	(10)	(1)	83
Wig Stroke Unit Research	503	60	(26)	-	(6)	531
Wig-West Glw. Dermatology	69	43	(12)	-	(1)	99
Wilson Watt Bequest	269	8	(49)	-	14	242
Wos Breast Screening Clients	106	4	(4)	-	(1)	105
Wos Lung Cancer Research	95	2	-	-	(1)	96
Y'Hill Bereavement Sup. Servs.	93	2	(27)	-	4	72
Y'Hill Staff Gym	39	15	(2)	-	2	54
Yorkhill Muscle	70	8	(14)	-	3	67
Restricted Funds Under £50,000	10,609	2,581	(2,982)	(78)	54	10,184
Total Restricted Funds	51,626	8,268	(9,257)	348	946	51,931

The titles of the individual funds are indicative of the particular specialty, department hospital or research activity that they support. They fall into two broad categories - funds received by way of legacies or substantive donations to support particular specialties/developments/research activities. Alternatively they are funds of a custodian nature established at the request of designated fundholders and controlled by them on an operational basis, but subject to the general oversight of the Trustees. Custodian funds are mainly research orientated but also include minor amenity funds operated for specific wards/departments.

Abbreviations used above are as follows: GRI - Glasgow Royal Infirmary, PRMH - Princess Royal Maternity Hospital, WI - Western Infirmary, GGH - Gartnavel General Hospital, VI - Victoria Infirmary, SGH - Southern General Hospital, QMH - Queen Mothers Hospital, RHSC - Royal Hospital for Sick Children, RAH - Royal Alexandra Hospital, IRH - Inverclyde Royal Hospital, DBAR - Dykebar Hospital, INS - Institute of Neurological Sciences

Endowment Funds

	Balance as at 1 April 2010	Receipts	Payments	Transfers	Investment Gain	Balance as at 31 March 2011
	£'000	£'000	£'000	£'000	£'000	£'000
Other	122	4	(1)	(10)	6	121
Macfarlane Fund	563	17	(1)	-	30	609
Sir J.Andersons Fund	389	12	(1)	-	21	421
Glasgow Royal Infirmary	436	13	(1)	-	23	471
Western Infirmary	356	11	(1)	-	19	385
Royal Beatson	30	1	-	-	2	33
Catherine McPhail Craig Bequest	-	91	-	-	-	91
Total Endowment Funds	1,896	149	(5)	(10)	101	2,131

Endowment Funds are established when funding is received with the proviso that the capital is to be preserved and only the revenue spent. The revenue generated by the Anderson and Macfarlane Funds is utilised to support research activity at Glasgow Royal Infirmary. The revenue generated by the general capital balances held on behalf of particular hospitals is credited to the corresponding unrestricted funds and there are also an assortment of minor funds maintained as the source of funding for a variety of ongoing prizes and awards.

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14. RECONCILIATION OF NET OUTGOING RESOURCES TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES

	2011	2010
	£'000	£'000
Continuing Activities		
Net Outgoing Resources for the Year	(1,390)	(2,115)
Investment Income	(1,972)	(2,168)
(Increase)/Decrease in Debtors	(5)	36
Increase/(Decrease) in Creditors	73	(152)
	<u>(3,294)</u>	<u>(4,399)</u>
Net Cash Outflow from Operating Activities	(3,294)	(4,399)

15. ANALYSIS OF CHANGES IN CASH DURING THE YEAR

	Balance as at 1 April 2010 £'000	Cashflow £'000	Balance as at 31 March 2011 £'000
Cash	<u>593</u>	<u>523</u>	<u>1,116</u>

16. RELATED PARTY TRANSACTIONS

The Trustees are all members of NHS Greater Glasgow and Clyde Health Board. There were no transactions with the Trustees or their related organisations during the year other than NHS Greater Glasgow and Clyde. All of the charity's transactions are related to NHS Greater Glasgow and Clyde, therefore no further disclosure is required.