



Blood and Transplant

NHS Blood and Transplant

Trust Fund

ANNUAL REPORT AND ACCOUNTS
for the financial year ended 31 March 2017

OFFICE AND REGISTERED ADDRESS :

NHS Blood and Transplant
Oak House
Reeds Crescent
Watford
Herts. WD24 4QN

Registered Charity No.106177

BANKERS :

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Station Road
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Middlesex
HA8 7JL

INDEPENDENT EXAMINER :

Mazars LLP
Mazars House
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This Report is a public Document, copies of which may be ordered from:
Rob Bradburn, Finance Director at the registered address.

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1. Foreword

The Corporate Trustee, NHS Blood and Transplant, presents the charitable funds' Annual Report together with the Financial Statements for the year ended 31 March 2017.

The Charity's Annual Report and Accounts for the year ended 31 March 2017 have been prepared by the Corporate Trustee in accordance with the Charities Act 2011.

The purpose of the Report is to provide details of the funds held on charitable trust by the Trustee. The report describes and explains the matters involved in the management of those funds, informs the reader as to how the funds have been used during the year and should be read in conjunction with the annual accounts on pages 14 to 23.

2. Reference and Administrative Details

NHS Blood and Transplant is a statutory body that was established under Statutory Instrument 2005 No. 2529 and No. 2531 on 1 October 2005. The authority was formed from the merger of the National Blood Authority and UK Transplant and, by virtue of the powers vested in it through the NHS and Community Care Act 1990, is able to hold funds on trust, as a Corporate Trustee. Charitable Funds held by the National Blood Authority were transferred to NHS Blood and Transplant under a Deed of Variation executed under seal by the Charity Commission. There were no charitable funds held by UK Transplant.

The charitable funds are registered under an umbrella registration with the Charity Commission in accordance with the Charities Act 2011. The registered Charity Number is 1061771. The Charitable Trust name is: NHS BLOOD AND TRANSPLANT TRUST FUND

The charity is constituted of three individual funds as at 31 March 2017 (2015/2016:3), and the notes to the accounts distinguish the types of fund held. For accounting purposes, the umbrella registration has permitted the production of a single report and set of accounts. This does not obviate the requirement to manage each fund as a separate trust for the purpose of maintaining books for accounts and for investment management.

The Corporate Trustee is NHS Blood and Transplant, and the Board acts as an agent of the Corporate Trustee. Members of the Board of NHS Blood and Transplant who served during the year are shown overleaf:

Authority Board NHSBT 2016 - 2017

Chairman	John Pattullo
Non-executive Directors	Mr Roy Griffins CB
	Mr Jeremy Monroe
	Mr Shaun Williams
	Ms Louise Fullwood
	Mr Keith Rigg
	Mr Charles St John
	Professor Paresh Vyas
	Lord Jonathan Oates

Executive Directors

Ian Trenholm	Chief Executive and Accounting Officer
Mr Rob Bradburn	Finance Director
Ms Sally Johnson	Director of Organ Donation and Transplantation
Mr Greg Methven	Director of Manufacturing and Logistics with effect 6 February 2017
Mr Peter Lidstone	Director of Manufacturing and Logistics Left 30 November 2016
Dr Gail Miflin	Medical and Research Director with effect 1 June 2016
Dr Lorna Williamson	Medical and Research Director Left 31 May 2016
Dr Huw Williams	Director of Diagnostic & Therapeutic Services

Trust Fund Committee

The NHS Blood and Transplant Board devolved responsibility for the on-going management of funds to the Trust Fund Committee, which administers funds on behalf of the Corporate Trustee. The names of those who served as agents during the year ending 31 March 2017 for the Corporate Trustee as permitted under the Scheme of Delegation approved by the Board in October 2005 were as follows:

Mr Roy Griffins CB	Chair and Non-Executive Director
Mr Charles St John	Non-Executive Director
Mr Rob Bradburn	Finance Director NHS Blood and Transplant
Dr Gail Miflin	Medical and Research Director NHS Blood and Transplant
Mr David Evans	Director of Workforce NHS Blood and Transplant

Acting for the Corporate Trustee, the Trust Fund Committee is responsible for the overall management of the charitable fund. The Committee is required to:

- control, manage and monitor the use of the fund's resources;
- manage and monitor the receipt of all income;
- ensure that 'best practice' is followed in the conduct of all its affairs, fulfilling all of its legal responsibilities;
- ensure that the approved investment policy endorsed by the Board as Corporate Trustee is adhered to and that performance is reviewed on a regular basis; and
- keep the Board of the Corporate Trustee fully informed on the activity, performance and risks of the charity.

The Corporate Trustee is responsible for preparing the Trustee Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

The law applicable to charities in England & Wales requires the trustee to prepare financial statements for each financial year 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 for that period. In preparing these financial statements, the trustee is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Corporate Trustee is 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 Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

The Corporate Trustee is also responsible for the maintenance and integrity of the charity and financial information included on the NHSBT website.

Although NHSBT Trust Funds are able to hold non-charitable funds on trust, to do so would be to incur additional trustee and related administrative responsibilities. The Trust Fund held no non-charitable funds on trust during the year.

3. Structure, Governance and Management

The Department of Health appoints Non-Executive members of the Board. Executive members of the Board are recruited by the Board of NHS Blood and Transplant. Members of the Board and the Trust Fund Committee are not individual trustees under Charity Law but act as agents on behalf of the Corporate Trustee.

The Committee agrees an annual work plan and held four meetings during the financial year 2016/17, chaired by Roy Griffins. Attendance at meetings is shown below:

Meeting Dates	May 2016	July 2016	November 2016	February 2017
Roy Griffins	✓	✓	✓	✓
Charles St John	✓	✓	✓	✓
Lorna Williamson	✓	-	-	-
Rob Bradburn	✓	✓	✓	✓
David Evans	✓	✓	-	✓
Gail Miflin	-	✓	✓	✓

All members of the Trust Fund Committee are provided with a copy of Committee terms of reference, procedure and guidance notes, copies of the annual report and accounts, and information about trusteeship. Updated guidance and news from the Charity Commission is also circulated to Committee members. At the end of the financial year the Committee provides the NHSBT Board with an annual report on the work undertaken during the year.

The Charity holds a single unrestricted general fund and two restricted funds, the Howard Ostin Bequest and the British Bone Marrow Donor Appeal (BBMDA). The total value of charitable funds held on trust at the end of the year, with investment assets valued at market value, was £316,000 (£439,000 31 March 2016).

The Corporate Trustee fulfils its legal duty by ensuring that funds are spent in accordance with the objects of each fund, and by designating funds the Trustee ensures that the wishes of donors are respected.

The Trust Fund Committee considers all applications for funding. For research applications a 'peer review' process by the NHSBT National Research and Development Senior Management Team occurs prior to submission to the Trust Fund Committee. All spending during the year was authorised by the Trust Fund Committee under delegated authority from the Board. Decisions to spend funds took into account the purpose of the spending and the funds available to meet that expenditure.



The Nature and Purpose of NHSBT

The core purpose of NHSBT is to “Save and Improve Lives” through providing a safe and reliable supply of blood components, solid organs, stem cells, tissues and related diagnostic services to the NHS and to the other UK Health Departments where directed.

NHSBT is constituted as a Special Health Authority in England and Wales. NHSBT is also accountable to the Scottish and Northern Ireland Health Departments with regard to its UK-wide role in organ donation and transplantation.

NHSBT is one of the largest services of its type in the world. It is also relatively unusual in that the supply of blood, organs, stem cells and tissues is provided by the one national organisation. NHSBT is organised into three operating divisions:

Blood Components covers the supply of red cells, platelets, plasma and related specialist products to NHS hospitals in England and North Wales. The cost of these products is recovered in the prices that are agreed annually through the National Commissioning Group for Blood. Around 35,000 units of whole blood are collected every week via a network of fixed sites and mobile blood collection teams. The blood is processed in five processing centres (two of which are also testing facilities) and distributed via a network of fifteen issue centres to over 250 NHS Trusts.

Organ Donation and Transplantation (ODT). Three people die every day in the UK due to the lack of an organ for transplant. NHSBT is the UK “Organ Donation Organisation” that is working with the four UK Health Departments and hospitals throughout the UK in order to increase the numbers of organs available for transplantation. The cost of these activities (including the retrieval of donated organs) is directly funded by the UK Health Departments.

Diagnostic and Therapeutic Services (DTS). This is a group of strategic business units (SBUs) that supply biological products and related highly specialised services, mostly to the NHS in England and North Wales. This includes:

Tissues and Eye services - NHSBT retrieves tissues (such as skin, bone and eyes) from deceased donors and processes these at its facility in Speke prior to storage and issue to hospitals.

Stem Cell Services - NHSBT is the largest UK provider of haemopoietic stem cells for the treatment of blood cancers and operates the British Bone Marrow Registry and the NHS Cord Blood Bank. We additionally provide supporting services to NHS, academic and private sector organisations seeking to take next generation stem cell therapies to the clinic.

Diagnostic Services – NHSBT operates a national network of laboratories that provide specialised matching and reference services in support of blood transfusion (red cell immunohaematology) and organ, stem cells and tissue transplantation (histocompatibility & immunogenetics).

Therapeutic Apheresis Services (TAS) - NHSBT provides a service for collecting stem cells, related immunotherapy products and serum for production of autologous tears. We also provide various apheresis based therapies such as phototherapy and plasma exchange.

The cost of the products and services provided by the DTS SBUs is generally recovered through the prices that are set within each SBU and agreed annually through the National Commissioning Group for Blood.

NHSBT's annual report and accounts is also a public document, a copy of which can be requested from Rob Bradburn, Finance Director at the registered address below:

**NHS Blood and Transplant
Reeds Crescent, Watford, Hertfordshire, WD24 4QN**

4. Fund Objectives and Activities

The **General Fund (£265,000)** is an **unrestricted** income fund and the property therein may be used at the discretion of the Trustee for charitable purposes, wholly or mainly for the services provided by NHS Blood and Transplant. Part of the unrestricted fund may be earmarked for a particular project and may be designated as a separate fund for administration purposes only £5,000 have been separately designated by the Trustee.

The General Fund receives donations that can be used for any charitable purpose relating to the NHS. This flexibility has been used to fund recognition awards for those staff members with over 20 years' service with NHS Blood and Transplant (including service with the National Blood Authority), and staff winter celebrations. Staff recognition awards for those staff working in the Birmingham area are funded from the Howard Ostin Fund.

The **Howard Ostin Bequest (£3,000)** is a **restricted** fund and has the following objective:

'The object of the charity is to further such charitable purposes of NHS Blood and Transplant as the trustee thinks fit. In furthering such purposes, the trustee shall first consider and have regard to the needs in the area of Birmingham and the surrounding district'.

The **British Bone Marrow Donation Appeal (BBMDA) (£48,000)** is a **restricted** fund. The objective of this fund is to improve the infrastructure for searching and accessing the Registry by clinicians, registry managers and patients.

Public Benefit

The aim of the Charity is to save and improve patients' lives. Thus the Charity will support non-commercial research in areas where the Corporate Trustee has considerable expertise with a view to improving blood, tissue and organ safety. In planning the activities of the Charity and agreeing a budget for the year the Trustee has given careful consideration to the Charity Commission's guidance on public benefit. The Charity has achieved its aims with a focus on funding research projects that meet the specific objectives of each of the funds and providing funding for loyal service awards to staff with over 20 years of service.

5. Achievements and Performance

Review of Activities undertaken for the Public Benefit and furtherance of the Charity's objectives

During the year the Committee has approved expenditure on the following research and development projects amounting to £99,899 (excluding reversals), which help to improve and save patients' lives: -

- **A feasibility trial comparing restrictive versus liberal red cell transfusion strategies in stable children:**
A project to investigate the feasibility of randomising stable children undergoing HSCT to a 'liberal' (higher) versus 'restrictive' (lower) haemoglobin transfusion threshold. Study outcomes will include randomisation rates, haemoglobin levels and QoL. This project received £49,899 from the Howard Ostin Fund and General funds.
- **Mesenchymal stromal cells to reduce ischaemia reperfusion injury following renal transplantation:**
A project into feasibility and safety of Mesenchymal stromal cell (MSC) infusion following renal transplantation, preliminary evidence of the effect of MSC on postoperative ischaemia reperfusion injury in marginal donor kidney transplants and preliminary evidence of the effect of MSC on the alloimmune response following transplant. This project was awarded £50,000 from the Howard Ostin Fund.

In addition, the Committee has also recognised the importance of the contribution of the staff of NHS Blood and Transplant and has supported staff long service and recognition awards.

Investment performance

The funds invested with Baring are monitored on a calendar year basis, in the 12 months to December 2016 the funds grew 6.1% versus a 5.7% target (CPI+5%).

Associated Charities and Other Bodies

Each of the funds must be seen as being associated with the other fund. The Authority as a public body, and principal beneficiary of the funds held on trust, has a considerable influence on how the funds are used.

Thank You

On behalf of the staff and patients who have benefited from improved services due to donations and legacies, the Corporate Trustee would like to thank patients, relatives and other members of the public who have made charitable donations.

Annual Accounts

The Regulations, the Charity Statement of Recommended Practice (SORP 2015) and the Accounting and Reporting Standards have specified three components to the final accounts:

- i. Statement of Financial Activities (SOFA)
- ii. Balance Sheet
- iii. Notes to the Accounts

6. Financial Review

Income

The Charity continues to rely on donations, legacies and investment income as the main sources of income. The Trustee has decided not to actively fund raise, as it does not wish the Service to be perceived to be funded by voluntary donations. Donors already give their valuable gift of blood, tissues and organs and it would be difficult to segregate donors from the general population. This means that future donations are likely to remain at relatively low levels.

The main sources of income in the year are from investment income £10,000 (2015/16 £23,000) earned in interest and dividends through prudent management of funds not immediately required. We have also received donations from individuals or grateful relatives and friends £9,000 (2015/16 £15,000). During the year the charity did not benefit from any legacies.

Expenditure

Expenditure during the year was £168,000 (2015/16 £30,000) spent mainly in support of grants for research. The grants awarded £100,000, (2015/16 £100,000) and grants returned/credited £0, (2015/16 £132,000) giving a net total to grant expenditure this year of £100,000, (2015/16 net credit £32,000) on an accruals basis see note 4 for detail of grants.

In addition, the Trust Fund continues to support long service awards to staff with over 20 years' service, including service with the National Blood Authority and UK Transplant. Where staff are working in the Birmingham area these costs are recharged to the Howard Ostin Fund. The granting of long service awards is considered to be supportive of the outcomes that the Charity is seeking to achieve in the advancement of health and saving lives, by retaining a motivated and stable workforce, through the recognition of long and loyal service. Expenditure on such awards amounts to £18,600 (2015/16 £20,800). The Trust Fund also provided funding of £37,200 (2015/16 £34,000) in support of NHSBT staff winter celebrations at Christmas and provided a further £3,800 (2015/16 £2,100) in support of recognition of events. The Committee agreed that staff welfare cost will cease to be funds from the Trust funds after the year 2019/20.

Governance costs comprise Independent examiner's fees of £2,000 for 2016/17 (2015/16 £2,000) and a further £3,000 of examination fees relating to prior years, professional services costs of £2,000 (2015/16 £0) and investment management fees deducted direct from the capital investment funds held with Baring Fund Managers Ltd. Investment management fees are charged at 0.05% of the portfolio value, are deducted directly from capital funds and are estimated to be £2,000 (2015/16 £3,000) based on the average fund balance over the year.

Investments

The investments at the year-end comprise £331,000 (2016 £566,000), with the sum of £320,000 (2016 £555,000) invested by Baring Fund Managers Ltd in a target return common investment fund valued at open market value as at 31 March 2017. In addition, £11,000 (2016 £11,000) is invested in National Grid shares.

Net current assets

The accounts show £149,000 (2016 £193,000) held as cash at bank plus £230,000 (2016 £256,000) cash held on deposit in a high interest bearing account. Short term creditors of £265,000 (2016 £521,000) relates to research grants; NHS Blood and Transplant £197,000 (2016 £375,000), Other Grantees £68,000 (2016 £146,000). Debtors of £2,000 (2016 £4,000) relating to accrued income from investment assets.

Income funds

The unrestricted general-purpose fund £265,000 (2016 £320,000) can be spent at the discretion of the Trustee. In respect of the restricted funds relating to the Howard Ostin Bequest £3,000 (2016 £71,000) and the British Bone Marrow Donor Appeal £48,000 (2016 £48,000) all expenditure is within the specific objectives of these funds as provided at paragraph 4.

Movement in funds

The net assets of the Charitable Funds as at 31 March 2017 were £316,000 (31 March 2016 £439,000). Overall net assets decreased by £123,000 represented by a realised gain on the valuation of investments of £26,000 and expenditure in excess of income of £149,000.

Movement in each of the three funds of the Charity are summarised below:

Fund Name	Fund Balance B/F	Incoming Resources	Outgoing Resources	Realised Gain / Loss on Investment Assets	Fund Balance C/F
General Fund	£320,000	£19,000	(£100,000)	£26,000	£265,000
Howard Ostin	£71,000	-	(£68,000)	-	£3,000
BBMDA	£48,000	-	-	-	£48,000

The Charity does not employ any staff. Trustees do not charge for their time and the Trust Fund incurs no expenses relating to the work of the Trustee. The day to day administration of funds is undertaken by the NHSBT finance department and no recharge is made for this work as costs are not material.

Risk Management

The most significant risk to which the Charity is exposed are losses from a fall in the value of investments. These risks have been carefully considered and there are procedures in place to review the investment policy to ensure that spending and financial commitments remain in line with income and surplus funds. Income and expenditure is monitored against an approved annual plan on a regular basis as part of the risk management process to avoid unforeseen calls on reserves. In addition, the Charity benefits from the systems of internal control and risk management processes that operate throughout NHS Blood and Transplant.

Investments

Investment management services were provided by Baring Fund Managers Ltd, who are authorised and regulated by the Financial Services Authority, registration No.941405. Their registered address is 155 Bishopsgate London, EC2M 3XY United Kingdom. Monies are invested in a common investment target return fund. The objective of the fund is to aim for a total return of CPI + 5% per annum gross of the management fees with an income target of CPI + 1% per annum over a rolling 3 year period.

Performance on investments is continually monitored and reported to the Trustee on a quarterly basis, and the investment in the processing and/or manufacturing of tobacco products is not permitted.

Reserves Policy

The Trustees' policy is to keep funds to the minimum required to cover approved commitments in the belief that donations are made with the intention and expectation that they will be spent accordingly. In order to avoid the risk of the Charity's reserves becoming overdrawn it is considered prudent to hold a balance of approximately £174k in general funds to cover staff welfare for 2017/18, 2018/19 and 2019/2020 and £11k for 3 years independent examiners fees and legal costs to closure. A further contingency of £15k will be retained. This will mean total reserves of £200k are retained to cover costs to closure at any point. The Trust Funds will not fund staff welfare costs from the end of 2019/2020 so the reserves will be reduced from this point accordingly.

The available to spend balance (after reserves) and the reserves level is reviewed at each quarterly committee meeting prior to any new commitments being made. Following 2 grant approvals at the November 2016 Committee meeting (based on September Investment values) the uncommitted reserves stood at £16,691 on the General Fund after a £200k provision. This excludes future income from investments or bequest. The uncommitted reserves on the Howard Ostin Fund were £0 and on BBMDA were £48,074. The total uncommitted reserves across all funds being £64,765.

The Trustees have earmarked £174,000 for staff welfare payments to March 2020. After this point Loyal Service Awards will be paid by the exchequer and it is anticipated that the Christmas Meal funding will cease. The balance of the BBMDA fund is expected to be granted to a suitable application in April 2017. After this point this HO and BBMDA charities will be closed as soon as possible.

The reserves policy is reviewed at least annually in the light of current expenditure requirements and investment returns.

Future Commitments, Activities and Plans

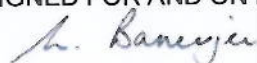
The Trust Fund Committee works very closely with the Corporate Trustee to determine funding policy. Spending on research remains the main focus in expenditure plans for the medium term with funding for staff development and welfare ceasing from 2019/20 to support research in furtherance of the Charity's objectives.

We do not recognise commitments for staff welfare.

7. Independent Examination

An independent examination for the Trust Fund accounts in 2016/2017 has been completed by Mazars LLP. The examiner is required to report on whether the financial statements are prepared accordance with the accounting records and the Charities Act 2011.

SIGNED FOR AND ON BEHALF OF THE CORPORATE TRUSTEE



Ms Millie Banerjee CBE

Chair of the NHSBT Board

Date: 30th November 2017

Independent Examiner's report to the Trustee of the NHS Blood and Transplant trust fund.

I report on the accounts of the NHS Blood and Transplant Trust Fund ("the charity") for the year ended 31 March 2017, which are set out on pages 14 to 23.

Respective responsibilities of trustees and examiner

The charity's trustee is responsible for the preparation of the accounts. The charity's trustee considers that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

This report, including my statement, has been prepared for and only for the charity's trustee as a body. My work has been undertaken so that I might state to the charity's trustee those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustee as a body for my examination work, for this report, or for the statements I have made.

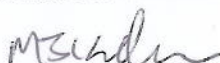
Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustee concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements to keep accounting records in accordance with section 130 of the 2011 Act; and to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed: 

Name: Mark Kirkham (CPFA) for and on behalf of Mazars LLP
Relevant professional qualification or body: CPFA
Address: Mazars House, Gelderd Road, Gildersome, Leeds, LS27 7JN
Date: 14 December 2017



Charitable Funds Trust Account – NHS Blood and Transplant 2016 - 2017

Statement of Financial Activities Year ended 31 March 2017

		2016-17			2015-16		
Note	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds £'000	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds £'000	
Income from							
Donations and legacies	2	9	-	9	15	-	15
Investments	3	10	-	10	15	8	23
Total Income		<u>19</u>	<u>-</u>	<u>19</u>	<u>30</u>	<u>8</u>	<u>38</u>
Expenditure on							
Charitable activities	4	100	68	168	30	-	30
Total Expenditure		<u>100</u>	<u>68</u>	<u>168</u>	<u>30</u>	<u>-</u>	<u>30</u>
Net income / (expenditure) before investment gains / (losses)		(81)	(68)	(149)	-	8	8
Net gains / losses on investments		26	-	26	(33)	(15)	(48)
Net movement in funds		<u>(55)</u>	<u>(68)</u>	<u>(123)</u>	<u>(33)</u>	<u>(7)</u>	<u>(40)</u>
Reconciliation of funds							
Total funds brought forward as previously reported		320	119	439	353	126	479
Net movement in funds for the year		(55)	(68)	(123)	(33)	(7)	(40)
Total funds carried forward		<u>265</u>	<u>51</u>	<u>316</u>	<u>320</u>	<u>119</u>	<u>439</u>

The notes at pages 16 to 23 form part of this account.

All activities were derived from continuing operations. All recognised gains and losses have been included in the above statement.

Balance Sheet as at 31 March 2017

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Total at 31-Mar-17 £'000	Total 32-Mar-16 £'000
Fixed Assets					
Investments	5	331	-	331	566
Total Fixed Assets		331	-	331	566
Current Assets					
Debtors	6	2	-	2	4
Cash on deposit	7	10	220	230	256
Cash at bank and in hand		90	59	149	193
		102	279	381	453
Creditors: amounts falling due within one year	8	(111)	(154)	(265)	(521)
Net Current Assets		(9)	125	116	(68)
Creditors: amounts falling due after one year	8	(57)	(74)	(131)	(59)
Total Net Assets		265	51	316	439
Funds of the Charity					
Income Funds					
Unrestricted	9.3	265	-	265	320
Restricted	9.2	-	51	51	119
Total Funds		265	51	316	439

The notes at pages 16 to 23 form part of this account.

These financial statements of Charity NHS Blood and Transplant Trust Fund registered number 1061771 were approved by the Board of Trustees and authorised for issue on 24th November 2017.

Signed for and on behalf of the Corporate Trustees

Ms Millie Banerjee

Ms Millie Banerjee CBE
Chair of the NHSBT Board
30th November 2017

Mr Rob Bradburn

Mr Rob Bradburn
Finance Director NHSBT
30th November 2017

Notes on the accounts

1. Accounting Policies

NHS Blood and Transplant Trust Funds meets the definition of a public benefit entity under FRS 102.

(a) Basis of preparation

The financial statements have been prepared in accordance with the Charities Statement of Recommended Practice (SORP).

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s). The principal accounting policies adopted in the preparation of the financial statements are as below. The Trustee does not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure beyond the accounting policies listed.

(b) Preparation of the accounts on a going concern basis

The Corporate Trustee of the charity has agreed that the trust funds will not actively fund raise therefore the funds are diminishing as grants are made. The Trustee has reviewed the financial forecast and is content that the funds will be available for at least the next 12 to 18 months and consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

(c) Fund accounting

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor.

Unrestricted income funds comprise those funds which the Trustee is free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the donor has made known their non-binding wishes or where the Trustee, at their discretion, has created a fund for a specific purpose. There are no significant earmarked funds as at 31 March 2017.

(d) Income

All income is recognised once the charity has entitlement to the resources, it is probable that the resources will be received and the monetary value of the income can be measured with sufficient reliability.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed where material.

(e) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

(f) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. For grant expenditure this is when the grant letter has been issued to the recipient. Expenditure classified under expenditure on charitable activities, includes the costs of grants paid and long service awards and winter celebrations for NHSBT employees and associated support costs apportioned across each fund on the basis of resource time. Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

- (g) **Debtors**
Debtors are amounts owed to the charity. They are measured on the basis of their recoverable amount. Prepayments are valued at the amount prepaid.
- (h) **Cash and cash equivalents**
Cash and cash equivalents includes cash and cash on deposit.
- (i) **Creditors and provisions**
Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.
- (j) **Financial instruments**
The trust has investments in a Barings targeted return fund. The investments form shares of the fund which is then invested by Barings fund managers over a wide portfolio of equity and property investments. Barings provide quarterly statements of the value of our investment shares within the fund based on the fair value of the portfolio of investments. Investment gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and the funds quarterly opening valuation.

2. Income from donations and legacies

Donations	2017 Total £'000	2016 Total £'000
Legacies	-	-
Donations	9	15
Total	9	15

The income from donations and legacies was £9,000 (2015/16: £15,000) of which £9,000 was unrestricted (2015/16: £15,000) and £nil restricted (2015/16: £nil).

3. Analysis of Investment Income

Total Investment Income	2017 Total £'000	2016 Total £'000
Baring Investment Fund	9	22
Bank Interest	1	1
Total	10	23

4. Analysis of expenditure on charitable activities

	Activities undertaken directly £'000	Grant funding activities £'000	Support costs £'000	Total 2017 £'000	Total 2016 £'000
Support for non-commercial research	-	100	9	109	(27)
Staff Long Service Award	18	-	-	18	21
Recognition Events	4	-	-	4	2
Winter Celebrations	37	-	-	37	34
	59	100	9	168	30

Expenditure on charitable activities was £30,000 (2015/16: 30,000) of which £30,000 was unrestricted (2015/16: £30,000) and £nil was restricted (2015/16: £nil).

Support costs consist of governance costs, being independent examination fees £2,000 for 2016/17 (2015/16: £2,000) and a further £3,000 of examination fees relating to prior years, professional services costs of £2,000 (2015/16: £nil), and investment management fees. Investment management fees are taken from capital funds and are estimated to be £2,000 (2015/16: £3,000) based on the average value of investment funds over the year. No recharge is made for administration costs supplied by NHSBT and the charity is not able to put a value on these donated services.

The support costs have been allocated to the non-commercial research activity.

Analysis of grant expenditure

The charity does not make grants to individuals. All grants are made to NHSBT or other third party organisations.

	Grant funding activities
	2017
	£'000
4.1 Analysis by activity	
Grants returned -	
Grants paid out -	
A feasibility trial comparing restrictive versus liberal red cell transfusion strategies in stable children	50
Mesenchymal stromal cells to reduce ischaemia reperfusion injury following renal transplantation	50
	<hr/> 100 <hr/>
	2016
	£'000
4.2 Analysis by activity	
Grants returned -	
Data manager to collect and validate outcome data of patients given donor lymphocyte infusion (DLI) to prevent and treat disease recurrence after Allogeneic Hematopoietic Transplantation in the UK	(47)
Cultured Red Cells Project - Application for travel grant	(3)
Age of Blood in Paediatric Intensive Care (ABC-PICU) UK	(49)
A pilot feasibility study to evaluate the effects of early administration of cryoprecipitate in major trauma	(9)
Therapeutic potential of angiogenic factors to improve bone marrow transplantation	(17)
The isolation of human monoclonal antibodies specifically for novel therapeutically relevant leucocyte determinants	(7)
Grants paid out -	
A placebo-controlled single-blind, randomised feasibility trial of Desmopressin (DDAVP) in critical illness prior to procedures	50
REd cell transfusion in Acute myeloid Leukaemia (REAL trial)	50
	<hr/> (32) <hr/>

4.3 Analysis by recipient

	2017	2016
	Total £'000	Total £'000
Barts Health NHS Trust	-	(9)
NHS Blood and Transplant	50	31
Oxford University Hospitals NHS Trust	50	(47)
University of Birmingham	-	(7)
Total	100	(32)

5.1 Analysis of Fixed Asset Investment

	2017	2016
	Total £'000	Total £'000
Market value at 1 April	566	833
Disposals (at carrying value)	(258)	(216)
Additions	-	-
Net realised gains / (losses) on revaluation	25	(48)
Investment Fees and Charges	(2)	(3)
Market value at 31 March 2017	331	566
Historic cost at 31 March 2017	288	566

5.2 Market Value at 31 March 2017

	2017	2016
	Total £'000	Total £'000
Common Investment Fund	320	555
National Grid Shares	11	11
Total	331	566

6 Analysis of Debtors

	2017	2016
	Total £'000	Total £'000
Amounts falling due within one year:		
Accrued Income	2	4
Total	2	4

7 Cash and Cash Equivalents

	2017	2016
	Total £'000	Total £'000
Cash on deposit	230	256
Cash at bank and in hand	149	193
Total	379	449

8.1 Creditors under one year	2017	2016
	Total £'000	Total £'000
Amounts due to NHSBT	197	375
Amounts due to guarantees	68	146
Total creditors falling due after more than one year	265	521

8.2 Creditors over one year	2017	2016
	Total £'000	Total £'000
Amounts due to NHSBT	96	43
Amounts due to guarantees	35	16
Total creditors falling due after more than one year	131	59

The total research grant commitments included with long term creditors above are as follows:

1. ATHENA II. A pilot study of fibrinolytic activation in patients with haematological malignancies (£3,517).
2. Red blood cell transfusion thresholds and QOL in MDS: a pilot, feasibility study (£30,236).
3. Impact of factors associated with the donation process on short term outcomes in the organ recipient - PhD Studentship (£15,000).
4. A placebo-controlled single-blind, randomised feasibility trial of Desmopressin (DDAVP) in critical illness prior to procedures (£39,666).
5. Improving database of outcomes after stem cell transplant recipients and short and long term follow-up of donors from British Blood and Marrow Registry (£9,744).
6. Bedside platelet function testing to guide the use of platelet transfusion in neonates (£4,788).
7. Platelet transfusions in the Absence of Bleeding in Critical care (Platelet ABC study) (£20,100).
8. Study of the significance of T regulatory cells in the outcome of allogeneic HSCT (£7,146).
9. REd cell transfusion in Acute myeloid Leukaemia (REAL trial): A feasibility cross-over randomised controlled trial to test adherence comparing restrictive versus liberal red cell transfusion strategies in adult patients with acute myeloid leukaemia (AML) receiving intensive chemotherapy (£42,684).
10. A feasibility trial comparing restrictive versus liberal red cell transfusion strategies in stable children (£49,899)
11. Mesenchymal stromal cells to reduce ischaemia reperfusion injury following renal transplantation (£50,000)

9. Analysis of funds

9.1 Endowment Funds

The Charity does not hold any endowment funds.

9.2 Restricted Funds	Balance as at 01 April 2016	Income	Expenditure	Gains And Losses	Transfers	Balance as at 31 March 2017
	£'000	£'000	£'000	£'000	£'000	£'000
Howard Ostin Bequest	71	-	(68)	-	-	3
British Bone Marrow Donor Appeal	48	-	-	-	-	48
Total	119	-	(68)	-	-	51

The Charity holds two restricted funds.

The Howard Ostin Bequest

The main objective of which is to further such charitable purposes as the trustees think fit, having first considered and having regard to the needs in the area of Birmingham and the surrounding district.

The British Bone Marrow Donor Appeal

The main objective of which is to improve the infrastructure for searching and accessing the Registry by clinicians, registry managers and patients.

9.3 Unrestricted Funds	Balance as at 01 April 2016	Income	Expenditure	Gains And Losses	Transfers	Balance as at 31 March 2017
	£'000	£'000	£'000	£'000	£'000	£'000
Total	320	19	(100)	26	-	265

The General Fund is an unrestricted fund which may be used at the Trustee for charitable purposes, wholly or mainly to support the goals of NHS Blood and Transplant in saving and improving lives. Unrestricted funds also include £5,000 designated funds set aside in the year or organ donation and Therapeutic Apheresis Services purposes.

10 Related Party Transactions

The management of Charitable trust funds is delegated to the Trust Fund Committee which is a sub-committee to the Board of the Corporate Trustee, NHS Blood and Transplant

The charitable trust has made payments to NHS Blood and Transplant in furtherance of its charitable goals. The members of the Trust Fund Committee (whose names are listed below) also served as members of NHS Blood and Transplant Board during the year. There were £0 donations received from the NHSBT Board and Committee members.

Roy Mr Griffins CB
Mr Charles St John
Mr Rob Bradburn
Dr Gail Miflin

Dr Gail Miflin is the Medical and Research Director of NHSBT and research projects which have been funded by the Trust Fund Committee are also within Dr Miflin's area of responsibility.

The Committee members are paid members for the NHSBT Board but receive no additional remuneration or reimbursement of expenses for the work that they undertake on behalf of the Corporate Trustee.

Details of all the charitable trust account related party transactions are below:

- Payment to NHS Blood and Transplant in respect of Independent examination fees, £5,000 (2015/16: £2,000). This is included in creditors within the balance sheet
- Payment to NHS Blood and Transplant in respect of professional services, £2,243 (2015/16: £nil).
- Payment to NHS Blood and Transplant relating to Red blood cell transfusion thresholds and QOL in MDS, £3,925 (2015/16: £10,392), included within creditors in the balance sheet.
- Payment to NHS Blood and Transplant relating to A placebo-controlled single-blind, randomised feasibility trial of Desmopressin (DDAVP), £3,368 (2015/16: £6,959), included within creditors in the balance sheet.
- Payment to NHS Blood and Transplant relating to study of the significance of T regulatory cells in the outcome of allogeneic HSCT, £16,267 (2015/16: £17,465), of which £6,876 is included within creditors in the balance sheet.
- Payment to NHS Blood and Transplant relating to study of the significance and genetic determinants of hepcidin levels in blood donors, £21,052 (2015/16: £25,098).
- Payment to NHS Blood and Transplant relating to improving database of outcomes after stem cell transplant recipients, £60,623 (2015/16: £49,234), included within creditors in the balance sheet.
- Payment to NHS Blood and Transplant in respect of staff winter celebrations, £37,205 (2015/16: £34,192), included within creditors in the balance sheet.

The NHSBT Trust Fund also funds the cost of long service awards made to employees of the Corporate Trustee. In 2016/17 this amounted to £18,600 (2015/16: £20,775). The Trust also funds recognition events which amounted to £3,840.

NHS Blood and Transplant

NHS Blood and Transplant (NHSBT) saves and improves lives by providing a safe, reliable and efficient supply of blood and associated services to the NHS in England. We are the organ donor organisation for the UK and are responsible for matching and allocating donated organs. We rely on thousands of members of the public who voluntarily donate their blood, organs, tissues and stem cells

For more information

Visit nhsbt.nhs.uk

Email enquiries@nhsbt.nhs.uk

Call [0300 123 23 23](tel:03001232323)

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