



act

**Addenbrooke's
Charitable Trust**

Annual Report and
Financial Statements

2015/16

ACT is the working name for The Incorporated Trustees of
Addenbrooke's Charitable Trust and other related charities.

Registered charity number: 1048868

Contents

1	The Incorporated Trustees of Addenbrooke's Charitable Trust and Other Related Charities	
2	Chairman and Chief Executive's Introduction	
3	About Addenbrooke's Charitable Trust	
5	Achievements during the year	
8	Our structure, governance and management	
13	Our objectives and what we achieved in 2015/16	
14	Our objectives for 2016/17	
15	Financial Review	
17	Independent auditors' report to the trustees of The Addenbrooke's Charitable Trust (ACT)	
19	Annual Financial Statements – year ended 31 March 2016	
20	Balance Sheets as at 31 March 2016	
21	Consolidated statement of cash flows for the year ended 31 March 2016	
22	Notes to the Financial Statements	

The Incorporated Trustees of Addenbrooke's Charitable Trust and Other Related Charities

Principal Office:

Addenbrooke's Charitable Trust,
Box 126, Addenbrooke's Hospital, Hills Road,
Cambridge, CB2 0QQ
Tel: 01223 217757
Email: hello@act4addenbrookes.org.uk
Website: www.act4addenbrookes.org.uk

The charity is constituted by a Declaration of Trust and registered with the Charity Commission for England and Wales (1048868)

The trustees are appointed under section 51 of the NHS Act 2006 and are incorporated under Part VII of the Charities Act 1993

Other name used by the charity

ACT

Patron

The Countess of St Andrews

President

Sir Michael Marshall

Trustees

Mr David Robinson Chairman of Trustees

Mrs Christine Berry
(resigned 31 March 2016)

Dr Fiona Cornish Chairman of Grants Committee

Mrs Judy Ewer Chairman of Constitution
Committee

Professor Helen Howe

Dr Michael More

Mr Christopher Rees Vice Chairman of Trustees and
Chairman of the Human Resources
Working Group

Dr Rosalind Smith

Mr Simon Thorley

Mr Keith Wade Honorary Treasurer, Chairman of
Finance and General Purposes
Committee and Chairman of
Investment Committee

Mr Christopher Walkinshaw

President – Addenbrooke's Abroad

Dame Mary Archer

Principal Officers

Mr Stephen Davies Chief Executive

Mrs Elizabeth Haigh-Reeve Interim Director of Fundraising

Mrs Julie Roy Director of Finance

Principal Advisors

Barclays Bank, banking services

Cheffins, property managers

Kingston Smith LLP, auditors

Ruffer LLP, investment managers

Withers LLP, legal advisors

Chairman and Chief Executive's Introduction

We are pleased to report that 2015/16 was a further year of achievement. Our income increased by 5% to £10.3 million (by 12% on a like-for-like basis). Our spending in support of the hospitals' activities increased by 37% to £11.7 million. Both of these headline numbers are higher than at any previous time in the eleven-year history of the charity. This achievement reflects a continuing trend of steadily improving performance over recent years, allowing us to do ever more in support of patients.

Increasing our charitable spending has been particularly important at a time when the hospitals' finances have been placed under unprecedented strain. In these circumstances, there has been some understandable expectations that the charity might pay for items that would previously have been paid for from government funding. This is not our role and we have been careful to keep within our charitable expenditure policy whilst increasing our support. Going forwards, we will need to combine creativity and flexibility with continuing adherence to our spending policy.

At the time of writing, Cambridge University Hospitals (CUH) remain under the 'special measures' regime imposed by Monitor (now part of NHS Improvement) in September 2015. The Care Quality Commission re-inspected the Foundation Trust in September 2016 and its report is awaited. CUH is re-assessing its strategic priorities in these changed circumstances. Given our reliance on the Foundation Trust for project delivery, this has inevitably forced a re-assessment of our own strategic priorities. Specifically, we have been unable to make any further progress with plans for a Children's Hospital campaign. In the meantime, we have continued with our approach of growing fundraising that is not dependent upon one major campaign, with some success as is evident from our results.

Regardless of current challenges for CUH, our experience tells us that the amount of public goodwill in our local community towards the hospitals remains high. Such goodwill is based in large measure on appreciation of care received. We believe that as an independent charity it is our role to respond to and foster this goodwill, encouraging an increased level of voluntary support to play an even greater part in the continued transformation of patient care on the Cambridge Biomedical Campus.

2016 marks the 250th anniversary of Addenbrooke's Hospital, providing an opportunity to further build support in the local community. The charity is the major sponsor of the programme of anniversary events, for example the hospital open day held in March. Our regular programme of events, such as the summer celebration, has been given a 250 theme this year. We have received exceptional support from fundraising volunteers, most notably the 250th Gala Committee, which raised over £400,000 through a single event in September 2016.

Fundraising practices for all charities are under review. As more details emerge from the new Fundraising Regulator, we will ensure that we are compliant with the new regime. Improving donor experience is at the heart of our fundraising and we will continue to give this the highest priority.

We wish to thank two key individuals who left the charity during the year. Christine Berry, who stood down as a trustee after six years of service and Susanne Owers, Director of Fundraising, who moved on to a role with a national charity after seven years at ACT. We greatly miss them both.

Our ambitions for further growth are based upon our conviction that there is so much more that we could do that would bring benefits to patients. To all of you reading this who may have given your time, your feedback – and indeed your money – to ACT, a huge thank you from all of us for your continued support of our fantastic local hospitals in Cambridge.



David Robinson
Chairman




Stephen Davies
Chief Executive



About Addenbrooke's Charitable Trust Our activities

Addenbrooke's Charitable Trust (ACT) is the independent, registered charity (registered number 1048868) that raises funds to support Addenbrooke's and the Rosie, the Cambridge University Hospitals. We connect givers and causes, supporting projects and facilities that are beyond the boundaries of NHS funding to achieve the highest possible standards and outcomes in patient experience, clinical care, research and education.

Addenbrooke's and the Rosie are managed and governed as part of Cambridge University Hospitals NHS Foundation Trust, one of the largest and best-known hospital trusts in the country. CUH is the acute, general and maternity healthcare provider for its local community, delivering services through its hospitals, Addenbrooke's and the Rosie. The Foundation Trust is also a regional centre for specialist treatment; a major provider of education for clinical staff; and the principal clinical research partner of the University of Cambridge.

Our Objectives

ACT's charitable objects state:

The trustees shall hold the trust fund upon trust to apply the income and at their discretion, so far as may be permissible, the capital, for any charitable purpose or purposes relating to the National Health Service or to Cambridge University Hospitals NHS Foundation Trust.

This allows the charity to make grants for any charitable purpose relating to CUH and the National Health Service.

In practice, this means that ACT:

- funds new and additional services where the NHS has no obligation to do so;
- enhances services above the level that can be provided by government funds; and
- supports innovative services and research on a time-limited basis, pump-priming new initiatives and bridging gaps in funding from other sources.

ACT's goal is to be a leading NHS charity that is widely recognised as achieving exceptional benefits for patients.

As the designated NHS Charity for CUH, ACT receives voluntary gifts to the hospital. This enables tax-efficient giving, for example Gift Aid. ACT actively seeks gifts and grants and undertakes charitable trading so as to further increase the charitable funds available for the benefit of patients. The charity serves as custodian of the charitable funds received. Funds are invested so as to further increase the value of funds held, thereby supporting a higher level of charitable expenditure. The charity seeks to direct its charitable expenditure in a way that maximises public benefit. This is achieved through grant-making and through partnership with clinicians and managers in the hospital, known as 'fund advisors'. Finally, ACT reports on the public benefit of its charitable expenditure, so as to demonstrate accountability to its supporters and encourage ongoing support.

Our history

When Addenbrooke's Hospital became a 'self-governing trust' in 1992, it became sole corporate trustee of gifts and legacies given over the years for the support of the hospital. Following registration with the Charity Commission in 1995, these funds were managed by the hospital trust as *The Addenbrooke's Charities*. In 1997, a new and independent charity, *The Fund for Addenbrooke's*, was established to raise funds to support the hospital. This charity subsequently took over the activities and funds of the *Addenbrooke's Hospital Cancer Scanner Appeal Fund*, which had successfully raised funds for MRI scanners at Addenbrooke's since 1979.

In 2004, Addenbrooke's NHS Trust became one of the first NHS Foundation Trusts and took the name Cambridge University Hospitals NHS Foundation Trust. In 2005, independent trustees were appointed for ACT. The assets of both *The Addenbrooke's Charities* and *The Fund for Addenbrooke's* were transferred to the new trustees, who shortly thereafter became an incorporated body. At this point ACT was, in effect, established, although there was a further change of name in 2007. The charity celebrated its tenth anniversary during 2015.



Achievements during the year

During 2015/16 we spent £11.7 million to support the hospitals' activities and bring additional benefits to patients. Just a few of our achievements are highlighted below.

Supporting patients with cancer through research funding

During the year, the trustees approved a grant of £1.16 million for a personalised breast cancer medicine research project. Fundraising was conducted under the banner of our public appeal, the 'Bracode Campaign', so called because changes in DNA can be regarded a little like barcodes. The campaign asserted that there is no such thing as a one-size-fits-all bra and the same goes for breast cancer treatment. This clinical research project will apply new understandings about the genetic profiling of breast cancer to the development of new, more personalised treatment regimens, with the aim of improving outcomes and reducing ineffective interventions. The Principal Investigator for this project is Professor Carlos Caldas. The project was subject to international peer review and the scrutiny of an independent panel.

"We expect that the outcomes of the research will be valuable to patients both nationally and internationally in years to come."

Dr Jenny Longmore, Director of Research, ACT

Also in the field of cancer research, a grant of £750,000 was made to the Cancer Clinical Trials Unit, under the direction of Professor Duncan Jodrell, for staff to support the unit's portfolio of trials and studies.

Keeping scanning services up-to-date

MRI is the key tool in the diagnosis of disease and ACT has supported the hospitals' MRI service since 1997. This makes a difference for patients like Mat Bayfield, who has an inoperable brain tumour and requires regular scans to monitor his condition.

This year a grant of £1.1 million was made for a mobile MRI unit. This increases the number of MRI scanners at CUH to six and will allow CUH to manage increasing demand for diagnostic imaging. A mobile unit can be moved away from the main MRI unit when access is required to replace fixed scanners, and also moved to other locations if necessary in the future. The charity has also allocated funds to replace the oldest fixed scanner in the main unit. This project has been delayed by technical problems but will be completed during 2016. The fifth

MRI unit, funded by ACT in 2015 and located in the Rosie, is now fully operational and very busy.

"It's the biggest test coming up to an MRI scan because the news could mean my life is in danger again. That's why it's fantastic that ACT funds and upgrades many of the MRI machines. It means a lot to have the most up-to-date treatment possible."

Mat Bayfield, Brain tumour patient

We also made a grant of £380,000 for a replacement CT scanner. This will improve the reliability and functionality of diagnostic imaging. This machine can be used for a range of conditions but a large part of its workload is related to cancer. This new scanner will directly benefit up to 10,800 patients each year.

Enhancing services through equipment grants

We supported the hospital with a number of grants for equipment where this will enhance or extend the service. This included awarding a grant of £49,000 to improve cardiac diagnostic testing across the hospital and we have bought various ultrasound machines to improve access to this key diagnostic technology.

We also continued our support for prostate cancer patients by buying a £79,000 advanced diagnostic scanner, which uses the latest developments in fusion imaging.

In some cases, we also pay for the building works needed to create a suitable working environment for new equipment. With the support of the local community through the Addenbrooke's Breast Cancer Appeal, we funded the purchase of an ultrasound machine and conversion of space in the Breast Unit to provide an additional ultrasound room at a combined cost of £120,000. The Unit sees 5,700 new patients every year with breast problems and 450 are diagnosed with breast cancer. The additional scanner, used to examine breast tissue at clinic appointments, was urgently needed so that many more patients can be seen in clinic on a daily basis.

We awarded a grant of £39,000 so that a room on the Rosie Delivery Unit could be fitted with a birthing pool and upgraded to the same standard as rooms in the much newer Birth Centre.

“The pool room felt so peaceful and relaxing; it would have been wonderful to be here for my delivery. It feels and looks more like a spa facility than a delivery room. I think everyone has done a fantastic job of making it into a very tranquil place to give birth.”

Kristy Harden, new mother

The medical 3D printing service funded by ACT and the Alborada Trust opened for business in 2015. Precise three dimensional facsimiles of individual patient’s bone structures can now be printed in-house, improving surgery planning, reducing procedure time and improving outcomes for patients needing facial, spinal and other intricate surgery. Up to 60 models are currently being printed at Addenbrooke’s every month.

Addenbrooke’s 250th Anniversary

Addenbrooke’s Hospital was founded in 1766 thanks to a generous gift in a Will from Dr John Addenbrooke. Charitable support has played a significant role in the hospital’s development over the past 250 years and will continue to do so into the future.

To that end, we are providing substantial support for the hospital’s 250th Anniversary, allocating £70,000 to support public engagement events (such as the hospital open day) and a grant of £85,000 towards a permanent display of items from the hospital archives (also supported by the Heritage Lottery Fund). ACT’s staff have been closely involved in the planning and practical support for the anniversary events.

“Throughout 2016 we have been celebrating 250 years of patient care, staff achievement, research and teaching while looking forward to what the next 250 years could hold. ACT has been a major part and generous sponsor of our activities. It is important that the public get to share in our pride. Throughout the celebrations there has been a constant thread of the impact, importance and influence of philanthropy on the life and development of Addenbrooke’s. It has been a constant heart-beat in our history.”

Dr Mike More, Interim Chairman, CUH

The healing arts

ACT continues to fund the work of the hospital archivist and the curators of the Addenbrooke’s Arts Programme, enhancing the hospital environment for patients, visitors and staff. As an example of how arts can contribute to healing, we have funded a dance programme, improving balance and co-ordination for vulnerable patients as a falls prevention measure.

“There is a growing body of evidence internationally which demonstrates that arts in hospitals can reduce the length of time patients stay and can also help to reduce the need for pain medicines – as well as making everyone simply feel more cheerful – whether they are patients, visitors or staff.”

Damian Hebron, Head of Arts, CUH

Fostering clinical research

We continue to support clinical research at CUH, targeting resources at pilot studies that unlock grants from the larger statutory and charitable funders of research and at ‘bridge’ funding to maintain continuity in key research teams.

Funded studies covered a range of topics including an investigation of the dynamic interactions of metabolic and immune functions post diagnosis of type 1 diabetes and a study looking at the impact of delivered dose on toxicity outcomes for head and neck cancer patients receiving radical radiotherapy.

A further six fellows were appointed to the Cambridge Clinical Research Fellowship Scheme, which is administered and supported by ACT and the Cambridge Biomedical Research Centre. In 2015, the scheme benefitted from co-funding by the Royal College of Surgeons in England, the Evelyn Trust, Isaac Newton Trust and the Polycystic Kidney Disease Charity.

ACT – in partnership with the Cambridge Biomedical Research Centre – extended the fellowship scheme to include nurses, midwives and allied health professionals during 2014. The aim of this scheme is to provide support for members of these professional groups to develop research expertise. The first cohort of four fellows undertook clinical and health services research projects during 2015, including a study to look at the effect of noise on newborn brain development. A further two fellows will start projects in 2016. We will also be funding a three year PhD fellowship in osteoporosis research, commencing in 2016.

“This fellowship will give me the opportunity to develop the necessary skills in research methodology and change management while promoting nursing research in the care of vulnerable babies.”

Andrea Edwards, Neonatal Neurosciences Research Nurse

Supporting innovation for patient benefit

Our innovations funding stream continues to fund a range of exciting projects that will be expected to yield significant patient benefit, but which may not be commercially viable. As a charity, we see it as our role to compensate for this market failure, which can otherwise bring innovation to a halt. During the year we supported seven projects at a total cost of £188,000. These range from service interventions, for example psychological support for patients with long-term conditions, through to medical devices, for example an app to encourage and monitor preventive physiotherapy for young people with Cystic Fibrosis.

Projects are funded for two years and we will be evaluating the outcomes from the first round of funding later in 2016. This funding stream has also provoked dialogue with clinicians that is giving rise to new fundraising opportunities. For example, we have worked with clinical colleagues in Intensive Care to raise funds for the development of a technology that would dramatically reduce diagnostic waits for critically-ill patients with respiratory infections. If this technology is successful, it has the potential to massively reduce antibiotic use, with obvious economic and wider social benefits.

Working in partnership

We worked in partnership with the Cambridge Eye Trust to provide new advanced laser technology for eye surgery. The Cambridge Eye Trust purchased the machine and ACT paid for associated building costs and for a specialist nurse to establish new patient pathways. The new laser will improve outcomes in cataract surgery and also be used in corneal transplantation.

“The femtosecond laser, with its ultra-precision, brings the potential to revolutionise eye surgery in the East of England, improving patient care, surgical training and research at Cambridge University Hospitals.”

Mr Madhavan Rajan, Consultant Ophthalmologist and Clinical Lead – Cataract and Cornea Service

We support other charities working in the hospital through grant-making, including Petals (neonatal bereavement counselling); Sick Children’s Trust (‘home from home’); Child Brain Injury Trust (family support); Headway (patient support); Theodora Trust (giggle doctors) and the Laughter Specialists (entertainers and performers who bring fun and laughter to the sick and vulnerable). The charity provided many other smaller grants and allocations of funding, working within our benefits framework. More details are available in our regular Grants Bulletins and our Annual Review.

Supporting staff education, training and development

The ability of CUH to deliver services is critically dependent upon its ability to recruit and retain skilled staff. For some staff groups this can be challenging, given under-supply of suitably trained individuals and the cost of housing in Cambridge. Recognising this problem, ACT is funding a staff housing advisor for two years. This individual gives advice and helps staff to locate suitable housing opportunities. ACT also continues to give hospital staff first call on renting its investment properties.

The charity provides governance and administrative support for Addenbrooke’s Abroad. This programme supports hospital staff wishing to volunteer in less-developed countries. ACT has formal agreements with the health ministries of Botswana, El Salvador and Myanmar. The primary rationale for this activity is staff development. Staff testify to the effects of overseas work in reconnecting them to their professional values and making them grateful for a well-resourced system in the UK. Volunteering also confers very substantial benefit on the partner nations and this is extended where Addenbrooke’s Abroad delivers advisory programmes through its volunteers.

“I was so honoured and felt so valued by my team when I was asked to volunteer with Addenbrooke’s Abroad in El Salvador. Volunteering overseas was something I had never experienced before and I saw a completely different way of life. I am trying to initiate things at Addenbrooke’s and the Rosie that I learnt out there. The learning has been both ways, and that’s the great thing about Addenbrooke’s Abroad!”

Nick Fletcher, Operating Department Practitioner

The charity’s staff, supported by fundraising volunteers, are continuously engaging with individuals, community groups and companies in the hospitals’ catchment area. In this way, the charity provides an important representative role for the hospital beyond fundraising alone. We continue to raise our profile with these constituencies year on year, with the aim of becoming ‘the charity of choice’.

Our structure, governance and management

Legal status

The charity is constituted by a Declaration of Trust, last amended on 1 February 2007, and registered with the Charity Commission in England and Wales (1048868). The trustees are appointed under section 51 of the NHS Act 2006 and are incorporated under Part VII of the Charities Act 1993.

In addition to responsibility for Addenbrooke's Charitable Trust, the Incorporated Trustees are also responsible for various precursor and related charities. Addenbrooke's Abroad has objects that extend to the promotion of health in countries other than the UK. Addenbrooke's Hospital Recreational and Development Trust owns the freehold of the hospital's sports and social club, which is maintained and managed by CUH under a long leasehold agreement.

The charity also owns a non-charitable subsidiary, The Fund for Addenbrooke's Ltd (company number 4287054), which serves as a vehicle for non-charitable trading activity.

As a result of the recent NHS Charities Review, there is now a process whereby all NHS charities have the option to become fully independent with a more conventional legal form. The trustees and the Board of CUH have resolved that ACT should be re-constituted as a fully independent charity, because they consider that this arrangement will best safeguard charitable funds, sustain donor confidence, provide continuity, and open up new possibilities for partnership.

An ACT/CUH joint working group has overseen the development of a new constitution. A new charity, also called Addenbrooke's Charitable Trust, was incorporated in November 2016. The assets and undertakings of the existing charity will be transferred to this new legal vehicle on 1 April 2017. All but one of the trustees of the existing charity will serve as trustees of the new charity and CUH will nominate two new trustees. Through this process, Addenbrooke's Charitable Trust will be able to continue its work with the added benefits of a more conventional legal personality.

Governance and management

The trustees are collectively responsible for the overall governance and operations of the charity and for ensuring that the charity acts in a way that is consistent with its objects and results in public benefit. There were eleven trustees in office throughout the year, with one resigning on 31 March 2016.

The trustees are appointed to hold the charitable funds on behalf of CUH and can apply these funds for any purposes of the Foundation Trust or the wider NHS. The trustees are responsible for the administration of the charity and for ensuring that assets are properly managed, controlled and safeguarded in accordance with NHS and charity law.

At present, trustees are appointed on behalf of the Secretary of State for Health by the NHS Trust Development Agency (NTDA). This arrangement will cease post-reconstitution, and one of the tasks for the Constitution Committee during 2016 will be the development of a new set of policies and procedures for trustee appointments.

The appointments process is, and will continue to be, designed to ensure fairness and openness and ensure a trustee body that has the mix of experience, skills, knowledge and competencies required. All vacancies are advertised and selection is made against a person specification agreed with the NTDA. An independent assessor, nominated by the NTDA, is involved in the selection process, including interviews. Trustees are appointed for four year terms in the first instance, renewable up to ten years, subject to satisfactory performance. New trustees are introduced to the charity through an induction process that involves staff and other trustees.

The trustees are volunteers and do not receive any remuneration for their services, but may claim reasonable expenses incurred in connection with their attendance at meetings or other duties. No trustee claimed any expenses in the financial year. Trustees are required to disclose all relevant interests and withdraw from any decisions where a conflict of interest arises. The trustees meet formally as a full governing body four times a year but also meet less formally from time to time for strategic planning and other developmental activities.

The trustees appoint a Chairman, Vice-Chairman and Treasurer from among their number as honorary officers. The terms of these appointments are three years renewable up to a maximum term as trustees.

The trustees confirm that they are aware of the requirements of The Charities Act 2011 that they must have regard to the guidance of the Charity Commission in relation to public benefit and have considered the guidance Public benefit: the public benefit requirement (September 2013). ACT's activities make a difference for the extensive community served by CUH, as evidenced in this report and in our Annual Review.

Trustee committees

The trustees delegate responsibility for more detailed consideration of the charity's affairs to six committees, each including three places for trustee members, chaired by a trustee and reporting to the Board of Trustees. Four of these committees are longstanding, and two have been established more recently.

- **The Finance and General Purposes Committee:** oversees and provides advice on audit, administration, finance, risk and employment matters.
- **The Strategy and Policy Committee:** considers strategy and policy development in greater detail and at an earlier stage than is possible at meetings of the full governing body.
- **The Grants Committee:** reviews and decides upon applications for grants.
- **The Investment Committee:** advises on the charity's investment policy and oversees investment management.
- **The Human Resources Working Group (from May 2016):** ensures that the trustees are responsible employers and develop the workforce.
- **The Constitution Committee (from September 2015):** will develop the new constitution and review underpinning governance arrangements.

In March 2016, the trustees agreed that the committee structures should be streamlined and the frequency of trustee body meetings increased. These changes will be implemented by January 2017.

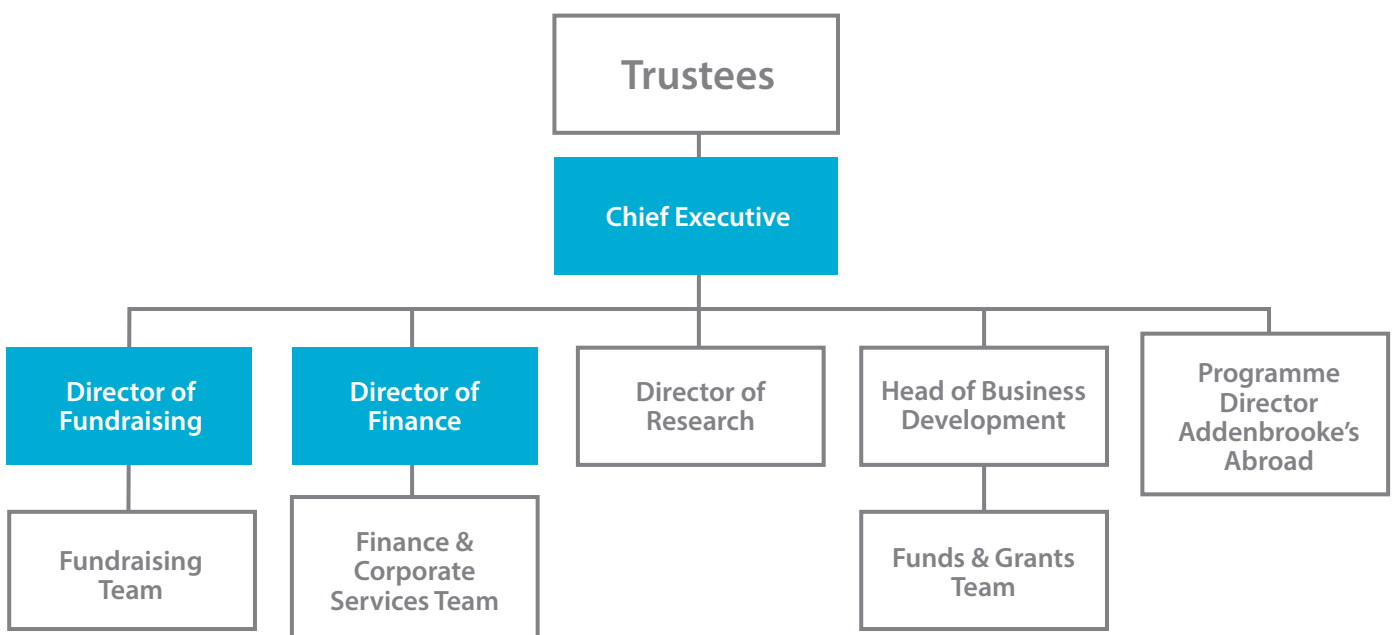
Key management personnel

The Principal Officer roles are identified as Chief Executive, Director of Fundraising and Director of Finance. These are defined as key management personnel (known as the senior management team) due to their delegated responsibility for the day to day running of the charity.

Pay and remuneration for key management personnel is recommended to the Board of Trustees by the Finance and General Purposes Committee which sits annually as the Remuneration Committee. Reference is made to other NHS charity salaries and sector wide senior salary benchmark reports in arriving at their recommendations.

Organisation structure

The charity delivers its charitable objectives through the following organisation structure below (key management personnel in blue).



Fundraising

The charity employs a professional fundraising staff. Activities include community-based fundraising; hospital-based fundraising; direct marketing; and the development of long-term relationships with individuals and grant-making bodies with interests in health-related innovation, education and research. The public benefit arising from charitable expenditure is also monitored and communicated to supporters.

The Strategy and Policy Committee has maintained oversight of governance and ethical aspects of fundraising and provides advice to the full trustee body and to senior management in order to support good governance and effective performance of the fundraising task. New committee arrangements will include provision for this role.

ACT was registered with the Fundraising Standards Board (FRSB) until July 2016. In future, the charity will be subject to whatever regulatory regime is introduced by the new Fundraising Regulator.

Volunteers

The charity is reliant on the support of our volunteers, many of whom have supported our work in fundraising for the hospitals over many years. Volunteers provide this support in various ways.

- As organisers of, or participants in, community fundraising events, such as challenge events or sponsored activities. The 250 Gala held at Trinity College in September 2016 was an outstanding example of what can be achieved by volunteers.
- As expert advisors, for example as advisors to the Addenbrooke's Abroad, Grants and Investment committees, who give up their time to provide ACT trustees with specialist advice.
- By providing administrative support to the charity's staff, helping both ACT and Addenbrooke's Abroad.

Charitable trading

Within CUH, there are various not-for-profit programmes of discretionary activity which generate income from external sources. Some of this income, together with associated expenditures, is administered by the charity. Education, training and development are the most material sources of income under this heading. This income line includes the discretionary activities of the Cambridge Postgraduate Medical Education Centre and the Evelyn Surgical Training Centre, the set-up costs of which were jointly funded by ACT and the Evelyn Trust.

Charitable expenditure

The charitable expenditure policy of ACT ensures that charitable funds are used to enhance, extend and maintain (on a short-term basis) NHS services. It also ensures that charitable funds are not used to support requirements that should be met from exchequer funds. Charitable expenditure occurs through two main routes: a) grant-making and b) on the advice of fund advisors from designated and restricted funds.

Grant-making

The Grants Committee takes advice from a number of hospital advisory committees, each of which is made an annual allocation from unrestricted funds. These committees accept proposals on an open basis, both from CUH staff and from other charities providing services within CUH. Proposals are assessed on a competitive basis. Assessment criteria include scale of patient benefit; deliverability and conformity with charitable expenditure policy.

These committees also make recommendations on expenditure from designated and restricted funds. Larger proposals, especially for expenditure from unrestricted funds, may also be received directly and considered by the Grants Committee. The advisory committees, together with their remit and allocations are as follows.

Committee	Remit	Allocation 2015/16
Professional Advisory Committee	Equipment, works, staffing, external grants – if not related to research	£220,000
Research Advisory Committee	Research projects, infrastructure and fellowships	£240,000
Innovation Panel	Innovation projects	£170,000
Patients' Amenities Panel	Small projects for increased patient amenity (up to £2,000 per project)	£20,000

Examples of projects funded through these various routes are given in the section on our achievements, through our Grants Bulletins and in our Annual Review.

Fund advisors

The trustees are responsible for around 350 restricted and designated funds, each of which supports a different department, ward, clinic, research or other programme in line with donors' preferences. Authority for expenditure against these funds is delegated to fund advisors, who are mostly senior clinical staff with specialist knowledge of the department or purposes supported by the fund. There are a minimum of two fund advisors for each fund. Advisors can commit expenditure for charitable purposes up to £5,000. Above this limit, approval by ACT's Chief Executive is also required and for expenditure over £10,000, trustee approval.

The trustees consider that delegation to fund advisors in this way means that expenditure decisions are well-informed and has the further benefit of encouraging the involvement of staff in fundraising.

During 2015/16 around 42% of expenditure by value and 99% by volume of transactions was approved by fund advisors under delegated authority.

Programme delivery

The charity does not, in general, undertake the delivery of services as its operating model is to make grants in support of the service delivery of CUH. The exception to this is Addenbrooke's Abroad, which undertakes programmes to support staff who wish to volunteer in less developed countries. This volunteering develops staff through the challenge of working in more austere settings. During the year, Addenbrooke's Abroad supported Yangon General Hospital, Myanmar, focusing on trauma care and pathology services. This project is funded through a grant from the Tropical Health Education Trust. Implementation also continued on the 'Seeing is Believing' programme in Botswana, funded by Standard Chartered Bank. Other volunteer placements and grants for medical student electives are supported through the generosity of individual supporters.

Investment management

The Investment Committee meets twice a year and reviews policy and performance. Performance against benchmarking is indicated by the investment managers in their report to each meeting of the Investment Committee. The committee includes both trustees and external expert advisors for whose voluntary contribution the trustees are extremely grateful.

The financial investment objectives are as follows:

- To preserve capital, i.e. not to lose money on a rolling 12-month basis.
- To achieve returns that exceed those available from cash and other short term deposits.
- To provide sufficient cash at all times to meet the expenditure requirements arising from charitable expenditure decisions and operating requirements.
- To hold investment management costs at a level that is proportionate to asset values and represents value for money.

The achievement of these objectives has been delegated to the Investment Committee. The charity will not invest in any company or collective fund with significant involvement in tobacco products, whether direct and indirect, as this would be in conflict with the aims of the charity, tobacco being injurious to health and thereby creating an additional burden on NHS resources.

Assets held for hospital-related purposes

The charity owns two of the six MRI scanners in use by the hospital. Under long-standing agreements with CUH, these are made available for hospital use and the hospital pays management charges to the charity's charitable trading subsidiary, the Fund for Addenbrooke's Ltd (FFA Ltd). These arrangements create a surplus which is transferred back to ACT, building a sinking fund for scanner replacement. These arrangements have enabled the hospital to remain at the leading edge of MRI technology for the past quarter century. The current agreements run until 31 March 2018.

The charity has a programme-related investment (PRI) policy that allows for total PRI of up to 15% of total investment and sets the parameters for management. Risks associated with PRI are managed through legally-binding agreements with CUH, covering such matters as asset ownership, maintenance, insurances, liabilities and indemnities. Maintenance contracts are administered through FFA Ltd. These arrangements have enabled the hospital to acquire leading edge technology. The financial performance of these investments has been consistent with the objectives set by trustees.

During the year, the charity acquired an Xstrahl radiotherapy system for use by the hospital. This equipment is used for both superficial treatment of skin lesions and palliative treatment of secondary lesions or bony metastases. The system was used for 650 patient treatments in 2015/16.

Our strategic goals

1. To double both baseline income and charitable expenditure over the next ten years.

Our aim is to continue to grow income so that we can increase our expenditure for charitable purposes. We also intend to take further steps towards making our charitable expenditure more strategic, so as to maximise public benefit.

2. To support CUH in addressing its capacity problems through a major capital campaign.

CUH faces significant and growing capacity pressures and needs investment in a number of service areas to sustain its dual role as both local general hospital and specialist centre. Against this background, trustees are keen to move forwards with a major capital campaign. Our ability to do this will depend upon the NHS playing its part.

3. To become more autonomous in governance and operations.

Under the recent NHS Charities' Review, ACT is compelled to revisit its constitution before April 2018. We believe that becoming more like other charities in our structures and governance will best safeguard charitable funds and purposes.

4. To develop innovation in the funding of healthcare improvement and assets.

NHS funding constraints mean that charitable partners may need to become the main sponsors of innovation in the NHS. This may include promoting new models for funding capital investment.

Our objectives and what we achieved in 2015/16

We said that in 2015/16 we would:

In 2015/16 we:

Increase charitable expenditure to £8.6 million.

Increased charitable expenditure to £11.7m which included two MRI scanners.

Continue to fundraise for immediate needs under the banner of 'ACT on Cancer', building on success to date.

Continued this appeal and to date we have raised £3m since October 2013. This has enabled funding to: transform facilities for cancer patients – new oncology treatment room; support cutting edge technologies - scalp coolers; deliver personalised treatments, chemotherapy pumps; research into a personalised breast cancer medicine.

Work with NHS and University colleagues to bring forward plans for investment in new cancer clinical facilities.

Continued to liaise with partners in preparation for this development.

Continue to support children's services.

Dedicated a member of the fundraising team to work with clinicians in identifying fundraising causes, support a feasibility study for a new children's hospital and the matching of donors to projects.

We also funded a number of smaller projects in this clinical area including services from the Giggle Doctors and Laughter Specialists, interactive floors to provide distraction in waiting areas, a cardiac scanner, perinatal scanners and using smartphone technology to incentivise essential daily chest physiotherapy treatment in young people with cystic fibrosis.

Work with clinicians across the hospital to identify other fundraising opportunities.

Assigned divisional relationship managers and recruited a business development manager to support clinicians in developing projects and ensuring delivery.

Further develop research and innovation funding.

Benefitted from co-funding for the fellowship scheme from the Royal College of Surgeons in England, the Evelyn Trust, Isaac Newton Trust and the Polycystic Kidney Disease Charity.

Allocated a further £200,000 to a range of innovation projects.

Mark the 250th Anniversary of Addenbrooke's Hospital in 2016.

Worked with CUH on their anniversary launch in January 2016 and have supported a programme of events throughout 2016 to include the annual science festival, the health and wellbeing village at the Cambridge Big Weekend and Founder's Day. In addition, ACT has part funded a permanent display of artefacts from the hospital archives.

De-restrict the endowment fund and use it for cancer equipment.

De-restricted the endowment fund in March 2016 and it was used in part to fund a replacement CT scanner.

Continue progress towards full operational autonomy.

Moved IT support and payroll away from CUH and under the direct control of the charity.

Obtain agreement from CUH that the charity should be re-constituted on a fully independent basis.

Progressed discussions with CUH. On 9 March 2016, the CUH board approved the intention to form the new charity. A letter of intent signed by CUH and ACT was sent to the Department of Health and receipt acknowledged.

Our objectives for 2016/17

To continue to move towards our strategic goals, trustees have agreed corporate objectives for 2016/17 that include the following.

Objective	Responsibility
Achieve income and charitable expenditure targets whilst controlling operational costs	Trustees and all staff
Reconstitute the charity	Constitution Committee
Review underpinning governance	Constitution Committee
Review fundraising governance	Board of Trustees
Recruit a permanent Director of Fundraising	Chief Executive
Deliver the 250 celebration plans	Director of Fundraising
Increase charitable giving:	Director of Fundraising
<ul style="list-style-type: none"> • Re-launch ACT on Cancer • Launch a lottery • Undertake CUH staff survey to establish levels of awareness of and support for ACT • Review fundraising strategy 	
Operational autonomy:	Director of Finance
<ul style="list-style-type: none"> • Secure improved office premises • Replace finance system • Achieve data protection accreditation 	
Further develop impact reporting:	Chief Executive/Director of Fundraising/Director of Research
<ul style="list-style-type: none"> • Improve impact reporting for research spending • Adopt benefits framework and incorporate into all stages of grant-making process • Improve AA programme information and impact reporting 	
Update 5-year strategy	Board of Trustees

Financial Review

In the year under review, total expenditure exceeded income raised by £3.2m (£0.4m in 2014/15).

Of every pound that we spent in the year, 86p (2014/15: 83p) was spent on charitable purposes, 12p (2014/15: 14p) on fundraising and the running of the charity, and 2p (2014/15: 3p) on investment management.

Of every pound that we raised during the year, 21p (2014/15: 20p) was spent on fundraising and the running of the charity and 3p (2014/15: 3p) on investment management.

The charity's investments, which stood at £19m at the year end, saw a partial reversal in 2015/16 of the gains made in 2014/15.

The portfolio of financial instruments experienced total losses of £0.9m (2014/15 gains £1.4m), whilst investment properties saw a small increase of £79k (2014/15 gains £392k).

Whilst the year saw a significant reduction in total reserves, this was expected given the trustees' strategy to grow charitable expenditure.

Income

The charity exceeded its income target for 2015/16 by 1%. Total income increased by £0.49 million to £10.3 million in 2015/16, representing growth of 5%. The charity withdrew from clinical trials activity at the end of the prior year, which reduced income by around £0.65 million. On a like-for-like basis, income growth was 12%.

Income sources

Voluntary income at £5.3m increased by 12%, a result largely achieved through legacy receipts which grew again to £2.4m (2014/15: £2.1m). Donations income also contributed to this and increased by 17%. The recruitment of a corporate fundraiser in January 2015 supported a 13% year on year growth in community fundraising.

Income in the trading subsidiary from Programme Related Investments at £1.57m (2014/15: £1.41m) increased by 11% due to the investment in a radiotherapy system.

Income from charitable activities decreased by 7% over the previous year as, although income from educational activity increased, this growth was offset by the charity's withdrawal from clinical trials activity.

Investment income remained static reflecting the continuing decline in interest rates and dividend income.

Expenditure

Total expenditure increased by £3.2m which was entirely due to the significant increase in charitable expenditure.

Expenditure on raising funds remained virtually static year on year. This was due to lower fundraising salary costs and lower investment property costs (due to less cyclical refurbishment activity) offset by greater direct fundraising costs due to increased activity.

Expenditure on charitable activities increased from £8 million to £11.1 million, an increase of 39%. This exceeded the target set by the trustees by some £2.6m but this outcome is in line with our policy of increasing charitable expenditure. Some of the major items of expenditure in 2015/16 are outlined in the section on 'achievements during the year'.

Significant year on year growth was seen in expenditure on patients' welfare and amenities (36%) which included expenditure on two MRI scanners totalling approximately £2m; staff welfare and amenities (43%) principally in the area of staff development, and research (74%) due to a grant of £750,000 made to the Cancer Clinical Trials for staff to support the unit's portfolio of trials and studies.

As a consequence of the significant increase in expenditure for charitable purposes and investment performance total funds fell to £22.6m from £26.53 million. Of this, £21.3 million or 94% is held in restricted or designated funds.

The balance sheet of the charity remains strong with £14 million invested in the charity's absolute return portfolio; £5 million in residential property and £4.8m in cash.

Short term time deposits have fallen year on year by £5.9m and converted to cash at bank holdings as cash draw-downs have been required to fund increased charitable expenditure.

Reserves

Free Reserves

The charity's policy is to hold free reserves equal to 12 months operating costs (excluding investment management costs) which are budgeted to be £1.9 million for the 2016/17 year, of which 70% are staff costs that cannot be reduced quickly without severance costs.

The policy is to treat unrestricted and undesignated funds as free reserves. At the balance sheet date these totalled £1.2 million. The trustees had previously anticipated a higher level of spending from unrestricted

funds as part of planning for the 250th anniversary of the hospital. However, they will now seek to rebuild free reserves over the next 3-5 years.

Designated funds

Designated funds hold gifts where donors have expressed a preference without imposing a binding trust. The trustees can remove the designation of funds at any time if an urgent need arises. At 31 March 2016, there were approximately 400 designated funds totalling £19m and they hold monies donated for a particular ward or specialism and amounts set aside for grants made by the charity.

The balances held in designated funds, in accordance with the provisions of the NHS Acts relating to charitable funds, are regularly reviewed to determine whether these funds are likely to be committed in the near future and the extent to which there is a continuing need identified for any particular designated fund(s). Any inactive funds are closed and the funds transferred to reserves.

Endowment Fund

During the year, the trustees applied to the Charity Commission to de-restrict the endowment fund capital (created by a resolution of the trustees of the Fund for Addenbrooke's, a precursor charity, in 2005) on the grounds that the objects of the charity could now be more effectively pursued if the trustees had the power to apply the capital of the fund, as well as its unrestricted income. No objection was received to the de-restriction from the Charity Commission. Assent was assumed and the trustees resolved the fund as de-restricted on 17 March 2016 in accordance with a resolution passed on 30 June 2015 and s.282(5)(b) of the Charities Act 2011. The funds were transferred into a designated cancer fund out of which a commitment to fund a CT scanner has been made.

Risk Management

The charity has a process involving a cross-section of staff that identifies and appraises operational and strategic risk. This is reviewed and discussed with trustees on a quarterly basis. The most recent exercise of refreshing the risk register was undertaken in October 2016 and identified 11 active risks and 14 risks that were closed but still monitored on a regular basis by the management. Of the active risks, 9 were 'amber-rated'; none were red-rated. Principal areas of risk included website provision, postgraduate medical education income and the consequences of fundraising regulation.

Statement of Trustees' responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of the 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 trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deeds. 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.

By Order of the Trustees

Signed:

Chairman:

23 November 2016

Trustee:

23 November 2016

Independent auditors' report to the Trustees of The Addenbrooke's Charitable Trust (ACT)

We have audited the financial statements of Addenbrooke's Charitable Trust (ACT) for the year ended 31 March 2016 which comprise the Group Statement of Financial Activities, the Group and Charity Balance Sheet, the Consolidated Statement of Cash Flows, and the related notes. The financial reporting framework that has been applied in their preparation is applicable laws and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland'.

This report is made solely to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charity and charity's trustees as a body, for our audit work, for this report, or for the opinion we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 16, the trustees are responsible for the preparation of financial statements which give a true and fair view. We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with regulations made under that Act. Our responsibility is to audit and express an opinion on 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 report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.

Opinion on financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2016, 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 requirements of the Charities Act 2011.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.



Kingston Smith
Statutory auditor, Devonshire House, 60 Goswell Road,
London EC1M 7AD

Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

Date 23 November 2016



Annual Financial Statements – year ended 31 March 2016

Consolidated statement of financial activities for the year ended 31 March 2016

	Note	Unrestricted Funds	Restricted Funds	Endowment Fund	Group 31-Mar-16	Unrestricted Funds	Restricted Funds	Endowment Fund	Group 31-Mar-15
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	As restated £'000
INCOME FROM:									
Donations		754	421	-	1,175	717	284	-	1,001
Legacies		2,389	20	-	2,409	1,734	324	-	2,058
Other grants receivable		307	688	-	995	292	711	-	1,003
Other trading activities		594	144	-	738	658	41	-	699
Trading subsidiary	4.2	1,204	364	-	1,568	1,050	364	-	1,414
Investments	2.1	382	-	-	382	389	-	-	389
Charitable Activities	2.2	2,824	252	-	3,076	3,289	2	-	3,291
Total income		8,454	1,889	-	10,343	8,129	1,726	-	9,855
EXPENDITURE ON:									
Raising funds - costs of the charity	3.1	(1,294)	(34)	-	(1,328)	(1,129)	(172)	-	(1,301)
Raising funds - costs of the subsidiary	4.2	(358)	(113)	-	(471)	(323)	(112)	-	(435)
Charitable activities	3.1, 3.2	(9,751)	(1,970)	-	(11,721)	(7,540)	(1,021)	-	(8,561)
Total Expenditure		(11,403)	(2,117)	-	(13,520)	(8,992)	(1,305)	-	(10,297)
Net (losses)/gains on investment assets	4.2	(743)	(38)	-	(781)	1,569	223	-	1,792
Net (expenditure)/income		(3,692)	(266)	-	(3,958)	706	644	-	1,350
Transfers between funds	9	477	176	(653)	0	(54)	54	-	-
Net movement in funds		(3,215)	(90)	(653)	(3,958)	652	698	-	1,350
Reconciliation of funds:									

All activities relate to continuing operations. All gains and losses recognised in the year are included in the Statement of Financial Activities. The notes on pages 22 to 37 form part of these Financial Statements.

Balance Sheets as at 31 March 2016

	Note	Group 31-Mar-16 £'000	Charity 31-Mar-16 £'000	Group 31-Mar-15 £'000	Charity 31-Mar-15 £'000
Fixed Assets					
Tangible fixed assets	4.1	2,054	2,054	2,664	2,664
Investments	4.2	19,002	19,002	19,611	19,611
Total fixed assets		21,056	21,056	22,275	22,275
Current Assets					
Debtors	5	2,383	2,480	2,227	2,750
Short term investments and deposits	6	-	-	5,926	5,926
Cash at bank and in hand		4,824	4,604	1,135	423
Total current assets		7,207	7,084	9,288	9,099
Creditors: amounts falling due within one year	8	(5,688)	(5,574)	(5,030)	(4,850)
Net current assets		1,519	1,510	4,258	4,249
Total assets less current liabilities and net assets		22,575	22,566	26,533	26,524
Funds					
Endowment fund	9	-	-	653	653
Restricted income funds	9	2,449	2,449	2,539	2,539
Unrestricted income funds	9	20,126	20,117	23,341	23,332
Total Funds		22,575	22,566	26,533	26,524

The financial statements on pages 19 to 37 were approved by the Board of Trustees on 23 November 2016 and signed on its behalf by:

Signed:

Chairman:  23 November 2016

Trustee:  23 November 2016

Consolidated statement of cash flows for the year ended 31 March 2016

	Note	Group 31-Mar-16 £'000	Group 31-Mar-16 £'000	Group 31-Mar-15 £'000	Group 31-Mar-15 £'000
Cash flows from operating activities					
Net cash provided by operating activities			3,638		207
Cash flows from investing activities					
Dividends and interest received	2.1	217		215	
Net income from property	2.1	165		174	
Purchase of tangible fixed assets	4.1	(252)		(867)	
Revaluation of investment property	4.1	(79)		(318)	
Investment property additions	4.1	-		(400)	
Net cash provided by/ (used in) investing activities			51		(1,196)
Change in cash and cash equivalents in the reporting period			3,689		(989)
Cash and cash equivalents at the beginning of the reporting period			1,135		2,124
Cash and cash equivalents at the end of the reporting period			4,824		1,135

Reconciliation of net movement in funds to net cash flow from operating activities

	Group 31-Mar-16 £'000	Group 31-Mar-15 £'000
Net movement in funds	(3,958)	1,350
Depreciation charge	861	758
Realised/unrealised loss/(gain) on fixed asset investments	689	(1,587)
Investment income	(382)	(389)
Increase in debtors	(156)	(479)
Decrease/(Increase) in short term deposits	5,926	(1,661)
Increase in creditors	658	2,215
Net cash inflow from operating activities	3,638	207

Notes to the Financial Statements

Note 1 Significant accounting policies

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the group's financial statements.

These Financial Statements have been prepared under the historical cost convention, as modified for the revaluation of certain investments, in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014 and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

There have been no changes to the accounting policies arising from FRS102.

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.

Basis of preparation

The Financial Statements are prepared in accordance with the accruals concept and on a going concern basis.

Critical accounting estimates and areas of judgement

In the application of the charity's accounting policies, described in note 1, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Valuation of fixed asset investments

At 31 March 2016, Ruffer LLP provided a valuation of the charity's Investment portfolio which has been reported in these financial statements. This valuation is based on the latest mid closing price quoted on the stock market or by the fund manager.

Valuation of Investment Properties

Investment properties are included in the Financial Statements at their market value, based on an appropriate local property index applied by the trustees to adjust the value of the investment properties to their current estimated market value – see note 1.7. Values are monitored throughout the year and reported to the Investment Committee every 6 months.

Depreciation

The charge in respect of depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. Increasing an asset's expected life or its residual value would result in a reduced depreciation charge in the charity's financial statements.

The useful lives and residual values of the charity's assets are determined by management at the time the asset is acquired and reviewed annually for appropriateness. The lives are based on historical experience with similar assets as well as anticipation of future events which may impact their life such as changes in technology.

Notes to the Financial Statements

Going Concern

The trustees are of the opinion that there are no material uncertainties that affect the charity's ability to continue in operation and therefore the accounts have been prepared on a going concern basis.

1.1 Public Benefit

The charity is a Public Benefit Entity as defined by FRS 102.

1.2 Consolidation

The charity owns 100% of the issued share capital of The Fund for Addenbrooke's Limited, a trading company registered in England and Wales (company number 4287054). The share capital of the company is £1. The consolidated group results incorporate the financial statements of The Fund for Addenbrooke's Limited on a line by line basis. All intercompany transactions have been eliminated on consolidation.

1.3 Income

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

Donations

All incoming resources are included in full in the statement of financial activities as soon as the following three factors can be met:

- Entitlement – arises when a particular resource is receivable or the charity's right becomes legally enforceable;
- Certainty of receipt – defined as when it is probable that the incoming resource will be received;
- Measurement – when the monetary value of the incoming resource can be measured with sufficient reliability.

Cash donations are accounted for when received in the cash office.

Legacies

Legacies are included in incoming resources once they have been received or receipt becomes probable. This will usually be once grant of probate has been made, confirmation has been received from the representatives of the estate that there are sufficient net assets in the estate for payment of the legacy, and once all conditions attached to the legacy have been fulfilled.

Other grants receivable

Other grants receivable are included in incoming resources once there is sufficient evidence that any conditions attached have been fulfilled; unconditional grants are recognised at the earlier of receipt or entitlement.

Other trading activities

Other trading activities are the fundraising activities carried out by the charity primarily to generate income which will be used to undertake its charitable activities.

Income from charitable activities

Income from charitable activities is any income for which a payment has been received for goods and services provided for the benefit of the charity's beneficiaries, such as course fees or professional fees.

Notes to the Financial Statements

Deferred income

Income has been deferred and included within creditors, where the transaction creating the income has already occurred but the income relates to a future financial period.

1.4 Expenditure

All expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party.

Expenditure on raising funds are the costs associated with generating income.

Grants payable are included in charitable activities and are payments made to third parties in the furtherance of charitable objectives. Grants payable are given on an individual basis to cover patient/staff welfare and amenities and are recognised once the third party has a reasonable expectation that they will receive the grant and all of the conditions, if any, attaching to the grant have been met. Similarly, contributions to the NHS Foundation Trust are recognised on the same basis.

Governance costs are the costs associated with the governance arrangements of the charity which relate to the general running of the charity as opposed to those costs associated with fundraising or charitable activities. These costs include audit costs, legal advice for the trustees and costs associated with constitutional and statutory requirements.

Staff costs, other support costs and governance costs are allocated between expenditure on raising funds and charitable activities on the basis of actual accrued spend (where applicable) and relative spend for each area.

It is the charity's policy to apportion support costs which cannot be attributed directly to specific funds across all funds in proportion to each fund's average monthly balance being a reasonable estimate of the costs of administering the funds.

1.5 Definitions of funds

The charity holds endowment, restricted and unrestricted funds; unrestricted funds may be either designated or undesignated.

- Endowment funds are held to generate income to further the charity's general objects. The income earned is unrestricted.
- Restricted funds are expendable only in accordance with the discrete wishes of the donors, within the objects of the charity.
- Unrestricted funds are expendable at the discretion of the trustees in furtherance of the objects of the charity.
- Unrestricted funds may, as determined by the trustees, be designated towards some particular aspect of the charity. This designation has an administrative purpose only, and does not legally restrict the trustees' discretion to apply the funds.

1.6 Financial Instruments

Cash and cash equivalents

Cash and cash equivalents include cash at banks and in hand and short term deposits with a maturity date of three months or less.

Notes to the Financial Statements

Debtors and creditors

Debtors and creditors receivable or payable within one year of the reporting date are carried at their transaction price. Debtors and creditors that are receivable or payable in more than one year, and not subject to a market rate of interest, are measured at the present value of the expected future receipts or payment discounted at a market rate of interest.

Fixed Asset Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

1.7 Investment properties

The charity holds a portfolio of investment properties. Rent receivable during the year is recognised in the statement of financial activities under investment income when receivable.

Investment properties are included in the Financial Statements at their market value, based on professional valuation or based on an appropriate local property index applied by the trustees to adjust the value of the investment properties to their current estimated market value. Gains or losses are re-calculated as the difference between the market value at the current year end and the market value at the previous year end.

Investments in subsidiary undertakings

Investments in subsidiary undertakings are treated as fixed asset investments and valued at cost less any amounts written off.

1.8 Pension contributions

Pension Costs – NHS Pension Scheme

Past and present employees are covered by the provisions of the NHS Pensions Scheme. Details of the benefits payable under these provisions can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. The scheme is an unfunded, defined benefit scheme (which prepares its own scheme statements) that covers NHS employers, general practices and other bodies, allowed under the direction of the Secretary of State in England and Wales. As a consequence, it is not possible for the charity to identify its share of the underlying scheme liabilities. Therefore, the scheme is accounted for as a defined contribution scheme.

Employers' pension cost contributions are charged to operating expenses as and when they become due. In the current period this totalled £132k (2015: £120k).

Additional pension liabilities arising from early retirements are not funded by the scheme except where the retirement is due to ill health. The full amount of the liability for the additional costs is charged at the time the charity commits itself to the retirement, regardless of the method of payment.

1.9 Tangible fixed assets

Valuation

Tangible fixed assets are stated at cost, including any costs such as installation directly attributable to bringing them into working condition. The carrying values of tangible fixed assets are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable. All fixed assets over £200 are capitalised.

Notes to the Financial Statements

Depreciation

Tangible fixed assets are depreciated at rates calculated to write them down to estimated residual value on a straight-line basis over their estimated useful lives, as follows:

Asset Type	Life in years
Medical Equipment	5 - 7
Leasehold Improvements	5
Office equipment	5

1.10 Provisions

The charity provides for legal or constructive obligations that are of uncertain timing or amount at the balance sheet date on the basis of the best estimate of the expenditure required to settle the obligation.

1.11 Irrecoverable VAT

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

1.12 Parent Charity Financial Statements

ACT has taken advantage of the Charity Commission exemption allowing it to omit the statement of financial activities for the parent charity. Total incoming resources of the parent charity are £10.341m (2015: £9.855m), total resources expended are £13.520m (2015: £10.297m) and net movement in funds is £3.958m loss (2015: £1.350m gain) after taking account of £0.78m loss (2015: £1.792m gain) on investment assets.

1.13 Operating Lease commitments

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight-line basis over the period of the lease.

Notes to the Financial Statements

Note 2 Income

2.1 Investment income

	Unrestricted Funds £'000	Restricted Funds £'000	Group 31-Mar-16 £'000	Group 31-Mar-15 £'000
Interest on deposits	20	-	20	29
Stock market investment income	176	-	176	186
Rent from properties	165	-	165	174
Other investment income	21	-	21	-
	382	-	382	389

2.2 Incoming resources from charitable activities

	Unrestricted Funds £'000	Restricted Funds £'000	Group 31-Mar-16 £'000	Group 31-Mar-15 £'000
Course fees	2,358	-	2,358	1,839
Third Party Services Provided	466	252	718	1,452
	2,824	252	3,076	3,291

Note 3 Expenditure

3.1 Resources expended

	Staff Costs £'000	Direct Fundraising Costs £'000	Governance Costs £'000	Investment Management Costs £'000	Other Costs £'000	Trading Subsidiary Costs £'000
Expenditure on raising funds	602	445	14	267	-	471
Charitable Activities	618	-	116	-	10,987	-
	1,220	445	130	267	10,987	471

	Group 31-Mar-16 £'000	Group 31-Mar-15 As restated £'000
Total of above	1,799	1,736
Expenditure on raising funds	11,721	8,561
Charitable Activities	13,520	10,297

Charitable activities £11.721m (2015: £8.561m) include £2.436m (2015: £1.013m) of grants payable by the Charity. A breakdown is included within note 3.5. Charitable activities also includes £0.7m of support costs (2015: 0.5m).

Notes to the Financial Statements

3.2 Charitable activities

	Unrestricted Funds	Restricted Funds	Group 31-Mar-16	Group 31-Mar-15 As restated
	£'000	£'000	£'000	£'000
Patients' welfare and amenities	3,801	919	4,720	3,481
Staff welfare and amenities	1,317	117	1,434	1,003
Research	2,425	314	2,739	1,578
Course expenditure	1,588	127	1,715	1,507
Depreciation and fixed asset maintenance	620	282	902	808
Other direct charitable expenditure	-	211	211	184
	9,751	1,970	11,721	8,561

3.3 Analysis of staff costs

	Group 31-Mar-16 £'000	Group 31-Mar-15 £'000
Wages and salaries	969	870
Agency staff costs	49	-
Social security costs	70	70
Other pension costs	132	120
	1,220	1,060
The average monthly number of staff in the year was:	32	29
The average monthly full time equivalent number of staff in the year was:	29	26

Key Management Personnel

	£'000	£'000
Total remuneration	127	261

Salaries above £60,000 (bands of £10,000) £000

	Number of staff	
	31-Mar-16	31-Mar-15
60 - 70	1	1
70 - 80	1	2

3.4 Net income/(expenditure) for the year

	Group 31-Mar-16 £'000	Charity 31-Mar-16 £'000	Group 31-Mar-15 £'000	Charity 31-Mar-15 £'000
Depreciation	861	861	758	758
Audit fees	21	18	17	14

Notes to the Financial Statements

3.5 Analysis of grants

Grants were approved in favour of the partner organisations, principally Cambridge University Hospitals NHS Foundation Trust and the University of Cambridge, to support research activities and innovation in patient care across Addenbrooke's and the Rosie hospitals. Grants were made solely to institutions; no grants were made to individuals.

	Charity 31-Mar-16 £'000	Charity 31-Mar-15 £'000
Medical equipment benefitting patients	742	429
Patients leisure and entertainment	80	11
Patients welfare and education	133	140
Staff welfare and education	-	1
Building and refurbishment	87	8
Research salaries and equipment	1,394	424
	2,436	1,013

Institution receiving grant support
during the year 1 April 2015 - 31 March 2016

	Number of grants awarded	Total amount paid 15/16 £'000	Amount accrued 31-Mar-16 £'000
Cambridge University Hospitals NHS Foundation Trust	30	1,279	1,517
University of Cambridge	19	255	677
Sick Children's Trust	1	30	-
Theodora Children's Charity	1	10	-
Petals Charity	1	15	-
	52	1,589	2,194

3.6 Movement in funding commitments

The charity awards a number of grants each year. Many grants are awarded and paid out in the same financial year. However, some grants, especially those relating to research projects or funding for specific posts may span 1-2 years. All grant funding commitments below are considered to be current liabilities. As the charity has control over the award and timing of grants, there is little uncertainty around these payments.

	2016 £'000	2015 £'000
Opening balance at 1 April	1,406	1,663
Additional commitments made during the year	2,377	1,688
Amounts paid during the year	(1,589)	(1,945)
Closing balance at 31 March	2,194	1,406

Notes to the Financial Statements

Note 4 Fixed Assets

4.1 Tangible fixed assets

Group and Charity

	Medical Equipment £'000	Leasehold Improvements £'000	Office Equipment £'000	Total £'000
Cost				
At 1 April 2015	6,805	133	31	6,969
Additions purchased	164	37	51	252
Disposals	-	-	-	-
At 31 March 2016	6,969	170	82	7,221
Accumulated depreciation				
At 1 April 2015	4,245	51	10	4,306
Provided during the year	813	34	14	861
Disposals	-	-	-	-
At 31 March 2016	5,058	85	24	5,167
Net book value				
Net book value at 31 March 2015	2,560	82	21	2,663
Net book value at 31 March 2016	1,911	85	58	2,054

4.2 Investments

Group and Charity

	Investment properties £'000	Investments listed on a recognised stock exchange £'000	31-Mar-16 £'000	31-Mar-15 £'000
Market value at 1 April 2015	4,909	13,540	18,449	16,250
Additions at cost	-	5,826	5,826	6,211
Disposals	-	(6,005)	(6,005)	(5,805)
(Losses)/gains	79	(860)	(781)	1,792
Market value at 31 March 2016	4,988	12,501	17,489	18,448
Cash held as an investment	-	1,513	1,513	1,163
As at 31 March 2016	4,988	14,014	19,002	19,611
UK Investments	4,988	6,984	11,972	11,453
Non Region Specific	-	1,068	1,068	1,128
Non-UK Investments	-	5,962	5,962	7,030
	4,988	14,014	19,002	19,611

Notes to the Financial Statements

The Fund for Addenbrooke's Limited

The charity owns 100% of the issued share capital of The Fund for Addenbrooke's Limited (FFA), a trading company registered in England and Wales. The share capital of the company is £1.

A summary of the results of the subsidiary, The Fund for Addenbrooke's Limited, is shown below:

	Year ended 31-Mar-16 £'000	Year ended 31-Mar-15 £'000
Turnover	1,568	1,414
Cost of sales	(466)	(434)
Gross profit	<u>1,102</u>	<u>980</u>
Bank deposit interest	1	1
Other administrative expenses	(6)	(2)
Gift aid donation to parent	(1,097)	(979)
Net loss	<u>-</u>	<u>-</u>
Retained profit brought forward	<u>9</u>	<u>9</u>
Retained profit carried forward	<u><u>9</u></u>	<u><u>9</u></u>
The aggregate of assets, liabilities and funds is:		
Assets	684	1,022
Liabilities	(675)	(1,013)
Shareholders' funds	<u><u>9</u></u>	<u><u>9</u></u>

Note 5 Debtors

	Group 31-Mar-16 £'000	Charity 31-Mar-16 £'000	Group 31-Mar-15 £'000	Charity 31-Mar-15 £'000
Amounts falling due within one year:				
Trade debtors	1,213	819	929	602
Amounts owed by group undertakings	-	561	-	979
Other debtors	48	48	62	62
Prepayments and accrued income	1,122	1,052	1,236	1,107
	<u>2,383</u>	<u>2,480</u>	<u>2,227</u>	<u>2,750</u>

Within prepayments and accrued income £1m (2015: 0.869m) relates to accrued income from legacies.

Note 6 Short term investments and deposits

	Group 31-Mar-16 £'000	Charity 31-Mar-16 £'000	Group 31-Mar-15 £'000	Charity 31-Mar-15 £'000
Short term cash deposits (under 3 months notice)	-	-	5,926	5,926

Notes to the Financial Statements

Note 7 Financial Instruments (Group)

The financial statements include the following in respect of items held at fair value at 31 March:

	Group 31-Mar-16 £'000	Group 31-Mar-15 £'000
Financial assets measured at amortised cost	2,233	1,883
Financial liabilities measured at amortised cost	4,803	4,216
Financial assets measured at fair value through profit or loss	14,014	14,702
Financial liabilities measured at fair value through profit or loss	-	-

Note 8 Creditors

	Group 31-Mar-16 £'000	Charity 31-Mar-16 £'000	Group 31-Mar-15 £'000	Charity 31-Mar-15 £'000
Amounts falling due within one year:				
Trade creditors	196	193	99	74
Other creditors	714	714	2,528	2,528
Other taxation and social security	58	19	50	-
Accrual for grants payable	2,194	2,194	1,406	1,406
Other accruals	1,699	1,634	184	86
Deferred income (note 8.1)	827	820	763	756
	5,688	5,574	5,030	4,850

8.1 Deferred Income

	Group 31-Mar-16 £'000	Charity 31-Mar-16 £'000
Balance as at 1 April 2015	763	756
Amounts released to income from charitable activities:		
Grants	(625)	(625)
Recharges to Cambridge University Hospitals NHS Foundation Trust	(7)	-
Amounts deferred in the year		
Grants	406	406
Course fees	121	121
Recharges to Cambridge University Hospitals NHS Foundation Trust	7	-
Fundraising events	162	162
Balance as at 31 March 2016	827	820

Deferred income comprises grant income received for future use, fees paid by course delegates where the course takes place after the year end and fundraising or sponsorship income where the income is received in advance of the event taking place after the year end.

Notes to the Financial Statements

Note 9 Funds of the Charity

Funds are defined as unrestricted, restricted or endowment funds based on guidelines set out by the Charities Commission. Restricted funds are those that are part of legally enforceable trusts, comprise appeal income, or are grants and legacies where the donor, grant-making body or legator has placed an unequivocal restriction on how the income must be used. All other income and donations are classified as unrestricted but with an appropriate designation (such as a particular ward or specialism) that reflects the express wishes of the donor.

Fund balances may be negative when expenditure is made on a project that is expected to be reimbursed at a future date, but where, at the end of the financial year, not all the conditions have been met that would justify this income being recognised within the financial statements. This results in an excess of expenditure over income on some funds. The total deficit fund balances amounted to £0.078m (2015: £0.025m).

9.1 Total funds

	Total 31-Mar-15 £'000	Incoming Resources £'000	Resources Expended £'000	Transfers £'000	Gains and losses £'000	Balance 31-Mar-16 £'000
Endowment funds	653	-	-	(653)	-	-
Restricted funds	2,539	1,889	(2,117)	176	(38)	2,449
Unrestricted designated funds	20,848	7,688	(9,392)	363	(616)	18,891
Unrestricted funds	2,493	766	(2,011)	114	(127)	1,235
	26,533	10,343	(13,520)	-	(781)	22,575

9.2 Analysis of net assets between funds

Group

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 31-Mar-16 £'000	Total 31-Mar-15 £'000
Fixed assets	18,772	2,284	-	21,056	22,275
Current assets	6,425	782	-	7,207	9,288
Liabilities	(5,071)	(617)	-	(5,688)	(5,030)
	20,126	2,449	-	22,575	26,533

Charity

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 31-Mar-16 £'000	Total 31-Mar-15 £'000
Fixed assets	18,771	2,285	-	21,056	22,275
Current assets	6,315	769	-	7,084	9,099
Liabilities	(4,969)	(605)	-	(5,574)	(4,850)
	20,117	2,449	-	22,566	26,524

Notes to the Financial Statements

9.3 Endowment fund

	Total 31-Mar-15 £'000	Incoming Resources £'000	Resources Expended £'000	Transfers £'000	Gains and losses £'000	Balance 31-Mar-16 £'000
Endowment fund	653	-	-	(653)	-	-
Total endowment funds	653	-	-	(653)	-	-

The endowment fund was created by a resolution of the trustees of the Fund for Addenbrooke's, a precursor charity, in 2005. The trustees of that charity designated £500,000 as a permanent endowment with expendable income. The current trustees consider that the objects of the charity could now be more effectively pursued if the trustees have the power to apply the capital of the fund as well as its income. An application was made to the Charity Commission in July 2015 to de-restrict the fund. No objection was received to the de-restriction from the Charity Commission. Assent was assumed and the trustees resolved the fund as de-restricted on 17 March 2016 in accordance with a resolution passed on 30 June 2015 and s.282(5)(b) of the Charities Act 2011.

9.4 Restricted Funds

	Total 31-Mar-15 £'000	Incoming Resources £'000	Resources Expended £'000	Transfers £'000	Gains and losses £'000	Balance 31-Mar-16 £'000
Breast Cancer Research	964	153	(144)	-	-	973
Rheumatoid Arthritis	261	25	-	(19)	(9)	258
Da Vinci Robot	234	368	(395)	(15)	(7)	185
Peanut Allergy Research	179	-	(181)	-	-	(2)
Medical Ophthalmology	144	-	-	(11)	(5)	128
Addenbrooke's Abroad	126	320	(216)	16	(6)	240
Neurology	102	-	-	(7)	(3)	92
Prosthetics & Orthotics	-	222	-	-	-	222
Other restricted (25 funds)	529	801	(1,181)	212	(8)	353
Total restricted funds	2,539	1,889	(2,117)	176	(38)	2,449

Details of the material restricted funds are given below:

- The 'Breast Cancer Research' fund is for research into breast cancer including the current personalised breast cancer research project (for which the charity has committed to support £1.1m of funding over 3 years). This project is a pioneering research study which could make personalised breast cancer diagnosis and treatment a reality. The study will establish whether it is possible to translate that knowledge into the hospital setting and to improve our treatment strategies for each individual patient.
- The 'Rheumatoid Arthritis' fund is for research into rheumatoid arthritis at Addenbrooke's Hospital and has benefitted from past legacies that were restricted to this area of research.
- The 'Da Vinci Robot' fund was set up as part of the terms of the programme related investment arrangements for a Da Vinci robot which is owned by the charity (included as medical equipment within fixed assets), but used by Addenbrooke's Hospital.

Notes to the Financial Statements

- The 'Peanut Allergy Research' fund is for the development of oral de-sensitisation therapy for peanut allergy, and has benefitted in prior years from a grant given by the Garfield Weston Foundation.
- The 'Medical Ophthalmology' fund was established as a result of a legacy that was restricted to the future purchase of ophthalmology equipment for an individual clinician's unit at Addenbrooke's Hospital.
- The 'Addenbrooke's Abroad' fund includes donations and grants specifically for the support of overseas volunteering projects for Cambridge University Hospitals' staff.
 - In the year, it received £60k continuation funding from Tropical Health and Education Trust (THET) for a 28-month project targeting safer care for trauma patients within the longstanding partnership between Yangon General Hospital and Cambridge University Hospitals.
 - In the year, the fund received a further £50k from Seeing is Believing Campaign to fund the partnership between Botswana Ministry of Health and Cambridge University Hospitals which comes to an end in 2016. The project has strengthened and improved services to prevent blindness and visual impairment in Botswana amongst diabetics, children and people with refractive error who are in need of spectacles.
- The 'Neurology' fund was established as a result of a legacy that was restricted to use on the neurology unit.
- The 'Prosthetics and Orthotics' fund consists of funding from NHS England to enable Addenbrooke's Hospitals prosthetic service to buy new equipment and refurbish the unit in support of becoming one of 9 specialist centres for treating military veteran amputees.

9.5 Material designated unrestricted funds

	Total 31-Mar-15	Incoming Resources	Resources Expended	Transfers	Gains and losses	Balance 31-Mar-16
	£'000	£'000	£'000	£'000	£'000	£'000
MRI Scanners	3,511	913	(2,292)	(238)	(104)	1,790
Post Graduate Medical	1,910	1,868	(1,399)	(106)	(74)	2,199
Oncology R & D Committee	1,695	(2)	(630)	(65)	(28)	970
Oncology & Day Unit	680	131	(117)	(45)	(20)	629
Dermatology	587	12	(9)	(37)	(18)	535
Oncology Clinic and Day Unit	585	659	-	(218)	(22)	1,004
Coronary Care Unit	530	11	(74)	(33)	(14)	420
Leukaemia Research	467	5	(151)	(31)	(9)	281
Cancer Trials Centre	461	-	(281)	(14)	(6)	160
Biochemistry & Immunology	457	1	(51)	(30)	(13)	364
Cancer Scanning	432	-	-	(30)	(13)	389
Paediatrics	400	187	(90)	(53)	(14)	430
Parkinson's Disease Research	353	54	(1)	(347)	(6)	53
Cancer Research	340	6	-	(73)	(9)	264
Transplant Unit & Research	339	271	(82)	(111)	(17)	400
Osteoporosis Research	335	2	(32)	(21)	(9)	275
Tissue Bank Research	282	160	(148)	(19)	(9)	266
Cardiac Research	228	7	-	(16)	(7)	212
Diabetes & Endocrine	208	11	(3)	(15)	(6)	195
Eye Research	180	9	(1)	(13)	(5)	170
Other funds (366 funds)	6,868	3,383	(4,031)	1,878	(213)	7,885
Total designated funds	20,848	7,688	(9,392)	363	(616)	18,891

Notes to the Financial Statements

9.6 Unrestricted funds

	Total 31-Mar-15	Incoming Resources	Resources Expended	Transfers	Gains and losses	Balance 31-Mar-16
	£'000	£'000	£'000	£'000	£'000	£'000
Addenbrooke's General Fund	1,782	1,096	(166)	(1,464)	(33)	1,216
Unrestricted Legacy Accruals	691	(691)	-	-	-	-
Other funds (2)	20	361	(1,845)	1,578	(94)	19
Total unrestricted funds	2,493	766	(2,011)	114	(127)	1,235

Included within unrestricted funds above is £9,000 which represents shareholders funds in the subsidiary.

Note 10 Related party transactions

During the year, none of the trustees or members of the key management staff, or parties related to them, have undertaken any material transactions with the charity.

A total of £nil (2015: £nil) was reimbursed to trustees for expenses in the year.

During the year, trustees and their related parties made donations (including Gift Aid) totalling £0.031m.

The charity paid £0.003m (2015: £0.004m) in respect of trustees' liability insurance.

One of the trustees is also a non-executive director of Cambridge University Hospitals NHS Foundation Trust.

Cambridge University Hospitals NHS Foundation Trust acts as payment agent for much of the charity's expenditure, but is reimbursed on a regular basis. During the year, the charity contributed £8.893m (2015: £5.862m) towards various schemes of Cambridge University Hospitals NHS Foundation Trust. At the end of the year, the charity owed £0.67m (2015: £2.508m) to the foundation trust. Cambridge University Hospitals provides administrative and financial services to the charity for which a charge of £0.045m (2015: £0.045m), which represents actual costs, has been made.

Cambridge University Hospitals NHS Foundation Trust paid the subsidiary, The Fund for Addenbrooke's Limited, £1.911m (2015: £1.592m) for the use and maintenance of MRI and CT scanners and the Da Vinci Si Surgical System. The total income received and receivable during the year amounted to £1.568m (2015: £1.414m). All profit of the Fund for Addenbrooke's Limited is gift aided to The Addenbrooke's Charitable Trust.

The charity has taken advantage of the exemption under FRS 102, which exempts it from disclosing details of transactions between the charity and the subsidiary, as the subsidiary is a wholly owned subsidiary of the charity.

Notes to the Financial Statements

Note 11 Operating lease commitments

At 31 March 2016 the group had total commitments under non-cancellable operating leases:

	Land and buildings	
	31 March 2016	31 March 2015
	£'000	£'000
Operating leases which expire:		
Within one year	14	12
Within two to five years	43	43
Over five years	107	121
	<u>164</u>	<u>176</u>

Note 12 Post balance sheet events

There have been no material post-balance sheet events which would require adjustment to or disclosure in the 31 March 2016 Financial Statements.

Note 13 Prior year adjustments

The trading subsidiary income and expenditure has been disclosed in accordance with the accounting policy, correcting prior year disclosures. This means that prior year total income and total expenditure have both increased by £435k. The consolidated statement of financial activities, note 3.1 and note 3.2, have been adjusted to reflect this change in disclosure.



ACT is the working name for The Incorporated Trustees of Addenbrooke's Charitable Trust and other related charities.
Registered charity number: 1048868