

## **Treasurer's report Annual General Meeting – 13<sup>th</sup> July 2017**

We have had the benefit of the attendance of the Accountant at this meeting to advise and answer questions relating to the final audited accounts for the 2016 – 2017 fiscal year. These formal accounts have been prepared in accordance with established protocols and I do not propose to comment further, although I will take questions later if required.

A Treasurer's role is to provide information about the financial state of their charity.

This includes but is not limited to

- events that have occurred during the previous fiscal year which have had an impact of the financial position
- events known to the treasurer which have or are likely to influence the charity and its operation over the coming year.
- Proposals for financial developments which the Treasurer considers relevant for the future of the charity.

### **SPECIAL CLINIC APPEAL**

A major event which occurred in May/June 2015 was the decision of the trustees to adopt the special clinic fundraising project. I confirm that, with the assistance of some substantial donations, the target of £ 670,000.00 has been reached and exceeded. This news has been conveyed to Sheffield Children's Hospital.

At the time of preparing this report the final cost has not been received, neither is a start or completion date available.

PACT can settle invoices for the cost of the refurbishment and will do so when the trustees and officers are satisfied that an appropriate audit trail can be created.

The Special Clinic funds are held in separate accounts as shown in the formal accounts. PACT has earmarked £ 200,000.00 of its general funds towards this project but for the following reasons have not yet transferred them.

- Some of the general funds being held in fixed term accounts which provide a little more interest than deposit accounts
- The hospital has not provided a final cost or completion date at the time of this meeting
- The need to ensure that the regular operations of PACT continue and funds are readily available to meet these day to day expenses when they fall due for payment

PACT actively manages the funds at its disposal and can make the sum of £ 200,000.00 available when it is required.

Fundraising for the Special Clinic Appeal has now ceased except for any events that were planned and arranged before the target was reached but which had not taken place.

## **DAILY OPERATIONS**

PACT has sufficient funds available to continue the existing activities for at least the next two years which is an excellent position to be in. This means that for the immediate future fundraising is not likely to become an issue for consideration by the trustees, although there is always a need to raise funds and control costs.

## **Controlling Costs**

The essential costs are very tightly controlled and there is no unnecessary expenditure on administration, transportation or office costs as shown in the accounts. Most expenditure is on those items which support the young patients and their families.

At every trustee meeting a monthly cashflow analysis is provided which details income and expenditure over the five accounts which PACT operates. In addition, a budget plan has been prepared and distributed for the 2017 – 2018 fiscal year and will be used to monitor income and expenditure over this period.

In my report to the 2016 AGM I undertook to review the Insurance provisions. This review has been completed using the following areas for analysis

- Premium
- Removal or reduction of excesses
- Cover for areas not previously insured
- Terms and policy conditions which are not onerous and clearly set out.

The review has resulted in the insurance broker and insurer being changed.

It is my opinion that costs associated with the administration of PACT are the minimum necessary and essential to ensure the efficient operation of the charity.

## **Fundraising**

Although PACT is in a very healthy financial position now, fundraising still needs to take place to maintain that situation.

I have not been able to conduct a detailed analysis of regular fundraising activities and income generation over previous years due to the clinic appeal taking precedence over the last few months. However, I suspect that apart from one or two events like the May Ball most fundraising originates from the patients, their immediate and extended families, their close associates and connected groups for which we are very grateful.

The unit at Sheffield Children's Hospital is a centre of excellence, so it is likely to attract a higher number of new patients each year and this can lead to increased support being provided to PACT from these families.

PACT provides support to the children and families who use the unit and the income generated by those families indicate that such support is much appreciated.

PACT needs to review its regular fundraising activities and determine which are most beneficial considering such items such as costs, type of activity, availability of individuals (trustees?) to arrange, supervise and promote such activities.

## **SUPPORT PROVISION TO PATIENTS AND FAMILIES**

The contact between PACT, our beneficiaries and their families falls to our support worker Beryl.

In addition to representing PACT at events, Beryl has arranged and supported various activities and outings which have been fully funded by PACT, all of which have been well received by attendees.

PACT currently has funds which could be used to increase the number of such activities but in my view, this would increase Beryl's workload to an unacceptable level. So, over the coming year the trustees will need to consider

- The type, amount and level of support PACT offers
- How such additional support should be provided
- Whether PACT should consider employing additional support staff to assist Beryl.

One of the most distressing elements of the support PACT provides to the families of the child patients is the Bereavement Grant which is currently £ 250.00. I am looking forward to the day when this is no longer required since it would mean that effective treatments and dare I say cures will be in force.

In the meantime, I would like to propose that the Bereavement Grant be increased to £ 300.00 with effect from the 1<sup>st</sup> September 2017. Although some discretion about the implementation date will be applied.

## **FINANCES**

Members may be aware of the banking regulations which limits the sums payable in the event of a financial institution failing to £ 85,000.00.

As at the date of this meeting all of PACT's funds are held with the Yorkshire Bank, which in the event of that Bank failing would present PACT with severe financial difficulties. In such a situation, the Special Clinic Appeal would no doubt fail.

It is not expected that the Yorkshire Bank or any of the other major financial institutions are likely to fail in the immediate future but it makes sound financial sense to disperse PACT's fund among several suitable institutions so that the potential risk of loss is minimised.

Due to the need to ensure sufficient funds are available to meet the demands of the Special Clinic Appeal, and the fact that some of PACT's funds are held in fixed term investments, diversification cannot be achieved quickly, there are also a limited number of institutions willing and able to accept charity accounts. I therefore intend to move funds to other financial institutions when it is appropriate to do so.

## **GENERAL**

As stated at the 2016 AGM it is intended to consider replacement of the vehicle which is provided to enable our support worker to carry out her duties. This is likely to happen during the 2017 – 2018 fiscal year

Both Beryl (support worker), Jill (administrator) and Julie (housekeeper) have worked hard during this last year to deal with PACT beneficiaries, ensure that our administration is up to date and create a suitable environment for the users of PACT House. I would like to take this opportunity of expressing my thanks to them for their work on behalf of PACT and the support they have given me.

Beryl, Jill and Julie are employees of Sheffield Children's Hospital, although they work exclusively for PACT, and PACT reimburses the hospital for their remuneration and additional costs. This is a very effective arrangement but can cause difficulties regarding remuneration levels as these must comply with hospital pay scales.

The grades have not been reviewed for some time. This topic has been raised at several Trustee meetings over the past year or so but no progress has yet been made to date. This is another matter for the trustees to consider soon.

Meanwhile I have considered alternative methods whereby our staff could be rewarded for their efforts but have not been able to discover any means by which this can be achieved. It will be necessary to deal with this issue by utilising the hospitals regrading procedures.

I recommend this report to the members and trustees.

**David V Pizzey**  
**PACT Treasurer**  
**11<sup>th</sup> July 2017**