Royal United Hospital Bath
NHS Trust

Annual Report 2002 - 2003




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The Royal United Hospital Bath NHS Trust Annual Report is published by the communications office, telephone 01225 825849.

Profile and Commitment to NHS Plan

Profile of the Trust

The Royal United Hospital NHS Trust provides acute care for a catchment population of around 500,000 people in Bath, and the surrounding towns and villages in North East Somerset, and North Western Wiltshire. The trust provides 704 beds and a comprehensive range of acute services including medicine and surgery, services for women and children, accident and emergency services, and diagnostic and clinical support services.

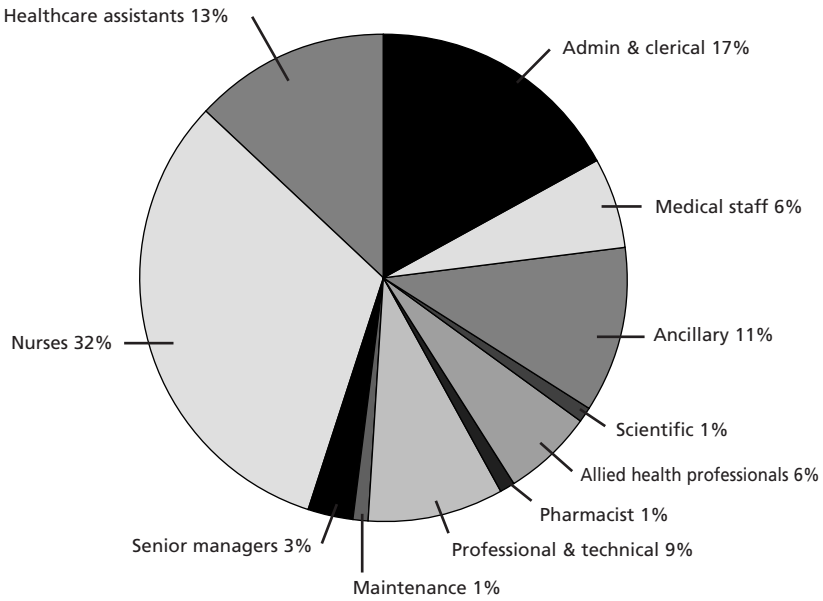
The trust employs 3,349 staff, some of whom also provide outpatient, diagnostic and some day case surgery services at community hospitals including those in Bradford-on-Avon, Chippenham, Devizes, Frome, Glastonbury, Keynsham, Malmesbury, Melksham, Paulton, Shepton Mallet, Trowbridge, Warminster, Wells and Westbury. This fulfils part of the trust's aim to provide high quality care to people in their local communities.

The trust provides health care to the population of four primary care trusts (PCTs), Bath and North East Somerset PCT, Kennet and North Wiltshire PCT, Mendip PCT and West Wiltshire PCT.

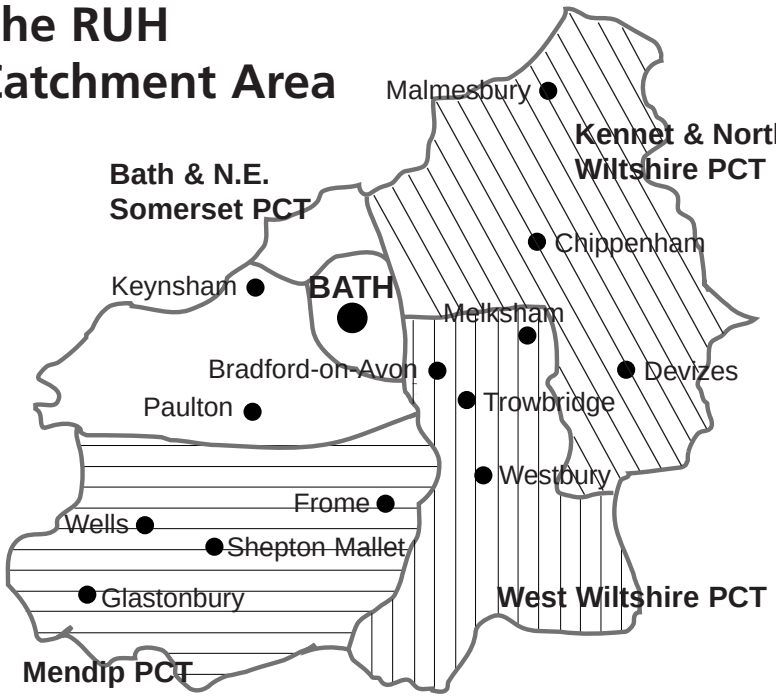
Commitment to the NHS Plan

The chief executive's objectives reflect the trust's commitment to working with its partners in the Bath health community to meet the aims of the NHS Plan. This has meant focusing on patient care – the quality of service we give, and performance – the quantity of care provided and the speed it is made accessible to the public. None of these aims could be achieved without the contribution of our people – the whole range of staff who provide care to the population.

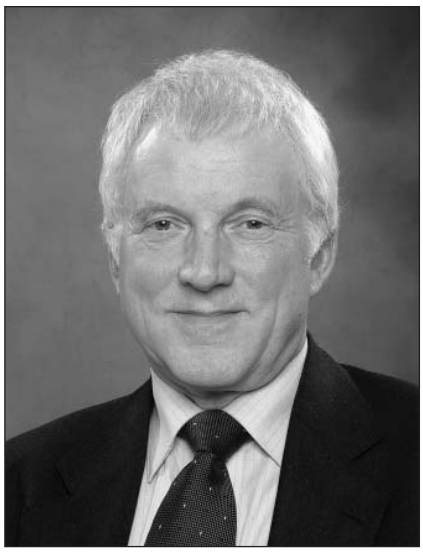
The Make-up of our Workforce



The RUH Catchment Area



Chairman's Statement



As the new Royal United Hospital (RUH) chairman, I am pleased to be presenting this report to you. Firstly, I would like to thank Professor Ruth Hawker, who was interim chairman at the RUH from May to October 2002 and who ably led the board through a very difficult time of change. The year that this annual report covers will surely be remembered as one of the worst in the history of the RUH – the word turmoil, used by our auditors, is no exaggeration.

I joined the trust as chairman in November 2002 and as a resident of Bath I had seen many negative news stories about the trust in the local media. One of the first things that I did when I was appointed, was to visit every area of the hospital and meet as many staff as possible. I was immediately struck by the dedication and pride they demonstrated. The message that I picked up very quickly was that this is a clinically excellent hospital that provides the highest standards of care, despite a zero star rating for performance.

In June 2002, Jan Filochowski, an experienced chief executive, was seconded into the organisation to replace Richard Gleave, who had stood aside. Jan quickly assembled a team of permanent and seconded executives who focused on reviewing processes and hitting the nationally set targets with excellent results. Unfortunately, previous poor performance at the beginning of the year meant that we would again receive a zero star rating in 2003.

Towards the end of 2002, the trust was placed in further uncertainty with the announcement that it would be franchised; this meant that teams from within and outside the NHS could bid to run the organisation. This process was eventually stopped, but had delayed the appointment of a permanent executive team.

There were of course many positive things happening in the trust. The League of Friends, the Forever Friends Appeal and many other charities continued to provide excellent support and raise funds. A new state-of-the-art emergency department was built and, perhaps most importantly, the clinical excellence of the trust was re-affirmed by the nationally published Sunday Times Dr Foster Report. This put the RUH amongst the top six in the country for the clinical care provided for patients.

The key future challenge for us is very clear – we must dramatically improve our financial position. An immediate priority is to put in place a permanent executive team to lead us through the next few years, and I am delighted to be able to announce that a new chief executive, Mark Davies, has now been appointed. He will take over from Jenny Barker, who has been ably leading the trust as acting chief executive.
There is one thing of which I am certain - our staff and volunteers will work hard to ensure that the excellent standards of care delivered in the RUH will continue in the future. My thanks to everyone for their efforts and commitment during the past year.

Mike Roy
Chairman

Medical director John Waldron talks to a patient on Robin Smith ward

Chief Executive's Overview of the Year 2002/2003

As acting chief executive for the trust since June 2003 and someone who has been a director in the hospital for over two years, I have had first hand experience of the serious financial and waiting list problems that the trust has faced in recent years. Despite these problems, the hospital has continued to provide excellent clinical care to patients as evidenced by a number of reports including the Dr Foster guide.

Our position at the beginning of this financial year was bleak. Although, some progress had been made towards reducing waiting times, the trust had at the end of 2001/02 again fallen short of certain key Government targets and was later given its second consecutive zero star rating in the Commission for Health Improvement Performance Ratings. In April 2002, our financial difficulties were severe and waiting times were amongst the worst in the country.

Patients were waiting too long to receive planned treatment (elective rather than emergency); however, we were able to reassure them that once admitted, they would receive care that was amongst the best in the country.

Over the course of the year, we treated more patients than in the previous year:

- 53,611 patients attended the emergency department of whom 24,112 were emergency admissions (fig.1)
- 249,698 new and follow-up patients were seen in our outpatient departments (fig.2).
- 8,689 patients were admitted for elective surgical procedures (fig.3)
- 22,516 patients were treated using day case elective surgical procedures (fig.3)

During the year, the Government standards for in- and outpatient waiting times (access targets) were that no patient should wait more than 26 weeks for an outpatient appointment, or more than 15 months for inpatient treatment (fig. 4). By the end of the year, patients were expected to wait no longer than 12 months for inpatient and day case treatment, and 21 weeks for an outpatient appointment (fig. 5).

At the end of the year work was nearing completion on a new purpose built emergency department

From June 2002, under the leadership of Jan Filochowski staff quickly started to tackle waiting time problems. Additional beds were opened which provided much needed capacity to treat patients, whilst staff looked at how care was provided - putting patient experience central to this review.

At the end of the year, work was nearing completion on our new purpose built emergency department; it had been carefully designed with the help of hospital staff and primary care colleagues. This project had provided an ideal opportunity to look at how we could reduce waiting times for our emergency patients. The result was that from our position of worst performance for waiting times in the country for admission to a bed - with the exception of one patient in January - we ended the year by meeting the Government standard with no patients waiting in the emergency department over 12 hours (fig. 6). In fact, the staff were commended for their efforts for this improvement. We also made vast improvements towards the new Government standard for the end of the year, which was that 90% of patients in the emergency department should be treated, and admitted or discharged within four hours (fig.6).

Despite the gloomy outlook, the action that the trust took throughout the year resulted in the achievement of Government

Fig. 1 Patients attending emergency department

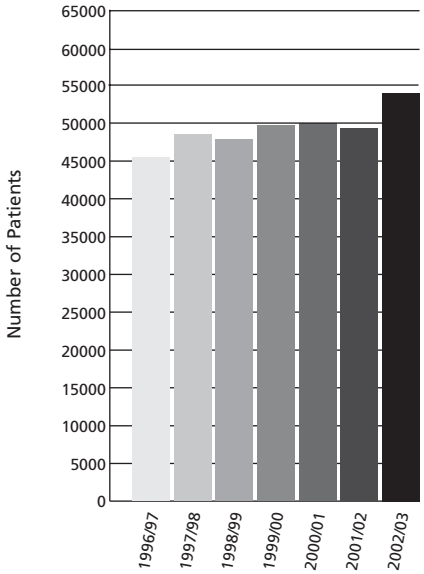


Fig. 2 Patients seen in outpatient departments

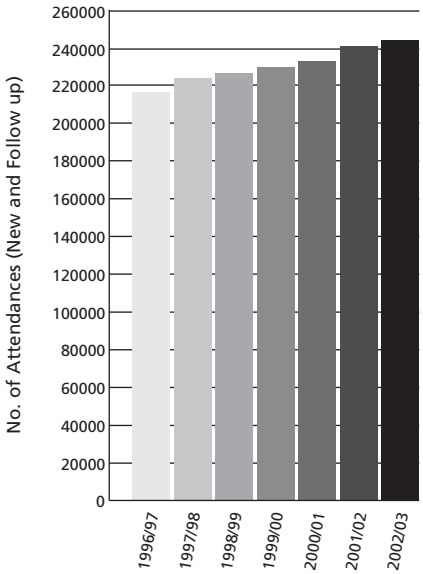


Fig. 3 Patients undergoing elective surgical procedures

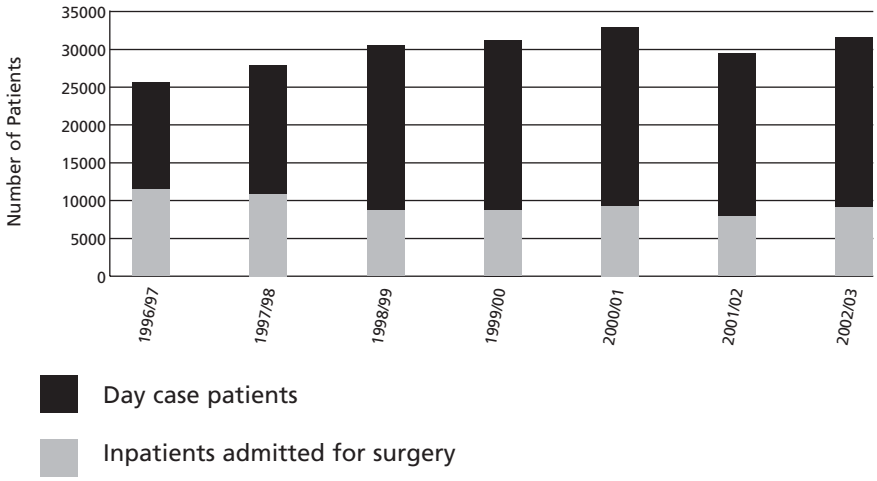


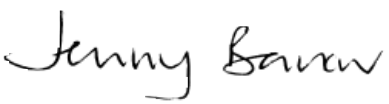
Fig. 4 Our progress towards meeting the standards throughout the year

	Q1 2002/3	Q2 2002/3	Q3 2002/3	Q4 2002/3	Full Year 2003
Outpatients waiting longer than standard	42	7	0	0	49
Inpatients waiting longer than standard	556	15	0	0	571

access targets by the end of March 2003.
Recognising that our staff have been key to our success, great efforts have been made to improve the way we recruit staff, as well as our ability to retain them. Amongst many initiatives was the development of the nursing strategy; this will help with the recruitment and retention of essential nursing staff, and reduce reliance on nursing agencies. In 2003, Corinne Hall was also appointed as the permanent director of nursing.

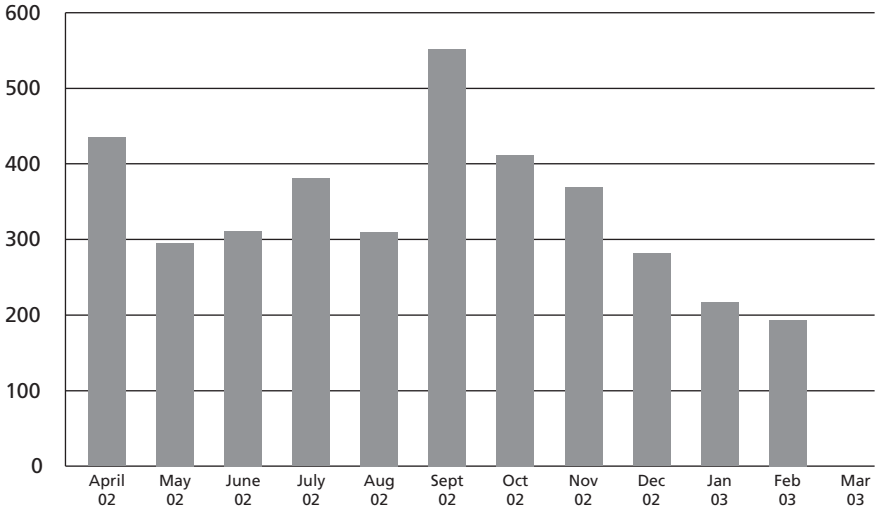
In summary, the trust had a very difficult year and staff worked hard to improve things. The coming year will also have its own challenges that will be even harder. The local health community has severe financial difficulties and all our partnership organisations must become more efficient and make savings. The trust has developed a transformation group to look at how we do things now and how we should be doing things in the future within the available resources.

I am confident that the future of the RUH is bright and with the dedicated staff and volunteers we will be able to continue to provide a high quality of care to the people we serve.

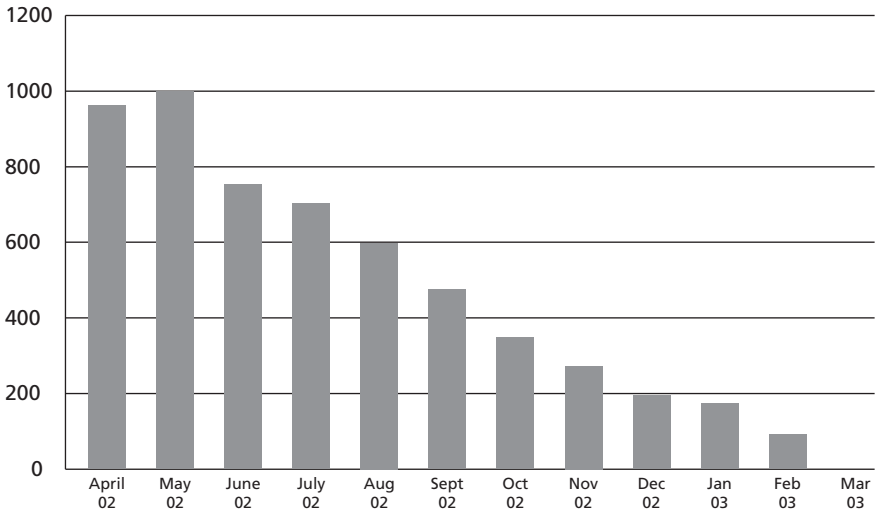


Jenny Barker
Acting chief executive

Fig. 5 Our progress towards meeting the year end targets



Outpatients waiting longer than 21 Weeks



Inpatients waiting longer than 12 Months

Fig. 6 Our progress towards meeting A&E targets

Time in A&E	Q1 2002/3	Q2 2002/3	Q3 2002/3	Q4 2002/3
Number of patients waiting > 12 hours from decision to admit (in year target)	80	6	0	1
% patients waiting less than 4 hours (year end target)	45.4%	42.4%	67.8%	76.5%

Q 1

Our Position at the Beginning of the Year

At the beginning of the financial year, our inpatient and outpatient waiting times caused the RUH to hit national headlines and the hospital was described as the worst in England. There were particular problems with trolley waits in the emergency department and considerable pressure throughout the hospital resulting from sustained high levels of emergency admissions.

Our performance during the first three months of the year resulted in the trust receiving a zero star rating for overall performance in 2002/03, for the second consecutive year.

The trust significantly failed on four of the nine key targets:

- No patients waiting over 15 months for an operation
- No patients waiting over 12 hours in the emergency department
- 90% of patients waiting under four hours in the emergency department
- Financial management.

However, the performance ratings put the RUH amongst the top four hospitals in the country in terms of clinical care, and achieved four of the nine key targets:

- 99.7% of patients readmitted within 28 days of operation cancelled (for non-clinical reasons on day of surgery)
- 98% of patients seen within two weeks of urgent GP referral for suspected cancer
- Improving working lives of staff
- Hospital cleanliness.

In 2002, a review of the corporate governance arrangements was commissioned following the publication of two earlier

National Vocational Qualifications

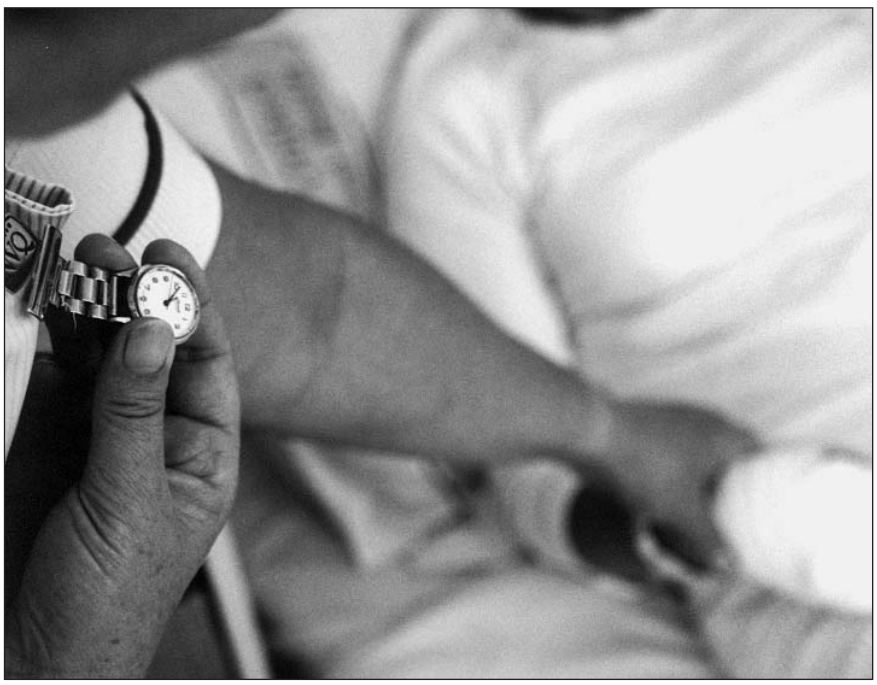
Over the past year there has been a sharp increase in the number of support workers within the RUH completing their NVQ level 2 & 3 Awards. The trust held an award ceremony in May 2002; over 100 people attended this successful event.

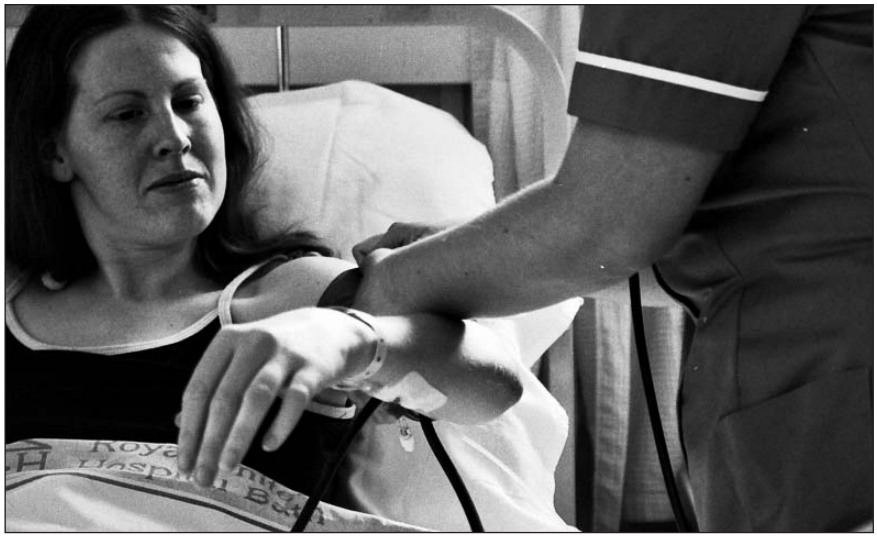
Maintaining a Safe Environment

The number of incidents of physical abuse towards hospital staff has decreased significantly over the last three years. To maintain a safe environment and to enable key staff to deal with aggressive situations, the trust introduced a one-day training course designed to help staff talk people through their aggression, therefore diffusing the situation.

Patient Advice and Liaison Service (PALS)

PALS is now firmly established as a resource for patients and visitors. During 2002/03 PALS dealt with over 670 enquiries and provided information and assistance on concerns including missing appointment dates, waiting times, our services, and advice on accessing medical records; enquiries are often made through the PALS web pages. Plans are in place to build a new PALS facility located near to the main reception of the hospital. This will enable patients and visitors to access information and PALS services more directly.





reports into mismanagement of waiting lists and poor financial management, both published in May 2002. The findings of the investigation were published in the Tinston report and recommendations were made to the trust in order that it could put things right.

The trust board approved an action plan that focused on:

- Leadership and management
- Monitoring performance
- Financial management and administration
- Quality and maintaining standards
- Staff
- External relations
- Corporate governance controls.

It was clear that radical changes would need to be put in place to reduce the amount of time patients had to wait for treatment. The trust instigated a new waiting list policy and started looking at alternative means by which patients could be treated. One example of the many initiatives that were implemented within the trust included the introduction of orthopaedic physiotherapy specialists. These physiotherapists offer a service alongside consultant orthopaedic specialists to reduce the time taken for patients to receive an outpatient appointment.

A huge amount of hard work got underway in the first quarter of the year (1 April 2002 – 31 July 2002) which was to be sustained throughout the year to significantly reduce the time our patients were waiting.

Progress made at the end of June 2002

Key Targets	Q1 02/03	Q2 02/03	Q3 02/03	Q4 02/03
Inpatients waiting longer than the standard	556			
Outpatients waiting longer than the standard	42			
A&E emergency admission waits (12 hours)	80			
Total Time in A&E <4 hrs	45%			

League of Friends

In May, the hospital's League of Friends celebrated 45 years' service and the donation of nearly £5 million to the hospital during that time. As one of the most active League of Friends in the country, the Friends of the RUH have 350 working volunteers who support patients and staff in all departments, generously giving a total of 40,000 hours each year and managing three thriving shops.

The Friends celebrated a good year with a very successful Christmas fair in late autumn and a wonderful garden party in the summer. In between, an Indian supper and a live jazz evening were held in the conservatory coffee shop.

The Arts Programme

An arts programme was launched to commission artworks to display on many of the vast blank wall spaces that the new central building provides. The artwork commissioned has contributed enormously to our hospital environment providing patients and staff with some pleasant distraction from some of the day to day stresses. Amongst some of the art commissioned is a stained glass window that will acknowledge the names of many of the donors to the Forever Friends Appeal.

The Forever Friends Appeal

The appeal's target is to raise £10m to provide state-of-the-art equipment for the RUH through fundraising events, a staff lottery, corporate and individual subscriptions and through the sale of merchandise.

Q 2

Taking Action and Making Progress

Patient's Survey

In June 2002, we had some very positive feedback from the Community Health Council (CHC) in its Acute Inpatient Survey. The outcome of the survey was published on the front page of the Bath Chronicle, reporting that nine out of ten patients are happy with the way they are treated at the RUH. Credit must go to our front line staff for their part in achieving such excellent results and also to catering and facilities staff for the good feedback we received on our food and cleanliness.

Clinical Governance

Solutions to some of the high risks of injury to patients and staff in the trust were put in place. These included upgrading the main theatre anaesthetic machines, purchasing new laparoscopic equipment, new beds, mattresses and trolleys.

Improving Working Lives

Following a successful visit by a team of external assessors the trust was awarded practice stage in the Improving Working Lives Standard. This was due to the hard work of the HR department and other staff involved in various improving working lives sub-groups.

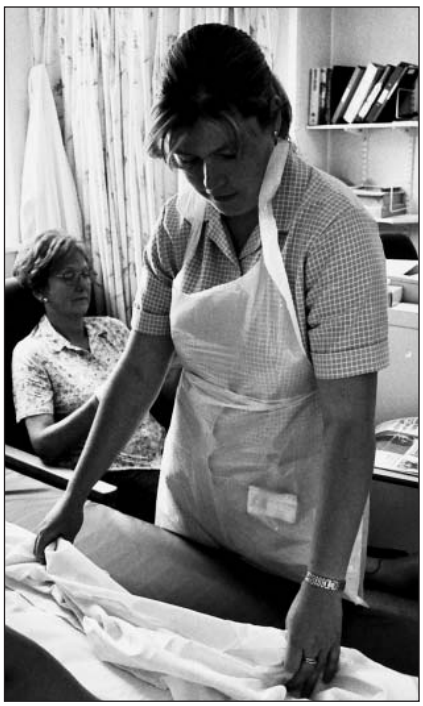
Improvements in Radiotherapy

In September, a new high-energy x-ray machine was installed providing radiotherapy treatment for patients with cancer. The linear accelerator (LINAC) now operates alongside the existing LINAC. The new LINAC includes a number of features which will help more targeted and effective radiotherapy to be provided. It has already significantly helped in reducing waiting times for radiotherapy treatment.

Our Workforce

Our staff are the key to our success – and if we can improve their working life, we will improve the care they are able to give our patients. A lot of work focused on improving the working lives of our staff and ensuring that the hospital is a good place to work.

The staff turnover rate for June was down compared to previous months; the annual figure was below 20%. However, the trust still had some way to go to achieve the national average of 16.2% and we had high levels of nursing vacancies. A number of initiatives were implemented to improve the position, including a series of recruitment open days. The registration of 48 international nurses and the recruitment of a further nine nurses from Spain significantly helped to reduce our nursing vacancies and boost our recruitment figures. Job-sharing international recruitment coordinators support the overall trust overseas recruitment strategy, as well as clinical practice and pastoral care of the overseas nurses.



Health care assistant Philippa Bourne

An outline human resources (HR) strategy was developed and reflected the national strategy - 'HR in the NHS Plan: More Staff Working Differently.' It aims to set the direction for human resources development at the RUH and to ensure that as part of our overall aim to improve patient care we are able to provide a more stable workforce with the right people in the right places - and that they will remain there.

A new nursing strategy was planned and later approved with the help of 100 of our nursing staff. The strategy outlines the overall direction, objectives and actions the trust would like to see for nursing over the next three years. It will not only benefit patients but will support the recruitment and retention of nursing staff.

Plans for new management arrangements were being put in place during this quarter of the year. Medical and surgical boards were set up to include doctors, nurses and managers - each with a chair, board manager, and head of nursing (who would provide leadership and development in nursing practice). In addition, lead clinicians and nurses were

identified for each specialty. Changes were also taking place within the executive team.

In August, a theatre project manager was appointed to work with managers, and clinical and administration staff with the aim of reducing the number of cancelled operations and therefore reducing waiting time for patients.

Our Progress

In some areas of the hospital there were huge improvements in reducing waiting times for our patients. In August, the amount of time our patients had to wait for routine CT scans was reduced from one year in January to just eight weeks. The work patterns of radiology staff were revised so that CT scans could be carried out seven days a week, including week day evenings. The attention was then turned to reducing the amount of time our patients were waiting for routine MRI scans; there still remains a significant amount of work to be done in this area.

In order to enable us to cope with emergency pressures more effectively, work was in progress to look at options for providing additional beds at the hospital. This would also help us to reduce the extent to which we had to send patients - waiting for routine operations - to the private sector. In 2002/03, the numbers of patients requiring emergency admission to the hospital were around 10% higher than the previous year.

In August, the trust began daily monitoring of the amount of time our patients were waiting for treatment. Thanks to the huge efforts made by our staff by the end of September there were no patients waiting over 26 weeks for an outpatient appointment in the RUH.

Great improvements for patients were also achieved, when no patients were waiting on a trolley in our emergency department prior to admission for more than 12 hours and this had been the case since mid July. Although a large number of operations were still being cancelled and having to be re-scheduled, there was a reduction in the number of operations cancelled on the day of surgery.

By the end of September 2002 we were making really good progress at cutting access times for patients; all but 27 of our outpatients and inpatients were waiting within the Government standard waiting times and only one person had waited on a trolley in our emergency department for more than 12 hours.

Progress made at the end of September 2002

Key Targets	Q1 02/03	Q2 02/03	Q3 02/03	Q4 02/03
Inpatients waiting longer than the standard	556	15		
Outpatients waiting longer than the standard	42	7		
A&E emergency admission waits (12 hours)	80	6		
Total Time in A&E <4 hrs	45%	42%		

Equality and Diversity

We believe that the RUH should be a place where all staff, whatever their differences, feel valued and have a fair and equitable quality of working life where we accept the difference between individuals and value the benefits that diversity brings. More information is available on our website www.ruh-bath.swest.nhs.uk

Communication and Openness

The trust demonstrated its commitment to extending and improving communications within the trust with its first issue of the Bath Board Bulletin and the introduction of regular staff open meetings. Both were designed to provide staff with an update of items discussed at monthly board meetings.

Research and Development

The trust has over 40 ongoing research projects, six of which are national programmes. The researchers work in collaboration with other hospitals and universities in Britain and abroad and their work is funded by the Department of Health.

The medical physics department has been patenting an automated breast scanner for 3D ultrasound breast imaging. Work is ongoing but it is hoped that it will have a significant impact on diagnosing breast disease.

Bath Cancer Unit Support Group (BCUSG)

The BCUSG has worked hard over the years to improve the resources available to our oncology patients. In 2002/03 the group provided much of the funding for a new oncology and haematology day care facility that now enables more oncology patients to receive their treatments as outpatients.

Q 3

Winter Planning and Emergency Pressures

Patient Complaints

During 2002/03 the trust received 610 complaints – a small reduction from the previous year - acknowledging 98% promptly within the target of two working days. Lessons learned from complaints have led directly to changes in service provision and improvements in patient care.

The trust responded fully to 57% of complaints within the 20 working day target – a deterioration from the previous year reflecting the complexity of many of the complaints received.

There were eight requests for independent review during the year, one of which proceeded to panel. The ombudsman called for papers in four cases during this year and has decided to further investigate one case.

Modern Matron Appointments

In September, we appointed our first modern matron for surgery; this followed two similar appointments in medicine. We are delighted that our modern matrons are already having an impact on patient care and improving standards in the wards and within our emergency department.

New Emergency Gynaecological Clinic

Last August, a gynaecology emergency assessment clinic was set up to reduce the amount of time patients were waiting to see specialist gynaecology doctors and nurses and to receive ultrasound scans.

Before the onset of winter and the beginning of pressures associated with it, the RUH and local primary care trusts (PCTs) worked together to produce a joint winter plan.

During the winter months, we traditionally see a rise in the number of emergency patients admitted to the RUH. To ensure that only those patients requiring admission to an acute hospital are admitted, the trust set up a rapid assessment team made up of nursing and therapies staff, and social workers who could quickly assess whether a patient required admission to the RUH or could be treated elsewhere.

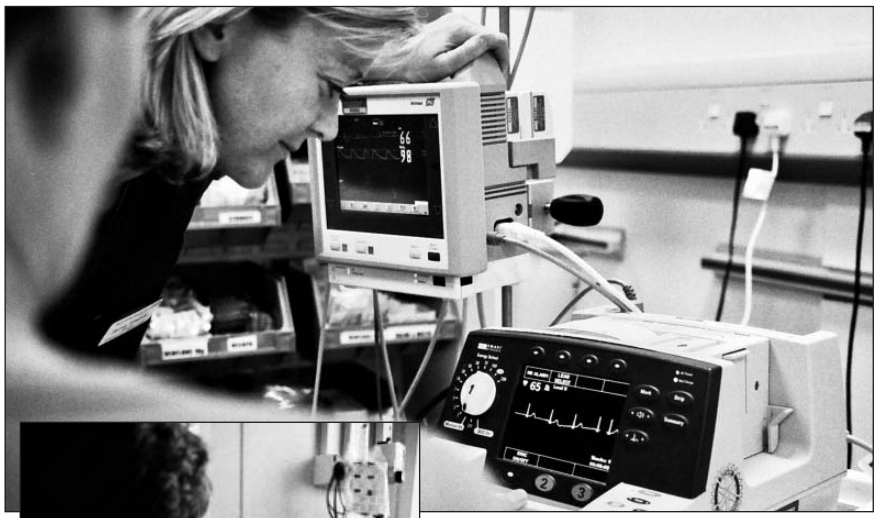
A lot of work went into the discharge planning for those patients who were admitted to ensure that when patients no longer required acute hospital care, they were discharged or transferred appropriately. The PCTs helped to ensure that beds were made available in community hospitals or

appropriate arrangements were made for the patient at home.

During November, an outbreak of the Norwalk-like virus forced bed closures and exacerbated emergency pressures that we would normally expect for that time of year. To ensure patients received appropriate treatment and care in a safe environment the decision was made to cancel many routine operations for inpatients – urgent and day case surgery continued. The outbreak remained with us throughout most of the winter months and

Theatre project manager Caerrie Barber with theatre sister Clare Fowler

Modern matron Bernie Edwards in the new emergency department



increased our use of agency nurses, which had previously been on a decline. There were also reports in the local press about the delays that ambulance trusts were experiencing in handing over the care of their patients to staff in the emergency department.

To reduce pressure on our emergency services, the trust introduced major changes to the way emergency admissions were organised. The new arrangements were designed to ensure that emergency patients were assessed and treated more quickly.

A new medical short stay unit replaced the medical admissions unit and included an additional twelve-bed area. Clinically stable patients being referred by GPs were now admitted directly into a new acute medical assessment area rather than attending the emergency department. In addition, the rapid assessment team reduced the inappropriate admission of patients to the hospital and assisted in the early and safe discharge of patients. The benefits of the changes were recognised within weeks. In November, 56% of our patients spent under four hours in our emergency department. By the end of December, this figure had risen to 68%.

Progress made at the end of December

Key Targets	Q1 02/03	Q2 02/03	Q3 02/03	Q4 02/03
Inpatients waiting longer than the standard	556	15	0	
Outpatients waiting longer than the standard	42	7	0	
A&E emergency admission waits (12 hours)	80	6	0	
Total Time in A&E <4 hrs	45%	42%	68%	

Clinical Governance

A national 'consent' form was launched in order to improve the quality of information given to the patient prior to receiving their consent to treatment. The form is used trust-wide and work is ongoing to ensure that up-to-date, relevant information is available to every patient.

Essence of Care

The trust has gained national recognition for some of its work on the Government's initiative called Essence of Care - this provides a patient focused structured approach to improving essential patient care. The trust continues to make good progress in the areas of continence, oral care, improved nutrition, privacy and dignity, and safety of patients with mental health needs in an acute hospital.

Forever Friends Appeal

Ted's Big Day Out! 2002 involved many thousands of people including the star attraction, Laurence Llewelyn Bowen.
The grand total of money raised was over £75,000.

Emergency Nurse Practitioners

As part of a national initiative the emergency department continued to recruit a number of emergency nurse practitioners to treat patients with minor injuries, which means these patients are waiting less time to be seen.

Q 4

Our Achievements at the End of the Year

The Press

Each week, letters of support and gratitude appeared and continue to appear in the 'Letter's' page of the Bath Chronicle – the local daily newspaper – and many more are received in patient areas throughout the trust.

In March, the Saturday Telegraph Magazine published a feature on the RUH. The feature reflected on past issues and highlighted the enormity of the pressures faced by the trust. In addition, it represented our staff in an extremely professional and caring light.

Children's Rights Charter

The pre-school assessment and therapy centre received its first Children's Rights Charter - an award recognising children's views and ideas in developing services that are important to them.

Major Incident Planning

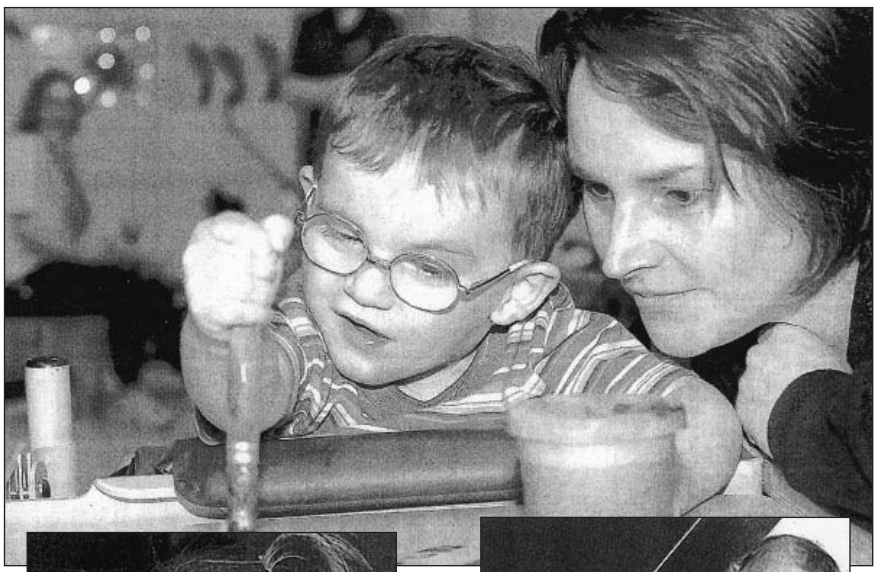
A lot of work and involvement of staff throughout the trust was put into updating our major incident plan with a first draft approved by the board. A major incident simulation exercise was planned for May; this proved to be a very successful learning opportunity.

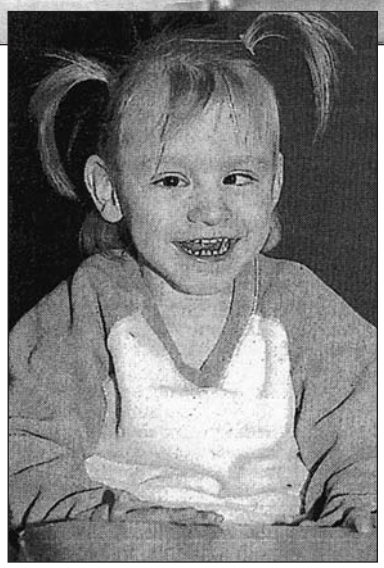
Data Accreditation

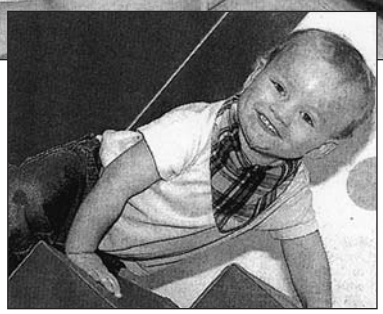
In March 2003, the trust was awarded Stage Two for data accreditation. The information services department and service renewal team helped to resolve problems we were experiencing in data quality and successfully built foundations for really robust data quality.

At the end of 2002/03, we succeeded in achieving all the main national waiting targets. There were no patients waiting more than 12 months for an operation, or more than 21 weeks for an outpatient appointment. Only one patient had waited longer than 12 hours on a trolley since July and this had been due to clinical need.

Children enjoying activities in the pre-school assessment and therapy centre

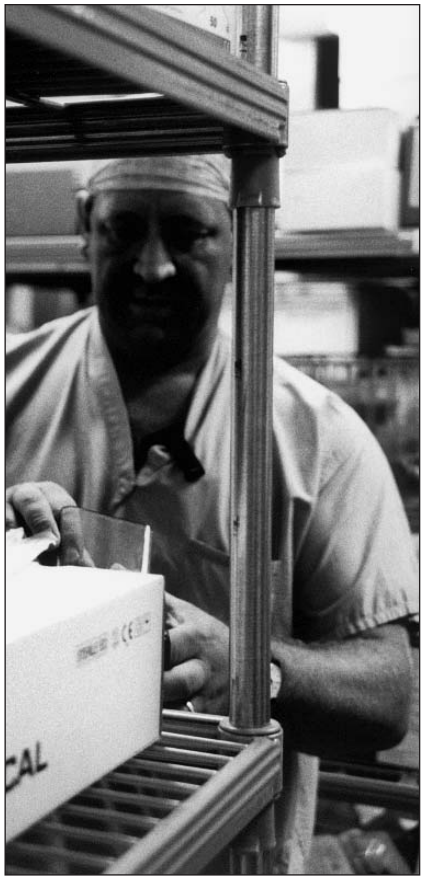






In February, the trust welcomed its first patients onto Widcombe ward just seven weeks after the order was placed for the ward to be built. The temporary ward is a surgical short-stay unit for patients recovering from routine operations. It increased the number of beds at the hospital by 12 and helped us to achieve the end of year targets. We were successful in attracting a really good team of nursing staff to work on this new surgical ward.

Work commenced in February to extend day care facilities for cancer and haematology patients. The trust is extremely grateful to the Bath Cancer Unit Support Group for raising more than £310,000 towards the new enlarged treatment room, which now completed enables a greater percentage of patients to receive their treatments as outpatients.



We also got better at agreeing with patients a date and time for their procedure that suited their lifestyle and reduced the number of patients that did not attend. At the end of March, 93.4% of patients requiring day case treatment negotiated an agreed date and time for their procedures against the Government target of 80%. Again this was a dramatic improvement on recent months when between October – December we were only achieving 16.5%.

This year, the Government introduced a new target that 90% of emergency patients, both minors and majors, should be seen and either admitted or discharged within four hours.

The target was assessed on one week's performance during March, and during this time we managed to see and deal with 77.5% of patients in four hours - a great improvement from November 2002 when this figure was 56%.

Further improvements in our emergency services were on their way as plans were finalised for the opening of the new state-of-the-art emergency department which opened in June 2003. Emergency services staff were very involved in the planning and design of the department ensuring that it best meets the needs of the patients as well as their own. The new department enables staff to treat patients more efficiently in a very modern environment and to cope with the steady rise in the number of patients requiring emergency treatment.

Despite the additional pressures we had had to face as a result of the lingering Norwalk-like virus, the trust had achieved its aim of meeting the main end of year targets without compromising the quality of our clinical care.

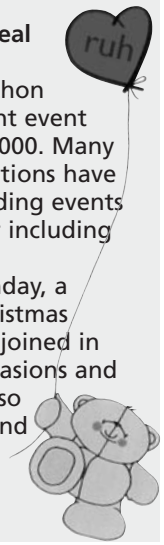
Progress made at the end of December

Key Targets	Q1 02/03	Q2 02/03	Q3 02/03	Q4 02/03
Inpatients waiting longer than the standard	556	15	0	0
Outpatients waiting longer than the standard	42	7	0	0
A&E emergency admission waits (12 hours)	80	6	0	1
Total Time in A&E <4 hrs	45%	42%	68%	76%

Medicines Strategy

A new strategy for medicines was introduced; its aim is to promote the delivery of safe and effect drug therapy and to enhance everybody's confidence in medicines and their use.

Forever Friends Appeal



The Bath Half Marathon was another excellent event and raised over £45,000. Many people and organisations have supported us by holding events throughout the year including the Cricket Carnival, Community First Funday, a collection at the Christmas Market. Big Ted has joined in the fun on some occasions and local schools have also been raising funds and having fun, too!

Patient Environment

Along with the refurbishment and redecoration of many wards and public areas, the new emergency department opened shortly after the financial year. This provided patients with expanded treatment areas for both minor and major emergency patients, a new reception and waiting area and improved facilities for treating children. The new purpose built environment will enable patients to be assessed and treated more efficiently and to receive the highest level of care.

Following an inspection from the Patient Environment Action Team, the trust received Green Hospital Status for cleanliness and quality of patient environment for the second consecutive year.

Key Objectives 2003/2004

Review of 2002/03 Objectives

The trust worked hard to meet the objectives set for 2002/03. Although the hospital had a very difficult year we continued to provide a high quality service, we reduced waiting times for patients, we passed our improving working lives assessment, and we worked more closely than ever before with our partners and the public.

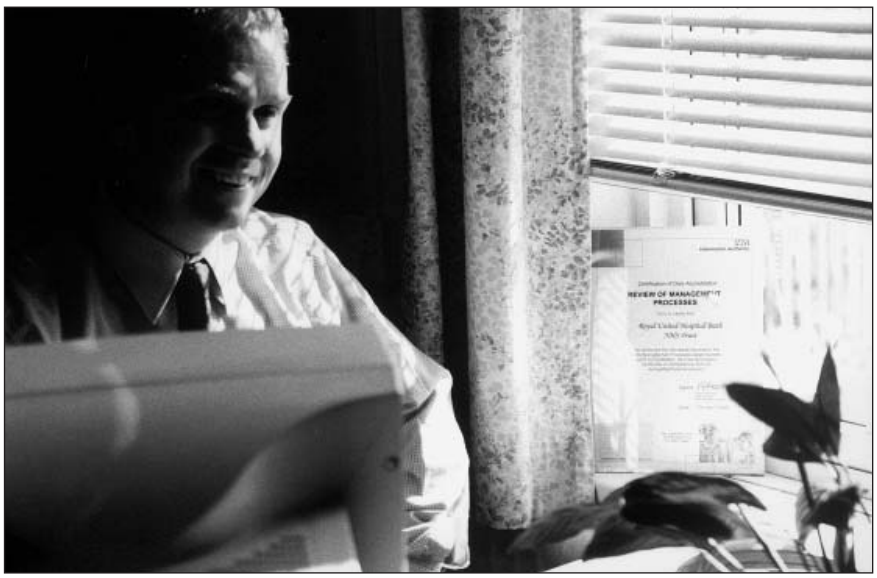
Details on how we met our objectives and targets, and examples of our compliance with clinical governance standards are included within the main body of the report.

The challenge for the year 2003/04 will be to continue with the progress made but to try and bring the organisation back into financial balance. Next year's objectives will focus upon that task.

Key Objectives in 2003/04

The trust has set challenging objectives in 2003/04 that build upon the success of work in 2002/03. The trust must now work towards achieving financial balance whilst still maintaining high standards of clinical care. The objectives agreed by the trust board are as follows:

- Develop a credible plan (called the transformation plan) that will bring the trust into financial balance over a three year period ensuring achievement of access and other NHS Plan targets without reducing quality of care
- Achieve savings/income targets
- Continue with the commitment to achieve NHS Plan targets and other star rating criteria for 2003/04
- Finalise local delivery plans with our local primary care trusts to provide care to the local health community
- Improve internal organisational efficiencies
- Work in partnership with our local primary care trusts and social services to help achieve the trust's objectives and achieve a strategic vision for the Bath health community
- Ensure that the trust has strong corporate, clinical and risk management arrangements
- Communicate effectively with the public and staff to ensure a realistic view of the challenges that face the trust
- Develop an organisational strategy for the trust and appoint a permanent executive team.



A team including information analyst Glyn Young helped the trust achieve stage two for data accreditation, improving data quality

Summary Financial Statements 2002/2003

Summary Financial Statements

Introduction

The audited accounts show the Trust recorded a deficit of £24.784m for the financial year.

The financial targets set for Capital Cost Absorption Rate and Capital Resource Limit were achieved within the permitted parameters.

In achieving these targets the Trust received cash assistance of £19m from BANES Primary Care Trust in the form of short term loans. As a result the Trust exceeded the external financing limit (EFL) notified by the Department of Health (DoH) by £11,604k. Had this been received as income or by way of Public Dividend Capital (PDC) the Trust would have delivered its core external financing limit of £1,699k to within £25k.

The Trust's Public Sector Payment Policy achievement for 2002/03 was 68% by number and 64% by value of bills paid within 30 days.

Further details of the key financial targets are shown on page VIII.

Looking ahead, 2003/04 will be another difficult year as the Trust strives to deliver high quality patient care and improved waiting times against a background of substantial financial pressures.

The year started with a planned financial deficit of £8.7m for the Bath Health Community. The Trust, as an NHS body, has a fundamental duty to set a break even budget. Plans to fully understand and manage financial risks and to deliver the financial targets continue to develop with local primary care trusts (PCTs) and Avon, Gloucester and Wiltshire Strategic Health Authority (AGW SHA).

I would like to thank staff throughout the Trust and related agencies for their hard work and support in striving to deliver the financial targets and provide value for money services for our patients and community.

Margaret Pratt
Acting Director of Finance
September 2003

The accounts for the year ended 31 March 2003 have been prepared by the Royal United Hospital, Bath NHS Trust under section 98 (2) of the National Health Service Act 1977 (as amended by section 24 (2), schedule 2 of the National Health Service and Community Care Act 1990) in the form which the Secretary of State has, with the approval of the Treasury, directed.

The Audit Committee receive the draft accounts prior to Trust Board approval, and the current non executive members are: Maura Poole, Thomas Sheppard and Richard Weatherhead.

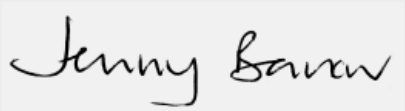
The summary financial statements that follow are a summary of the information in the full accounts which are available from the Trust's Finance Department. Please write to Richard Hogger, Head of Financial Services, Royal United Hospital, Bath NHS Trust, Combe Park, Bath BA1 3NG.

Directors' Statements

Statement of the Chief Executive's responsibilities as the Accountable Officer of the Trust

The Secretary of State has directed that the Chief Executive should be the Accountable Officer to the Trust. The relevant responsibilities of Accountable Officers, including their responsibility for the propriety and regularity of the public finances for which they are answerable, and for the keeping of proper records, are set out in the Accountable Officers' Memorandum issued by the Department of Health.

To the best of my knowledge and belief, I have properly discharged the responsibilities set out in my letter of appointment as an Accountable Officer.



Jenny Barker, Acting Chief Executive
September 2003

Statement of Directors' responsibilities in respect of the accounts

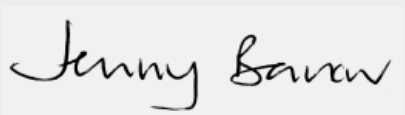
The Directors are required under the National Health Services Act 1977 to prepare accounts for each financial year.

The Secretary of State, with the approval of the Treasury, directs that these accounts give a true and fair view of the state of affairs of the Trust and of the income and expenditure of the Trust for that period. In preparing those accounts, the Directors are required to:

- apply on a consistent basis accounting policies laid down by the Secretary of State with the approval of the Treasury
- make judgements and estimates which are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts.

The Directors confirm they have complied with the above requirements in preparing the accounts. The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Trust and to enable them to ensure that the accounts comply with requirements outlined in the above mentioned direction of the Secretary of State. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By order of the Board



Jenny Barker, Acting Chief Executive
September 2003

Margaret Pratt, Acting Director of Finance
September 2003

Directors' Statements

Statement of Directors' responsibility in respect of internal control

The Board is accountable for internal control. As Accountable Officer, and Chief Executive Officer of this Board, I have responsibility for maintaining a sound system of internal control that supports the achievement of the organisation's objectives, and for reviewing its effectiveness. The system of internal control is designed to manage rather than eliminate the risk of failure to achieve these objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness.

The system of internal control is based on an ongoing risk management process designed to identify the principal risks to the achievement of the organisation's objectives; to evaluate the nature and extent of those risks; and to manage them efficiently, effectively and economically. The system of internal control is underpinned by compliance with the requirements of the core Controls Assurance standards:

- Governance
- Financial Management
- Risk Management.

The assurance framework is still being finalised and will be fully embedded during 2003/04 to provide the necessary evidence of an effective system of internal control.

The actions taken so far include:

- The organisation has undertaken a self-assessment exercise against the core Controls Assurance standards (Governance, Financial Management and Risk Management). An action plan has been developed and is being implemented to meet any gaps.
- The organisation has put in place arrangements to monitor, as part of its risk identification and management processes, compliance with other key standards, including relevant Controls Assurance standards covering areas of potentially significant organisational risk.
- Establishing a revised sub committee structure with improved lines of accountability and developing an Assurance framework

The main priorities of the Trust will be to :

- Develop an established executive and senior management team **Qtr 3/4**
- Develop and implement a new robust performance management framework including accountability for activities. **Qtr 3**

In addition to the actions outlined above, in the coming year it is planned to continue to:

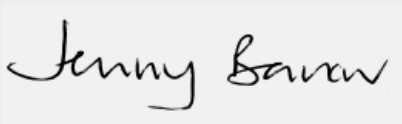
- Further develop the Board's awareness of their responsibilities towards the core Controls Assurance standards, support risk awareness training for key staff and develop an assurance framework. **Qtr 3**

Directors' Statements

Statement of Directors' responsibility in respect of internal control (cont.)

- Further develop the Trust's risk register to capture all significant risks identified through financial, clinical and non clinical risk assessment processes. **Qtr 3**
- Introduce a real time risk register with a prioritisation process which will report to the Trust Board. **Qtr 3**
- Further develop the financial controls framework and corporate governance of the organisation ensuring transparencies of accountabilities and process. **Qtr 2/3**
- Further strengthen the management culture and structure and develop a robust corporate risk management culture. **Qtr 3**
- Participate in and contribute to benchmarking across the local health community and nationally. **Qtr 3**

As Accountable Officer, I also have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control has taken account of the work of the executive management team within the organisation who have responsibility for the development and maintenance of the internal control framework, and of the internal auditors. I have also taken account of comments made by external auditors and other review bodies in their reports.

Signed  **Acting Chief Executive Officer**

Date 18 September 2003
(on behalf of the Board)

In 2002/03 for the first time, the Head of Internal Audit for the Trust has been required to give a formal opinion on the internal controls in operation in the Trust. The statement signed by the Chief Executive Officer incorporates the key statements of assurance within that opinion.

In this opinion, the Head of Internal Audit stated:

"It is my opinion that for the identified principal risks covered by Internal Audit work the Board has significant assurance that there is a generally sound system of control designed to meet the organisation's objectives. However some weaknesses in the design or inconsistent application of controls may have put the achievement of particular objectives at risk."

Independent Auditors' Report to the Directors of Royal United Hospital, Bath NHS Trust on the Summary Financial Statements

We have examined the summary financial statements set out on pages VI to Xl.

This report is made solely to the Board of Royal United Hospital Bath NHS Trust in accordance with Part II of the Audit Commission Act 1998 and for no other purpose, as set out in paragraph 54 of the Statement of Responsibilities of Auditors and of Audited Bodies, prepared by the Audit Commission

Respective responsibilities of directors and auditors

The directors are responsible for preparing the Annual Report. Our responsibility is to report to you our opinion on the consistency of the summary financial statements with the statutory financial statements. We also read the other information contained in the Annual Report and consider the implications for our report if we become aware of any misstatements or material inconsistencies with the summary financial statements.

Basis of opinion

We conducted our work in accordance with Bulletin 1999/6 'The auditor's statement on the summary financial statements' issued by the Auditing Practices Board for use in the United Kingdom.

Opinion

In our opinion the summary financial statements are consistent with the statutory financial statements of the Trust for the year ended 31 March 2003 on which we have issued an unqualified opinion.

PricewaterhouseCoopers
31 Great George Street
Bristol
BS1 5QD
Date - September 2003

Summary Financial Statements

Income and Expenditure for the Year Ended 31 March 2003

	2002/03	2001/02 Restated
	£000	£000
Income from activities	**108,982**	119,466
Other operating income	**12,025**	10,422
Operating expenses	**(139,684)**	(121,817)
Operating Surplus/(deficit)	**(18,677)**	8,071
Exceptional loss: charitable funds provision	**(464)**	0
Exceptional gain: write-out of clinical negligence provisions	**0**	3,761
Exceptional loss: write-out of clinical negligence debtors	**0**	(3,761)
Loss on disposal of fixed assets	**10**	(6)
Surplus/(deficit) before Interest	**(19,131)**	8,065
Interest receivable	**98**	96
Interest payable	**(1)**	0
Other finance costs - unwinding of discount	**(18)**	(24)
Surplus/(deficit) for the financial year	**(19,052)**	8,137
Public Dividend Capital - dividends payable	**(5,732)**	(5,984)
Retained Surplus/(deficit) for the year	**(24,784)**	2,153

Balance Sheet as at 31 March 2003

	2002/03	2001/02 Restated
	£000	£000
Fixed Assets		
Tangible Fixed Assets	**130,938**	116,578
Current Assets		
Stocks	**2,602**	2,324
Debtors	**7,206**	16,061
Cash at bank and in hand	**30**	2,072
Current Liabilities		
Creditors	**(33,595)**	(19,293)
Net Current Assets	**(23,757)**	1,164
Total Assets less Current Liabilities	**107,181**	117,742
Provision for liabilities and charges	**(1,000)**	(299)
Total Assets Employed	**106,181**	117,443
Financed by		
Public dividend capital	**126,035**	124,485
Revaluation reserve	**8,121**	(2,412)
Donation reserve	**4,954**	4,240
Income and expenditure reserve	**(32,929)**	(8,870)
Total Capital and Reserves	**106,181**	117,443

Summary Financial Statements

Cash Flow Statement

	2002/03 £000	2001/02 Restated £000
Operating Activities		
Net cash inflow/(outflow) from activities	**(58)**	8,768
Returns on investments and servicing of finance		
Interest received	**98**	96
Interest paid	**(1)**	0
Net cash inflow from returns on investments and servicing of finance	**97**	96
Capital Expenditure		
Payments to acquire tangible fixed assets	**(7,620)**	(12,184)
Receipts from sale of tangible fixed assets	**10**	24
Net cash outflow from capital expenditure	**(7,610)**	(12,160)
Dividends paid	**(5,732)**	(5,984)
Net cash outflow before management of liquid resources and financing	**(13,303)**	(9,280)
Management of liquid resources	**0**	0
Net cash outflow before financing	**(13,303)**	(9,280)
Financing		
Public dividend capital received	**17,796**	15,315
Public dividend capital repaid - not previously accrued	**(16,097)**	(13,127)
Public dividend capital repaid - accrued in prior period	**0**	(276)
Loans Received	**19,000**	7,371
Loans repaid	**(7,371)**	0
Net cash inflow from financing	**13,328**	9,283
Increase in Cash	**25**	3

Statement of Recognised Gains and Losses

	2002/03 £000	2001/02 Restated £000
Surplus / (Deficit) for the financial year before dividend payments	**(19,052)**	8,137
Fixed asset impairment losses	**(5,096)**	(450)
Unrealised surplus on fixed asset revaluations/indexation	**16,707**	3,920
Increase in the donation reserve due to receipt of donated assets	**786**	450
Reduction in the donation reserve due to depreciation, impairment (loss of economic benefits), and/or disposal of donated assets	**(425)**	(350)
Total Recognised Gains and Losses for the financial year	**(7,080)**	11,707
Prior period adjustment*	**(299)**	0
Total Gains and Losses Recognised in the financial year	**(7,379)**	11,707

In 2002/03 the accounting for pre 6 March 1995 early retirements has been brought into line with that for post 6 March early retirements (see note 1.11 in the full Financial Statements). As a result a prior period adjustment has been made to the accounts. The effects of the adjustment on the 2001/02 figures are to:
- reduce the income and expenditure reserve by £299K
- increase the reported surplus by £74K
- reduce the staff costs (in note 5.1 in the full Financial Statements) by £50K
- reduce government funds by £299K
- increase the interest payable by £24K
The effect of the change in accounting treatment on the results for 2002/03 is to reduce the deficit by £12K compared to that which would have been recorded had there been no change in accounting policy.

Summary Financial Statements

Key Financial Targets

Breakeven Performance
A substantial deficit was recorded in the local health economy in 2002/03. The Trust has incurred a deficit of £24,784k. The Trust has a legal responsibility to breakeven taking one year with another. This is normally taken as a period of 3 years but can be extended to 5 years under exceptional circumstances. The Trust's deficit is £24,784k and this has to be recovered by the end of 2004/05. Discussions between AGW and the DoH are taking place to secure additional one-off income in 2003/04 to eliminate this accumulated deficit. If this income is secured then the Trust will show a significant surplus in 2003/04.

External Financing Limit (EFL)
Spending on the acquisition of land and buildings is financed by borrowing from the Government. The EFL is a limit on the amount of cash that may be borrowed in any one financial year and, at national level, is an important component in the control of public expenditure. Managing the EFL is a key financial duty of the Trust. In achieving these targets the Trust received cash assistance of £19m from BANES PCT in the form of short term loans. As a result the Trust exceeded the external financing limit notified by the DoH by £11,604k. Had this been received as income or by way of PDC the Trust would have delivered its core EFL of £1,699k to within £25k.

Capital Resource Limit (CRL)
The Capital Resource Limit is set by the Department of Health. This limits the funding available to the Trust for capital expenditure. The Trust is required to stay within it's CRL but is permitted to undershoot (underspend). The undershoot for the year was £90k

	2002/03 £000
Gross capital expenditure	**8,729**
Less book value of assets disposed of	**0**
Less donations	**(786)**
Charge against CRL	**7,943**
Capital Resource Limit	**8,033**

Public Sector Payment Policy
Trusts are required to pay their non-NHS trade creditors in accordance with the Confederation of British Industries (CBI) prompt payment code and Government Accounting Rules. Government Accounting Rules state that 'the timing of payment should normally be stated in the contract .... where there is no contractual provision the Trust should pay within 30 days of receipt of goods and services or the presentation of a valid invoice, whichever is the later'
The Trust's payment policy is consistent with both of these and its measurement of compliance is:

	2002/03
Total number of bills paid	**47,539**
Total number of bills paid within target	**32,185**
Percentage of bills paid within target	**68%**
Total value of bills paid (£'000)	**43,648**
Total value of bills paid within target (£'000)	**27,912**
Percentage of bills paid within target	**64%**

Under the Late **Payment of Commercial Debts (interest) Act 1998** companies can charge interest on overdue accounts. During the year 2002/03 the Trust paid £1k interest from claims made under this legislation.

Management Costs	2002/03 £000
Income (excluding FRS11 income)	**114,066**
Management costs in year	**6,810**
Management costs expressed as a percentage of income	**6.0%**

Capital Cost Absorption Rate
The Trust is required to absorb the cost of capital at a rate of 6% of average relevant net assets. In 2002/03 the Trust achieved a rate of 5.8% which is within the NHS Executive's materiality range of 5.5% to 6.5%.

Summary Financial Statements

Financial Health

The following disclosures on the financial health of the organisation are taken from the annual accounts:

The Trust has a legal responsibility to break even taking one year with another. This is normally taken as a period of 3 years but can be extended to 5 years under exceptional circumstances. The Trust's deficit is £24,784k and this has to be recovered by the end of 2004/05. Discussions between AGW SHA and the DoH are taking place to secure additional one-off income in 2003/04 to eliminate this accumulated deficit. If this income is secured then the Trust will show a significant surplus in 2003/04.

2003/04 Financial Position

The Trust is planning to achieve financial balance in 2003/04, before accounting for the additional one-off income referred to above. To do so it has to close a gap between known income and planned expenditure. AGW SHA has confirmed that £7m will be made available from the NHS Bank special assistance funding and other non-recurring sources in 2003/04.

In order to achieve financial balance in 2003/04 the Trust must achieve the following:

- Deliver a savings programme of no less than £3.4m
- Manage other known risks amounting to £10.9m, including unfunded ward costs.

The Trust, in conjunction with AGW SHA, is developing further plans to manage the risks outstanding. By the 31st October 2003 the Trust will have prepared a plan on how these remaining risks will be managed and submitted it to local partners and AGW SHA.

Financial Recovery

The Trust is developing a financial recovery plan working with others locally to achieve underlying financial balance (i.e. without the need for external special financial assistance) by the 31st March 2007. The Plan will be submitted to AGW SHA by the 19th September 2003 and agreed by the 31st October 2003.

In developing the Plan the Trust expects to receive further financial assistance in 2004/05 of £3.5m and in 2005/06 of £NIL. These amounts are subject to confirmation by AGW SHA.

Summary Financial Statements

Board Directors' Remuneration

This note reflects the Greenbury requirements for senior employees. Senior employees are those persons in senior positions having authority or responsibility for directing or controlling the major activities of the trust. The Chief Executive has confirmed that this definition relates to the Executive and Non-Executive Directors of the Trust. The disclosures in this note have only been made with the prior consent of the individuals concerned.
The Remuneration Committee consists of Non-Executive Directors who set the salary of Executive Directors and the Chief Executive Officer using national benchmarking information.
Non-Executive Directors remuneration is set nationally by the NHS appointments office.

		2002/03					
Name and Title	Age	Salary	Other remuneration	Golden Hellos/ Compensation for loss of office	Benefits in kind	Real increase in pension at age 60	Total accrued pension at age 60 at 31.3.02
		£000	£000	£000	£000	£000	£000
Executive Directors							
Ms. Jenny Barker - Dr of Partnerships & Service Support	43	72	0	0	0	1	14
Mrs. Jane Cummings - Director of Nursing	*	67	0	0	3	*	*
Mr. Martin Dove - Director of Finance	*	*	*	*	*	*	*
Ms. Sally Fox - (consent to disclose withheld)	*	70	0	0	0	*	*
Mr. Richard Gleave - Chief Executive	39	108	0	0	0	4	21
Ms. Barbara Harris - Chief Executive	*	*	*	*	*	*	*
Mr. Stephen Holt - Director of Facilities	45	61	0	0	0	*	*
Dr. James Playfair - Director of Primary Care	49	24	0	9	0	0	2
Dr. Graham Smith - Medical Director	50	5	75	0	0	1	19
Mr. John Stephenson - Director of Corporate Affairs	*	*	*	*	*	*	*
Dr. John Waldron - Medical Director	48	21	85	0	0	1	21
Mr. Gerald Chown - Chairman	*	3	0	0	0	**	**
Mr. Mike Roy - Chairman	63	8	0	0	0	**	**
Rev. Jonathan LLoyd - Non-Executive Director	46	5	0	0	0	**	**
Mr. Jeff Manning - Non-Executive Director	58	5	0	0	0	**	**
Mrs. Maura Poole - Non-Executive Director	43	1	0	0	0	**	**
Mr. Thomas Sheppard - Non-Executive Director	50	5	0	0	0	**	**
Mrs. Prudence Skene - Non-Executive Director	59	5	0	0	0	**	**
Mr. Barry Stevenson - Non-Executive Director	64	5	0	0	0	**	**

*Consent to disclose withheld.

**This is a non-pensionable employment

The following directors provided their services to the Trust during the year by means of interim, short-term contracts;

Name	Title	Cost to Trust £000
Mr. Kevin Hodgkinson	Interim Director of Finance	3
Mr. David Gilburt	Interim Director of Finance	32
Mr. Stan Griffiths	Interim Director of Finance	26

The following directors were seconded to the Trust by other NHS Bodies during the year to fill vacant directorial posts.
Their remuneration details can be found in the accounts of the organisation which holds their contract of employment.

Name	Title	Period of Secondment	Employing Organisation
Mr. Stephen Cass	Interim Director of Finance	17-Sept-02 to 7-Mar-03	Worthing and Southlands NHS Trust
Mr. Jan Filochowski	Chief Executive	27-Jun-02 to 31-Jul-03	Medway NHS Trust
Ms. Paula Friend	Director of Service Renewal	22-Jul-02 to I-Jun-03	Medway NHS Trust
Ms. Corinne Hall	Director of Nursing	1-Aug-02 to 2-Jun-03	The Hillingdon Hospital NHS Trust
Prof Ruth Hawker	Chairman	17-May-02 to 01-Nov-02	Royal Devon and Exeter NHS Trust

Following the end of Ms Hall's secondment she was appointed as the substantive Director of Nursing for the Trust.

During the year the following executive and non executive directors started or left their post.

Name	Title	Start Date	Leaving Date
Mrs. Jane Cummings	Director of Nursing	N/A	01-Aug-02
Mr. Martin Dove	Director of Finance	N/A	24-Jan-03
Ms. Sally Fox	Consent to disclose withheld	N/A	31-Mar-03
Ms. Barbara Harris	Chief Executive	N/A	22-Aug-02
Dr. James Playfair	Director of Primary Care,	N/A	22-Nov-02
Dr. Graham Smith	Medical Director	N/A	17-Jan-03
Mr. John Stephenson	Director of Corporate Affairs	N/A	05-Dec-02
Dr. John Waldron	Medical Director	31-May-02	N/A
Mr. Gerald Chown	Chairman	N/A	17-May-02
Mr. Mike Roy	Chairman	01-Nov-02	N/A
Rev. Jonathan LLoyd	Non Executive Director	01-Apr-02	N/A
Mrs. Maura Poole	Non Executive Director	01-Jan-03	N/A
Mrs. Prudence Skene	Non Executive Director	N/A	30-Apr-03
Mr. Barry Stevenson	Non Executive Director	N/A	30-Jun-02

Summary Financial Statements

Charitable Funds

Charitable Funds arise from donations, subscriptions and bequests and must be accounted for independently of monies received from purchasers for the provision of health care. Charitable Funds are very important to the Trust and provide additional benefits to patients and staff which could not otherwise be provided.

The Royal United Hospital, Bath NHS Trust is the Trustee for the Charitable Fund, registered charity number 1058323. The Trust Board is therefore fully accountable for the funds but has delegated some responsibilities to the Charitable Funds Committee. The Charitable Funds Committee is supported by the Audit Committee and a finance department representative. The main duties of the Charitable Funds Committee are to ensure that the funds are collected, spent and managed legally, ethically and in accordance with all relevant legislation. The Committee also recommends policy and procedural changes to the Trust Board in relation to Charitable Funds to ensure compliance with statutory changes. This includes fundraising, investment, expenditure and operational policies.

The Trust wishes to thank all those who have generously donated funds during the year.

The accounts for the Charitable Funds have not yet been finalised and subsequently the Trust is unable to publish any summary financial information. Anyone wishing to review these accounts should write to the address on the page I of the summary financial statements within this annual report; copies will be sent when they become available.

Directors' Interests

The trust is required to maintain a register of directorships and other significant interests of all board members and to publish them in the annual report. Below are listed those directors to whom this applies:

Gerald Chown - (Resigned from the trust in May 2002)

Member of the Council of the University of Bath

Mike Roy

Chairman of City of Bath College

Jeff Manning

Member of Bath & North East Somerset Council (Stood down in May 2003 election)

Prudence Skene - (Completed term of office on 30 April 2002)

Director of the Ballet Rambert Limited and Rambert Trust

Director of The Arvon Foundation Limited

Director of the Theatre Royal Bath Limited

Trustee of Stephen Spender Memorial Trust

Graham Smith - (Resigned from the trust 17 January 2003)

Director of the Prior Walk Management Company

Barry Stevenson - (Completed term of office on 30 June 2002)

Director of Brunel Holdings plc.

If You Want to Know More

If you would like to know more, or to comment on our plans, please write to the chairman **Mike Roy** or our chief executive **Mark Davies** at:

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