

**ROYAL  
BROMPTON  
& HAREFIELD  
HOSPITALS  
CHARITY**



# **Annual Report** 2019/2020



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# Chairman's Report

Richard Hunting, CBE



Welcome to our annual report for 2019/20. It is easy to look back and see the recent past dominated by the Covid-19 pandemic, but in fact that really only affected the last month of the financial year. Prior to that, our Charity had delivered a very successful year with exceeding the fundraising targets, introducing new projects, an ambitious property programme, and it had embarked on a new streamlined way of managing the finance function. We welcomed our new Chief Finance Officer, Kelvin Walker.

In March the team, led by Chief Executive, Gill Raikes, presented a carefully ambitious strategy which the Charity Board accepted with enthusiasm. Many of the plans had to be put on hold because of the Covid-19 pandemic but the strategy will still be strong when normal life resumes.

Following a Governance audit, we welcomed three new Trustees to ensure we had increased representation from the hospitals, from Harefield in particular, and legal and human resources. This has created a board which is strong in all areas needed to govern this feisty and energetic Charity and I am deeply grateful to our Trustees for their time and expertise.

It is amazing to compare this Charity as it emerged from its modest beginnings in 2012 to it hosting a Carol Concert with 750 in the congregation and communicating with donors who regularly give six figure sums with confidence that their support will be used wisely. The property portfolio is also completely transformed into a prestigious and effective endowment which is used for the benefit of our two world class hospitals.

It is impossible not to acknowledge, too, what the Charity achieved in the final month of this annual review. As the teams responded to the call to lockdown, the Charity launched an emergency appeal which was extremely successful, just when our two hospitals needed the support most. Everyone adapted to working remotely with speed and efficiency and I would like to congratulate them on their diligence ensuring the Charity fulfilled its objectives during this challenging time.

# Chief Executive's Report

Gill Raikes, MBE

2019/20 saw the Charity break targets and embark on new projects – so I am pleased to record that it was an exceptional year in the nine-year history of this new Charity.

With fantastic attendances at our fundraising events from the Golf Day to our Harefield Fun Run and 750 people coming to our Carol Concert (wonderfully helped by our two star readers, Ronnie Wood and Zoe Wanamaker) the fundraising team was kept on its toes. Social media became a key tool in raising donations from an ever younger supporter base. We could not be prouder of the participants in taking on challenging events from marathons to tough mudders and from abseiling to epic cycle rides.

We welcomed new donors, too, supporting our ambitious projects to enable adults with cystic fibrosis to live more independent lives, and to convert clunky paper trails into efficient electronic logging of patient details. Our donors continued to give to OCS (organ care systems) enabling life saving transplants.

Welcoming a new Chief Finance Officer meant we set about modernising our finance function. The Charity's property portfolio went from strength to strength, providing valuable endowment which we passed on to our two world class hospitals to fund projects such as ground-breaking research and our energetic arts programme.

And right at the end of the financial year came the pandemic and the lockdown, when the Charity team switched to working from home. Launching an emergency appeal was extraordinary – the generosity of our donors – many of them completely new to the Charity – was overwhelming and we were able to buy vital equipment and support much needed counselling services from day one. I would like to take this opportunity to thank the Charity team, whether fundraising, property or finance, for the whole year of activity and adaptation.





# Our Charity and Hospitals

Our Charity is dedicated to supporting Royal Brompton and Harefield Hospitals, two hospitals that work treating two of the world's biggest killers: heart and lung disease. Through fundraising, donations, grants, legacies and investments, the Charity funds equipment, research and amenities that fall outside the scope of NHS funding.



Our hospitals together are the UK's biggest heart and lungs centre. They treat patients of all ages, from babies born with heart problems, young people with asthma and older people with cystic fibrosis, as well as people of any age who need a heart or lung transplant.

## Royal Brompton



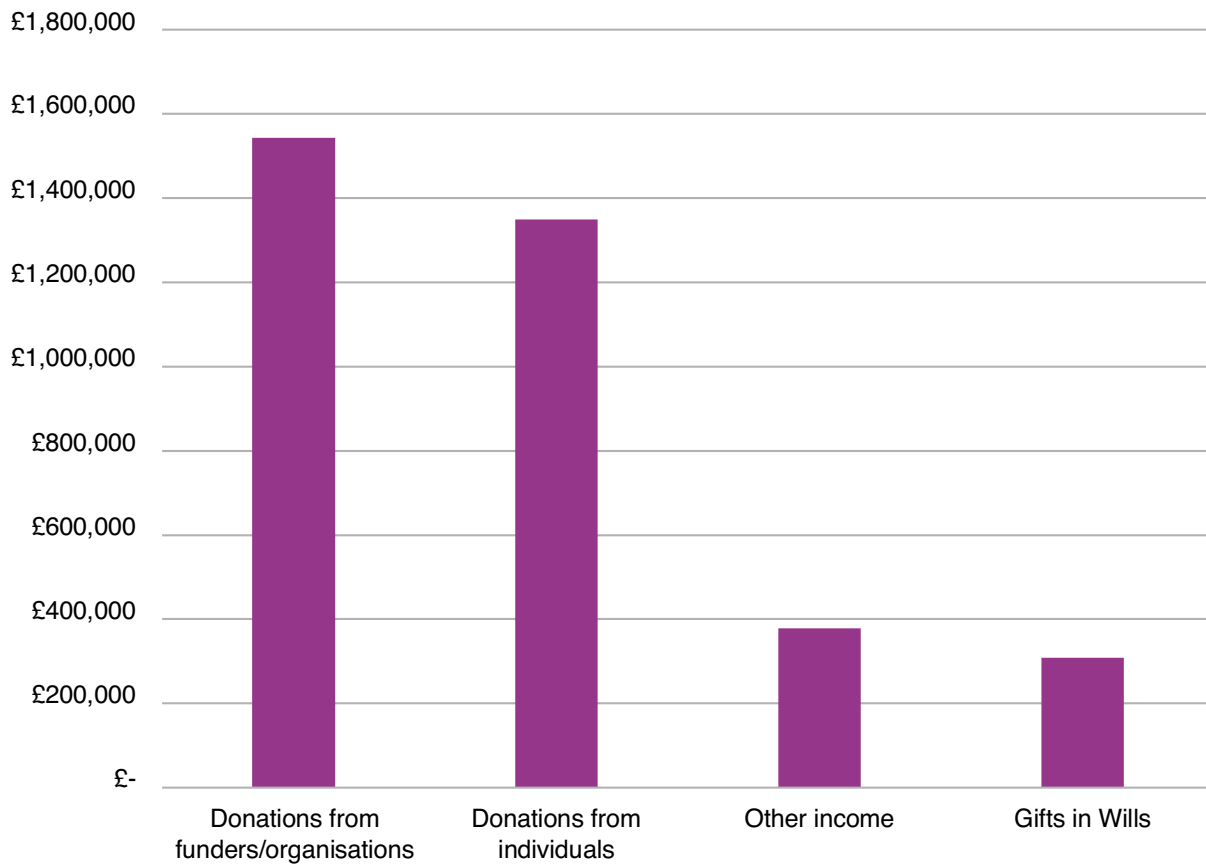
Royal Brompton opened in 1841 as a tuberculosis hospital and has enjoyed support from the Royal Family, Benjamin Disraeli and Charles Dickens. After being incorporated into the National Health Service in the 1940s, Royal Brompton began developing expertise in heart conditions, alongside an existing excellence in the treatment of lung disease. The hospital is now the only specialist heart centre in the country that treats both adults and children.

## Harefield



Harefield opened in 1915 to treat ANZAC troops wounded during the First World War. In the 1930s, a new tuberculosis hospital was built in the grounds, laying the foundations for the hospital's specialism in respiratory conditions. From the 1940s, the hospital also began to develop expertise in cardiac treatments to the extent that it is now one of the largest and most experienced centres in the world for heart and lung conditions.

# Breakdown of Fundraising Income





# Volunteers

Our volunteers help us to raise thousands of pounds each year and are a vital part of the Charity team. Without their dedication, we would not be able to achieve everything that we do. We would like to say a sincere thank you to each and every one of our volunteers for their ongoing support.



Malcolm's volunteering journey started four years ago, and we couldn't be happier for him to join us. After having an aorta dissection in 2014, he spent a month in Intensive Care at Harefield Hospital before being transferred to Hillingdon where he spent another month recovering.

Harefield had helped to save his life and so he wanted to find a way to help give back to the wonderful people at the hospital.

"After recovering I wanted to find a way to help give back and by chance the Charity were looking for a new volunteer to man the merchandise stall at Harefield Hospital, I couldn't think of a better way to get involved"

Malcolm has helped to raise nearly £18,000 in the time we've been with us, but not all of that has been spent behind the merchandise table. He has helped with all sorts of events from Summer Picnic to Winter Raffles, and even repairing the odd wooden snowman that loses his hat.

Malcolm says, *"What I enjoy the most about volunteering is the cross-section of people you meet; from inpatients to visiting relatives, everybody has a different story!"*

# Charity Events

We held many successful events in 2019/20. We continued long running, popular events, such as the Great Brompton Quiz and the Golf Day, as well as bringing back The London Bridges Walk. Below are a few of the highlights:

## Royal Brompton and Harefield Carols by Candlelight

Royal Brompton Hospital got into the Christmas spirit with our biggest ever annual carol concert at St Luke's Church in Chelsea, which raised £13,960 for our #MoreTimeMoreLives ECMO appeal. Renowned actress Zoë Wanamaker and Rolling Stone member Ronnie Wood both gave readings, as did ECMO patient Tessa Broadbent and Royal Brompton perfusionist Rosie Smith. There was singing from ICOSA Choir and Singing for Breathing participants.

Harefield Carols by Candlelight took place at St Mary's Church with over 100 Harefield Hospital supporters. St Mary's Youth Choir led the proceedings and there was singing from Harefield Junior School and Singing for Breathing choirs. There were also readings from dedicated Charity supporters Steven Pursey, Sophia O'Brien, Josephine Tanner and Henry Hargrave. The evening raised over £1,000 for the Harefield Transplant Appeal.



## London Bridges Walk

Following popular demand, in July we brought back our London Bridges Walk. Over 120 supporters joined us to walk either 5km or 10km through central London taking in the sights, including the Houses of Parliament, Lambeth Palace, the London Eye and London's spectacular bridges. The walk raised £11,600 for both our hospitals.

## The Great Brompton Quiz

Hugh Dennis hosted an evening of fun and laughter at St Columba's Church for our 4th annual Great Brompton Quiz. The night included a live music round hosted by Jeremy Limb, a sausage and mash supper provided by Eden Caterers and an auction included items donated by Manchester United and Chelsea football clubs. The quiz raised £7,554 for our #MoreTimeMoreLives ECMO Appeal.



## Golf Day

Rock legend and Charity Ambassador Shakin' Stevens hosted our 7th annual Charity Golf Day, which raised over £23,000 for the Harefield Transplant Appeal. The tournament was followed by a charity auction hosted by Bobby Davro, table music by Stephen Jones and a three-course meal for 80 dinner guests.



## Harefield Fun Run

The 38th annual Harefield Fun Run raised more than £43,000. 750 supporters had the choice of walking, jogging or running 2km, 5km or 10km around the village of Harefield. The warm-up was led by fitness enthusiast Nicky Fisher and Harefield Radio provided music throughout the day.

The race was followed by our Family Day, which included arts and crafts stalls, food vans and performances from Singing for Breathing and local dance group Aiming High. The money raised went towards our Transforming Your Care appeal to help implement a new electronic observation system.



## Summer Picnic

Our annual summer picnic was a huge success with over 130 supporters, patients, friends and families joining us at Harefield Hospital on a beautiful sunny day in July. Scrumptious Catering provided the food and guests were offered a glass of Prosecco, Pimm's or a soft drink courtesy of Robert Cooper Estate Agents. Music was provided by Tony Oliver's Jazz Days and magic entertainer Stephen Jones impressed guests with incredible tricks. The event raised £4,866 for our Transforming Your Care appeal.



# Community Fundraising

We continue to be amazed by our supporters who take part in sponsored events or host their own fundraising activities in aid of our hospitals and Charity. We share some of their special stories below:

**Max and his marathon car challenge raised over £2,300** for Harefield Hospital, which performed a lifesaving lung transplant operation on Max's friend whose health he watched deteriorate due to a lung condition. The Charity provides funds to the hospital for a variety of projects and vital equipment, as well as supporting patients and conducting research that the NHS cannot fund. We're pleased to say that Max's friend is back on her feet and breathing with her new lungs and being supported all the way by Max and Harefield Hospital as her health recovers.



**Larissa Perry raised over £40k in memory of Kane Woodington.**

Having made an outstanding recovery from a heart and lung transplant in January 2018 after being diagnosed with restricted cardiomyopathy and pulmonary hypertension, Kane was sadly taken ill at the end of 2018 and lost his life that December. He is remembered and the money raised will be used to help others in need of heart and lung transplants.

**Rye St Anthony – raised over £30K** for Royal Brompton & Harefield Hospitals Charity in Memory of Rebecca Henderson. Every five years, Rye St Anthony selects a charity to support with one big fundraising challenge. And in 2019 we were chosen. At Harefield Hospital Becca's life was saved by removing her heart and replacing it with a Totally Artificial Heart (TAH) made of biocompatible plastic which acted as a pump. On becoming cancer free and following her transplant surgery, Becca developed complications and she died. Becca knew of the fundraising for our charity and was fully supportive.



**Martin Bruce, a Double Lung Transplant patient ran the London Marathon & split the donations between** The Royal Brompton and Harefield Hospitals Charity and Transplant Australia. Martin ran in the London Marathon in 2019, three years after receiving a double lung transplant at Harefield Hospital. The reason for the split between The Royal Brompton and Harefield Hospitals Charity and Transplant Australia are because Martin's transplant came from an Australian donor, and the operation was performed at Harefield.



**Turner Family in memory of Andrew Turner - £10,000.** Andrew Turner sadly grew his wings on 12th May and his family raised funds for the Harefield Transplant Unit as per Andrew's wishes.



# Appeals

## #MoreTimeMoreLives ECMO Appeal

*Offering a lifeline to the most severely ill patients*

The Charity pledged to raise £150,000 to purchase vital Extracorporeal Membrane Oxygenation (ECMO) units for Royal Brompton Hospital. ECMO oxygenates the blood outside the body allowing the patient's heart and lungs to rest.

ECMO supports patients with life-threatening diseases or who are recovering from major surgery. During the Covid-19 outbreak ECMO machines became a vital lifeline for the most critically ill Covid-19 patients. Many ECMO patients make a full recovery.



## Transforming Your Care Appeal

*Improving monitoring of vital signs*

The Charity met its target to raise £200,000 for the Transforming Your Care Appeal. The funds will be used to implement an electronic observation system at our hospitals to record patients' vital signs.

Staff will be provided with mobile devices to collect patients' vital information (such as pulse rate to temperature) and to record them digitally. This will allow for automated alerts to ensure that care is delivered by the right clinician at the right time.



## Harefield Transplant Appeal

### *Caring for donated organs*

The Harefield Transplant Appeal raised over £550,000, exceeding our target of £500,000.

The funds will go towards the Organ Care Systems, which will keep donated hearts and lungs in a warm, functioning state outside of the human body. This means that the donated organs will be viable up to four times longer, can come from further away and will arrive in better condition.



## The Patients' Fund

### *Improving hospital life for our patients*

The charity continued to pledge £120,000 for projects submitted by staff that will improve the day-to-day life of patients during their stay in hospital. The Charity has funded portable fans to keep patients with breathing problems cool during the warm summer months and Portable IV pumps, so patients on the urgent transplant list can remain active during their stay in hospital.

# The Arts in our hospitals

Year on year, thanks to the continued support from the Charity, our Trust Arts Programme (rb&hArts) offers moments of distraction for patients on the wards, helping their health and recovery.

Be it singing, beatboxing or learning a new craft, there are activities for patients of all ages and their families. In the last year, rb&hArts offered a platform to almost 150 artists, providing thousands of opportunities for participation for our patients, their visitors and our staff, sometimes once or sometimes on several occasions, or weekly for the acclaimed music programme.

## Singing for Breathing

Singing for breathing have formed a tight-knit community that keeps them connected and well. Thanks to the invaluable energy, passion and talent of our facilitators Edmund Jeffery and Elisa Jeffery, our weekly workshops help beneficiaries better manage their symptoms, and have fun.

***“And I really appreciate everybody here who I can share my illness with as well, and not feel embarrassed.***

***“I think breathing and exercises brings people together who are very lonely [...] and they go back with a lot of love. And enjoy their life more”.***

Like every year, the group sings Christmas carols on the wards, at the Carols by Candlelight, and at the September Fun Run in Harefield. They also performed at the London Acapella Festival and the acclaimed Singing Hospital, by Victoria Hume at the Royal College of Physicians.

The ‘Singing Hospital’ was a special commission funded by Arts Council England to invite artist and musician Victoria Hume to revisit the programme she launched as arts manager in 2008.

Hume listened to experiences of group members, weaving threads of stories with experts’ interviews into a musical narrative called ‘The Singing Hospital’.

***“It was fascinating to revisit the programme as a composer; many of the people who had joined the Singing for Breathing groups back in 2008 were still attending, so it was a joy to see them again, and to speak to people like Phoebe and Nick who have been such consistent and tenacious champions for Singing for Breathing.” Victoria Hume.***

The show was very well performed, attended and received, with comments, such as

***“Moving, beautiful simple ideas done absolutely brilliantly well. It felt like an authentic expression of lived experience.” Audience member.***

Participant Sharon Alexander was featured on London Live with artist Victoria Hume to promote The Singing Hospital concert, and on Uxbridge FM with Elisa Jeffery.

We’ve continued running Singing for Breathing workshops throughout the Covid-19 pandemic, online, with our beneficiaries braving technology to keep engaged every week.



## Vocal Beats

The music making and beatboxing programme expanded to support 17-25 years-old, as well as paediatric patients at Royal Brompton and Harefield hospitals. The youth-centred music-making programme, now in its 3rd year, was short-listed for the Youth Music Social Action Award for its co-design with young patients, and for the Royal Society of Public Health Arts & Health Award 2019. But we wouldn't have the impact we had without the dedication from our musicians and the financial backing of Youth Music, the Coop Foundation Building Connections Youth Strand, BBC Children in Need and the Brompton Fountain to whom we are hugely grateful. Vocal Beats also launched at Royal Marsden NHS Foundation Trust in 2019, thanks to additional support from the Royal Marsden Cancer Charity, and reached young patients treated in the paediatric oncology unit. Throughout the pandemic our team of musicians have been developing resources to make the program better than ever when it's back on the wards, whilst also exploring ways of engaging young people online. This has included a 6-week online songwriting masterclass with RBH Trailblazers, the youth forum for RBHT, in which participants collaborated in writing and recording their own song.

***“It brightened my mood, it was lovely to connect with people, I also learnt some new things about melody and structure of music- and how poetry is connected” – online workshop participant.***

***“Having the music come to the ward is so lovely and touching. My baby enjoys it so much and for me, it's a highlight of the day. The singer is so lovely, calm gentle and friendly. She has such a lovely voice and the songs are just beautiful”- parent.***

***“Introduced me to beatboxing which I really enjoyed. Gave me a new way to express my interest in music and made me want to explore developing the skill” – participant.***



## Musicians in Residence

Funding through the Patient Amenity Fund, the Musicians in Residence Stac Dowdeswell and Adrian Garratt on the violin continued to offer music, and a laugh or a chat, on adult's wards at both sites. The musicians piloted online live sessions on Facebook not abated by the Covid-19 pandemic.

***“Adrian is fantastic! Such a tonic during difficult times - whether that's as an impatient or at home during Covid. He's an asset to the hospital!” Patient.***



## Wellbeing with nature

This was also a year of new partnerships formed to support the wellbeing of our patients. We are grateful to the Chelsea Physic Garden who offered free membership to patients, visitors and staff, to London's oldest botanical garden.

Royal Brompton Hospital's long-stay patients were offered transport to ensure they would benefit from the multi-sensory experience. The Chelsea Physic Garden is also helping rb&hArts turn the Royal Brompton Hospital courtyard into a green haven of relaxation for our Chelsea patients.

At Harefield, in partnership with Groundwork London, we raised funds from the Mayor of London Greener City Fund, Heathrow Community Trust, The National Lottery Community Fund, Patients Amenity Fund and HS2 CEF to redesign the external spaces of the Intensive Care Unit and Rowan Ward into blossoming gardens with a ceramic artwork by Emily Gardiner and Anzac themed planting and seating, called the 'Peace Gardens'.

***“I can't wait to tell everyone about it, especially the cleaning staff when they will be asking if I'd been out. It's given me a reason to get better, I had forgotten what it was like to be outside”.  
Anne, inpatient at Royal Brompton.***



# New objectives/future plans

The coronavirus pandemic has brought changes to how our hospitals care for our patients. Social distancing has meant many more consultations have taken place remotely, and digital communication has connected consultant and nurse with patient, reducing travel, cost and potentially harmful contact with pollution or infection.

There will be projects which the Charity will support to enable remote consultations and distance treatment. Throughout the pandemic the Charity supplied iPads so covid-19 patients could communicate with their families and we will continue to explore innovative ways for long term patients to receive the best possible care and treatment without travelling in to the centre of London or coming in to contact with potentially harmful environments.



Patients will still always need to come to hospital for procedures, so key campaigns in 2021 will be to ensure our inpatient areas and procedure rooms and medical equipment are state of the art. This would be no small task for the Charity, but we will be pleased to support our NHS colleagues at both Harefield and Royal Brompton to provide the best facilities for our patients wherever there is a need.

As always we will support the Arts team which brings music, dance, visual arts and even comedy to our hospitals to brighten the days of both our patients and our staff. The Charity also raises funds every year for smaller items dedicated to patient welfare which are imaginative and innovative ways of making life better for our patients while they are in hospital.



# Making a difference

**Hannah and James Schofield's** son, Wilfred, was born a seemingly happy and healthy baby boy. It wasn't till the standard paediatric check-up, 24 hours after he was born that a heart murmur was detected, and they were told they needed to do a few more checks.



Wilfred with Dr Michielon

Although Hannah wasn't worried, everything changed in a matter of minutes. The senior paediatric consultant at St Mary's announced that Wilfred needed to go to PICU (paediatric intensive care unit) straight away, when Wilfred arrived in PICU the team told Hannah that they needed a cardiologist and that they would contact Royal Brompton.

Royal Brompton consultant, Dr Naqvi, arrived at St Mary's where Wilfred had an echocardiogram (echo), Hannah and James were told that Wilfred had major heart defects - Tetralogy of Fallot and Pulmonary Atresia and that major surgery was the only option for Wilfred to lead a normal life.

Wilfred was blue lighted to Royal Brompton. James travelled with Wilfred and Hannah would join him the next day. Over the course of three days Wilfred had several echoes and x-rays and it was decided by Professor Fraisse that they would try a catheter to see if they could open the blockage between his right ventricle and pulmonary artery. Unfortunately, this was unsuccessful, and Wilfred was rushed off for emergency open heart surgery two hours later. Dr Michielon led the surgery where they performed a right ventricle to pulmonary artery conduit. The surgery went well, and Wilfred returned to PICU to recover with his chest open. After three weeks at Royal Brompton Wilfred was allowed home.

For the next 7 months Wilfred had monthly and then eventually bi-monthly check-ups. Wilfred went for his second open heart surgery at 8 months old to close a hole in his heart and to replace the conduit. After 8 hours Wilfred was back from surgery, this time with his chest closed and looking as 'pink as a rose' in Dr Michielon's words.

Since then, Wilfred has had 2 more balloon catheters with Professor Fraisse, and both Hannah and James are hoping that 2021 will be the year of no surgical intervention.

***"Because of the Brompton we have our beautiful son, and Henry has his little brother. Thank you will never be enough." – Hannah Schofield.***

# Fundraising disclosure

The following fundraising disclosure covers the period for the year ended 31 March 2020 in accordance with the Charities Act 2016: new fundraising rules.

## 1. Fundraising methods and processes

a. **Approach to fundraising;**

The Charity seeks support from individuals, Charitable Trusts and corporate organisations. The Charity's objectives and targets are clear and set out the urgent and compelling causes against which to fundraise to support Royal Brompton and Harefield hospitals.

b. **Work with, and oversight of, any commercial participators / professional fundraisers;**

The Charity only fundraises with paid members of staff and is supported by a team of volunteers. The Charity does not pay anyone else, outside of its own team and payroll to fundraise.

c. **Fundraising confirming to recognised standards;**

The Charity is a member of the Institute of Fundraising and it adheres to the Fundraising Codes of Conduct. It is also a paid member of the Fundraising Regulator. The Charity team regularly attends training sessions and stays up-to-date with any changes in standards as set for the sector by the Institute of Fundraising and other guidance bodies such as NCVO and ACEVO.

d. **Monitoring of fundraising carried out on its behalf;**

The Charity reports on fundraising performance every quarter to the Board of Trustees, working to an agreed and transparent return on investment. The Charity works to set targets and achieve these targets with restricted and unrestricted funds. All donors wishes are adhered to and the Charity operates with complete transparency for beneficiaries and our donors.

e. **Fundraising complaints;**

None received.

f. **Protection of the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate;**

The Charity does not work directly with vulnerable people and treats its donors and beneficiaries with great respect. The Charity is fully GDPR compliant and its website has the appropriate privacy notices as required by law. Each time supporters are contacted by email, by post, by text or by telephone, the Charity offers unsubscribe options or the opportunity to optout of specific type of communication with the Charity.

## 2. Use of third party fundraisers

The Charity does not use third party fundraisers.

# Trustees' report for the year ended 31 March 2020

## Introduction

Royal Brompton & Harefield Hospitals Charity was created in 1998, following the merger of Royal Brompton and Harefield Hospitals, to generate income for projects which are outside the scope of NHS funding. Through sources of income including grants, donations and legacies, the Charity funds research, medical equipment and amenities to benefit both staff and patients.

In 2014, new rules were introduced enabling NHS Charities to become independent of the Department of Health – removing dual oversight whereby such charities are regulated by both the Department of Health and the Charity Commission. As a result the Royal Brompton and Harefield Charity Trustee which acted as the trustee of the charity transferred all the assets which it held in its capacity as trustee to itself as absolute owner by a Deed of assignment effective 1 April 2015.

The Charitable Company changed its name to the Royal Brompton and Harefield Hospitals Charity (the Charity) on 17th September 2015.

## Objectives and activities

The objectives of the Charity – as stated in its governing document, the Charity Commission scheme and the Articles of Association – are to further such charitable purpose or purposes as the Trustee thinks fit, relating;

- a) To hospital services of the Royal Brompton & Harefield NHS Foundation Trust (the Trust), including research, or
- b) To any other part of the health service associated with any hospital.

In meeting these objectives the Charity aims to maximise the income generated through fundraising and investment management and to use as much of the income as possible to provide grants for the benefit of the Trust.

### **Grants distribution policy**

The Charity has both restricted and unrestricted funds. Restricted funds are given to the Charity for purposes specified by the donor and used in accordance with the donor's wishes. These restricted funds are spent mainly on research and medical equipment. Unrestricted funds may also be used for general purposes for the benefit of the hospitals.

### **Unrestricted funds**

The Charity's policy with regards to the unrestricted funds is to allocate any budgeted surplus as grants to the Trust.

The surplus is calculated after taking into account depreciation, administration and fundraising costs and costs incurred in maintaining and upgrading Charity property.

In some cases, individual project grants are made over a period of more than one year. In this instance, under the Statement of Recommended Practice (SORP), the grant is fully recognised in the year it is committed.

The Trust applies to the Charity for internal investment funding as part of its annual business planning process. From those applications, the Trust selects items it considers eligible for funding by the Charity. The selection is submitted to the Trustees for consideration.

## Property

The Charity owns a mixed property portfolio consisting of commercial and retail units on Fulham Road, commercial office space within King's Road and Sydney Street and residential properties within Onslow Gardens, which are our high-end rental flats. The Charity embarked several years ago on reinvesting some of its profits back into its property portfolio, which has seen a substantial increase in its value.

Part of this programme was to convert the upper parts of Fulham Road to provide high quality HMO accommodation. This has been extremely successful since the scheme was completed two years ago.

Further investment is ongoing, and the next project is to redesign and refurbish 1-9 Foulis Terrace. The building has been empty for several years, whilst the Charity worked alongside its planning and design advisors to provide a robust planning application to RBKC. This consists of 10 studio flats, 44 ensuite HMO rooms and a joint venture with a nursery operator to open a private nursery for the local community. The Project starts in October and is due to complete October 2021 at a total cost of £8m.

As part of our improved customer service, we now have an inhouse residential property team which gives our tenants a first line response to any maintenance issues as well as any day to day concerns our tenants may have. Our commercial portfolio is managed by Miles Commercial who are a well-known agent within the area.

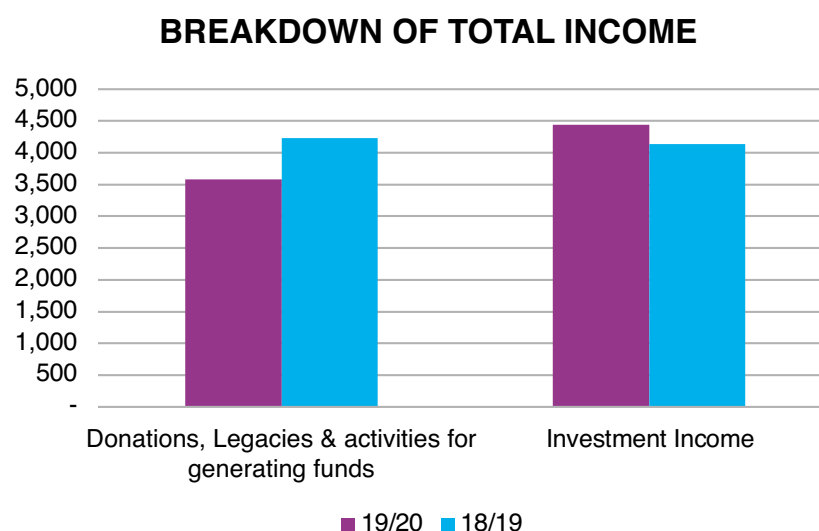
The Property portfolio performance is reported directly to our Property and Investment committee. We also have some key Trustees who are always on hand to offer help advice and support when required.

# Financial Review for the year ended 31 March 2020

The Charity's annual report and accounts for the year ended 31 March 2020 have been prepared by its Directors (who are also known as Trustees) in accordance with the Companies Act 2006, the Charities Act 2011 and the provisions of the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in July 2014. The Charity's report and accounts include all the separately established funds for which the Trust is the main beneficiary.

During the year the Charity committed £4m of charitable expenditure of which £2.5m was for restricted purposes and £0.5m for unrestricted purposes. The Charity also generated income of £8m of which £3.3m was restricted, and £4.7m unrestricted. A breakdown of the incoming resources and resources expended is provided below.

The statement of financial activities for the year to 31 March 2020 shows a deficit in net movement in

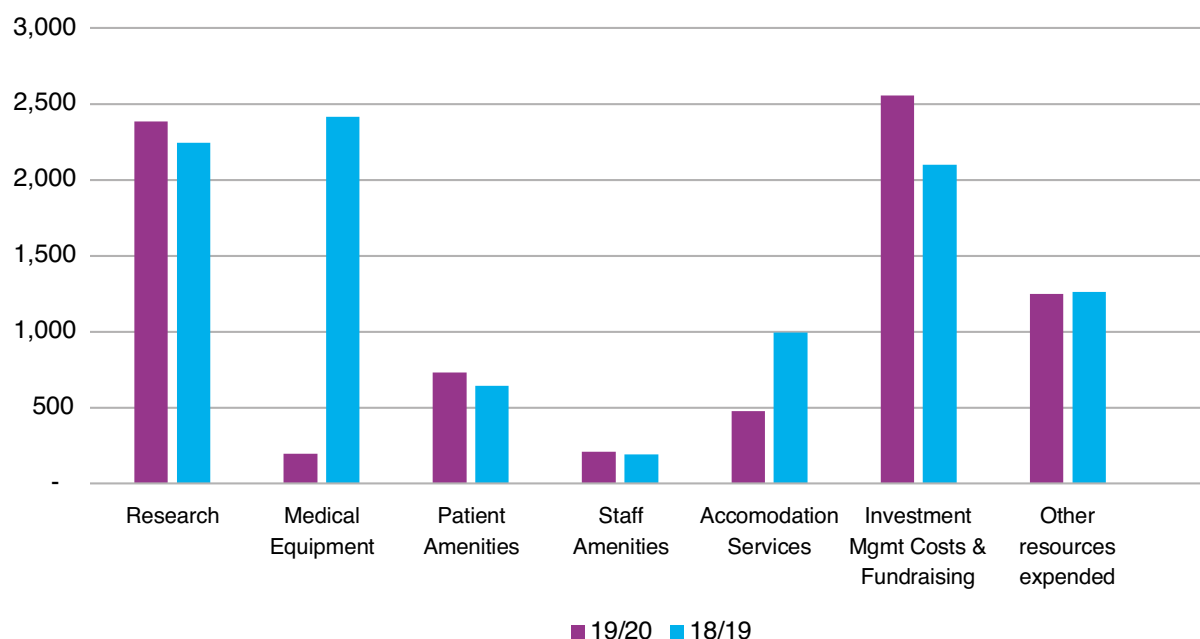


## **BREAKDOWN OF TOTAL INCOME\***

	19/20	18/19
Donations, Legacies & activities for generating funds	3,580	4,226
Investment Income	4,440	4,138
	<b>8,020</b>	<b>8,364</b>

\* Excluding charitable activities income

## BREAKDOWN OF TOTAL EXPENDITURE



	19/20	18/19
Research	2,384	2,242
Medical Equipment	196	2,415
Patient Amenities	731	642
Staff Amenities	207	193
Accommodation Services	478	995
Investment Mgmt Costs & Fundraising	2,556	2,099
Other resources expended	1,246	1,263

funds of £3.8m (2018/19: deficit of £2.9m).

The property portfolio of the Charity is revalued each year. The Charity's property portfolio was revalued at 31 March 2020 by Jones Lang LaSalle Ltd.

The overall value of the Charity's funds decreased over the year from £124,731,000 to £120,948,000 of which £10,686,000 (2018/19: £10,098,000) are restricted and £110,262,000 (2018/19: £114,633,000) unrestricted.

The balance sheet at 31 March 2020 includes tangible assets – charity offices of £869,000 (2018/19: £1,232,000), works of art of £339,000 (2018/19: £123,000), investment property assets of £119,989,000 (2018/19: £119,639,000), stock exchange investments of £24,974,000 (2018/19: £27,641,000), long term liabilities of £33,900,000 (2018/19: £35,411,000) and net current assets of £8,677,000 (2018/19: £11,291,000).



## Achievement and performance

Income from Donations and Legacies at £3.6m was down from £4.2m in 18/19 reflecting increased legacy income in the prior year. Investment property income increased from £3.3m to £3.5m, which resulted in a total income of £8m. This allowed for £4m of charitable activity spend to take place in the year in line with the charitable objectives.

## Reserves

The Charity's principal objects are to provide significant funding for medical equipment and research, staff and patient amenities and related matters. Many of the projects funded depend on continuing support from the Charity although decisions are taken annually as to the quantum of support given. The Trustee has determined that a level of unrestricted funds should be maintained to provide the income for this continuing funding support. Given varying investment returns, the Trustees keeps the level of reserves under review but considers that the current level of £110m is appropriate.

## Quoted investments

The Charity's quoted investments have been overseen by the Property and Investment committee which regularly reports on investment performance to the Corporate Trustee.

The Charity's policy on investments includes:

- a) No direct investments in tobacco stock
- b) No investments in shares unquoted on a major stock exchange
- c) Target minimum yield of 2.25%

The performance targets set by the Trustees require Newton's and Goldman Sachs, the investment managers, to exceed an agreed benchmark after fees.

For the full year the Newton fund had a 6.6% reduction in valuation, reflecting a 15.3% reduction in Q1 2020 when COVID-19 began to have a financial impact on investments. The Goldman portfolio showed a 15.7% reduction in Q1 2020 with a full year reduction of 9.2%.

## Public benefit

The Charities Act 2011 includes a requirement for Trustees to demonstrate that the Charity is operating for the public benefit.

As mentioned previously, the Charity provides grants to the Royal Brompton & Harefield NHS Foundation Trust for research, medical equipment and staff and patient amenities.

The Trust provides specialist heart & lung services for patients of all ages from across Britain. The Trust also conducts peer-reviewed cardiac and respiratory research programmes with its partners at Imperial College and other hospitals and universities. The grants from the Charity assist the Trust to provide the best treatment for its patients as well as carry out research into heart and lung disease. Examples of some of the projects funded by the Charity and their benefits are provided on pages 13 to 14.

In shaping our objectives for the year and planning our activities, the Trustees have considered the Charity Commissions guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'. The Trustees believe that the charity fulfils this.

## Going Concern

The financial statements have been prepared on the going concern basis, which the Trustees considers appropriate in the context of the Charity's ability to meet its obligations as they fall due in 12 months following the date of approval of these financial statements. The Trustees believe that the Charity is well placed to manage its business risks successfully despite for the current uncertain economic outlook caused by Covid-19

## Structure and administrative details

Royal Brompton & Harefield Hospitals Charity, is a company limited by guarantee (registration number 07795583) and a registered charity in England and Wales (registration number 1053584) and is governed by its Articles of Association. The Charitable Company is also the umbrella body for 218 subsidiary charities and restricted funds.

## Trustees

As a Charitable Company limited by guarantee, the Royal Brompton and Harefield Hospitals Charity (previously called Royal Brompton and Harefield Charity Trustee) was established on 3 October 2011. On 1 April 2012 the company was appointed to act as trustee of the Charity. By the Deed of assignment effective from 1 April 2015 the Charitable Company transferred all the assets that it held in its capacity as trustee to itself as absolute owner.

The directors of the Company who served during the year to 31 March 2020 were as follows:

- Richard Hunting (Chairman)
- Caroline Bault
- Lord Jamie Borwick
- Raj Shah
- Jo Thomas\* is an employee of Royal Brompton & Harefield NHS Foundation Trust
- Brenda Vandamme
- Helen Putter
- Professor Duncan Geddes (resigned on 20th June 2019)
- Caroline Greenhalgh (resigned on 20th June 2019)
- Sarah Newitt (resigned on 25th September 2019)
- Paul Oldershaw (appointed on 20th June 2019)
- Stuart Corbyn (appointed on 25th September 2019)
- Priya Ponnaiyah (appointed on 10th December 2019)
- Donald Wootton (appointed on 10th December 2019)

Power to appoint new Trustees lies with the existing Trustees, in accordance with provisions of the Royal Brompton and Harefield Hospitals Charity's Articles of Association. All Trustees are appointed for a fixed term not more than 4 years renewable to a maximum of 10 years.

The Charity maintains an induction pack for newly appointed members of the Trustee Board, which provides:

- Information about the Charity, including the governing document, minutes and report and accounts from the previous year.
- Information about trusteeship, including Charity Commission booklet CC3 and the Charity Governance Code.
- Charity Commission Scheme
- Trustee Act 2000, Charities Act 2011 Summary and the Charity SORP 2015.

## Structure, governance and management

The Charity's unrestricted fund was established using the model declaration of trust and all funds held on trust as at the date of registration were either part of this unrestricted fund or registered as separate restricted funds under the principal charity. Subsequent donations and gifts received by the Charity that are attributable to the original fund are added to those fund balances within the existing Charity. Where funds have been received which have specific restrictions set by the donor, new restricted funds are established.

The responsibility to oversee the management of property, quoted investments as well as finance and audit matters is undertaken by the Property and Investment committee which is a committee of the Trustee Board. The members of the investment committee at 31 March 2020 were as follows:

Raj Shah (Chair), Lord Jamie Borwick, Caroline Bault, Richard Hunting and Stuart Corbyn.

The Property & Investment Committee has responsibility for property and investment policy including strategy and management of the property and investment portfolio. It is also responsible for overseeing financial governance and all matters relating to audit. The committee meets at least four times a year.

The Chief Executive of the Charity is Gill Raikes who, under the Charity Governance Manual approved by the Trustees, has day to day responsibility for the management of the Charity. The accounting records and the day-to-day administration of the funds are dealt with by the finance department of the Charity.

This charity normally follows the pay rise as put forward by the NHS or the rate of CPI at February of each year. On top of this there are occasional modest performance related bonuses. The remuneration for the Chief Executive would follow the same process as the rest of the charity team but would always be discussed and confirmed by the chairman before it is implemented.

## Risk management

The major risks to which the Charity is exposed, as identified by the Trustees, have been reviewed and systems have been established to mitigate those risks. The principle risks and a summary of the plans and strategies for managing those risks are provided below.

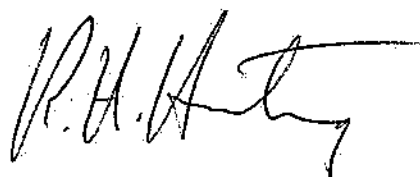
### Principal risk

- Poor use of Capital Assets of the Charitable Company, resulting in loss of income from the property portfolio.
- Pressure from the Foundation Trust to provide funds to assist with any Trust budget shortfall.

### Plans/strategies for managing the risk

- Monitoring of reports produced by the property advisors. Making sure the properties have adequate insurance.
- Trustees to assess whether the Charitable Company has sufficient available funds to cover the budget shortfall and the medium-to long-term impact on the Charitable Company's ability to continue to provide grants at the present level.

Annual financial statements are available from the Director of Finance at the principal address and telephone number. The Trustees' Report, including the Strategic Report, was approved by the Board and signed on its behalf by:



13/10/20

Mr Richard Hunting, CBE, Chairman  
October 2020

## Advisors and contact information

### **Investment**

Newton Investment Management Ltd  
Mellon Financial Centre 160 Queen Victoria Street London EC4V 4LA

### **Goldman Sachs International**

River Court 120 Fleet Street London EC4A 2BE

## Charity addresses

### **Auditor**

Moore Kingston Smith LLP  
Devonshire House 60 Goswell Road London EC1M 7AD

### **Property**

Miles Commercial  
25 Ives Street Knightsbridge London SW3 2ND

### **Legal**

Lee Bolton Monier-Williams  
1 Sanctuary Westminster London SW1P 3JT

### **Bircham Dyson Bell**

One Bartholomew Close London EC1A 7BL

### **Bank**

Metro Bank  
One Southampton Row London WC1B 5HA

### **Registered address**

One Bartholomew Close, London, United Kingdom EC1A 7BL

Telephone number: 020 7351 4273

### **Principal address**

250 Sydney Street London SW3 6NP

## Particular thanks for support in 2019/20 goes to:

### Individuals

Aideen Jenkins  
Augustine Mugwagwa  
Barend Fourie  
Caroline Johner  
Caron Chancellor  
Chloe Mason  
Deron Reid  
Eric Lim  
Eugene Conlon  
Guy Morris  
Helen Cruickshanks  
Jacqui Woodington  
John Christopher Dent  
John Pepper  
Johnny Martin Smith  
Julian Ferriere  
Kaïen Leong  
Lukman Alimohamed  
Mark Fullbrook  
Martyn Jones  
Michael Greene  
Nicky Lane  
Paul Marvin  
Raj Shah  
Richard Soulsby  
Richard Woodington  
S Kingston  
Sarah Khadka-Lowe  
Sheetal Badiani  
Shireen Juman  
Sophie Normand  
Susan Buckland  
Teresa Hudson  
Thomas Lack  
V K Mittal  
Victoria Turner  
Winnie Chiang

### Corporate supporters

Abbott Medical UK Ltd  
Abiomed Europe GmbH  
Arrhythmia Alliance  
Arthrex Limited  
AstraZeneca Plc  
BDB Pitmans LLP  
Boston Scientific Ltd  
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Bristol-Myers Squibb  
Coca-Cola Enterprises Ltd  
European Cystic Fibrosis Society  
FSC Fonds Scientifique Cardiovasculaire  
The GoodCoin Foundation  
Hamsters Transplant Club  
HEC Ltd  
Hitachi Medical Systems  
Investec Bank plc  
JSV Estates Ltd  
Kier Construction Ltd  
Lohana Community North London  
Martin-Baker  
Medela UK Ltd  
Medtronic International Trading Limited  
Oriel High School  
Roche Pharmholding BV  
Rye St Antony  
Savills UK  
Serb Ltd



**Trust and grant giving bodies**

Anglo-American Charitable Foundation  
The Charles Wolfson Charitable Trust  
Elliot's Touch  
The D'Oyly Carte Charitable Trust  
The Fieldrose Charitable Trust  
The Geoff and Fiona Squire Foundation  
Kusuma Trust UK  
The Laing Family Trusts  
The Lee Rosenthal Memorial Trust  
The McGrath Charitable Trust  
Monday Charitable Trust  
Nigel Scott Will Trust  
The P F Charitable Trust  
Rogers Stirk Harbour + Partners Charitable Foundation Ltd  
Simone Cowland Charitable Trust Limited  
Sloane Robinson Foundation  
St. James's Place Charitable Foundation

**rb&hArts would like to thank**

Arts Council England  
BBC Children in Need  
The Brompton Fountain  
Chelsea Physic Garden  
The Coop Foundation Building Connections Youth Strand  
Elisa Jeffery  
The Harefield Transplant Club  
Heathrow Community Trust  
Mayor of London Greener City Fund  
The National Lottery Community Fund  
Patient Amenity Fund  
Royal Brompton and Harefield Hospitals Charity  
Royal Brompton and Harefield NHS Foundation Trust  
Royal College of Physicians  
The Royal Marsden Cancer Charity  
Samuel Gardner Memorial Trust  
Youth Music



# Royal Brompton and Harefield Hospitals Charity

(Previously called Royal Brompton and Harefield Charity Trustee)

## Financial Statements for the year ended 31 March 2020

Registered Charity No. 1053584

Registered Company No. 07795583

## Trustees and Professional Advisers

### Trustees

Richard Hunting  
Caroline Bault  
Lord Jamie Borwick  
Raj Shah  
Jo Thomas  
Brenda Vandamme  
Helen Putter  
Professor Duncan Geddes (until 20th June 2019)  
Caroline Greenhalgh (until 20th June 2019)  
Sarah Newitt (until 25th September 2019)  
Paul Oldershaw (from 20th June 2019)  
Stuart Corbyn (from 25th September 2019)  
Priya Ponnaiyah (from 10th December 2019)  
Donald Wootton (from 10th December 2019)

### Principal Officers - Key Management Personnel

Gill Raikes (Chief Executive Officer)  
Stewart Butcher (Director of Property & Estates)  
Kelvin Walker (Chief Financial Officer)  
Ashley Westpfel (Director of Fundraising)

### Bankers

Metro Bank

### Solicitors

BDB Pitman  
Lee Bolton Monier-Williams

## Trustees Responsibilities Statement

The Trustees (who are also directors of Royal Brompton and Harefield Hospitals Charity) are responsible for preparing the Trustees' Annual Report and the audited financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources of the charitable company 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 judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

By Order of the Trustees

Signed:



13/10/20

Chairman  
October 2020

# Independent Auditor's Report to the members of Royal Brompton And Harefield Hospitals Charity

## Opinion

We have audited the financial statements of Royal Brompton and Harefield Hospitals Charity ('the company') for the year ended 31 March 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2020 and of its incoming resources and application of resources, including its income and expenditure, 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 Companies Act 2006.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with

the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' annual report has been prepared in accordance with applicable legal requirements.

## **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

## **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members 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 charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Luke Holt (Senior Statutory Auditor)  
for and on behalf of Kingston Smith LLP, Statutory Auditor  
Devonshire House, 60 Goswell Road, London EC1M 7AD

Date: September 2020



## Statement of Financial Activities for the year ended 31 March 2020

				2019-20	2018-19
	Note	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
		£000	£000	£000	£000
<b>Income from:</b>					
Donations and legacies	3	261	3,319	<b>3,580</b>	4,226
Charitable activities	4	28	-	<b>28</b>	28
Investments	5	4,440	-	<b>4,440</b>	4,138
<b>Total Income</b>		<b>4,729</b>	<b>3,319</b>	<b>8,048</b>	8,392
<b>Expenditure on:</b>					
Raising funds	6	2,251	305	<b>2,556</b>	2,099
Charitable activities	7	1,474	2,522	<b>3,996</b>	6,487
Other	10	1,246	-	<b>1,246</b>	1,263
<b>Total Expenditure</b>		<b>4,971</b>	<b>2,827</b>	<b>7,798</b>	9,849
Net losses on investments		(4,033)	-	<b>(4,033)</b>	(1,134)
<b>Net (Expenditure)</b>		<b>(4,275)</b>	492	<b>(3,783)</b>	(2,591)
<b>Transfers between funds</b>	18	(96)	96	-	-
<b>Other recognised gains / (losses)</b>					
Gains / (losses) on revaluation of fixed assets	13	-	-	-	249
Realised loss on disposal of fixed asset		-	-	-	(578)
<b>Net movement in funds</b>		<b>(4,371)</b>	<b>588</b>	<b>(3,783)</b>	(2,920)
<b>Reconciliation of funds:</b>					
Fund balances brought forward at		114,633	10,098	<b>124,731</b>	127,651
<b>Total funds carried forward</b>	<b>18</b>	<b>110,262</b>	<b>10,686</b>	<b>120,948</b>	124,731

The notes at pages 9 to 22 form part of these financial statements.

There were no other recognised gains or losses other than those listed above and the net income for the year.

All income and expenditure derives from continuing activity.

## Balance Sheet as at 31 March 2020

	Notes	Unrestricted Funds	Restricted Funds	Total at 31 March 2020	Unrestricted Funds	Restricted Funds	Total at 31 March 2019
		£000	£000	£000	£000	£000	£000
<b>Fixed Assets</b>							
Tangible assets	13	1,208	-	1,208	1,571	-	1,571
Investments	14	134,277	10,686	144,963	137,212	10,068	147,280
<b>Total Fixed Assets</b>		<b>135,485</b>	<b>10,686</b>	<b>146,171</b>	<b>138,783</b>	<b>10,068</b>	<b>148,851</b>
<b>Current Assets</b>							
Debtors	15	1,832	-	1,832	757	30	787
Cash and cash equivalents		11,914	-	11,914	13,546	534	14,080
<b>Total Current Assets</b>		<b>13,746</b>	<b>-</b>	<b>13,746</b>	<b>14,303</b>	<b>564</b>	<b>14,867</b>
Creditors: Amounts falling due within one year	16.1	(5,069)	-	(5,069)	(3,042)	(534)	(3,576)
<b>Net Current Assets</b>		<b>8,677</b>	<b>-</b>	<b>8,677</b>	<b>11,261</b>	<b>30</b>	<b>11,291</b>
<b>Total Assets less Current Liabilities</b>		<b>144,162</b>	<b>10,686</b>	<b>154,848</b>	<b>150,044</b>	<b>10,098</b>	<b>160,142</b>
Creditors: Amounts falling due after more than one year	16.2	(33,900)	-	(33,900)	(35,411)	-	(35,411)
<b>Net Assets</b>		<b>110,262</b>	<b>10,686</b>	<b>120,948</b>	<b>114,633</b>	<b>10,098</b>	<b>124,731</b>
<b>Funds of the Charity</b>							
Income Funds:							
Restricted		-	10,686	10,686	-	10,098	10,098
Unrestricted							
- General Fund		110,262	-	110,262	114,633	-	114,633
<b>Total Funds</b>	18	<b>110,262</b>	<b>10,686</b>	<b>120,948</b>	<b>114,633</b>	<b>10,098</b>	<b>124,731</b>

The financial statements of Royal Brompton and Harefield Hospitals Charity, registered number 1053584, were approved by the Board of Trustees and authorised for issue on.

13/10/20

Signed on behalf of the Board of Trustees

## Cash Flow Statement for the year ended 31 March 2020

	Notes	31 March 2020	31 March 2019
		£000	£000
<b>Cash flows from operating activities:</b>			
Net cash used in operating activities	20	<u>(5,158)</u>	<u>(5,142)</u>
<b>Cash flows from investing activities:</b>			
Dividends, interest and rents from investments	14.5	4,440	4,138
Proceeds from the sale of property		-	7,224
Purchase of investment property	14.1	(1,452)	(1,368)
Proceeds from sale of investment property	14.4	-	7,144
Proceeds from sale of investments	14.3	3,630	2,268
Purchase of investments	14.1	(3,551)	(2,189)
Interest paid on mortgage		1,246	1,263
<b>Net cash provided by investing activities</b>		<u>4,313</u>	<u>18,480</u>
<b>Cash flows from financing activities</b>			
Repayment of borrowing		(1,321)	(1,115)
<b>Net cash (used in) financing activities</b>		<u>(1,321)</u>	<u>(1,115)</u>
Change in cash and cash equivalents in the reporting period		(2,166)	12,223
Cash and cash equivalents at the beginning of the reporting period		14,080	1,857
Cash and cash equivalents at the end of the reporting period		<u>11,914</u>	<u>14,080</u>

Cash inflows from the Charity's bank loan have been represented as financing cashflows as the trustees consider this more fairly reflects their nature.

The notes at pages 9 to 22 form part of these accounts.

# Notes to the Financial Statements

## Year ended 31 March 2020

**1.1** Royal Brompton and Harefield Hospitals Charity, a public entity, is incorporated in England and Wales as a company limited by guarantee not having a share capital. There are currently 11 Trustees who are also the members of the company. Each member has undertaken to contribute to the assets in the event of winding up a sum not exceeding £10. the charity is a registered charity. The registered office is at 50 Broadway, London SW1H 0BL.

### **1.2 Accounting Policies**

The following accounting policies have been consistently applied in dealing with items which are considered material to Royal Brompton and Harefield Hospitals Charity's (the Charity's) financial statements.

#### **Basis of accounting**

The financial statements are prepared under the historical cost convention, modified so that investments and fixed asset properties are measured at fair value through income and expenditure within the Statement of Financial Activities in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities (SORP 2015)" applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), effective 1 January 2015 and including Update Bulletin 2; the Companies Act 2006. The Charity is a public benefit entity. The financial statements are presented in sterling and rounded to the nearest thousand pounds.

#### **Preparation of financial statements - going concern basis**

The financial statements are prepared on a going concern basis which assumes the charity will continue in operational existence for the foreseeable future. The trustees have assessed the balance sheet and likely future cash flows of the Charity at the date of approving the financial statements having considered potential impacts of Covid-19. The trustees believe that the Charity is well placed to manage its business risks successfully despite for the current uncertain economic outlook. The trustees have a reasonable expectation that the Charity has adequate resources to meet its liabilities as they fall due for a period of at least twelve months from the date of approval of these financial statements. Thus, they continue to adopt the going concern basis in preparing the financial statements. There are no material uncertainties affecting the Charity's going concern status.

### **1.3 Fund accounting**

Where there is a legal restriction on the purpose to which a fund may be put, the fund is classified as a restricted income fund. This occurs where the donor has provided that the donation is to be spent in the furtherance of a specified charitable purpose or permanent endowment where the gift provides for the funds to be invested and to produce income. Those funds which are neither endowment or restricted income funds are unrestricted income funds. These are further sub divided into designated funds, where the trustees have at their discretion created a specific fund for a specific purpose, and unrestricted funds which are at the trustees' discretion. Restricted funds donated to support the work of specific consultants and departments or wards represent £10,686,000 of the funds of the charity. The policy of the charity on transfers of funds is that the holders of restricted funds are given the

discretion to contribute to larger projects of an unrestricted nature, providing that such projects fall within the remit of their fund. The Trustees also have the discretion to grant unrestricted monies to restricted funds.

## **1.4 Income**

Income is recognised when the Charity has entitlement to the funds, any performance conditions attached to the item (s) of income have been met, it is probable that the income will be received and the amount can be measured reliably. Donations are credited to income when the charity is entitled and receipt is probable.

## **Legacies**

Legacy income is only included in income where the legacy has been received, or if before receipt, it is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or it is aware of the granting of probate, and the criteria from income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

## **1.5 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

Expenditure on raising funds includes:

- For the generation of voluntary funds, the salary costs, the associated administration and cost of fundraising events, such IT, printing and stationery, and postage.
- The cost of property management associated with raising revenue and the investment properties owned by the charitable company.
- The cost of investment management fees.

Expenditure on charitable activities includes:

- All costs identified as wholly or mainly incurred in the pursuit of the charitable objects of the charity. These costs constitute direct costs together with apportionment of support costs and governance which are shown in note 9.
- Grants payable are payments made to related or third party NHS bodies and non-NHS bodies in the furtherance of the objectives of the funds held on trust, primarily the relief of sickness. The grants are accounted on an accrual basis where the conditions for their payment have been met or where the recipient has a reasonable expectation that they will receive a grant. Provisions are made where approval has been given by the trustees as approval represents a firm intention which is communicated to the intended recipient.
- Grants payable to other NHS bodies represent contributions to the revenue and capital expenditure of Royal Brompton and Harefield NHS Foundation Trust. Grants to third parties are payments in furtherance of the charity's objectives to relieve the sick. This includes expenditure on medical equipment, research and amenities for patients and staff.
- Support costs and governance have been allocated between the cost of raising funds and charitable activities. For each cost of raising funds and charitable activity, the allocation and support costs, analysed in note 9 are added to the direct costs.

Irrecoverable VAT is charged against the category of expenditure to which it relates.

## 1.6 Taxation

The charitable company is a registered charity and has no liability to corporation tax on its charitable activities under the Corporation Tax Act 2010 (chapter 2 and 3 of part ii, section 466 onwards) or section 256 of the Taxation for Chargeable Gains Act 1992, to the extent surpluses are applied to its charitable purposes.

## 1.7 Fixed asset investments

Fixed asset investment properties are revalued annually at open market value based on existing tenancies using professional valuations in accordance with the Royal Institution of Chartered Surveyors' 'Valuation Standards' (January 2014).

A full valuation was performed as at 31 March 2020 by Jones Lang LaSalle Ltd, surveyors, land & property consultants, acting as independent valuers.

Gains and losses arising from the revaluation of Investment properties are recorded in the statement of financial activities (SOFA).

## 1.8 Realised and unrealised gains and losses on investment assets

All gains and losses are taken to the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sale proceeds and the opening market value (or the purchase date if later). Unrealised gains and losses are calculated as the difference between the market value at the year end and the opening market value (or the purchase date if later).

## 1.9 Fixed Assets

### (a) Capitalisation

All assets falling into the following categories are capitalised.

- (i) Tangible assets which are capable of being used by the Charity for more than one year and individually have a cost equal to or greater than £5,000;
- (ii) Groups of tangible fixed assets which are interdependent or would normally be provided or replaced as a group with a total value in excess of £5,000 and an individual value of £250 or more

### (b) Valuation

Tangible fixed assets are valued as follows:

- (i) Land and buildings are stated at their existing use value although an open market valuation might be higher as it would allow for more commercial rentals. Land and buildings are revalued every year. As at 31 March 2020 a full valuation was performed by Jones Lang LaSalle, surveyors, land & property consultants, acting as independent valuers.
- (ii) The works of art are revalued at five year intervals. The last valuation was made in April 2019 by Christie, Manson & Woods Ltd Fine Arts Valuers, at their market value. The Trustees consider this valuation to still represent the market value at the balance sheet date.

### (c) Depreciation

- (i) Depreciation is charged on each main class of tangible asset as follows: land and works of art which are not depreciated. Buildings are depreciated on a straight line basis on their revalued amount over the assessed remaining life of the asset as advised by professional valuers. The assessed remaining life is currently 40 years.
- (ii) Impairments, where incurred in the year are separately identified and charged to the funds of the Charity and to the Statement of Financial Activities in the year when the impairment was recognised.

### **1.10 Debtors**

Debtors are amounts owed to the Charity. They are measured on the basis of their recoverable amount.

### **1.11 Cash and cash equivalents**

Cash at bank and in hand is held to meet the day to day running costs of the Charity as they fall due. Cash equivalents are short term, highly liquid investments, usually in 90 day notice interest bearing savings accounts.

### **1.12 Creditors**

Creditors are amounts owed by the Charity. They are measured at the amount that the Charity expects to have to pay to settle the debt. Amounts which are owed in more than a year are shown as long term creditors.

### **1.13 Interest Allocation for restricted funds**

The policy of the charity is to invest the entire charitable money available on behalf of the unrestricted funds. It has been decided that those funds attributable to restricted funds be treated as loaned to unrestricted funds for this purpose.

The restricted funds were not paid an interest rate for the year under review. The policy will be kept under review.

### **1.14 Property and Investment Committee**

A Property and Investment Committee oversee the Charity's Property and Investment portfolio during the year.

The membership of the Investment Committee at 31 March 2020 was;

\*Dr Raj Shah, (Chair), \*Mr Richard Hunting, \*Lord Jamie Borwick, \*Mrs Carolie Bault and

\*Mr Stewart Corbyn.

\*denotes a Board Member of the Charity.

## **2 Critical Accounting Judgements and Key Sources of Estimation Uncertainty**

In the Application of the Charity's accounting policies, which are 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 underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The following judgement is considered by the trustees to have most significant effect on amounts recognised in the financial statements:

The charity's investment property is included in the financial statements at valuation as described in note 14 to the financial statements. This is considered to be a critical accounting estimate in view of the amounts involved and the judgements applied in their valuation, particularly in light

of uncertainties arising from the coronavirus pandemic. The full impact of the novel coronavirus (COVID-19) on property markets is not yet clear and many surveyors are preparing valuations on the basis of 'material valuation uncertainty' as per VPS 3 and VPGA 10 of the RICS Red Book Global.

The investment property was last re-valued by a third party, Jones Lang LaSalle Ltd, on 31 March 2020 in accordance with the Practice Statements and Guidance Notes contained in the Valuation Standards of the Royal Institution of Chartered Surveyors (RICS) 6th Edition. The Trustees have considered the valuations as at the balance sheet date with reference to comparable available market information, factoring in the potential impact of the coronavirus and resultant potential discounts to value. The Trustees consider that the valuations represent the best estimate of fair value at the balance sheet date.



## Notes to the Financial Statements (continued)

### 3 Analysis of Income Donations and Legacies

	Unrestricted Funds	Restricted Funds	Total 2020 Funds	Unrestricted Funds	Restricted Funds	Total 2019 Funds
	£000	£000	£000	£000	£000	£000
Donations from individuals	187	1,162	1,349	141	1,052	1,193
Corporate donations	62	1,481	1,543	71	1,886	1,957
Consultant fees	-	379	379	-	206	206
Legacies	12	297	309	251	619	870
	<b>261</b>	<b>3,319</b>	<b>3,580</b>	<b>463</b>	<b>3,763</b>	<b>4,226</b>

### 4 Analysis of Income from Charitable Activities

	Unrestricted Funds	Restricted Funds	Total 2020 Funds	Unrestricted Funds	Restricted Funds	Total 2019 Funds
	£000	£000	£000	£000	£000	£000
Income from charitable properties	28	-	28	28	-	28
	<b>28</b>	<b>-</b>	<b>28</b>	<b>28</b>	<b>-</b>	<b>28</b>

### 5 Analysis of Income from Investments

	Unrestricted Funds	Restricted Funds	Total 2020 Funds	Unrestricted Funds	Restricted Funds	Total 2019 Funds
	£000	£000	£000	£000	£000	£000
Investment properties	3,574	-	3,574	3,353	-	3,353
Investments listed on Stock Exchanges	866	-	866	760	25	785
	<b>4,440</b>	<b>-</b>	<b>4,440</b>	<b>4,113</b>	<b>25</b>	<b>4,138</b>

### 6 Analysis of Expenditure on Raising Funds

	Direct Costs £000	Support Costs £000 (note 9)	Total 2020 £000	Direct Costs £000	Support Costs £000 (note 9)	Total 2019 £000
Cost of generating voluntary income	1,125	108	1,233	768	111	879
Investment management costs	1,169	154	1,323	1,059	161	1,220
	<b>2,294</b>	<b>262</b>	<b>2,556</b>	<b>1,827</b>	<b>272</b>	<b>2,099</b>

### 7 Analysis of Expenditure on Charitable Activities

	Direct Costs £000	Support Costs £000 (note 9)	Total Cost 2020 £000	Direct Costs £000	Support Costs £000 (note 9)	Total Cost 2019 £000
Grant						
Medical research	2,311	73	2,384	2,141	101	2,242
Provision of medical equipment	196	-	196	2,390	25	2,415
Staff amenities and welfare	191	16	207	181	12	193
Patients amenities and welfare	704	27	731	595	47	642
	<b>3,402</b>	<b>116</b>	<b>3,518</b>	<b>5,307</b>	<b>185</b>	<b>5,492</b>
Other Direct						
Accommodation services	421	57	478	863	132	995
	<b>3,823</b>	<b>173</b>	<b>3,996</b>	<b>6,170</b>	<b>317</b>	<b>6,487</b>

## Notes to the Financial Statements (continued)

### 8 Analysis of Grant Expenditure

	Grant Funded Activities £000	Attributable Support Costs £000	Total Cost 2020 £000	Total 2019 £000
Medical research	2,311	73	2,384	2,242
Provision of medical equipment	196	-	196	2,415
Staff amenities and welfare	191	16	207	193
Patients amenities and welfare	704	27	731	642
	<b>3,402</b>	<b>116</b>	<b>3,518</b>	<b>5,492</b>

The total cost of making grants is disclosed on the face of the Statement of Financial Activities. The beneficiaries for each category of charitable activity is disclosed as above. Grants are made to Royal Brompton and Harefield NHS Foundation Trust and Imperial College. During the year the Charity made £3,053,000 (2018 £6,812,000) and £349,000 (2018 £374,000) of grants to Royal Brompton and Harefield Foundation Trust and Imperial College respectively. The Trust operated a system whereby grant funded activity is managed by those responsible for respectively. The Trust operated a system whereby grant funded activity is managed by those responsible for respectively. The Trust operated a system whereby grant funded activity is managed by those responsible for the day to day disbursements on their projects in accordance with the directions set out by the trustees in the Standing Orders and Financial Instructions. Imperial College supplies both staff and services, helping to facilitate research programmes relating to Cardiac and Thoracic illnesses in which Royal Brompton and Harefield NHS Foundation Trust specialises.

### 9 Analysis of Support Costs

	Cost of Generating Funds (note 6) £000	Charitable Activities (note 7) £000	Total 2020 £000	Total 2019 £000
Governance	59	39	98	130
Finance	166	109	275	398
Information Technology	11	7	18	18
Human Resources	16	11	27	26
Procurement	9	8	17	17
<b>Total</b>	<b>261</b>	<b>174</b>	<b>435</b>	<b>589</b>

### 10 Analysis of other Expenditure

	Unrestricted Funds £000	Total 2020 Funds £000	Unrestricted Funds £000	Total 2019 Funds £000
Interest on Loan and related costs	1,246	1,246	1,263	1,263
<b>Total</b>	<b>1,246</b>	<b>1,246</b>	<b>1,263</b>	<b>1,263</b>

### 11 Net Income / (Expenditure) for the period

	2020 £000	2019 £000
Net (expenditure) / income is stated after charging:	(3,783)	(2,591)
Depreciation of owned assets	20	56
Impairment of owned assets	343	197
Auditor's remuneration:		
- Fees payable to the charity's auditor for the audit of the charity's annual financial statements - current year	15	14
charity's annual financial statements - prior year under-accrual	2	-

## Notes to the Financial Statements (continued)

### 12 Analysis of Staff Costs, Trustee Remuneration and Expenses, and the cost of Key Management Personnel

The average monthly number of employees was:

	2020 No.	2019 No.
Raising funds	12	13
Charitable activities	2	3
Support	3	3
	<u>17</u>	<u>19</u>

Their aggregate remuneration comprised:

	2020 £000's	2019 £000's
Salaries and wages	782	818
Social security costs	88	88
Other pension costs	42	54
Total	<u>912</u>	<u>960</u>

All of the staff are employed directly by the Charity, an analysis of costs is shown above.

The number of staff whose emoluments, excluding pension contributions but including benefits in kind, were in excess of £60,000 was:

	2020 No.	2019 No.
£60,001 - £70,000	-	1
£70,001 - £80,000	1	-
£150,001 - £160,000	1	1

The total remuneration of the key management personnel of the Charity for the year totalled £420,000 (2019: £318,000).

#### Trustees' Remuneration

No trustees received remuneration during the current or prior year. There were no travel and subsistence expenses reimbursed to the Trustees in the period.

#### Trustees' Indemnity Insurance

Trustees and officers' indemnity insurance policy is held by the charity providing indemnity of £5 million. The cost of the policy in 2019/20 was £1,092 (2018/19: £1,092).

## Notes to the Financial Statements (continued)

### 13 Tangible Fixed Assets

	Freehold Land and Buildings	Works of Art	Total 2020	2019
	£000	£000	£000	£000
Total Tangible Fixed Assets:				
Balance at 1 April 2019	1,562	339	1,901	11,454
Disposals	-	-	-	(7,802)
Transfer	-	-	-	(2,000)
Revaluations	-	-	-	249
Balance at 31 March 2020	<b>1,562</b>	<b>339</b>	<b>1,901</b>	1,901
Accumulated Depreciation:				
Balance at 1 April 2019	330	-	330	77
Charge for the year	20	-	20	56
Impairment	343	-	343	197
Balance at 31 March 2020	<b>693</b>	<b>-</b>	<b>693</b>	330
Net Book Value at 31 March 2020	<b>869</b>	<b>339</b>	<b>1,208</b>	1,571
Net Book Value at 31 March 2019	<b>1,232</b>	<b>339</b>	<b>1,571</b>	11,377
Historic cost at 31 March 2020 (The original cost when acquired by the charity)	<b>125</b>	<b>-</b>	<b>125</b>	125

The Charity had its land and buildings portfolio revalued at 31 March 2020 by Jones Lang LaSalle Ltd, surveyors, land and property consultants. Land and buildings are stated at their existing use value although an open market valuation might be higher as it would allow for more commercial rentals. The freehold land to the value of £700,000 (2019 £700,000) has not been depreciated.

## Notes to the Financial Statements (continued)

### 14 Fixed Asset Investments

14.1	Fixed Asset Investments:	Properties £000	Investments £000	2020 £000	2019 £000
	Market value at 1 April	119,639	27,641	147,280	152,269
	Less: Disposals at carrying value	-	(3,570)	(3,570)	(9,352)
	Add: Acquisitions of investments at cost		3,551	3,551	2,189
	Transfers	-	-	-	2,000
	Fixed asset investments	1,452	-	1,452	1,368
	Net gain / (loss) on revaluation	(1,102)	(2,648)	(3,750)	(1,194)
	Market value at 31 March	<u>119,989</u>	<u>24,974</u>	<u>144,963</u>	<u>147,280</u>
	Historic cost at 31 March	<u>41,970</u>		<u>41,970</u>	<u>41,970</u>
	(The original cost when acquired by the charity)				

All Investment Properties held by the Charity are Freehold.

14.2	Market value at 31 March 2020	Held in UK £000	2020 Total £000	2019 Total £000
	Investment properties	119,989	119,989	119,639
	Investments listed on Stock Exchanges	24,974	24,974	27,641
		<u>144,963</u>	<u>144,963</u>	<u>147,280</u>

In the Balance Sheet £10,686,000 are held as investments listed on the Stock Exchanges for the Restricted Funds.

14.3	Realised (loss)/gain on disposal of stock exchange investments	2020 £000	2019 £000
	Proceeds of sale	3,630	2,268
	Carrying value	<u>(3,570)</u>	<u>(2,252)</u>
		<u>60</u>	<u>16</u>

14.4	Realised (loss)/gain on disposal of Investment properties	2020 £000	2019 £000
	Proceeds of sale	-	7,144
	Proceeds - accrued income	-	-
	Carrying value	<u>-</u>	<u>(7,100)</u>
		<u>-</u>	<u>44</u>

### 14.5 Total Gross Income from Investments

	Held in UK £000	2020 Total £000	2019 Total £000
Investment properties	3,574	3,574	3,353
Investments listed on Stock Exchanges	866	866	785
	<u>4,440</u>	<u>4,440</u>	<u>4,138</u>

## Notes to the Financial Statements (continued)

### Analysis of Current Assets

#### 15 Debtors

	31 March 2020 £000	31 March 2019 £000
<b>Amounts falling due within one year:</b>		
Other debtors	1,604	601
Accrued income	228	186
Total debtors falling due within one year	<u>1,832</u>	<u>787</u>

#### 16 Creditors

	31 March 2020 £000	31 March 2019 £000
<b>16.1 Amounts falling due within one year:</b>		
Grant commitments	806	622
Accruals	650	1,326
Bank Loan	1,275	1,085
Other creditors	2,338	543
Total creditors falling due within one year	<u>5,069</u>	<u>3,576</u>
<b>16.2 Amounts falling due after more than one year:</b>		
Bank Loan	33,900	35,411
Total creditors falling due after more than one year	<u>33,900</u>	<u>35,411</u>
Total creditors	<u>38,969</u>	<u>38,987</u>

The loan is repayable in 3 tranches: August 2022, March 2039, September 2041 and interest on the loan is payable at 2.7% above base rate.  
80-92 Fulham Rd SW3 6HR, 94-108 Fulham Rd SW3 6HS, 10-12 Onslow Gardens SW7 3AP, 13-16 Onslow Gardens SW7 3AW, 250 Kings Rd SW3 6NP and 151 Sydney St SW3 6NT are charged in favour of the bank as security. The loan is 33% of the value of the assets charged. The aggregate amount of the assets secured on loan is £110,370,000.

## Notes to the Financial Statements (continued)

### 17 Comparative Statement of Financial Activities

				2018-19	2017-18
	Note	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
		£000	£000	£000	£000
<b>Income from:</b>					
Donations and legacies	3	463	3,763	4,226	4,236
Charitable activities	4	28	-	28	116
Investments	5	4,113	25	4,138	3,786
					-
<b>Total Income</b>		<b>4,604</b>	<b>3,788</b>	<b>8,392</b>	<b>8,138</b>
<b>Expenditure on:</b>					
Raising funds	6	2,050	49	2,099	2,180
Charitable activities	7	2,052	4,435	6,487	6,273
Other	10	1,263	-	1,263	1,139
<b>Total Expenditure</b>		<b>5,365</b>	<b>4,484</b>	<b>9,849</b>	<b>9,592</b>
Net losses on investments		(1,134)	-	(1,134)	(7,928)
<b>Net (Expenditure)</b>		<b>(1,895)</b>	<b>(696)</b>	<b>(2,591)</b>	<b>(9,382)</b>
<b>Transfers between funds</b>	18	(334)	334	-	-
<b>Other recognised gains / (losses)</b>					
Gains on revaluation of fixed assets	13	249	-	249	3,080
Realised loss on disposal of fixed asset		(578)	-	(578)	-
<b>Net movement in funds</b>		<b>(2,558)</b>	<b>(362)</b>	<b>(2,920)</b>	<b>(6,302)</b>
<b>Reconciliation of funds:</b>					
Fund balances brought forward at 31 March 2018		117,191	10,460	127,651	133,953
<b>Total funds carried forward</b>	<b>18</b>	<b>114,633</b>	<b>10,098</b>	<b>124,731</b>	<b>127,651</b>

There were no other recognised gains or losses other than those listed above and the net income for the year.  
All income and expenditure derives from continuing activity.



## Notes to the Financial Statements (continued)

### 18 Movements on Funds

	At 1 April 2019	Income	Expenditure	Gains / (losses)	Transfers	At 31 March 2020
	£000	£000	£000	£000	£000	£000
Unrestricted funds:						
Unrestricted funds total	114,633	4,729	(4,971)	(4,033)	(96)	110,262
Restricted funds:						
The Asmarley Trust	798	260	(136)	-	-	922
CAMRIC Fund	704	179	(94)	-	-	789
CORDA	503	110	(156)	-	-	457
Radiology Research Fund	426	1	(25)	-	-	402
Cystic Fibrosis Appeal	408	78	-	-	-	486
Harefield Cardiac Research fund	349	-	(23)	-	-	326
Special Cardiac Fund	349	130	(8)	-	-	471
RELACS Group Database	307	31	(62)	-	(1)	275
Brompton Breathers Fund	248	23	(59)	-	-	212
Cryotherapy	233	-	(10)	-	-	223
Others (208)	5,773	2,507	(2,254)	-	97	6,123
Restricted funds total	10,098	3,319	(2,827)	-	96	10,686
<b>Total charity funds</b>	<b>124,731</b>	<b>8,048</b>	<b>(7,798)</b>	<b>(4,033)</b>	<b>-</b>	<b>120,948</b>

#### Restricted funds

##### Name of fund

The Asmarley Trust	Development of molecular medicine
CAMRIC	Magnetic resonance in cardiology
CORDA	Preventing heart disease and stroke
Radiology Research Fund	Research & education into cardiothoracic imaging
Cystic Fibrosis Appeal	Help people with cystic fibrosis take control
Harefield Cardiac Research fund	Lung development, regeneration and failure research
Special Cardiac Fund	Cardiac research
RELACS Group Database	Large airway collapse with symptoms - database
Cryotherapy	Cryosurgery research, staff welfare and amenities

#### Transfers between funds

	2020 £000's	2019 £000's
Transfer to Research Funds	-	57
Transfer to closed appeals	-	9
Transfer to Cystic Fibrosis Appeal	-	120
Transfer to RBH Catheter Lab Appeal	-	161
Transfer to Patient Amenity Fund	-	(13)
Transfer to RELACS Group Database	(1)	-
Transfer to other funds	97	-
Net contribution to restricted funds	<b>96</b>	<b>334</b>
Transfer from Unrestricted to Restricted funds (as above)	(96)	(334)
Total contribution from Unrestricted	<b>(96)</b>	<b>(334)</b>

## Notes to the Financial Statements (continued)

### 19 Comparative Movements on Funds

	At 1 April 2018	Income	Expenditure	Gains/ (losses)	Transfers	At 31 March 2019
	£000	£000	£000	£000	£000	£000
Unrestricted funds:						
General fund	110,346	4,604	(5,365)	(1,496)	6,544	114,633
Unrestricted funds total	<u>110,346</u>	<u>4,604</u>	<u>(5,365)</u>	<u>(1,496)</u>	<u>6,544</u>	<u>114,633</u>
Designated funds:						
Revaluation reserve	6,845	-	-	33	(6,878)	-
Designated funds total	<u>6,845</u>	<u>-</u>	<u>-</u>	<u>33</u>	<u>(6,878)</u>	<u>-</u>
Restricted funds:						
The Asmarley Trust	736	262	(200)	-	-	798
CAMRIC Fund	596	191	(83)	-	-	704
CORDA	1,467	42	(1,006)	-	-	503
	440	23	(37)	-	-	426
Cystic Fibrosis Appeal	6	104	(2)	-	300	408
	350	1	(2)	-	-	349
	286	75	(12)	-	-	349
	287	38	(18)	-	-	307
	142	151	(45)	-	-	248
Cryotherapy	281	3	(51)	-	-	233
Others (208)	5,869	2,898	(3,028)	-	34	5,773
Restricted funds total	<u>10,460</u>	<u>3,788</u>	<u>(4,484)</u>	<u>-</u>	<u>334</u>	<u>10,098</u>
<b>Total charity funds</b>	<b><u>127,651</u></b>	<b><u>8,392</u></b>	<b><u>(9,849)</u></b>	<b><u>(1,463)</u></b>	<b><u>-</u></b>	<b><u>124,731</u></b>

#### Restricted funds

##### Name of fund

The Asmarley Trust	Development of molecular medicine
CAMRIC	Magnetic resonance in cardiology
CORDA	Preventing heart disease and stroke
Radiology Research Fund	Research & education into cardiothoracic imaging
	Help people with cystic fibrosis take control
	Lung development, regeneration and failure research
Special Cardiac Fund	Cardiac research
RELACS Group Database	Large airway collapse with symptoms - database
Cryotherapy	Cryosurgery research, staff welfare and amenities

#### Transfers between funds

	2019 £000's	2018 £000's
Transfer to Research Funds	57	98
Transfer to closed appeals	9	-
Transfer to Cystic Fibrosis Appeal	120	2,204
Transfer to RBH Catheter Lab Appeal	161	-
Transfer to Patient Amenity Fund	(13)	-
Net contribution to restricted funds	<u>334</u>	<u>2,302</u>
Transfer from Unrestricted to Restricted funds (as above)	(334)	(2,302)
Total contribution from Unrestricted	<u>(334)</u>	<u>(2,302)</u>
Transfer from Designated to Unrestricted Funds		
Sale of 1 Neville Street	(2,500)	-
Sale of 7 Neville Street	(3,067)	-
Transfer of revaluation reserves of disposed properties	<u>(5,567)</u>	<u>-</u>

## Notes to the Financial Statements (continued)

### 20 Related Party Transactions

During the year none of the Trustees, members of the Property and Investment Committee nor Key Management Personnel or parties related to them have undertaken any material transactions with the Charity, except as disclosed below.

No Trustee received payment from professional or other services supplied to the charity during the period

Total donations received from the trustees during the period were £13,500 (2019: £17,391).

### 21 Notes to the Cash Flow Statement

#### Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2020 £000	2019 £000
<b>Net (expenditure) / income for the reporting period</b>	<b>(3,783)</b>	<b>(2,591)</b>
<b>Adjustments for:</b>		
Depreciation charges	20	56
Impairment	343	197
Losses on investments	3,690	1,134
Dividends, interest and rents from investments	(4,440)	(4,138)
(Increase) / decrease in debtors	(1,045)	1,401
Increase in creditors	1,303	62
Interest paid on mortgage	(1,246)	(1,263)
<b>Net cash provided by (used in) operating activities</b>	<b>(5,158)</b>	<b>(5,142)</b>

Cash inflows from the Charity's bank loan have been represented as financing cashflows as the trustees consider this more fairly reflects their nature.

### 22 Net debt

	1 April	Cash flows	Other	31 March
Cash at bank and in hand	14,080	(2,166)	-	11,914
Bank loans	(36,496)	1,321	-	(35,175)
<b>Net debt</b>	<b>(22,416)</b>	<b>(845)</b>	<b>-</b>	<b>(23,261)</b>

### 23 Post Balance Sheet Events

There were no significant post balance sheet events in either the current or prior year.



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