

**King George & Queen's
Hospitals Charity**

Annual Report and Accounts

2021 - 2022

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Reflections from the Chair



None of us could have imagined how lengthy the journey back from the pandemic was going to be. As the world slowly opened around us, we knew that things would never be the same again. We have all had to embrace change and as a charity we already knew that coming back from Covid would be a bumpy ride. Many charities including ours will find the next year difficult due to rising inflation and an upsurge of urgent charity appeals supporting crisis both at home and abroad.

The last twelve months have been a challenge, but we are extremely proud of the projects we have been able to take forward. We have worked closely with our Trust's wellbeing team and were instrumental in planning refurbishments for all staff rooms across the Trust; making them better equipped and more comfortable places for our exhausted staff to relax. We took the lead on establishing and funding a new trial ambulance service called HOMEFIRST, dedicated to our elderly and most vulnerable patients. The project provided our elderly patients a confirmed discharge and transfer home from hospital and enabled them to be assessed in the familiar surroundings of their own home. A six-month trial proved a great success and HOMEFIRST has now become a regular BHRUT service.

We have continued to grow our volunteer and ambassador groups which has brought forth new support and fresh ideas, and in doing so we have strengthened our team for the challenges ahead; with their help we have reinstated a series of events and campaigns which will commence in April 2022.

We have undertaken an in-depth Due Diligence investigation, in an effort to streamline the funds the charity holds and have successfully had a large proportion of them re-classified to unrestricted. More about this can be read in the Financial Review section.

Finally, my sincere thanks go to our Charity team who have worked tirelessly over the last year and to our volunteers, ambassadors and BHRUT staff committee members who regularly give up their time to support our Charity.

Our Charity's vision

King George & Queen's Hospitals Charity is a local NHS Charity supporting two local hospitals: King George Hospital in Ilford and Queen's Hospital in Romford. Our focus is clear – we work alongside and in support of Barking, Havering & Redbridge University Hospitals NHS Trust and the Trust's staff and clinical teams to make our hospitals even better for our patients and their families.

Our Charity does not subsidise the core responsibilities of the NHS, but we enhance the essential services provided by them to make the hospital journey the best it can be for everyone.

Our charitable donations to the hospitals fall into four categories:

- Medical equipment
- Information & technology
- Comfort & the environment
- Research & training

We actively create events, challenges and campaigns to encourage our community to help us raise funds, and we are the custodians of all voluntary donations and charity investments. We take pride in ensuring our supporters' donations will be wisely spent and used in a specific area if requested.

Our role is to listen to the concerns, ideas and innovations of both our patients and staff and to help turn their great ideas into reality - making the hospital experience better for all.

Charity begins at home and our charity vision is to support our hospitals and make them better equipped and more comfortable for all who need our care both now and in the future.

The Charity Team



George Wood
Chairman



Carol Madeley
Member



Niki Eves
Member



Sue Williams
Member



Tracey Thorne
Divisional Director (Acute Medicine)



Chris Randall*
Associate Director of Finance (Financial Governance)



Stuart Greenacre**
Associate Director of Finance (Strategic Capital)



Lynda Head
Head of Fundraising



Marina Christopher
Fundraising Office Manager



Ellen Kyriacou
Charitable Accountant



Torren Mahmut
Community Fundraiser



Michell Fox
Fundraising Office Coordinator



Betti Palfalvi***
Accounts Assistant



Kyra Swaby
Comms & Marketing Officer

*Until June 2021

**From August 2021

***Until February 2022

A word from the Head of Fundraising



Our commitment to fundraising has never faltered, but it has been an incredibly challenging year and one where we were never truly able to keep on plan. During the recovery from Covid like all charities, we lost almost half our regular income lines due to restrictions. People's daily lives and activities have changed so much that we have had to be creative, and able to identify opportunities to diversify at speed.

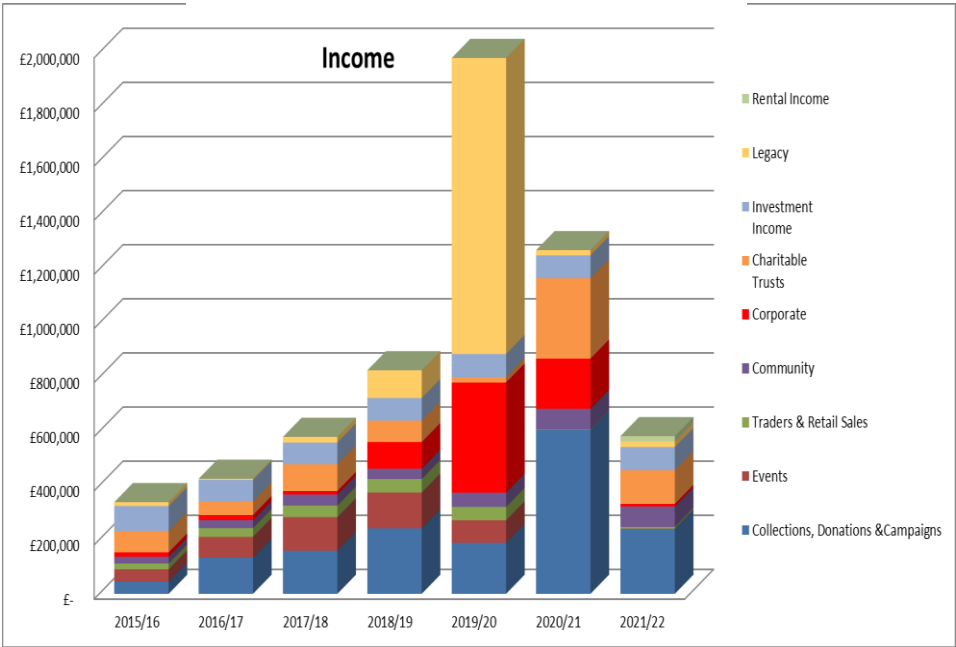
Having created and set in motion two important grant funded projects for the elderly, we have now turned our attention to our youngest patients. Space was in short supply during restrictions, and the children's play areas were essential for emergency use. Play areas were repurposed as storage and emergency planning rooms. Now as we edge nearer to normality, the children's areas are being handed back, and are in desperate need of a makeover. We have rallied support and been successful in gaining funds from grant funders and foundation trusts, eg; Morrisons Trust, Charles S French Foundation and The National Lottery to name but a few. We will soon be in position to take forward two exciting interactive refurbishments for Tropical Lagoon in-patients' unit, and the outpatient area at Queens Hospital, incorporating both an internal and external play areas.

We continue to learn about property ownership, and we are about to complete our first refurbishment on one of our inherited houses. This was a slow process made worse by the shortage of both supplies and building trades. However, we are now close to finalising our first rental property. We are proud to be releasing it to support our own BHRUT clinical staff who have come to support us from overseas.

Later in the year we will return to planning larger events, treading carefully until we understand the trend. We plan to hold a large quiz night, and charity ball themed on Marvel-lous superheroes in support of our clinical teams. There will no doubt be hurdles still to jump, and pitfalls to avoid, but we are confident that having faced the worst pandemic for one hundred years, our team is battle ready for the year ahead.

Sources of income and how we raised our funds

Charity income for the last 7 years
2016-2022



Although over the past five years the charity had seen a steady growth year on year from fundraising activity, there have been multiple changes in opportunity since the pandemic. The above graph shows that donations in general rose significantly over the Covid period with an outpouring of respect from the public for healthcare in general, but that income line has now dropped to less than pre pandemic levels of 18/19.

The community and local corporate sectors have been conflicted with the onset of crisis both at home and abroad and sharing local funds with other charities has greatly affected our fundraising opportunities and our income line. Grants have kept buoyant due to funds from NHS Charities Together who still hold funds from the Nationwide campaign during the pandemic.

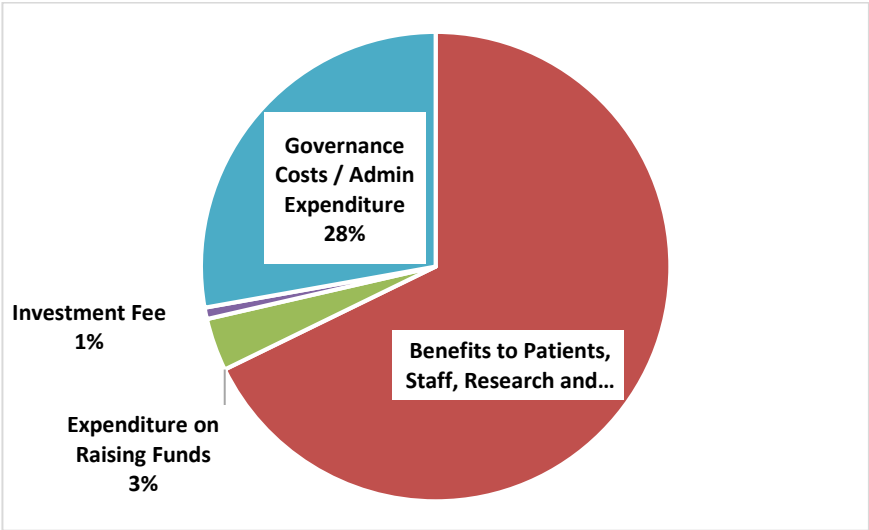
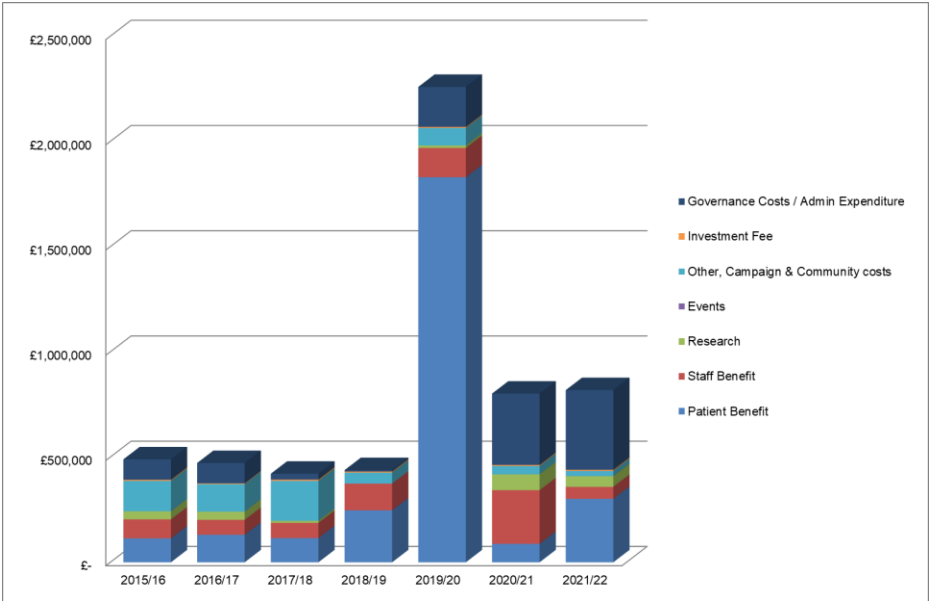


Our property portfolio dropped slightly as house prices fell from the high of 2019. We are also now valuing our properties with sitting tenants which affects the total value of the houses should we wish to sell.

We spent in total £675k bringing benefit to patients and staff, while maintaining all our core investments, meaning the charity still has a total worth, including investments, of £3,641k.

Sources and breakdown of expenditure

Charity expenditure for the last 7 years



How we used our funds

Medical Equipment

We were able to purchase a LUCAS Mechanical Chest Compression device for Emergency Department. This equipment enables effective chest compression and decompression during cardiac arrest. It is recognised as being one of the best practice devices as it provides a high-level artificial circulation during resuscitation attempts. The device also replaces staff member provision of chest compressions which is extremely tiring and a potential source of injury to the patient.



The LiteGait hoist

Adam Shinebroom completed a 100km cycle ride with his friends in honour of his mum Hazel who sadly passed away at Queen's Hospital in 2020. Due to Adam's hard work and the support he received, we were able to purchase a new state of the art LiteGait de-weighting system. The hoist allows patients to participate in challenging functional activities, such as standing, balancing,

and walking. The individually adjusted overhead straps provide support for upright positioning, postural control, and easy lifting to help those who are unable to support themselves.

Research and training

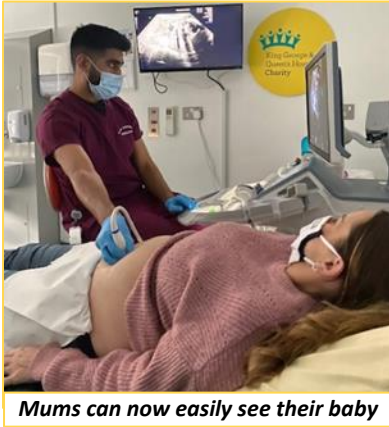
We supported our amazing BHRUT Digestive Diseases Centre Surgery team as they joined together to plan their Vision and Strategy for the future. Located in the Orsett

Hall Hotel, the teams were joined both in person and via teams by captivating experts from across the world exploring the latest innovation in digestive disease surgery. Everyone from the team had the chance to hear about new opportunities and techniques enabling them to play their part in building the future of surgery at BHRUT.



The BHRUT Digestive Diseases Centre Surgery Team

Technology and information



We have provided additional ultrasound display monitors in our Absolute Neutrophil Count (ANC) obstetric scan rooms. These monitors are aimed at improving patient, staff and families' welfare and experience. During the scan, both the sonographer and patient are now able to see the baby on two separate screens. This allows the patient to bond with their baby whilst the sonographer can concentrate on the scan. The use of additional display monitors helps reduce the musculoskeletal injuries caused to sonographers as there is now no need to turn and share the screen, this also improves the quality of the scan.

Comfort and the environment

Due to the pandemic, there was a significant impact on patient's well-being and mental health which resulted in patients taking longer to recover due to low mood and isolation. Fifteen televisions and radios were

purchased for Sky B Ward to help boost patients' mental wellbeing and elevate their mood.



After a request from our Women and Children's Health division, we purchased overnight sleeper chairs for the wards, allowing parents to stay close to their child while in hospital. Parents desperately needed the chairs to enable them to spend a more comfortable night on the ward.

Case studies

Maisie's Clocks

Linda Sullivan was admitted to Queen's Hospital in December 2020. Linda was nicknamed 'Maisie' by her husband, Howard Sullivan, because she reminded him of Maisie in 'The Perishers' cartoon. Maisie sadly passed away in ITU from a COVID induced pneumonia in January 2021. After Maisie's passing, Howard and the rest of her family wanted to focus on doing something positive in her memory.



Staff on Harvest B are delighted with their new clocks

The family decided to buy something for the wards to provide comfort to patients in hospital. The room Maisie was in didn't have any windows and due to COVID, doors were kept shut. As a result of this, she often rang her family at 2 or 3 AM in the morning because she was not aware of the date or time of day. A clock visible to Maisie would have been of great value to her, especially while wearing an oxygen mask. The family created a JustGiving page, and Howard Sullivan's company generously matched the amount raised. This meant that the family raised over £10,000 in one month!

After speaking with ITU and the elderly care wards, they confirmed the need for new clocks. There were two types of clocks, one featuring the date and the other included a day and night display. The clocks were branded as 'Maisie's Clocks' with a logo shown on the front of each one.

120 clocks were delivered to our hospitals and distributed to the ITU and frailty wards, who had all cared for Maisie when she was in hospital. The family hope the clocks will help the staff and patients in the wards for years to come.

Case studies (cont.)

Sara Stedy

Laura was a long-term patient who was first admitted to the Sahara wards in 2012 after being diagnosed with the first of six Meningioma brain tumours. After a 5-year hiatus since being discharged, a second tumour was found. The tumour was located on her motor strip and was operated on. However, due to the effects of surgery and the original location of the tumour on her brain, Laura was paralysed from the neck down and there was a long wait to see if or how much mobility would return.

Laura was a determined individual who never gave up and gradually gained some mobility. During recovery, she relied heavily on a 'Sara Stedy' - a piece of equipment that promotes and encourages sit and stand transfers to help move around the ward.



Some of Laura's family and staff from Sahara B admire their new Sara Stedy

There was only one Sara Stedy on the ward, which often meant Laura had to wait for another patient to finish using it. One of her wishes was to donate another Sara Stedy to the ward to reduce waiting times for other patients. Family and friends created a GoFundMe page to raise money for Laura's rehab treatment, unfortunately she was too unwell for any treatment and the funds were used on other forms of care.

After a long fight, she sadly passed from her sixth tumour in November 2021 surrounded by loved ones. Although she was suffering for a long time, Laura was always thinking about ways to help others and what she has achieved will benefit many future patients.

Fundraising events

Most of our planned events were unfortunately postponed or cancelled due to the pandemic. It was difficult to plan and organise events due to the ongoing restrictions and not knowing what the future had in store for the events industry.

The Reindeer Run

We were able to continue our annual Reindeer Run with 22 schools and 7,200 high spirited children participating. Thanks to the generosity of the children's families and friends, an incredible £23,522 was raised which enabled us to provide every patient in our hospitals with a present on Christmas day.

Speaking with the schools after the event, they said that they were more than happy to participate again next year and that they were ready for it to be bigger and better!



Students from Mayespark Primary School completing their Reindeer Run

The Big Bauble Appeal



One of our Big Bauble stalls

We launched The Big Bauble Appeal as part of our Donate in December campaign. Volunteers held promotional stalls in local shopping malls and many of our supportive pubs and shops took part displaying our eye-catching baubles. Over £11,500 was raised!

Thanks to our supporters

Charlie's Triple Whammy

Our daring volunteer Charlie Richardson raised over £1,200 by participating in 3 exhilarating outdoor events to fundraise for Voluntary Services. The event started with a climb up the famous O2 landmark. Then he dashed over to the home ground of Tottenham Hotspurs to take part in The Dare Skywalk, an adrenaline-pumped, 90-minute experience scaling the height of one of the newest landmarks in London. To end the thrill-seeking day, he participated in an abseil from the roof of the stadium!

The Big Chop!



Sister Baldeo getting ready for her big chop!

Sister Wilma Baldeo (Jing), grew her hair for 7 years and decided to cut it short to raise funds for fun activities for our children in the Tropical Lagoon Ward to give our younger patients have a happier stay in hospital. She also donated her hair to the Little Princess Trust who make wigs for children with cancer.

Upminster Golf Club

Upminster Golf Club raised an incredible £13,187 for our charity. John Potticary and Debbie Herrington, club and ladies' captains respectively for 2021, chose to support NHS staff after seeing how tirelessly they worked throughout the challenging Covid period. To raise money, members of the club made donations to our charity boxes and held fundraising events, including several golf days. The club choir also recorded their own version of 'White is the Winter Night', led by Gill Cook and a JustGiving page was set up to encourage donations.



John Potticary and Debbie Herrington, Club Captains

Corporate Support



John Lewis & Partners and Waitrose & Partners donated £500 to our children's wards



Gidea Park's Co-op made a donation to support our charity



Dunelm, Romford invited customers to choose a gift tag and donate a present to the person on the tag

Gifts in kind

Lennox Children's Cancer Fund

We are always thrilled to work with Lennox Children's Cancer Fund and this time was no exception, linking this charity up with some of our children's cancer specialists. Lennox delivered



Staff and volunteers from Lennox Children's Charity delivering their backpacks

a huge supply of backpacks for children newly diagnosed with cancer and their families. Filled to the brim with useful and fun items these are going to make such a difference. What a brilliant idea!

M&Ms galore!

We were able to surprise staff with bags of delicious chocolate M&Ms thanks to Tony Betts and members of Redbridge Rotary Club for their generous donation. Our team had lots of fun delivering them to our BHRUT colleagues. This little act of



A delivery of M&Ms delighted staff members thanks to Redbridge Rotary Club

kindness made a big difference to lifting their spirits.

The gift of giving



Misbha and Sophie delivering their toys

An amazing array of toys were gifted to our children's department by Misbha Rashid & her daughter Sophia. As a teenager, Sophia was gravely ill, and part of her recovery took place at Queen's Hospital. Both she and her mum open a fundraising page each year to show their gratitude.



Members of staff with their soup

Our Souper-heroes!

We received an abundance of tasty soups for our hard-working staff as part of Cully and Sully's Souper-hero campaign. We spent a morning giving away free soup to our staff who were very grateful and pleased to receive a small token of thanks and appreciation.

Robotic surgery

Like all hospitals our surgery waiting lists have grown over the pandemic. As the hospitals tackle those backlogs, it is great to see our Da Vinci robotic arm back in use, helping to provide less invasive surgery and making sure our cancer patients spend less time in bed and find a faster road to recovery.

Robotic surgery has now become almost business as usual at BHRUT, and that was something we could not even have imagined just three years ago. Complex operations are now conducted by a surgeon from a comfortable seated position, making long operations much more tolerable for the surgeon's wellbeing too.

Having robotic surgery at the Trust has also encouraged more talented staff to join our teams and swelled the number of surgery academy placements. 2022 will see us pay off the last instalment of our purchase agreement on this fantastic and very worthwhile charity project.

Future plans...

We have developed a further initiative for our elderly patients. Joining forces with AGE UK and voluntary services, we are leading a program of befriending and technology education for the elderly. With grant funding from NHS Charities Together, we are growing an army of dedicated 'befrienders' who can visit a patient and help to combat feelings of loneliness and isolation. Our aim is to give our patients the confidence to use simple technology for entertainment during their hospital stay, but at the same time equip them with some new skills for our changing world which becomes more reliant on technology every day.



Two amazing projects being delivered by King George & Queen's Hospitals Charity

2022/23 we will restart our events program, launching with the Supper Club brand, and the first will be an Italian Night at Linguine's Restaurant - Hainault. We are optimistic that people now feel more encouraged to gather and are ready to enjoy socialising with friends and colleagues.

Administrative details

Registered address:

King George & Queen's Hospitals Charity
Queen's Hospital
Rom Valley Way
Romford
RM7 0AG

Office address:

King George & Queen's Hospitals Charity
Queen's Hospital
Rom Valley Way
Romford
RM7 0AG

01708 435000 x 2913

01708 435000 x 2922

Charity registered in England and Wales. Registration number: 1059455.

Trust Board Membership during 2021-22

The hospital Trust has been the Corporate Trustee of the Charity since 27 November 1996.

TRUST BOARD MEMBERSHIP	
Chair	
Mr Mike Bell	Chair until 30 September 2021
Rt. Hon. Jacqui Smith	Chair from 01 October 2021
Non-Executive Directors	
Mr Mehboob Khan	Non-Executive Director
Miss Joan Saddler OBE	Non-Executive Director
Professor Anthony Warrens	Non-Executive Director
Ms Susan Lees	Non-Executive Director
Ms Lesley Seary CBE	Non-Executive Director
Ms Jackie Westaway	Vice Chair and Non-Executive Director to 20 August 2021
Associate Non-Executive Directors	
Ms Ruth Crowley	Associate Non-Executive Director
Ms Sandy Malone	Associate Non-Executive Director to 30 June 2021
Ms Caroline Roberts	Associate Non-Executive Director
Mr Eric Sorensen	Associate Non-Executive Director to 30 June 2021
Ms Jackie Westaway	Associate Non-Executive Director from 21 August 2021
Mr George Wood	Associate Non-Executive Director

Executive Directors	
Mr Tony Chambers	Chief Executive to 15 August 2021
Mr Matthew Trainer	Chief Executive from 16 August 2021
Mr Ben Morrin	Deputy Chief Executive
Mr Lee Basso	Interim Director of Strategy and Partnerships from 16 October 2021 to 06 February 2022
Mr Nick Swift	Chief Financial Officer
Mr Michael Gilham	Director of Finance from 10 May 2021
Ms Kathryn Halford OBE	Chief Nurse
Dr Magda Smith	Chief Medical Officer
Mr Peter Hunt	Director of Communications & Engagement
Ms Aleksandra Hammerton	Acting Chief Operating Officer, Emergency Care
Ms Hannah Coffey	Director of Strategy & Partnerships to 15 October 2021
Ms Ann Hepworth	Director of Strategy and Partnerships from 07 February 2022
Ms Remi Odejinmi	Director of Equality, Diversity and Inclusion from 01 June 2021
Mr Richard Pennington	Acting Chief Operating Officer, Elective
Mr Alan Wishart	Interim Director of Workforce

Charitable Funds Committee Members during 2021-22 (External)

George Wood	Charity Chair
Carol Madeley	Charity Member
Jackie Nugent	Charity Member
Niki Eves	Charity Member
Sue Williams	Charity Member

Charitable Funds Committee Members during 2021-22 (Internal)

Nick Swift	Chief Finance Officer
Stuart Greenacre	Associate Director of Finance – Strategic Capital
Tracey Thorne	Director of Nursing Cross Divisional
Lynda Head	Head of Fundraising
Ellen Kyriacou	Charitable Accountant
Marina Christopher	Fundraising Office Manager

Bankers:

Barclays Bank plc
Romford Group 9
Leicester
LE87 2BB

Investment Managers

Cazenove Capital
1 London Wall Place
London
EC2Y 5AU

External Auditors:

BDO Ipswich
16 The Havens
Ransomes Europark
Ipswich
IP3 9SJ

Internal Auditors:

KPMG LLP
15 Canada Square
London
E14 5GL

Corporate Trustee's report

This report seeks to provide the public with an overview of King George & Queen's Hospitals Charity (and may be referred to as the Charity for ease of reference within this report), commencing with the activity of investments followed by the reference and structure of the Charity and its governance and management, then concluding with risk management, policies and the Charity's going concern status.

The Trustee Act 2000 specifies that trustees should implement the same duty of care as if they were investing for themselves and, to ensure that the requirements of the Act are met, our investment managers, Schrodgers (operating under Cazenove), are authorised to freely buy and sell stocks and shares quoted on a recognised Stock Exchange. The performance of the investments is monitored regularly and reported monthly. This can also be accessed on-line daily as required.

The balance in the investment portfolio has increased, due to a rise in the market value of the shares held as of 31 March 2022 and the Charity carried forward unrealised gains on shares still held of £74,233.

The four properties held were also revalued, and a loss of £190,000 was recorded.

The Annual Report and Accounts for the year ended 31 March 2022 have been prepared by the Corporate Trustee in accordance with the Statement of Recommended Practice (FRS102) – "Charities SORP (FRS 102)" second edition, issued in October 2019. They have been prepared to give a 'true and fair view' and have departed from the charities (Accounts and Reports) Regulations 2008, only to the extent required to provide a true and fair view.

To assist the reader, the notes to the accounts accompany the Statement of Recommended Practice and the Balance Sheet and show further detailed information. The Statement of Financial Activities incorporate the investment managers' cost within the Raising Funds heading and governance costs are incorporated within the Expenditure on Charitable Activities heading but are identified clearly in the notes accompanying the financial statements.

The financial statements include all the separately established funds within the Barking, Havering and Redbridge University Hospitals NHS Trust Charity Fund. Both the Annual Report and Accounts are prepared with the intention of informing the reader about the Charity and, in particular, the financial activities which are consistent with the Annual Accounts that are prepared from the records maintained.

Reference and Structure of the Charity

Barking, Havering and Redbridge University Hospitals NHS Trust is one of the largest acute hospital trusts in England and has under its administration King George and Queen's Hospitals, as well as services within Barking Hospital and other satellites.

The Charity, registered charity number 1059455 and entered on the Central Register of Charities on 27 November 1996, has the working title of King George and Queen's Hospitals' Charity.

The Charity maintains a combination of unrestricted funds that were established "for any charitable purpose or purposes relating to the NHS" and benefits any one of our hospitals in numerous ways, and funds which are restricted by income and expenditure to enhance the services of their relevant hospital or speciality.

Within each of the subsidiaries are held a number of individual funds that represent specific wards, departments and specialist areas. There also exists a pooling scheme that combines the investments and monies belonging to the above funds to maximise income for the Charity.

Summary of how main activities support charity's purpose

The Trust employs over 8,000 staff who treat thousands of patients every year. Some of the hospital's patients have life-limiting or life-threatening conditions or rare, complex and serious illnesses. Our Charity's main objective is to engage in fund raising to help support our staff and patients to have the best experience in the hospital under some of the most difficult circumstances.

Our strategic aim is to fundraise to give seriously ill patients the chance of a better future, including the provision of the most up-to-date medical equipment, fund support services for patients and their families, and support essential refurbishment of the staff areas.

The income of the Charity is made up of voluntary income including donations and legacies, fundraising activities and investment income. These monies are applied to enhance the services provided within the NHS Trust for patient welfare, staff welfare, research and general charitable hospital purposes, in accordance with the objectives of the Charity. The Trust has a policy of issuing an official receipt and letter of acknowledgement to all known donors irrespective of the value, unless the donor requests otherwise.

Public Benefit Statement

The Corporate Trustees confirm that they have paid due regard to the Charity Commission's general guidance on public benefit. The Charity exists to benefit the patients and families of Barking, Havering & Redbridge Hospital Trust. Our grants are structured to ensure that the money raised is used to the best effect,

to support the hospital's work and is in line with donors' wishes and the Charity's mission and objectives.

The Charity does not provide facilities directly to the public but provides them to the hospital and in so doing, the patients of the hospital. Grants made to the hospital provide a benefit to the services the hospital provides and are available to all who are entitled to NHS treatment based on need.

Structure, Governance and Management

Nature of Charity's governance document

Good governance enables and supports the Charity in complying with relevant legislation and regulation. It also promotes attitudes and a culture where everything works towards fulfilling the Charity's vision. Over the past few years, we have firmly embedded high standards of governance into all our activities, including how we fundraise, and we are committed to demonstrating exemplary leadership and governance.

As an associate of BHRUT (Barking Havering & Redbridge University Hospital NHS Trust), the Charity follows the Trust's established Standing Financial Instructions (SFIs) and Scheme of Delegation (SoD) as far as permissible, to ensure the application of appropriate governance in all financial and operational matters.

The Trust Board holds overall responsibility for ensuring good governance. The Corporate Trust Board is supported in this by the Audit, Risk & Assurance Committee which focuses on oversight, scrutiny and governance matters related to regulation and reputation, legislative compliance and non-financial risks. The Board is also supported by the Finance and Investment Committee, with responsibility for scrutiny of all financial matters.

A Charitable Funds Committee (CFC), chaired by an external member, has also been established with responsibility for day-to-day operational decisions and governance matters. This committee reports to the Trust Board as Corporate Trustee. The Committee meets every other month in the year, providing a framework to ensure the Charity maintains an appropriate level of governance and compliance across its operational activity and business.

Throughout the year, the Charity continued to keep abreast of changes in legislation and regulation both within the Charity sector and wider, noting consultations issued by the Charity Commission and the Gambling Commission as well as the Government Department for Business, Energy and Industrial Strategy (BEIS) Consultation on Restoring Trust in Audit and Corporate Governance.

Non-Executive Members of the Trust Board are appointed by NHS England, and Executive Members of the Board are subject to recruitment by the NHS Trust Board. Members of the Trust Board and the Charitable Funds Committee are not individual trustees under charity law, but act as agents on behalf of the Corporate Trustee.

Newly appointed members of the NHS Trust Board are supplied with an induction pack and the Charity follows the guidance of the Charity Commission to produce an induction pack for newly recruited members of the Charitable Funds Committee. The pack includes copies of the Charity's annual report and accounts, minutes of previous meetings, a copy of the Charity's Model Declaration of Trust and a copy of the Charity Commission's publication CC3 – "The Essential Trustee: what you need to know", as well as other leaflets, website and intranet references. A guided tour of the NHS Trust's facilities and any additional training that their role, or roles, may require is also offered.

The Charity is also a member of NHS Charities Together which runs regular conferences for trustees, fundraisers and accountants. The accounting records and day-to-day administration of the funds are handled by the Charitable Funds Accountant, King George and Queen's Hospitals Charity, Finance Department, Queen's Hospital, Rom Valley Way, Romford RM7 0AG.

Key personnel and staff within the Charity, follow a remuneration package set by the government for NHS staff, and are placed on a banded pay scale according to their role and responsibilities.

Corporate Trustees

The Charity has a Corporate Trustee: The Barking Havering and Redbridge University Hospitals NHS Trust. The members of the NHS Trust Board who served during the financial year are noted on page 21 - 22. The NHS Trust Board devolved responsibility for on-going management of funds to the Charitable Funds Committee that administers the funds on behalf of the corporate trustee. The names of members who served during the financial year are also noted on page 22 of the Annual Report and Accounts.

The Charitable Funds Committee includes four external members (one being the Chair of the Charity) who have been enlisted by the Corporate Trustee. Members are enlisted to give a good mix of appropriate professional skills e.g., medical, finance, fundraising and investment. Three of the four members give their time freely and only one member received paid remuneration in an advisory capacity in the year. There have also been minimal member expenses incurred within this period.

Recruitment of Charitable Funds Committee members for administrative purposes

The Charity follows the Trust's established recruitment policy and guidance to ensure a fair and robust recruitment and selection of members.

The Charity's members are appointed for their relevant individual skills and experience. Members are appointed for a fixed term, with eligibility for reappointment at the end of their term, where appropriate.

Members with specific skills and experience can also be appointed as volunteers to work with the Trustees on Board committees to increase the expertise available.

An induction programme is provided for members on appointment and Charity Commission guidance is shared. The induction programme includes meeting with the Chief Executive, where appropriate, Head of Fundraising, Chair of the Charitable Funding Committee to obtain an overview of the Charity's activities and key issues. In addition, new members are also offered a tour of the hospital (when safe to do so) and meet with any staff, where appropriate to obtain an understanding of current issues. They are also provided with a range of documentation including access to previous CFC meeting papers and minutes.

Access to training is provided throughout the term of office.

Members are required to disclose all relevant interests and register them with the Corporate Trustee and withdraw from decisions where a conflict of interest arises. All related parties, if applicable, are disclosed in note 16 to the accounts.

How the Charity makes decisions

The Charitable Funds Committee (CFC) meet every other month, (minimum 4 times a year) to review the position of the Charity, and to decide upon any funding applications received that are over £1000. The CFC will establish whether the request for Charity funding is a worthy cause for the donations received and confirm it is not something the hospital Trust should be paying for. Delegation limits for approval are followed according to the Trust's Scheme of Delegation below. All funding applications must be signed off by the directorate's Divisional Manager or Director, the Trust's Finance Manager and if over £1,000, the Charitable Funds Committee.

REFERENCE DOCUMENTS	DELEGATED MATTER	AUTHORITY DELEGATED TO
6.SFIs Section 17	Expenditure from Charitable/Endowment Funds	

Terms of Reference for Charitable Funds Committee as approved by the Trust Board	Up to £10k	<u>Fund holder</u> + Charity Finance Manager/Accountant + Head of Fundraising
	£10,000 - £50,000	<u>Fund holder</u> + Charity Finance Manage/Accountant + Head of Fundraising + Charity Trustee Member
	£50,000 up to £200,000	Committee
	£200,000 plus	Committee + Trust Board
	General Purpose Fund – Unrestricted Funds	
	Up to £1k	Head of Fundraising
	Up to £5k (if outside budget)	Charity Director and Chair of Committee
	Over £5k	Charity Committee

The day-to-day decisions regarding the Charity, are undertaken by the Head of Fundraising and the financial decisions by the Charity Accountant. Any key decisions will be referred to the Charity Chairman, and the Charitable Funds Committee members.

Key Management Personnel

Along with the members attending the Charitable Funds Committee, other members consist of staff representatives (in accordance with the Charity's Terms of Reference), the Charitable Funds Accountant and Head of Fundraising. The fundraising and administrative staff are employed by the Barking, Havering & Redbridge University Hospitals NHS Trust and their

salaries are paid by the Trust. Remuneration is reviewed annually and is increased in accordance with the nationally agreed increases to their pay scale. Staff management costs can be found in note 18 to the accounts.

Risk Management

The members have considered the major risks to which the Charity is exposed and identified two major risks that have been acknowledged and arrangements have been put in place to mitigate those risks.

Risk 1: Fall in investment returns

The most significant risk which the Charity is exposed to is the possible loss arising from the fall in value of investment shares and the level of reserves affected by such losses. The Charitable Funds Committee have reviewed the system and agreed that unrealised gains are to be distributed to the fund accounts in the event of future market instability and to ensure they are not spent by fund holders without careful consideration by the Charitable Funds Committee. Risks are further mitigated by retaining expert investment managers and having a diversified portfolio and making use of benchmarking information when reviewing the portfolio.

Risk 2: Future levels of income

Another risk is a reduction in the levels of income. The Charity is reliant on donations and sufficient cashflow to be able to make grants to our NHS body, to enhance the services provided by the NHS. The Charitable Funds Committee (CFC) members and the Corporate Trustee recognise the impact that the pandemic has had on our community and the general population over the past two and a half years.

In consideration of these risk factors, the fund accounts are carefully monitored, and expenditure is only permitted when it is seen that an account has sufficient funds to support expenditure in accordance with its objectives and whereby there is sufficient cashflow to grant the request at that time. Authority spending levels are strictly set with an account manager requisitioning orders of no more than £250 without prior approval from the Charitable Funds Accountant or the Head of Fundraising. Any expenditure exceeding this amount but less than £1,000 requires the approval of a Divisional Manager or equivalent, with any outgoings greater than £1,000 sanctioned by the Divisional Director and the approval of the Charitable Funds Committee.

The Charitable Funds Committee receives income and expenditure reports together with the latest Statement of Financial Activities and Balance Sheet during their bi-monthly meetings. This is to review the Charity's performance as part of the risk management process and ensures there are no unforeseen calls on reserves. Where accounts have been shown to be inactive or obsolete, the Committee make a decision to close these accounts and transfer the funds to

another clinical service caring for patients/service with the same type of clinical need.

The members discuss regularly with the Fundraising Team the income objectives and whether trajectory figures are keeping in line with expectation. Should income start to fall the members would expect the Fundraising Team to commence a new approach with fresh income lines and to delay some non-essential expenditure to protect cashflow/funds.

Financial Review

The Charity has had another challenging year of fundraising, following the onset of the Covid-19 pandemic.

Total income decreased by (£672k) from £1,255k (2020/21) to £583k (2021/22). Most of this loss can be attributed to Income from Non-Charitable Activities of (£142k) and a drop in Donations and Legacies (£530k).

There was an increase in the share investment assets, of £74k to £2,164k (2021/22) from £2,090k (2020/21) (up 3.55%). The stock market shares are maintained by our fund managers, Cazenove Capital who has diversified the portfolio held by the Charity, to obtain the highest yield possible.

Total expenditure increased by £1k from £675k (2020/21) to £676k (2021/22). Due to government pandemic restrictions the Charity's fundraising ambitions were again inhibited this year. The increase is mainly attributable to operational and governance costs of raising funds.

On the balance sheet, total funds held have increased by £170k to £3,640k. This is mainly due to the net increases in the Charity's fixed assets investment of £264k, coupled with other movements in creditors.

There were two significant changes in the period. Following the financial reporting policy, the Corporate Trustees recognised costs related to the charity; The Charity's operational costs totalling £338k in 2021/22, £311k in 2020/21 and £265k in 2019/20 were fully included in both years in accordance with financial reporting requirements.

However, due to the exceptional circumstances around COVID some of the staff were seconded to the Trust for non-charitable activity which reduced the staff costs to the charity by £200,000 in 2020/21 and £150,000 in 2021/22.

Due to the continuing impact of Covid over the past 2 years, the Charity reviewed its current strategy and replaced this with an interim two-year strategy which commenced in 2021 through to 2023.

The team have had to find new and more innovative ways of raising funds, utilising various online platforms, whilst engaging with the community to do things in the name of the NHS. Some examples of this are Pennies from Heaven and the Christmas Bauble Appeal.

Unfortunately, despite the Charity implementing an online regular giving programme in 2020/21, by introducing the Direct Debit scheme to prospective donors, its inability to sell the programme meant that this was abandoned in May 2021, and the service cancelled. This has therefore not brought forth the new income stream expected.

More grant applications were also made this year to NHS Charities Together, and whilst this still was the 'go to' charity for donations throughout the pandemic, strict guidelines have been followed to access funds for the benefit of Covid patients and staff wellbeing. The Charity have been a driving force behind a Home First project to help the elderly, frail and vulnerable get home quickly and safely, and the funds raised by Sir Captain Tom have helped to pilot this project for 8 months.

As this financial year has progressed, and the impact of Covid has lessened a new way of working has replaced the old-style format of fundraising, with the charity becoming more streamlined and electronic. The hiring of a new Communications and Marketing assistant in January 2022 has helped with this transition. The Charity's online presence will continue to expand and grow, allowing the team to look to the future with surety and continue searching for more innovative ways and means of fundraising.

The Charitable Funds Committee (CFC) members and the Corporate Trustees continue to monitor the factors which could have a broader implication on the Charity's growth, by holding bi-monthly board meetings, and discussing the political, economic, social and technical aspects that are current concerns, and how this will affect the Charity's ability to grow. The Charity has already reassessed its growth strategy for the next year in consideration of current Government regulations and will continue to monitor these trends bi-monthly at the Charitable Funds Committee meeting.

Investment Policy

The Corporate Trustee and CFC members' investment objectives are to create sufficient income and capital growth to enable the Charity to carry out its purposes consistently year by year, with due proper consideration for future needs, and if possible, enhancement of the value of the invested funds whilst they are retained. This also includes rental incomes received from let properties.

The CFC members aim to support a strong future by assisting in the long-term prospects of Barking Havering and Redbridge University Hospitals NHS Trust by supporting research, education, new equipment, staff and patient benefits, and environmental improvements.

“The aim of the Charity is not to subsidise the NHS Core Services, but to listen to the concerns, ideas and innovations from the hospital user, including staff and patients. Our aim is to make our hospitals even better”.

A key part of the Charity’s objectives remains earning optimal returns on already prudently invested funds in a broad range of fixed interest securities and equities which are quoted on a Recognised Investment Exchange and Unit Trusts, which are authorised under the Financial Services and Markets Act 2000. The members reserve the right to exclude companies that carry out activities contrary to their aims, or from holding investments which damage the Charity’s reputation and aim to minimise investment in tobacco or alcohol as defined by companies with more than 20% of their turnover in these activities.

The investment policy requires that all investment income be retained in liquid form in order for this to be made available without the risk of having to sell shares at a time when shares might be volatile. This will remain the case unless the Charity receives any large unrestricted cash funding that is surplus to foreseeable needs, in which case this would be invested prudently for maximum return on investment.

Investment Property Rented to Third Parties

The Charity officially inherited 4 properties in June 2021, which will be held to earn rental income or for capital appreciation or for both. The houses were left to Oncology and as of 31st March 2022, two have tenants in them and two are empty. They have been included in the Balance Sheet for the current year.

Accounting Estimates and Judgements

For the purpose of this annual report, the valuations given to the 4 properties were obtained on 31st March 2022, totalling £1.390 million. These valuations were carried out by a qualified RICS valuer, Andrew Chater & Co, Chartered Surveyors, of 35 Great Nemes Chase, Emerson Park, Hornchurch, Essex, RM11 2PS. The company was recommended by our current lettings agent HML Lettings Ltd.

Objectives and Activities & Strategic Plan

The objectives of the Charity are *‘not to subsidise the core responsibilities of the NHS, but to enhance the essential services provided by them to make our hospitals even better’*.

Aims and what the Charity seeks to tackle through its activities:

The Trustee has agreed key objectives for the management of the Charity towards achieving its goals:

- Annual Accounts should be independently audited and reported
- Investment performance should be regularly reviewed
- Charity Commission returns must be submitted by the required date
- All expenditure of the Charity should support the aims of BHR University Hospitals NHS Trust
- The Charity will commit any unallocated reserves to support any additional developments, where appropriate
- The Charity will invest in fundraising to proactively seek new income
- The Charity will set realistic fundraising targets – at present 18% growth per year, notwithstanding setbacks attributing to Covid and associated regulations inhibiting fundraising activities.

Achievements of aims to further its legal purposes:

“To hold the trust fund upon faith to apply the income, and at their discretion, so far as may be permissible, the capital for any charitable purpose relating to the National Health Service.”

To further the achievement of this legal purpose, the Charity undertakes several activities. These include the establishment and support for any activities that would improve patient care and achieve the Charity's aim through application for funding and subsequent approvals. The Charity also employs staff to engage in various fundraising activities to ensure funds are available to pursue the Charity's legal purpose both to the hospital and the Charity Commission guidelines. The Charity also engages, through the use of experts in the field, investments to create sufficient income and capital growth to enable the Charity to carry out its purpose.

Strategies for achieving its stated aims and objectives

Following the pandemic, the Charity is now working to a revised two-year strategy plan 2021-2023. Within the next two years, the Charity's strategic plan and aim is to become a well-recognised, professional and successful Charity of choice for local people in Barking Havering and Redbridge. In line with the hospital's core PRIDE values, (Passion, Responsibility, Innovation, Drive, Empowerment), we aim to have a responsible presence, effective process, outstanding management and grow and retain our donors.

The Charity aims to have well-supported annual, innovative, successful and inspirational events and campaigns, (when Government restrictions allow), to engage people of all ages and from all areas of the community.

The Charity aims to undertake several activities to fulfil its aims and objectives. Specifically, it will:

- Increase level of awareness through promotion both internally, externally and on social media
- Engage staff and volunteers willing to promote the Charity as fund holders and ambassadors across the Trust
- Proactively identifying, defining and managing how charitable funds are spent in accordance with Trust and Charity objectives and priorities; and
- To maintain a strong relationship with other associated fundraising Trusts i.e., East London ICS and NHS Charities Together (NHSCT).

The Charity actively creates events, challenges, and campaigns to encourage the local community to help raise funds and support its local hospitals. One step towards this was the introduction of an 'Ambassadors Group' in 2017/18, consisting of local individuals and businesses who have adopted us as their Charity of choice. They work collaboratively to raise funds at their own events, and include local banks, associations, businesses and groups. Unfortunately, due to the continuation of the Covid-19 pandemic, the Ambassadors have only been able to meet via conference call and could not participate in any fundraising activities for the Charity.

Criteria or measures for assessing success

The measure for the Charity's success will be proven from the statistics produced year on year, showing improvements in its performance, fundraising accomplishments along with completed projects.

The Charity has several metrics it uses in measuring the accomplishment, or otherwise, of its fundraising and expenditure activities. These are included in monthly management accounts reports which are discussed at the bi-monthly Charitable Funds Committee meetings. The key metrics are:

- Measurement of operational staff costs against income generated
- Income target/budget against actual income (monthly, quarterly and yearly)
- Various lines of expenditure (including pay and non- pay) reports and comparisons to previous periods
- Investment reports on fluctuations on the stock market for gains and losses every quarter; and
- Monitoring cash and working capital balances on quarterly basis, and also compared to previous years

Details of significant activities undertaken

This is covered in the 'how we raise our funds' and 'case studies' sections of this report.

Short term and long term aims and objectives

Following another year of uncertainty where face to face fundraising was limited and new methods of raising funds were introduced, there continues to be a steady involvement of the Charity. Both short and long-term objectives were revised, and whilst some were put on hold, the safety of both staff and the public has always come first. That said, both existing and new online campaigns were created this year to help the patients long term and those affected by Covid-19.

Social Investment

The Charity does not undertake in any social investment.

Grants received

The Charity received a grant from NHS Charities Together (NHSCT), and other community fund groups this year. The funds from NHS Charities Together (NHSCT) were originally raised by the walk taken on by Sir Captain Tom Moore, and various other donations from the public. The Charity was then invited to apply for funding; however, this has various restrictions attached to the expenditure.

The funds claimed helped to offset some of the drop in donations that would have otherwise been received by the Charity in an ordinary year, although restrictions meant that it could only be spent as per the criteria of the grant and not used as general funding.

Volunteers

All volunteers are managed and serviced by the hospital's Volunteer Services Department. The Charity has dedicated volunteers helping with charity projects such as the Lavender Garden. The Charity was unable to use volunteers during the pandemic and all non-essential volunteers were asked not to come to hospital sites.

In setting the objectives and activities of the Charity, the Corporate Trustee and members have given due consideration to the Charity Commission's published guidance on public benefit.

Achievements and Performance

The Charity staff and CFC members have paid due regard in deciding what activities the Charity has been able to create during the year, whilst adhering to Government regulations, and have also continued to support a wide range of charitable purposes

For specific grants the Charity identified four key areas where they considered funds should be spent. They are the support of medical equipment, research and training, technology and information, comfort and the environment.

Some of the items bought this year are as follows:

Medical Equipment	Hire of 3 ambulances from G4S for the HomeFirst Project
Research and Training	Support of 2 x Research and Innovation Data Managers for 1 year and a Neurology Research Manager for 1 year
Technology and Information	DAB radios x 12, purchase and installation of 3 x LED TVs
Comfort and the Environment	Lavender Garden maintenance and upkeep, patient sleeper chairs, visitor chairs, patient Christmas presents, children's play packs, Grayson calendar clocks

Please refer to 'How we used our Funds' for more detailed information on the above.

The Charity also continues to support the staff Long Service Awards, an annual celebration of individuals who have been awarded an honour for long service and excellence in service at King George and Queens Hospitals. This year the Charity funded vouchers to the sum of £13,272.

During 2021/22 the Charity's contribution to the Trust rose by £90k; this can mainly be attributed to the Home First project which the Charity seed funded for patients to be discharged from hospital in a safe and secure manner. The Charity's contribution in 2020/21 was £291k and this rose to £381k in 2021/22.

The original 5-year strategy begun in 2017 and was expected to increase the Charity's income by 18% year on year, with the aim of achieving £1 million by 2021. This has since been superseded with an interim three-year plan, in response to the Covid outbreak.

Reserves Policy

The Corporate Trustees have a policy of wisely spending the charitable funds entrusted to their care. The Charity Policy states that the funds must be spent

for the purposes for which they were received and where they give the most benefit to the hospital user. Our aim is not to allow funds to accumulate. The Charity expects the Divisions to deliver requests for projects which fit the criteria of the Charity for expenditure.

Our target for reserves this year is to retain the cash equivalent of at least 3 month's operational expenditure, (£100k) to cover the relevant period's support costs. The reserve is made up of cash already held with the Charity's banker, Barclays Bank, and have been noted within cash and cash equivalents. Further funds can be released from investments if necessary.

Future Plans

The Charitable Funds Committee members and the Corporate Trustee encourages Directorate fund holders and their management teams to provide spending plans for each speciality charitable fund. The fund holders have delegated authority to use the funds in the most beneficial way for their specialism.

Plans for the next twelve months will be determined by the requests received from each Division but will expect to follow areas of spend such as:

- Enhancement of patient experience
- Staff training and conferences
- Purchase of enhanced medical equipment
- Support research projects
- Providing a better environment
- Staff wellbeing

The Charity is in the final year of a 3-year commitment to purchase a £1,525,000 Da Vinci Robotic Arm. The Da Vinci has been a great addition to surgery at Queen's Hospital. It delivers less invasive surgery, a shorter patient stays in hospital, and faster rehabilitation and raises the standard of care for patients undergoing surgical procedures.

Going Concern

The financial statements have been prepared on a going concern basis which the Corporate Trustees consider to be appropriate for the following reasons:

- The Corporate Trustee has prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides and the anticipated impact of Covid-19 on its operations and its financial resources, the Charity will have sufficient funds to meet its liabilities as they fall due for that period.
- Covid-19 continues to impact on the way the Charity can generate income in terms of events, traders and general community fundraising.

Although the charity has found new ways of raising funds through various online fundraising portals, donations are still below the expected levels. NHS Charities Together continues to provide another means for claiming grant funding, and this has helped to reduce the material uncertainty for the coming year.

- Although most risks can be mitigated with other fundraising methods, the uncertainty of not knowing when this epidemic will end has allowed the team to look to the future and search for more innovative ways and means of fundraising. Our liquidity is further managed through the management of cost base, with our expenditure on charitable activities flexible to match the levels of income received.
- The Corporate Trustee encourages the Charity to hold reserves equivalent to 3 months' working costs, to ensure the continuity of activities should there be a major reduction in income. This is to meet fluctuations in receipts or payments, meeting specific future needs, or set money aside to cover events or situations that may happen. The Charity could sell one of its investment properties, or the shares held on the stock market to increase the cash on an ongoing basis if it were to fall into harder times financially.

Consequently, the Corporate Trustees are confident that the Charity will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Fundraising Statement

"Section 162a of the Charities Act 2011 requires Charities to make a statement regarding fundraising activities. Although the Charity does not undertake national widespread fundraising from the general public, the legislation defines fund raising as "soliciting or otherwise procuring money or other property for charitable purposes." Such amounts receivable are presented in our accounts as "voluntary income, or donations" and includes legacies and grants.

In relation to the above we confirm that in the year under review, the charity engaged the services of a professional fundraiser to solicit funds to supplement its fundraising activities. The day-to-day management of all income generation is delegated to the executive team, who are accountable to the Corporate Trustee.

The Charity also works in partnership with external individuals who wish to fundraise independently of the Charity, by participating in external challenges and events at their own risk. The charity will continue to form alliances with them for key priority areas, such as cancer services and children services, sharing

talent, knowledge and expertise in order to achieve greater impact and maximise the benefits to the hospital

Our Trust serves three London boroughs with a multi-cultural and diverse population. We mirror and adhere to the Equality, Diversity and Inclusion (EDI) strategy and policy set out by our Trust which is compliant to the Human Rights Act 1998 and Equality Act 2010. As a non-discriminatory charity we are committed to operating an inclusive environment for both our staff and stakeholders that fully represents every culture, background and viewpoint, and we ensure every voice is heard.

The Charity has also partnered with AGE UK HBR, (Havering, Barking & Redbridge) over the past year in the Home First project, to meet the needs of our elderly patients being discharged from the hospital and going back into the community. The Charity tries to ensure they are met with a representative from AGE UK HBR at home that will assist them further in their recovery and to combat loneliness.

The Charity is not bound by any undertaking or by any regulatory scheme, however the Charity is a member of the Charity Commission and complies with their relevant codes of practice.

We have received no complaints in relation to fundraising activities. Our terms of employment always require staff to behave reasonably and with integrity.

Signed by Order of the Corporate Trustee

CorporateTrustee



Date...22nd May 2023

CorporateTrustee



Date...24th May 2023

Statement of Trustee Responsibilities in respect of the Trustee Annual Report and the Financial Statements

Corporate Trustee's responsibilities

The Corporate Trustee is responsible for preparing the Annual report and the financial statements in accordance with applicable law and regulations. Charity law requires the Corporate Trustee to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under Charity law the Corporate Trustee must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the Charity for that period.

In preparing these financial statements, the Corporate Trustee is required to:

- select suitable accounting policies and then apply them consistently
- make judgements and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business

The Corporate Trustee is responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement as to disclosure to our auditors

- In so far as the Trustee is aware at the time of approving our Trustee's annual report: there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the auditor is unaware and
- the Trustee has 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.

Signed on behalf of the Corporate Trustee:

Chief Finance Officer (Nick Swift)



.....Date 22nd May 2023...

Independent auditor's report to the Corporate Trustee of Barking, Havering and Redbridge University Hospitals NHS Trust Charity Fund

Qualified opinion on the financial statements

In our opinion, except for the possible effects of the matters described in the basis for qualified opinion section of our report, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 March 2022 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

We have audited the financial statements of the King George and Queen's Hospitals Charity ("the Charity") for the year ended 31 March 2022 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 Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

Basis for qualified opinion

The Charity has been unable to provide sufficient primary documentary evidence to support the classification as restricted of certain funds of £1,745k as at 1 April 2020, £2,090 as at 31 March 2021 and £2,164k as at 31 March 2022. This issue also impacts on the classification analyses of component assets and liabilities set out in Note 7 to the financial statements.

We were unable to satisfy ourselves by alternative means by using other audit procedures. We were therefore unable to obtain sufficient, appropriate audit evidence to confirm the accuracy of the analyses of funds between restricted and unrestricted in the primary statements and supporting notes.

Consequently, we were unable to determine whether any adjustment to this analysis was necessary.

We standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Charity in accordance with the ethical requirements 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.

Conclusions related to going concern

In auditing the financial statements, we have concluded that the Corporate Trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Corporate Trustee with respect to going concern are described in the relevant sections of this report.

conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. 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. 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 themselves. 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.

As described in the basis for qualified opinion section of our report, we were unable to satisfy ourselves concerning the accuracy of the analyses of funds between restricted and unrestricted in the primary statements and supporting notes. We have concluded that where the other information refers to the restricted or unrestricted funds it may be materially misstated for the same reason.

Matters on which we are required to report by exception

Arising solely from the limitation on the scope of our work relating to the analysis of assets between restricted and unrestricted funds, referred to above:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- we were unable to determine whether adequate accounting records have been kept.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Corporate Trustees' Report for the financial year for which the financial statements are prepared is inconsistent in any material respect with the financial statements; or
- the financial statements are not in agreement with the accounting records and returns.

Responsibilities of the Corporate Trustees

As explained more fully in the Corporate Trustee's responsibilities statement, the Corporate Trustee is 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 Corporate Trustee is responsible for assessing the Charity'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 Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 the aggregate, they could

reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Non-compliance with laws and regulations

Based on:

- Our understanding of the Charity and the sector in which it operates;
- Discussion with management, the Corporate Trustee and Charitable Funds Committee; and
- Obtaining and understanding of the Charity's policies and procedures regarding compliance with laws and regulations

we considered the significant laws and regulations to be the applicable accounting framework, UK tax legislation and the Charities Act 2011.

Our procedures in respect of the above included:

- Review of minutes of meeting of the Charitable Funds Committee for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- enquiring of management and the Corporate Trustee and Charitable Funds Committee, including obtaining and reviewing supporting documentation in respect of the Charity's and Corporate Trustee's policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;

- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
- the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;
- discussing among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, we identified potential for fraud in the following areas: revenue recognition and the posting of unusual journals.

Based on our risk assessment, we considered the areas most susceptible to fraud to be management override of controls and revenue recognition.

Our procedures in respect of the above included:

- reading minutes of meetings of those charged with governance and the Charitable Funds Committee and the Board of the Corporate Trustee;
- testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- assessing significant estimates made by management for bias, including property valuations; and
- testing samples of different types of income throughout the year and either side of the year end date by agreeing to supporting documentation.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it. In addition, the extent to which the audit was capable of detecting irregularities, including fraud was limited by the matter described in the basis for qualified opinion section of our report.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Charity's Corporate Trustee, as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the Charity's Corporate Trustee 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 anyone other than the Charity and the Charity's Corporate Trustee as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

David Eagles

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BDO LLP, statutory auditor
Ipswich, UK
15 June 2023

BDO LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305)

Barking, Havering & Redbridge University Hospitals NHS Trust Charity
Statement of Financial Activities for the year ended 31 March 2022

Note	2021-22 Unrestricted Funds £000	2021-22 Restricted Funds £000	2021- 22 Total Funds £000	2020-21 Unrestricted Funds £000 (restated)	2020-21 Restricted Funds £000 (restated)	2020-21 Total Funds £000 (restated)
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Income From:

Donations and legacies		149	320	469	737	263	1000
Income from investments (shares)	2&3	24	61	85	18	66	84
Income from Property Investments	2	0	19	19	0	0	0
Income from Charitable Activities (Community)	2	1	0	1	0	0	0
Income from Non-Charitable Activities	2	9	0	9	114	57	171
Total income	2	183	400	583	869	386	1,255

Expenditure On:

Expenditure on raising funds (other)		(10)	(5)	(15)	(52)	0	(52)
Expenditure on raising funds (support costs)		(3) (52)	(136)	(188)	(3) (33)	(171)	(204)
Expenditure on charitable activities (other)	4	(242)	(177)	(419)	(42)	(369)	(411)

Expenditure on charitable activities (support costs)	4	(29)	(9)	(38)	(4)	(4)	(8)
Expenditure from Property Investments		0	(16)	(16)	0	0	0
Total expenditure		(333)	(343)	(676)	(131)	(544)	(675)

Net gains/losses on investments		74	0	74	73	272	345
Net gains/losses on properties		0	190	190	0	(190)	(190)

Net Gains/Losses movements in funds		74	190	264	73	82	155
NET MOVEMENTS IN FUNDS		(76)	247	171	811	(76)	735

Reconciliation of funds

Fund balances brought forward	12.1	1,392	2,078	3,470	581	2,154	2,735
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Fund balances carried forward	12.1	1,316	2,325	3,641	1,392	2,078	3,470
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The notes at pages **51 to 69** form part of these accounts.

Barking, Havering & Redbridge University Hospitals NHS Trust
Charity
Balance Sheet at 31 March 2022

	Note	31 March 2022 £000	31 March 2021 £000
Fixed assets:			(restated)
Tangible Assets (Property)	19	1,390	1,200
Investments (Shares)	8	2,164	2,090
Total fixed assets		3,554	3,290

Current assets:

Debtors	9	2	8
Cash and cash equivalents	10	1,289	1,529
Total Current Assets		1,291	1,537

Liabilities:

Creditors: Amounts falling due within one year	11	(1,204)	(1,015)
Net current assets		87	522

Total Assets less current liabilities		3,641	3,812
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Creditors: Amounts falling due after one year	11	(0)	(342)
Total Net assets	7 & 12.1	3,641	3,470

The funds of the Charity:

Restricted income funds		2,325	2,078
Unrestricted income funds		1,316	1,392
Total Charity funds	7 & 12.1	3,641	3,470

The notes in pages **51 to 69** form part of these accounts.

Signed
Date



Chief Finance Officer
22nd May 2023

**Barking, Havering & Redbridge University Hospitals NHS Trust
Charity**

Statement of cash flows for the year ending 31 March 2022

Reconciliation of net income to net cash flow from operating activities	Note	2021-22 Total Funds £000	2020-21 Total Funds £000
			(restated)
Net income		171	737

Adjustments for:

(Gains)/losses on investment funds and properties held		(264)	(155)
Dividends and interest from investments	2&3	(85)	(84)
(Increase)/decrease in debtors	9	6	(16)
Increase/(decrease) in creditors	11	(153)	(137)
Net cash generated from operating activities		(325)	345

Cash flows from investing activities:

Dividends and interest from investments	2&3	85	84
Proceeds from the sale of investments	8.1	0	0
Additions to investment properties	8.1		0
Net cash generated from investing activities		85	84

Change in cash and cash equivalents in the reporting period	10	(240)	429
Cash and cash equivalents at the beginning of the reporting period	10	1,529	1,100
Cash and cash equivalents at the end of the reporting period	10	1,289	1,529

The notes at pages **51 to 69** form part of these accounts.

Notes to the Accounts

1 Accounting Policies

1.1 Basis of preparations

The Charity is a public benefit entity, and the financial statements have been prepared to give a true and fair view and have departed from the charities (Accounts & Reports) Regulations 2008, only to the extent required to provide a 'true and fair view'. The financial statements have been prepared in accordance with Statement of Recommended Practice (FRS 102) – Charities SORP (FRS102) second edition, issued in October 2019.

The financial statements have been prepared on a going concern basis which the Corporate Trustee considers to be appropriate for the following reasons.

The Corporate Trustee has prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides and the anticipated impact of COVID-19 on its operations and its financial resources, the Charity will have sufficient funds to meet its liabilities as they fall due for that period.

The pandemic has impacted on the way the Charity has generated income this year, with the continued loss of events, traders and community collection boxes. However, the Charity has found new ways of raising funds through various online fundraising portals and regular giving channels. The generous donations made by the population to NHS Charities Together continued throughout the year and has also provided funds by way of a grant, to reduce the material uncertainty for this year and for the next two years.

Although most risks can be mitigated with other fundraising methods, the slow easing of Covid-19 regulations has allowed the team to look to the future and search for more innovative ways and means of fundraising. Our liquidity is further managed through the management of cost base, with our expenditure on charitable activities flexible to match the levels of income received.

Consequently, the Corporate Trustee are confident that the Charity will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial

statements and therefore have prepared the financial statements on a going concern basis.

Governance costs: previously, these had been separately analysed on the face of the Statement of Financial Activities, but Governance costs are now classified under Expenditure on Raising Funds on the SOFA. The analysis of support costs, including governance costs, is shown in note 4.

Cash and cash equivalents: Investments held in short term cash accounts are liquid funds and require no period of notice and are now classified as cash and cash equivalents and have been shown as part of cash and cash equivalents on the balance sheet since 1st April 2015. There is no impact on the total funds of the Charity. An analysis of cash and cash equivalents is provided in note 10.

Investment Property Rented to Third Parties

The Charity officially inherited 4 properties in June 2021, which has provided a small rental income restricted to Oncology. The Charity has duly recognised these investment assets in the Balance Sheet under Tangible Assets (property) for the current year. A RICS Chartered surveyor values the properties at year end, to ensure the correct value of all four properties is recorded in the ledgers. (RICS Appraisal and Valuations Standards, 9th Edition 2014.)

Accounting Estimates and Judgements

For the purpose of this annual report, the valuations given to the 4 properties were made on 31 March 2022, totalling £1.390 million. This is a gain of £190k to the 2020/21 valuation of £1.200 million. This can be attributed to an upward turn in the current market value of the houses, following a loss of the same value the previous year.

Although the upward general market trends for houses continues to outstrip the supply, the value of house prices has remained fairly consistent at the time of valuation, despite 3 Bank of England base rate increases since December 2021 and general inflation in excess of 6% as at the close of March 2022.

Whilst the Charity considers the methodologies and assumptions adopted in the valuations are supportable, reasonable and robust, these estimated values may differ from the values that could be used on a ready market for the investment.

1.2 Income (stated as 'Income From' on the SoFA)

a) All income, including donated goods, are included in full in the Statement of Financial Activities as soon as the following three factors can be met:

- i) Entitlement – arises when a particular resource is receivable, or the Charity's right becomes legally enforceable
- ii) Probable – it is more likely than not that the economic benefits associated with the transaction or gift will flow to the Charity; and
- iii) Measurement – when the monetary value of the income can be measured with sufficient reliability

Measurement for Gift in Kind

This is the fair value or value to the Charity of the donated item which can be measured reliably.

Gift in Kind donations

Re: SORP FRS102 – chapter 6: "Income from donations that are Gifts in Kind are recognised when there is evidence of entitlement to the gift, receipt is probable, and its fair value market amount can be measured reliably."

The value to the Charity is the amount that the Charity would pay in the open market for an alternative item that would provide a benefit to the Charity equivalent to the donated item.

Gift in Kind donations have been recognised and a valuation of the donated goods have been recorded in this annual report under the SoFA, in both Income and Expenditure, after the donation was measured and recorded a fair value price, a measurement of cost to the donor by the fundraising team.

Income from legacies

Legacies are accounted for according to Charities SORP (FRS 102)" second edition, issued in October 2019, as soon as income is probable, can be measured and entitled. This will be confirmed from the representatives of the estates that payment of the legacy will be made, or property transferred, and once all conditions attached to the legacy have been fulfilled.

Material legacies which have been notified, but not recognised as income in the Statement of Financial Activities are disclosed in a separate note to the accounts with the estimate of the amount

receivable (Contingencies Note 15). There were no accrued legacies for 2021/22.

1.3 Expenditure (stated as ‘Expenditure On’ in the SoFA)

The funds held in trust accounts are prepared in accordance with the accruals concept. All expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party.

a) Cost of generating funds (*Expenditure on Raising Funds within the SoFA*)

The cost of generating funds is the costs associated with generating income for the funds held on trust. This will include the costs associated with expenses payable for fundraising and investment managers’ fees.

b) Grants payable (*Expenditure on Charitable Activities within the SoFA*)

Grants payable are payments, made to third parties (including NHS bodies) in furtherance of the funds held on trust’s charitable objectives to relieve those who are sick. They are accounted for on an accrual’s basis where the conditions for their payment have been met or where a third party has reasonable expectation that they will receive the grant. This includes grants paid to NHS bodies.

c) Governance costs

These are accounted for on an accruals basis and consist of recharges of support staff salary costs from Barking Havering and Redbridge University Hospitals NHS Trust in addition to:

- software consultants’ annual maintenance costs
- cost of producing the Annual Report and Accounts
- internal and external audit fees and bank administration charges.

The governance costs are incorporated within expenditure on raising funds in the Statement of Recommended Practice but identified clearly in the notes accompanying the accounts.

1.4 Structure of Funds

Unrestricted income funds comprise of those funds where the donor has not issued a specific request for where the funds should be used. These funds may then be used for any purpose in furtherance of the charitable objectives. Unrestricted funds can include designated funds

where a donor may have made a non-binding request, or the members have created a fund for a specific purpose.

Where there is a legal restriction or one imposed by the donor on the purpose to which funds may be used, they are treated as restricted funds.

Funds where the capital is held to generate income for charitable purposes and cannot themselves be spent are accounted for as endowment funds. The Charity had no endowment funds during the financial year to 31 March 2022. Other funds are classified as unrestricted funds.

Funds which are not legally restricted but which the members have chosen to earmark for set purposes are classified as designated funds. The major funds held within these categories are disclosed on note 12.1.

1.5 Fixed asset investments

Investment of quoted stocks and shares are included in the balance sheet at mid-market price, ex-dividend.

1.6 Realised gains and losses

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

The Charity processes all losses and gains proportionately against unrestricted and restricted funds.

In accordance with the new Statement of Recommended Practice (FRS 102)' - "Charities SORP (FRS 102)" second edition, issued in October 2019, the net gains and losses are shown under the heading for either income or expenditure.

1.7 Support Costs

Support Costs relate to operational costs for the charity and are defined as Administration Costs and relate to general overheads and system support costs. These include salaries, bank and investment charges, insurance costs, Just Giving and Worldpay costs.

2 Details of income

Unrestricted Funds 2021-22 £000	Restricted Funds 2021-22 £000	Total Funds 2021- 22 £000	Unrestricted Funds 2020-21 £000 (restated)	Restricted Funds 2020-21 £000 (restated)	Total Funds 2020-21 £000 (restated)
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Donations and Legacies

General donations	54	182	236	237	241	478
Sponsorship	0	0	0	0	0	0
Trusts	18	107	125	231	0	231
Legacies	21	0	21	17	2	19
Gift in Kind Donations	6	0	6	193	0	193
Non-Charitable Fundraising	50	31	81	59	20	79

Income from Charitable Activities:

Community Fundraising	1	0	1	0	0	0
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Income from Non-Charitable Activities:

Investment Income - Shares	24	61	85	18	66	84
Investment Income - Property	0	19	19	0	0	0
Corporates	9	0	9	114	57	171
Total other income	183	400	583	869	386	1,255

3 Income against Expenditure on raising funds

	Total 2021-22 Costs	Total 2020-21 Costs	Total 2021-22 Funds Raised	Total 2020-21 Funds Raised
	£000	£000	£000	£000
Fund raising – funds raised & costs during the year	(671)	(669)	498	1,171
Investment Managers' fee & dividends	(5)	(5)	85	84
	(676)	(674)	583	1,255

4 Details of Expenditure on Charitable Activities

	Unrestricted Fund 2021-22 £000	Restricted Fund 2021-22 £000	Total Fund 2021- 22 £000	Unrestricted Fund 2020-21 £000	Restricted Fund 2020-21 £000	Total Fund 2020-21 £000
				(restated)	(restated)	(restated)
Patients' education and welfare	242	126	368	42	294	336
Staff education and welfare	29	9	38	4	4	8
Research	0	51	51	0	75	75
Total Expenditure	271	186	457	46	373	419

5 Analysis of Expenditure excluding net gains (losses) on investments

	Cost of Generating Funds 2021/22 £000	Direct Charitable Expenditure 2021/22 £000	Governance Costs 2021/22 £000	Total Funds 2021/22 £000	Cost of Generating Funds 2020/21 £000	Direct Charitable Expenditure 2020/21 £000	Governance Costs 2020/21 £000	Total Funds 2020/21 £000
					(Restated)	(Restated)		(Restated)
Audit fee	0	0	20	20	0	0	15	15
Other	188	468	0	656	111	548	0	659
	188	468	20	676	111	548	15	674

The above expenditure has been restated for the treatment of charity staff costs in two respects. Firstly, the Trust wanted to support the charity's purchase of a Da Vinci robot in 2019 for £1.6m by assuming the some of the staff costs. This has proven to not be possible and the staff costs have been added back into the Charity accounts..

Secondly, the exceptional circumstances around COVID which hindered the staff from doing their usual roles, meant a proportion of the staff costs were “seconded” to the Trust for non-charitable activities, which reduced the staff costs that would otherwise have been charged by the Trust to the Charity..

The impacts were: £338k staff costs less £150k “secondments”, net £188k additional cost for 2021/12 (£311k less £200k, net £111k for 2020/21, and £265k in 2019/20). Please see Note 21 for the analyses of impacts to the prior period reported figures.

The Trust’s auditor BDO LLP has been paid £20,000 (excl. VAT), in respect of the statutory audit of the financial statements for the year ended 31 March 2022.

6 Changes in Cash Resources Available for Charity Use

	Unrestricted Funds 2021-22 £000	Restricted Funds 2021-22 £000	Total Funds 2021- 22 £000	Unrestricted Funds 2020-21 £000 (restated)	Restricted Funds 2020-21 £000 (restated)	Total Funds 2020-21 £000 (restated)
Net movement in funds for the year	41	(286)	(245)	497	(52)	445
Net movement in funds available for future activities	41	(286)	(245)	497	(52)	445

7 Analysis of Net Assets between Funds

	Unrestricted Funds 2021-22	Restricted Funds 2021-22	Total Funds 2021-22	Unrestricted Funds 2020-21	Restricted Funds 2020-21	Total Funds 2020-21
	£000	£000	£000	£000 (restated)	£000 (restated)	£000 (restated)
Tangible fixed assets (property)	0	1,390	1,390	0	1,200	1,200
Investments (shares)	868	1,296	2,164	607	1,483	2,090
Current Assets	599	692	1,291	858	679	1,537
Total liabilities	(151)	(1,053)	(1,203)	(74)	(1,283)	(1,357)
Total	1,316	2,325	3,641	1,391	2,079	3,470

Under Total Liabilities, operational costs for the Charity have been added, as set out in Note 5 above. The impacts were: £338k staff costs less £150k secondments, net £188k additional cost for 2021/12 (£311k less £200k, net £111k for 2020/21, and £265k in 2019/20 with no “secondments”). Please see Note 21 for the analyses of impacts to the prior period reported figures.

Under the restricted funds category, the charity’s current liabilities (**£1,053k**) outweigh its current assets of £692k, thereby creating a short-term liquidity issue of (**£361k**). The Corporate Trustee acknowledges this liability, and will look at all options available, including the possibility of selling some of its investments and/or property assets, or other fundraising opportunities to meet the charity’s liabilities.

8 Analysis of Fixed Asset Investments

8.1 Movement in Fixed Asset Investments:

	2021-22 £000	2020-21 £000
Investments - Market value at 1 April	2,090	1,745
Net gain (loss) on investment revaluation	74	345
Market value at 31 March	2,164	2,090
<i>Historic cost at 31 March</i>	<i>1,771</i>	<i>1,745</i>

8.2 Market value on 31 March

	2021-22 Total £000	2020-21 Total £000
Investments listed in:		
Multi Asset Funds	36	0
UK Equities	219	229
Global Equities	365	333
European Equities	0	55
Absolute Return	170	183
Property Funds	404	302
Other Overseas Equities	775	856
Fixed Income- Cash	46	67
Other Investments	149	65
TOTAL	2,164	2,090
Cash on interest bearing deposit (shown within cash and cash equivalents in balance sheet –included in Note 10)	10	30

9 Analysis of Debtors

Amounts falling due within one year:

	2021-22 £000	2020-21 £000
Total debtors falling due within one year	4	8
Deferred Income	(2)	0
Total	2	8

The Charity reclaims VAT through a Control account held with the Trust, as it is not independently VAT registered. This is therefore treated as income in the ledgers

10 Cash and Cash Equivalents

	2021-22 £000	2020-21 £000
Cash in hand	1	1
Cash held at bank not requiring notice for withdrawal	1,290	1,528
Total Cash and Cash Equivalents	1,291	1,529

The funds held at the bank are in interest bearing accounts that require no fixed notice for withdrawal and are held to facilitate cash flow and the fulfilment of obligations to make grant payments.

No cash or cash equivalents or current asset investments were held in non-cash investments or outside of the UK.

11 Analysis of Creditors

2021-20
£000

2020-21
£000
(restated)

Amounts falling due within one year:		
Accrual for grants owed to NHS body	(3)	(40)
Accrued Expenditure	(1,201)	(975)
Total creditors falling due within one year	(1,204)	(1,015)
Amounts falling due after one year	0	(342)

Short term creditors for 2021 increased by £449k due to staff costs (see Notes 5 and 7) and recognition of GP course costs commitment (£73k within the total increase). Please see Note 21 for the analyses of impacts to the prior period reported figures.

12 Analysis of Funds

12.1 Restricted Funds & Unrestricted-Designated Funds 2021/22

12.1 Restricted Funds & Unrestricted Funds Material Funds Balance	Fund Balance 01.04.21	Incoming Resources	Resources Expended	Gain on property investment	Gains on Investments	re- classification of current liabilities - (for salaries and Da Vinci)	Balance 30.03.22
RESTRICTED-DESIGNATED FUNDS							
A. Barking Hospital	15	0	0	0	0	0	15
B. King George Hospital	309	34	(5)	0	0	0	338
C. Queen's Hospital	1,239	161	(75)	0	0	0	1,325
D Romford Cardiovascular Research Fund	100	0	0	0	0	0	100
F. Barking Havering & Redbridge Hospitals	416	206	(263)	190	0	0	549
TOTAL RESTRICTED - DESIGNATED FUNDS	2,078	400	(343)	190	0	0	2,326
UNRESTRICTED FUNDS							
F. Barking Havering & Redbridge Hospitals	1,392	183	(333)	0	74	0	1,315
TOTAL UNRESTRICTED FUNDS	1,392	183	(333)	0	74	0	1,315
TOTAL CONSOLIDATED FUNDS	3,470	583	(676)	190	74	0	3,641

12.2 Restricted Funds & Unrestricted Funds 2020/21 (restated)

12.2 Restricted Funds & Unrestricted Funds Material Funds Balance	Fund Balance 01.04.20	Incoming Resources	Resources Expended	Losses on property investment	Gains on Investments	Balance 30.03.21
RESTRICTED-DESIGNATED FUNDS						
A. Barking Hospital	14	0	0	0	1	15
B. King George Hospital	241	39	(3)	0	32	309
C. Queen's Hospital	1,183	107	(134)	0	84	1,239
D Romford Cardiovascular Research Fund	96	0	(3)	0	6	100
F. Barking Havering & Redbridge Hospitals	620	240	(403)	(190)	149	416
TOTAL RESTRICTED - DESIGNATED FUNDS	2,154	386	(543)	(190)	272	2,078
UNRESTRICTED FUNDS						
F. Barking Havering & Redbridge Hospitals	581	869	(130)	0	72	1,392
TOTAL UNRESTRICTED FUNDS	581	869	(130)	0	72	1,392
TOTAL CONSOLIDATED FUNDS	2,735	1,255	(673)	(190)	344	3,470

12.3 Further supporting notes

Barking Hospital Fund: Upney Lane, Barking IG11 9LX – is a community hospital which is now managed by North East London NHS Foundation Trust.

King George Hospital Fund: Barley Lane, Ilford IG3 8YB – was originally the Ilford Emergency Hospital built in 1910-12 and in 2010 joined BHR University Hospitals NHS Trust with Queens hospital in Romford, transferring all funds to the joint hospital's Charity. Queens Hospital Fund: Rom Valley way, Romford RM7 0AG – opened in 2006 replacing Harold Wood hospital, Oldchurch hospital and Rush Green hospital.

The BHR Hospitals NHS Trust Charity Fund was founded in November 1996, when it amalgamated all the other hospitals funds together.

Romford Cardiovascular Research Fund: This fund was formed as a result of an annuity left in 2007 specifically for Cardiology and Vascular Research at King George's hospital.

Barking, Havering & Redbridge Hospitals Fund: This Fund is the joint fund which incorporates donations received for BHR Hospitals and which can be used at either Queens hospital or King George's hospital.

12.4 Reclassification of Restricted Funds

Since the 31 March 2022, and in response to the qualification of the financial statements since 2020/21, the Charity has completed a review, supported by a legal firm, to determine which of its funds that have been classified as being restricted have supporting evidence to support being classified as restricted, and which others do not have such evidence and could therefore be reclassified as unrestricted.

The review concluded that £2,154k of funds classified as restricted at 31 March 2022 should be reduced by £1,711k to £443k, with the balance reclassified to unrestricted. These adjustments cannot be actioned within these financial statements because the conclusions are based on an absence of evidence to provide definite proof of classification at 31 March 2022, and so will be reflected in the accounts to 31 March 2023, following a formal decision of the Corporate Trustee.

13 Details of transfers between funds

None

14 Related Party Transactions

During the year none of the Corporate Trustee, committee members or members of the key management staff or parties related to them has undertaken any material transactions with the Barking, Havering and Redbridge University Hospitals NHS Charitable Trust. Board Members make decisions both on Charity and Exchequer matters, but endeavour to keep the interests of each and do not seek to benefit personally from such decisions. Declarations of personal interest have been made in both capacities and are available to be inspected by the public.

The Charity has one related party which is Barking, Havering and Redbridge University Hospitals NHS Trust. The charitable contributions towards capital expenditure to Barking, Havering and Redbridge University Hospitals NHS Trust amounted to £381,227 on 2021-22, (£290,983 in 2020-21).

BHR University Hospitals NHS Trust Charity (working title King George & Queens Hospital Charity) is a subsidiary of the main parent entity, Barking, Havering & Redbridge University Hospitals NHS Trust. The ultimate parent organisation is the Department of Health.

Name, nature of connection, description of activities undertaken, and details of any qualifications expressed by their auditors	2021-22		2020-21	
	Turnover Of Connected Organisation £000	Net Loss for the Connected Organisation £000	Turnover Of Connected Organisation £000	Net Deficit for the Connected Organisation £000
Barking, Havering & Redbridge University Hospitals NHS Trust was the beneficiary of the charitable expenditure of £381,227 during 2021-22 (£290,983 in 2020-21)	831,207	(543,000)	768,960	(6,403)

BHRUT is a creditor to the Charity and as at 31 March 2022 the Charity owed £448K to its parent organisation.

15 Commitments, Liabilities and Provisions

There is no commitment, liability, or provision to account for that has not already been identified in the Balance Sheet.

16 Trustee Indemnity Insurance

Barking, Havering and Redbridge University Hospitals NHS Trust Directors' Indemnity Insurance provides cover for the full range of duties including those of members. No financial split is made in the premium paid by the Trust. The charity also holds separate insurance with Evans Insurance for more localised cover.

17 The Role of Volunteers

Like all charities, King George and Queen's Hospitals Charity is reliant on a team of volunteers to assist in the smooth running of the Charity, currently assisting in general administration and garden duties. These volunteers provide a valuable service for us by promoting the Charity and informing the public of the work we do to enhance the services that the Trust provides.

In accordance with the SORP, due to the absence of any reliable measurement basis, the contribution of these volunteers is not recognised in the accounts.

18 Key Management Personnel

The gross costs of key management personnel over £60k are listed below:

	Basic pay + HCOL – Net Cost	ER's Pension	ER's NI	Total Gross Cost	Basic pay + HCOL – Net Cost	ER's Pension	ER's NI	Total Gross Cost
	2021/ 22 £000	2021/ 22 £000	2021/ 22 £000	2021/ 22 £000	2020/ 21 £000	2020/ 21 £000	2020/ 21 £000	2020/ 21 £000
Head of Fundraising	77	8	5	90	73	7	5	85
Charity Accountant	55	4	4	63	54	4	4	62
Fundraising Office Manager	55	4	4	63	48	3	4	55
Remaining Charity Staff	103	10	9	122	92	9	8	109
Total Payroll Costs (including above)	290	26	22	338	267	23	21	311

The average head count (number of staff employed by the Charity) during the reporting period 2021/22 is 7.6 (6.6 in 2020/21).

Charity salaries, including pension costs, Er's NIC are paid by the main Trust.

One of the Charity members, the Chair of the Charitable Funds Committee, was paid a salary/fee of £11,032 in 2021-22, (£11,238 in 2020/21) for advisory services. None of the other Charity members have been paid expenses out of the Charity.

19 Investment Properties

	2021-22 £000	2020-21 £000
Opening balance	1,200	1,335
Additions	0	0
Net gain (loss) from fair value adjustments	190	(135)
Balance at 31 March	<u>1,390</u>	<u>1,200</u>

The value of one of the above properties has been reduced by 30% according to RICS valuer, due to the nature of the assured tenancy agreement and the tenant's age.

The opening balance as at 1 April 2020 has been restated to reduce the value by £240k compared to the previously reported value because of the tenancy issue. Please see Note 21 for the analyses of impacts to the prior period reported figures.

20. Valuation of Properties

The prior years' house valuations and that of 31 March 2022 identified an error in the values previously stated, due to the omission of a 30% reduction following the assured tenancy agreements held with the tenants inherited. (This percentage value was confirmed by the RICS qualified valuer appointed.)

Therefore, prior period adjustments have been made to reflect reductions in valuations to echo the secured tenancy positions on two of the four properties. The Balance Sheet has been adjusted down accordingly, whilst reflecting the current housing market movements, since 2020.

Since 31 March 2022, one of the properties which was occupied by tenants under a secured tenancy was vacated. This means that the reduction in value of 30% is no longer required and will be reflected in the 31 March 2023 accounts.

21. Prior Period Adjustments (restatements of 2020/21 and prior period reported amounts)

In the course of finalising these financial statements, a number of issues have been identified which have related to prior periods. The Charity has consequently restated the three primary statements (Statement of Financial Activities, Balance Sheet and Statement of cash flow) as well as supporting notes.

The component amendments reflected:

- Recognition of additional staff costs, linked to the arrangements previously agreed to fund the Charity's purchase of the Da Vinci robot as adjusted to reflect working arrangements during COVID, as explained in Notes 5 and 7
- Property valuation amendments reflecting tenancy status, as described in Note 20 above
- Various reclassifications – between restricted and unrestricted funds where there is evidence to support this, and between income categories where a previous misclassification has been identified. This includes Da Vinci robot (DVR) funds raised.
- Reflection of a commitment to fund GP courses for the Trust previously omitted
- Other minor corrections

The Charity is not required to publish an amended 31 March 2020 balance sheet, so cumulative impacts up to that date are reflected as "brought forward" in the following tables:

SOFA PPAs	Unrestricted				Income	Net b/f	Unrestricted	Restricted			GP			Income	Net b/f	Unrestricted		Total			GP			Income	Net b/f	Total
	Original	DVR	Salaries	Other	class	2019/20	Restated	Original	DVR	Salaries	courses	Properties	Other	class	2019/20	Restated	Original	DVR	Salaries	course	Properties	Other	class	2019/20	Restated	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000		£'000	£'000	£'000	£'000	£'000	
Income From:																										
Donations and legacies	556	123			58		737	366	-123					20		263	922	0	0	0		0	78	0	1,000	
Income from investments	24			-6			18	60					6			66	84	0	0	0		0	0	0	84	
Income from Charitable Activities (Community)	58				-58		0	20						-20		0	78	0	0	0		0	-78	0	0	
Income from Non-Charitable Activities	114						114	57								57	171	0	0	0		0	0	0	171	
Total income	752	123	0	-6	0	0	869	503	-123	0	0	0	6	0	0	386	1,255	0	0	0	0	0	0	0	1,255	
Expenditure On:																										
Expenditure on raising funds (other)	-52						-52	0								0	-52	0	0	0	0	0	0	0	-52	
Expenditure on raising funds (support costs)	-9		-24				-33	-11		-88	-72					-171	-20	0	-112	-72	0	0	0	0	-204	
Expenditure on charitable activities (other)	-42						-42	-369								-369	-411	0	0	0	0	0	0	0	-411	
Expenditure on charitable activities (support costs)	-3		-1				-4	-4								-4	-7	0	-1	0	0	0	0	0	-8	
Total expenditure	-106	0	-25	0	0	0	-131	-384	0	-88	-72	0	0	0	0	-544	-490	0	-113	-72	0	0	0	0	-675	
Net gains/losses on investments	100			-27			73	245					27			272	345	0	0	0	0	0	0	0	345	
Net gains/losses on properties	0						0	-55				-135				-190	-55	0	0	0	-135	0	0	0	-190	
Transfer between funds	1						1	-1								-1	0	0	0	0	0	0	0	0	0	
Net movement in funds	747	123	-25	-33	0	0	812	308	-123	-88	-72	-135	33	0	0	-77	1,055	0	-113	-72	-135	0	0	0	735	
Reconciliation of funds																										
Fund balances brought forward	622					-41	581	2,618							-464	2,154	3,240							-505	2,735	
Fund balances carried forward	1,369						1,393	2,926								2,077	4,295								3,470	

The net brought forward positions comprise £240k downwards valuation adjustment to properties (see Note 19) and £265k of additional staff costs (see Notes 5 and 7). The £240k re properties relates wholly Restricted funds, whereas the £265k has been apportioned between Restricted and Unrestricted funds based on fund classification values. This analysis and total impact is also reflected in the Statement of Financial Position overleaf.

		Net b/f		GP			
Balance Sheet PPAs	Original	2019/20	Salaries	courses	Properties	Reclassify	Restated
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Fixed assets:							
Tangible Assets (Property)	1,575	-240			-135		1,200
Investments (Shares)	2,090						2,090
Total fixed assets	3,665	-240	0		-135	0	3,290
Current assets:							
Debtors	8						8
Cash and cash equivalents	1,529						1,529
Total Current Assets	1,537	0	0		0	0	1,537
Liabilities:							
Creditors: Amounts falling due within one year	-567	-265	-111	-72			-1,015
Net current assets	970	-265	-111	-72	0	0	522
Total Assets less current liabilities	4,635	-505	-111	-72	-135	0	3,812
Creditors: Amounts falling due after one year	-340					-2	-342
Total Net assets	4,295	-505	-111	-72	-135	-2	3,470
The funds of the Charity:							
Restricted income funds	2,926	-464	-87	-72	-135	-90	2,078
Unrestricted income funds	1,369	-41	-24			88	1,392
Total Charity funds	4,295	-505	-111	-72	-135	-2	3,470

	Original	Properties	Salaries	GP	
Cash flow statement PPAs	£'000	£'000	£'000	courses	Restated
	£'000	£'000	£'000	£'000	£'000
Net income	1,055	-135	-111	-72	737
Adjustments for:					
(Gains)/losses on investment funds and properties held	-290	135			-155
Dividends and interest from investments	-84				-84
(Increase)/decrease in debtors	-16				-16
Increase/(decrease) in creditors	-320		111	72	-137
Net cash generated from operating activities	345	0	0	0	345
Cash flows from investing activities:					
Dividends and interest from investments	84				84
Proceeds from the sale of investments	0				0
Additions to investment properties	0				0
Net cash generated from investing activities	84				84
Change in cash and cash equivalents in the reporting period	429				429
Cash and cash equivalents at the beginning of the reporting period	1,100				1,100
Cash and cash equivalents at the end of the reporting period	1,529				1,529

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Glossary of terms

Term	Definition
Carrying Value	The value at which the investment asset is recorded in the books of account. This will be either the market value at the last revaluation or the cost of the investment if it was acquired after the last revaluation.
Charitable Funds	Funds for which the purpose (objects) are deemed to be charitable and to which the use of the funds complies. Charitable purposes relate to meeting a general public good e.g. healthcare.
Charity SORP	A Statement of Recommended (Accounting) Practice for charities. A guide to good accounting practice by the Charity Commission.
Corporate Trustee	A body created under statute, having powers to hold and use funds on trust, where the powers, responsibilities and accountability are specified in the statute or in related delegated legislation.
Endowment Fund	A fund where the donor has specified that the capital may not be spent at all (Permanent Endowment) or only after the completion of a particular object and/or elapse of time (Expendable Endowment). Note: there are no Endowment Funds at present.
Grant Making	A charity which provides funds to other persons and bodies for them to spend on charitable objects. The majority of NHS charities are grant making and should not be showing direct charitable expenditure on the SoFA other than as grants provided.
Income	This is the receipt of capital resources as well as income.
Member	A person or body corporate having accepted responsibility for funds to be held on trust to be used in compliance with the donors' wishes.
Realised Gains/Losses	Gains and losses arising from the difference between sale proceeds of an investment asset and the carrying value of that investment at the date of sale.
Reserves	Accumulated income for which a future purpose has been identified and designated. Income funds should not be hoarded without good purpose.
Restricted Funds	Funds where the income is only expendable in accordance with restrictions imposed by the donor(s).
SoFA	Statement Of Financial Activity which shows all resources made available in the year, all expenditure incurred in the year and a reconciliation of all changes in the funds.
Special Purpose Funds	Funds which are trusts in their own right which have been registered under an umbrella trust.
Trust	A legal relationship between Settlers/Donors, Trustees and Beneficiaries. In the report the use of the capital T denotes an NHS Body and a small t a holding of funds on trust.
Umbrella Trust	A legal device to allow the Charity Commission to register a number of funds as a single fund for the purposes of maintaining the Register and for annual accounting and reporting. It does not remove the individual trust status of special funds for other purposes.
Unrealised Gains/Losses	Gains and losses arising from the revaluation of investments at market value at the year end and compared to the market value of investments at the beginning of the year, after allowing for realised gains/losses.
Unrestricted Funds	Funds where the income is expendable at the discretion of the members on the charity's objectives.

With special thanks to:

- The League of Friends of King George Hospital
- NHS Charities Together
- The executors of the estate of Emily Pemberton-Barnes
- KLS Martin
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- Ethypharm
- Skipton Charitable Foundation
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- Pentax UK Ltd
- Nisa
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- Pete & Emily Kingsman
- Hornchurch Harmonies Women's Institute
- West Ham United Foundation
- Morrisons, Dagenham
- Asda, Dagenham
- Kids Inc
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- Mr Derek Stanbridge
- Mrs Carole Grossman
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- Mr Ash Bhola
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- Mr M Cheasley
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- Rotary Club of Redbridge
- Homebase, Romford
- Designer Advocates

And, of course, our wonderful volunteers, ambassadors and Charitable Funds Committee Members.

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