

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

# **Annual Report and Accounts**

**2020 – 2021**

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## Reflections from the Chair

Over the past twelve months our hospitals have been tested to emergency in the history of the NHS. The community rose up forces to battle the pandemic together.



the limit facing the greatest health to support our frontline staff as we joined

### Sir Captain Tom Moore

No one could have predicted the enormous impact that one 99 year old war veteran could have had on our morale; his gentle manner coupled with a steely determination helped us all through some of the most difficult challenges.

Captain Tom's extraordinary fundraising efforts have helped countless charities up and down the country. Our charity benefitted from funds raised in his name which we are using to support our elderly and most vulnerable patients. Our project will help them return home sooner with a support package and technology that will improve their quality of life, ensure greater independence, and help combat loneliness and isolation.

Captain Tom also proved that age is no barrier and I hope other people will be inspired by his legacy and become volunteers for charity. Together we can make a real difference.

### Our Staff

The charity team volunteered to run the distribution hub for the generous donations of essentials from the public and local businesses. This was an enormous undertaking. We supported our staff through the worst of the lockdown by prioritising and delivering over 100,000 meals, bottled water, and supplying toiletries and treats to help keep spirits up.

We helped provide wellbeing spaces and kept them stocked for staff in hospital and also delivered a steady pipeline of care packages to medical staff living in emergency hotel rooms.

### Our Committee Members and extended Charity team

I would like to personally thank all of our Committee Members for their ongoing support, guidance and enthusiasm. Also, huge gratitude to our extended charity team – ambassadors, volunteers and redeployed staff during this difficult year.

### Our Charity Team

I would finally like to publicly thank our fantastic charity team for working round the clock, taking on new challenges and overcoming significant obstacles whilst still looking after our patients and staff.

Without the generous support we received from our community none of the above would have been possible. This pandemic has shown us at our best, and I am sure we can continue to enhance the experience of our patients with your continued support.

## Our Charity 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 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 restricted to 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.



**5 year old Owen from Romford had his head shaved to raise money for the wellbeing of our NHS Champions**

## The Charity Team



George Wood  
Chairman



Carol Madeley  
Member



Sue Williams  
Member



Jackie Nugent  
Member  
until Feb 2021



Niki Eves  
Member



Nick Swift  
Chief Financial  
Officer



Bev Thomas  
Divisional Director  
(Nursing). Member  
until Aug 2020



Tracey Thorne  
Divisional Director  
(Acute Medicine)



Lynda Head  
Head of  
Fundraising



Marina  
Christopher  
Fundraising Office  
Manager



Ellen Kyriacou  
Charitable  
Accountant



Torren Mahmut  
Community  
Fundraiser



Stacey English  
Events  
Coordinator



Michelle Fox  
Fundraising Office  
Assistant

## A word from the Head of Fundraising



One thing that has become really clear during the last twelve months is that our charity role is not only about raising funds. As we entered the first lockdown we realised that we are also a vital link between our community and our hospitals. As both our charity accommodation and our workload changed overnight we proved that we are a versatile, hugely well connected and resourceful team, able to diversify and deliver every kind of support to both our staff and our patients.

As the emergency unfolded our executive team asked for our support and we became the first point of contact for all offers of help from the community and the 'go to' place for staff to ask for support. With a huge outpouring of offers of goods and service from the public we had to organise the logistics of acceptance, storage and delivery and match this to those most in need.

During the worst of the emergency, we were unable to get home or get to accommodation and food, making measures were in place. We worked acute shortage of scrubs and oversaw to help keep our NHS workforce come into hospital without the basic through the provision of iPads.

As the financial year ends, we find that hold and all of the above, we have projected income. The future may not and there will no doubt be difficult make changes. We remain optimistic diversify and find new income lines the last year has shown us everything passion to succeed.



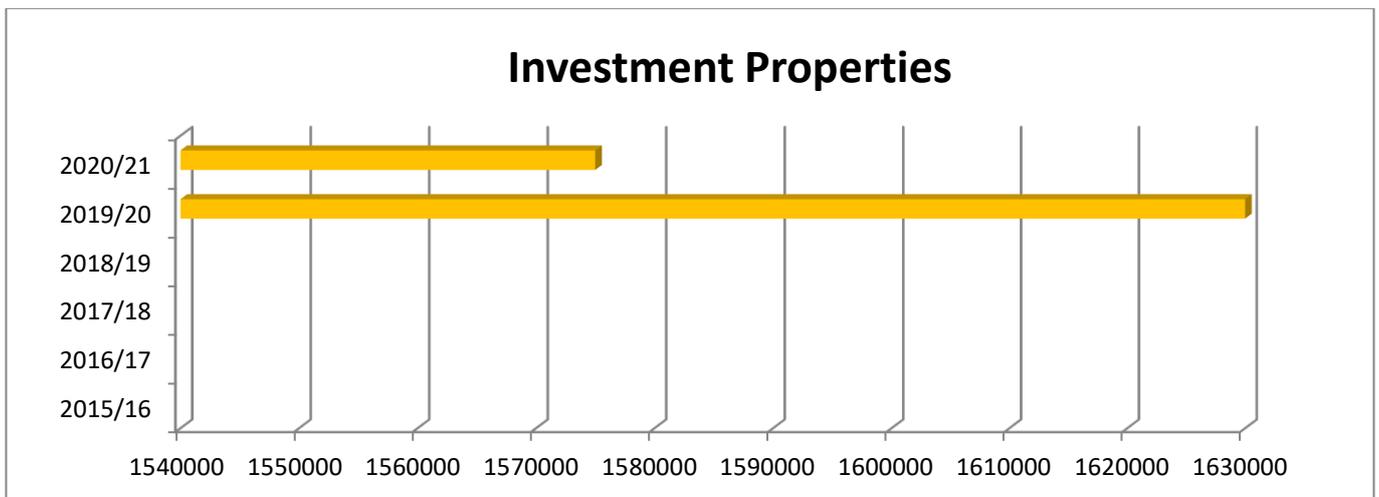
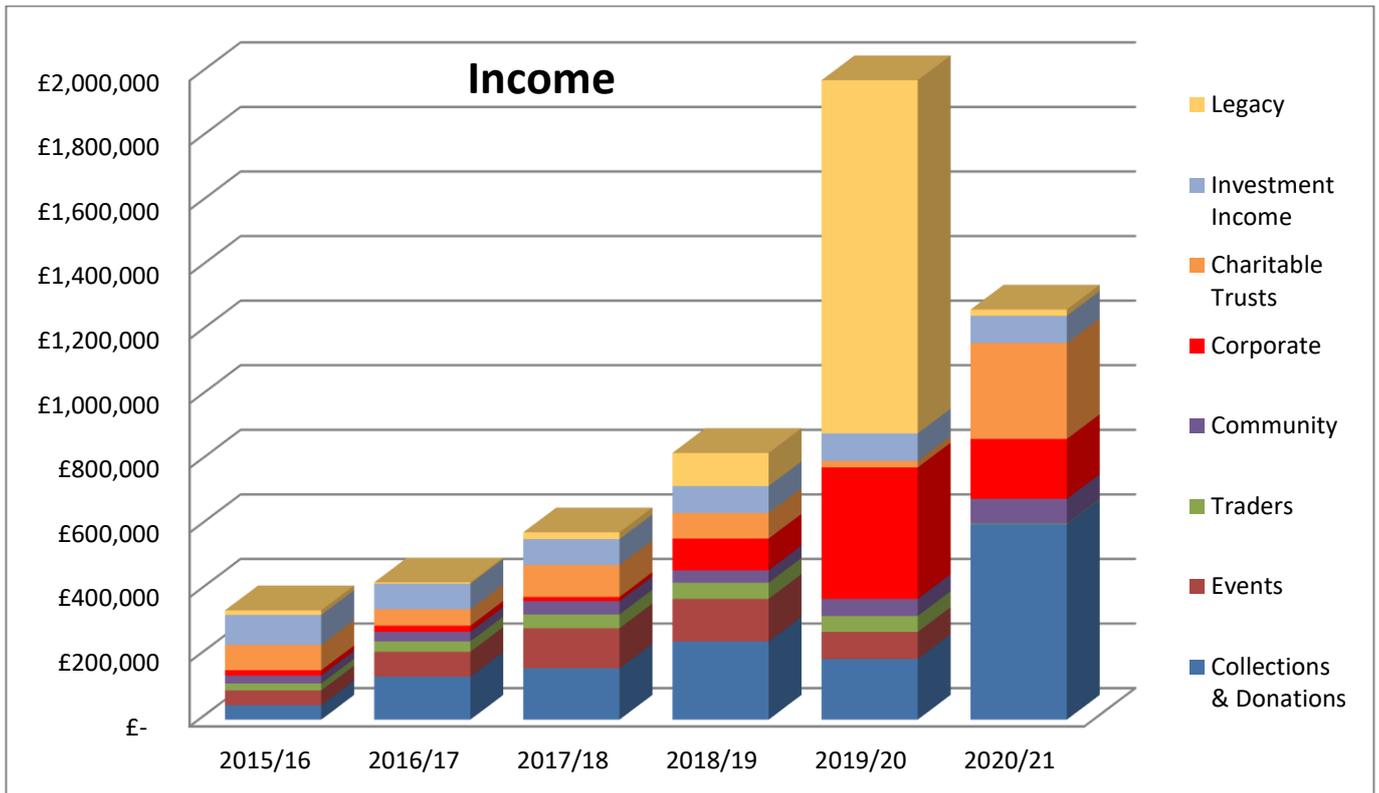
**Staff, parents and pupils of Mayespark Primary School in Ilford collected lots of bags of treats and thank you letters for our #nhsheroes**

when shop shelves were empty and staff work, we juggled offers of taxis, sure all the relevant health and safety with community groups to address the and delivered some 8,000 pairs of scrubs operating. We assisted patients who had essentials, and we connected families

despite business as usual being put on amazingly still achieved very close to our be as predicted in our planned strategy, times ahead, so we must be prepared to and we will use every opportunity to and meet our objectives for 2021/22. As is possible if you have a great team and a

## Sources of income and how we raised our funds

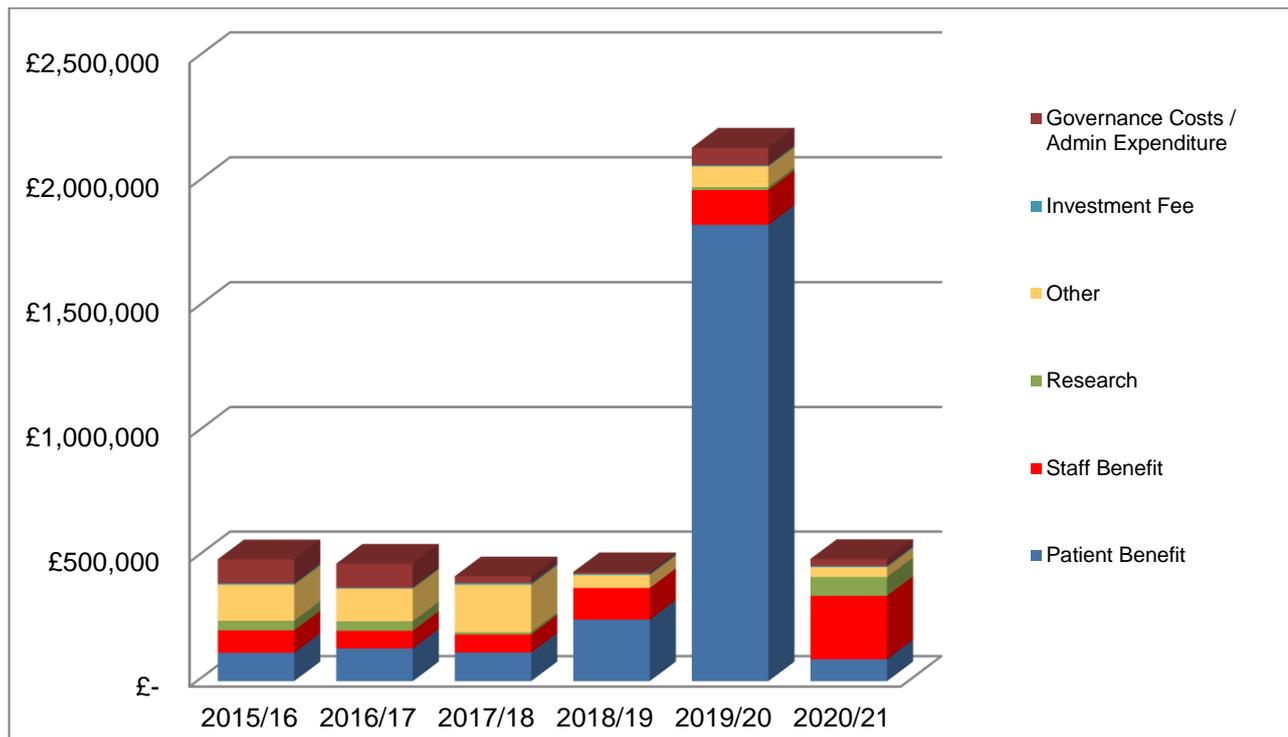
Charity income for the last 6 years



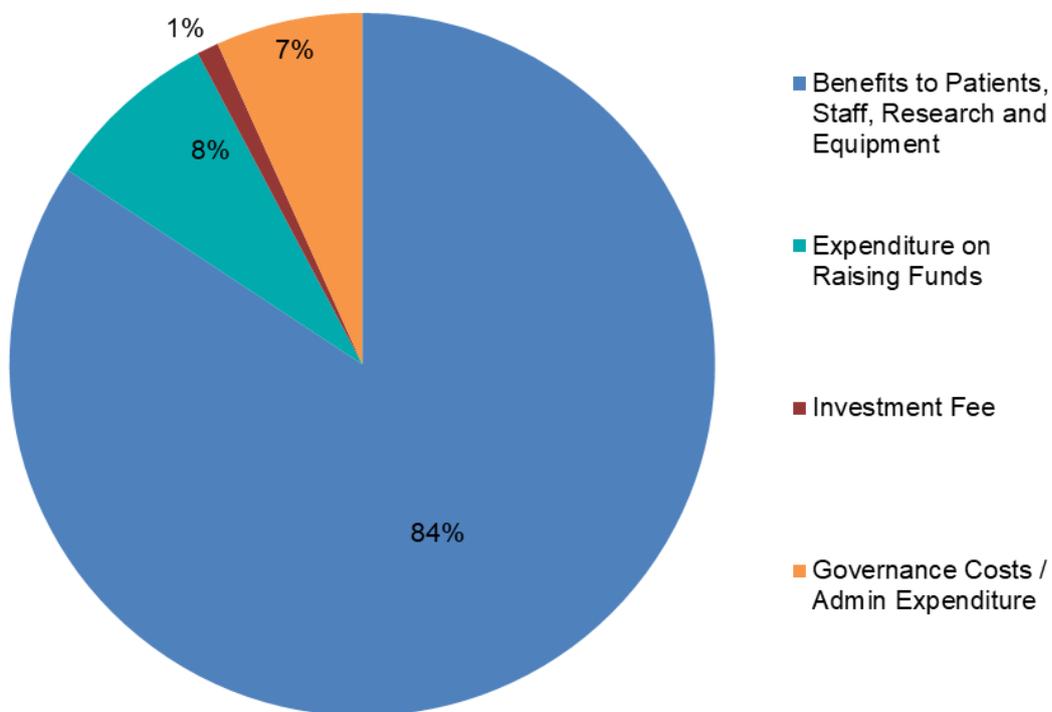
Donations this year rose considerably as the community rallied in support of NHS services through the pandemic. There were some significant changes to our projected expectation on income which saw trading, events and collection box income hit badly. Our regular corporate supporters were in the main working from home and this was another area that suffered during the emergency. We were very grateful to have grants from NHS Charities Together for specific projects which filled the income gap supporting the Charity to end this challenging year very close to our original target. Unfortunately, much of the year end income was restricted, and as the Charity has not had the benefit of organising its own pipeline of events, we found this has caused a short fall for unrestricted funds.

## Sources and breakdown of expenditure

Charity expenditure for the last 6 years



Breakdown of expenditure as a % of £489,920 total spent



## How we used our funds

### Medical equipment

We have been able to supply some fantastic resources to our maternity department for their parent education classes. The team couldn't wait to be able to get back to teaching families all about childbirth (when it was safe to resume the sessions).

In the Sexual Health and HIV service at Barking Community Hospital, they have approximately 15,000 attendances that require their height, weight and blood pressure be taken.



**Demonstrating a birth**



**A health monitor machine**

We provided a health monitor machine to the service so that patients can collect their own data, helping with social distancing and empowering patients to monitor their progress.

### Research and training

Clinical research is critical to the development of improved healthcare. The charity has funded 2 Research and Innovation Data Managers and provided 8 tablets to facilitate online training.

We also provided a uniform for the Research Team to wear to help raise awareness that research is going on in the Trust, encouraging staff to get involved and patients to ask how to get involved. As the team is multidisciplinary, we supplied scrub uniforms for the clinical teams and polo shirts for the administrative and management team members.



**New Research Team scrubs**



**Getting to Know Chemotherapy**

### Technology and information

Our Medical Photography Department provides a video production service to the Trust. The videos are a great way in which to communicate to our patients and staff and to promote the Trust to other healthcare professionals across the country. We were very pleased to support their work with the purchase of a new Single Lens Reflex video camera.

One such video filmed by the department was for patients about chemotherapy, building on information patients are already given as part of their pre assessment and consent. The Charity was able to release restricted funding for the purpose of making patient information films to pay for the production. Walking us through the information were two of our own patients – Sara Turle and Mairead Gray.

'Getting to know chemotherapy' can be seen on YouTube.



**Lavender Garden**

### Comfort and the environment

During the pandemic, we were unable to have anyone in to maintain the Lavender Garden at Queen's and sadly it was soon looking neglected. As soon as we could, we invited a local gardening company to come in to do some general work including a thorough clean of the paving. We also installed a new valve to the watering system to protect against contamination.

Time spent in the Neonatal Unit was made more comfortable for new mums when we supplied 7 more recliner chairs. Mothers have told staff that the chairs are very easy to get in and out of, they are able to put their feet up and rest in the chairs for longer periods compared to the old seating.



**Collecting presents for patients on Bluebell B Ward**

### Christmas Presents

Every patient in Queen's & King George Hospitals received a present on Christmas Day. In 2020, we safely put together over 1,300 gift bags.

## Case studies



### Adam raises funds for equipment for Neuro Rehab Team

Adam Shinebroom's mum Hazel fell ill and was admitted to Queen's Hospital in May 2020. Her condition very quickly deteriorated and she became bed bound.

Much of Hazel's care was provided by the Neuro Rehab Team and so Adam decided to raise funds to purchase new state of the art equipment for the unit. Adam organised a bike ride from London to Southend and, along with his friends, he raised £11,527!

Very sadly, Hazel passed away later that year. Adam and his family will be forever grateful to the rehab team who wish to use the donations to purchase a de-weighting system, to allow patients to trial standing, and a shower chair.

### Local children helping the NHS

Lewis Clements, age 9, came up with an idea to help the NHS and shared it with his good friend Ava who was happy to get involved. The young neighbours from Chase Cross Road, Romford, set up a little stall and spent 3 days selling DVDs, books and other toys that were no longer wanted to the passing public. They also sold cold drinks, even to a passing policeman and the ice cream man!

Lewis said, "I thought about it during lockdown and wanted to help the NHS because of Covid-19. I wanted to raise money for the NHS as they are trying to save lives".

Ava, also age 9, said, "I wanted to help because of coronavirus and also the NHS save millions of lives all the time". This dynamic duo raised £86.00 which was used to fund play packs for children in the Emergency Department.



## Fundraising events

### The Reindeer Run

In 2020, 15 schools took part in the Reindeer Run and the enthusiasm of the children and the generosity of the parents, families and friends who sponsored them astounded us. We have received over £22,517! These donations ensure that every child, and their siblings, in our hospitals over Christmas receive a present on Christmas Day. Absolutely amazing!

We did not expect this to be such a success due to the pandemic, but our local schools came up trumps with some even completing their Reindeer Run virtually and many opting to pay their sponsorship through our JustGiving page.



### Virtual Fundraiser

Streaming live via Facebook, the Mercury Mall and the Liberty Shopping Centre joined forces to put on this innovative fundraiser for us. Introducing exciting auctions all donated by local businesses, Christmas carols and lots of guests and giggles, great fun was had by all. Santa himself was there to read out messages and security guard Phil took on a series of challenges!

The event, opened by Town Crier Tony Appleton and Deputy Mayor Cllr Christine Vickery, raised over £13,000!

## The community's response to COVID-19

From the very start of the pandemic and our first lockdown the community were asking what they could do to help. Although government advice was to stay indoors huge numbers of people rang us and said they felt they wanted to do something to help, some explained that not being able to do anything made some feel completely helpless.

As well as supporting our campaigns the public came up with innovative ways to offer support. Some made financial donations and others who were in the food industry delivered hot food to the hospitals. They wanted to make sure that staff working long hours nursing Covid patients got a hot meal and plenty of drinks. Logistically the lockdown presented a nightmare for distribution companies and suppliers and much of the surplus stock found its way to our hospitals.



**Deliveries of pizza and fruit pots for hungry staff**

Although it was a very busy period and took a lot of organisation we were thrilled to receive deliveries of hand creams, clothing and Easter eggs to support our staff – and the staff were so grateful for the support.

Groups, schools, Rotary clubs and Lodges asked us what we were short of, and in record time a supply chain of bottled water, tea, coffee and snacks were readily available to all our staff in wellbeing rooms. We had offers of free taxi journeys to help staff get to and from work, free hotel accommodation as well as one family offering their entire home for staff use.

Neighbours worked together collecting donations of all sorts and families and friends used their imagination organising online bingo and quiz nights raising funds to support our NHS heroes.



**A Gift from West Ham United**

We even had premier West Ham footballers give up their time to conference call our staff to cheer them on and offer their thanks.

## For the Love of Scrubs



**Cages of scrubs delivered to King George Hospital**

The 'For the Love of Scrubs' initiative was set up by Keith Bates, a retired construction worker. When his wife received an unexpected tax rebate, the family purchased 600 meters of scrub material and reached out on social media to ask for support to make scrubs for the NHS – within 2 days they had 1,000 volunteers.

Keith set up a JustGiving page linked to our charity page on the Trust website and received over 1,000 donations totalling £41,560. With Gift Aid and offline donations nearly £54,500 was raised!

Former textile workers and hospital staff produced sample scrub sets to agree the quality of fabric and fit, making it fit to accommodate the many layers of PPE staff would be wearing. The team supplied a number of different colours spread across the size range from small to XXXLarge.

## Keyworker Awareness Ribbons



**One of the ribbons**

Charity supporter Sarah Craigie started making awareness ribbons for a couple of her friends who were keyworkers. This led to receiving lots of messages from others wanting to buy them from her. Sarah chose to make them to raise money in her daughter Georgia's memory for our Charity as she recognised all we do to make our hospitals even better.

It was a really simple way to show how much people appreciated the sacrifices being made by NHS staff and all the keyworkers who were keeping our country going during this difficult time.

We helped Sarah set up a JustGiving page to accept donations for her ribbons. She received 244 orders through her page and raised £2,899!



We also asked our community to help us supply overnight toiletries for stranded patients. They helped us stock several pamper trollies that we had purchased for our Dementia team so that they could bring a little bit of personal TLC to our elderly patients.

**Some very happy members of staff!**

## Robotic Surgery

In February 2020 our first patient received robotic surgery, made possible by a legacy the Charity received to benefit cancer patients. With interest free instalments over three years, we put down a substantial deposit on the Da Vinci Xi Robotic Arm.

When we agreed to fund the first robotic arm our plan was to put on events and run a £1m campaign to help us fund future instalments. However, with the emergency unfolding it was obvious that the corporates and schools we hope would help us were not now likely or able to do so. Our planned launch and exhibition day with the surgeons giving talks had to be abandoned and sadly the excitement of the new equipment had disappeared into the background as Covid took the limelight. We have managed to find the second instalment but there are worries about the last payment which will be due next year. Our plans are still to invite the public in to see the robot and help us meet that obligation when the pandemic allows.



**A Da Vinci Xi Robotic Arm in use**

After a short break in service for surgery at Queens the robot is now back in full use. It has recorded wonderful outcomes which have so impressed both staff and patients that a second was purchased for King George hospital by the Trust to give full robotic choice for surgery across the Trust.

## Future plans...

Our five-year strategy was going to plan and producing over and above predicted income with five year aspirational success.

However, due to the pandemic and ongoing restrictions we have been unable to plan our annual pipeline of charity fundraising events. Public events have also been postponed, and therefore the future in this area is very uncertain.

Corporate donations are also under threat with the current trend geared more towards working from home losing local corporate staff engagement. Charities across the country have been put under pressure and many have ceased trading.

In line with the above we have reviewed our strategy and replaced the income that we feel will no longer be achievable such as retail and events with campaigns and online promotion. We are restructuring the team to give us more cover where we feel there may have been missed opportunities and we are diversifying to incorporate more long term income lines including regular giving and grants.

We have reduced our growth expectation very marginally accepting a more achievable expectation to match this year's income as we negotiate the uncertain times ahead. We remain quietly optimistic.

## Administrative details

### Registered address:

Barking, Havering and Redbridge University  
Hospitals NHS Trust Charity Fund  
Queen's Hospital  
Rom Valley Way  
Romford  
RM7 0AG  
01708 435000 x 2913

### Office address:

King George & Queen's Hospitals Charity  
Queen's Hospital  
Rom Valley Way  
Romford  
RM7 0AG  
01708 435000 x 2922

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

### Trust Board Membership during 2020-21

The hospital Trust is the Corporate Trustee of the Charity with effect from 27 November 1996.

TRUST BOARD MEMBERSHIP	
<b>Chair</b>	
Mr Joe Fielder	Chairman until 30.11.2020
Mr Mike Bell	Chairman from 01.12.2020
<b>Non-Executive Directors</b>	
Ms Jackie Westaway	Non-Executive Director
Mr Tom Phillips	Non-Executive Director and Chair Audit & Risk Assurance Committee
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
<b>Executive Directors</b>	
Mr Tony Chambers	Interim Chief Executive
Mr Ben Morrin	Deputy Chief Executive from 04.01.2021
Ms Shelagh Smith	Chief Operating Officer (non-voting member)
Mr Nick Swift	Chief Financial Officer
Ms Kathryn Halford OBE	Chief Nurse
Dr Magda Smith	Chief Medical Officer
Mr Peter Hunt	Director of Communications & Engagement (non-voting member)
Mr David Amos	Director of People & Organisational Development
Ms Hannah Coffey	Director of Strategy & Partnerships from 08.02.2021 (non-voting member)

### Charitable Funds Committee Members during 2020-21 (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 2020-21 (Internal)

Nick Swift	Chief Finance Officer
Chris Randall	Associate Director of Finance & Governance
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 LLP  
16 The Havens  
Ransomes Europark  
Ipswich IP3 9SJ

### Internal Auditors

KPMG LLP  
15 Canada Square  
London  
E14 5GL

## 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 in pages 28 to 53 with a reference and structure of the Charity and its governance and management, then concluding with risk management, policies and the Charity's going concern.

### Unrealised gains on Investment Assets, (property and shares)

**2020-21 gain of £289,613**

**2019-20 – losses of (£220,519)**

There were no investment sales during the year 2020-21, and the Charity reported a realised gain within this period.

The unrealised gains and losses for the year have been calculated as follows:

01.04.2020	Market	Disposals Unrealised Gains/Loss	& Purchases Value	Market	Value 31.03.21
	£000	£000	£000	£000	£000
Investments (Shares)	1,745	345	0	2,090	2,090
Property Assets	1,630	(55)	0	1,575	1,575
	<u>3,375</u>	<u>290</u>	<u>0</u>	<u>3,665</u>	<u>3,665</u>

### Investment Income

The sources of investment received, or receivable, during the year were:

	2020-21 £000	2019-20 £000
Dividends and interest from quoted stock and shares	84	85
Bank interest	<u>0</u>	<u>0</u>
	<u>84</u>	<u>85</u>

The Trustee Act 2000 specifies that trustees should implement the same duty of care as if they were investing for themselves and, in order to ensure that the requirements of the Act are met, our investment managers, Schroders (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 on a monthly basis. This can also be accessed on-line on a daily basis as required.

The balance in the investment portfolio has increased, due to a rise in the market value of the shares held as at 31 March 2021 and the Charity carried forward unrealised gains on shares still held of £344,612.

The four properties held were also revalued, and a loss of (£55,000) was recorded.

The Annual Report and Accounts for the year ended 31 March 2021 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.

In order 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 breast care services originally provided from Victoria Hospital have now moved to our newly refurbished areas in Elm Ward at King George Hospital and service our community trust wide. 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 - rebranded from BHR Hospitals Charity - in order to increase public awareness. This is an umbrella charity under which there were six smaller hospital charities, but now reduced to four hospitals; King George, Queens, Barking, and Romford Cardiovascular Hospitals, due to the movement of all our services from Victoria Hospital to King George Hospital, and the others amalgamating with Queens hospital.

The Charity maintains two general 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. The various funds are restricted by income and expenditure to enhance the services of their relevant hospital or speciality as follows:

- Barking, Havering and Redbridge University Hospitals NHS Trust General Purpose Charity Fund
- Queen's Hospital General Purposes Charity Fund
- King George Hospital General Purposes Charity Fund
- Barking Hospital General Purposes Charity Fund
- Romford Cardiovascular Research Fund

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 7,000 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 in order 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 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), 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 Trustee Board holds overall responsibility for ensuring good governance. The Trustee 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 Funding Committee (CFC), chaired by an external member (also Chair of the Charity), 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 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 Improvements, 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 for the production of 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.

We are also members 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.

### 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 17. 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 18 of the Annual Report and Accounts.

The Charitable Funds Committee includes five external members (one being the Chair) 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. Four of the five members give their time freely and only one member received paid remuneration in the year. There have also been minimal member expenses incurred within this period.

### Recruitment of members

The Charity follow 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 Charity Finance 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 by the Head of Fundraising 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 have to be signed off by the directorate's Divisional Manager or Director, the Trust's Finance Manager and if over £1000, the Charity Finance Committee.

REFERENCE DOCUMENTS	DELEGATED MATTER	AUTHORITY DELEGATED TO
6.SFIs Section 17	<b>Expenditure from Charitable/Endowment Funds</b>	
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 Manager/Accountant + Head of Fundraising + Charity Trustee Member

	£50,000 up to £200,000 £200,000 plus	Committee Committee + Trust Board
	<b>General Purpose Fund</b>	
	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 financials by the Charity Accountant. Any key decisions will be referred to the Charity Chairman, and the Charity Finance 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 19 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 not distributed to account level 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. These cumulative unrealised gains are safeguarded at top level in the unrestricted fund account. 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 in order to be able to make grants to our NHS body, to enhance the services provided by the NHS. The members recognise the impact that the pandemic has had on our community and the general population and the effect the furlough scheme has had on the public's ability to donate.

In consideration of these risk factors, the funds and individual 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 a challenging year of fundraising, following the onset of the Covid-19 pandemic.

Total income decreased by (£2,355k) from £3,610k (2019/20) to £1,255k (2020/21). The majority of this loss can be attributed to the properties becoming assets in the Balance sheet, (£1.6m) the loss of the Traders in Queens hospital, (£100k), no fundraising events (£131k), the loss of The League of Friends Charity based at King George Hospital which has not operated since the lockdown of the hospitals (£106k).

There was an increase in the share investment assets, of £345k to £2,090k (2020/21) from £1,745k (2019/20) (up 19.8%). The stock market shares are maintained by fund managers, Cazenove Capital who has diversified the portfolio held by the Charity, to obtain the highest yield possible.

Total expenditure decreased by £1,779k from £2,269k (2019/20) to £490k (2020/21). Due to government pandemic restrictions the Charity's fundraising ambitions were severely inhibited. The decrease can be mainly attributed to a lack of expenditure in Patients (down £403k), Direct and Support Staff Costs (down £60k), Administration costs (down £27k), Community Fundraising Costs (down £44k), Campaign Costs (down £360k) and Event Costs (down £45k) all relating to the onset of Covid-19 and the restrictions placed on the nation.

On the balance sheet, total funds held increased by £1,055k to £4,295k. This increase was largely due to the outpouring of community fundraising support from the public as a result of Covid-19, various grant applications received from NHS Charities Together along with the gains from the shares. Our general unrestricted funds closed at £1,369k, up by £747k, from £622k in (2019/20).

Following the Charity's continued growth over the past few years, it has reviewed its' current strategy and replaced this with an interim strategy for the next two years. It has also reviewed its policies and following SORP guidelines, these have been updated for validity.

It should be noted that a minimum of £80k will now be kept with the Charity's main bankers as reserves, which equates to 3 months operational working.

The members 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. The Charity is now working with a two-year interim strategy 2021-2023.

### **Investment Policy**

The Corporate Trustee and 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 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".

The objectives are to be achieved by investing prudently 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 particular 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 as cash 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 will inherit 4 properties shortly, which will be held to earn rental income or for capital appreciation or for both. Although the titles to these properties are yet to be passed over to the Charity, the Charity has already been receiving the rental income accrued from these properties. Therefore, in line with the substance of such transactions, the Charity has duly recognised these tangible investment assets at market value, and 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 that are due to be inherited were obtained as at 31<sup>st</sup> March 2021, totalling £1.575 million. These valuations were carried out by the property management agents UK Property Rescue, who have been acting on behalf of the solicitors and Charity since executorship began.

### **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 a number of 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

Due to the pandemic, the Charity is now working to a two-year strategy plan 2021-2023. Within the next two years, the Charity's strategic plan and main 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 a number of 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 Covid-19 pandemic this year, the Ambassadors have only been able to meet via conference call and due to current restrictions have been unable to assist with their own fundraising events, or to 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 a number of metrics it uses in measuring the success or otherwise of its fund raising 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 adequately covered under the 'how we raise our funds' and 'case studies' sections of this report.

#### Short term and longer term aims and objectives

Following a year of uncertainty where face to face fundraising ceased and new methods of raising funds were introduced, there has been a steady involvement of the Charity. Both short and long-term objectives were put on hold until both staff and public safety could be assured. That said, various new online campaigns were created this year to help the patients affected by Covid-19 and these have been very successful.

#### Social Investment

The Charity does not undertake any social investment.

### Grants received

The Charity significantly increased its income from grants this year, primarily with NHS Charities Together (NHSCT), and other community fund groups. NHS Charities Together (NHSCT) accepted donations from the public in appreciation of the walk taken on by Sir Captain Tom Moore and the Charity was invited to apply for funding which had various restrictions attached to the expenditure.

The funds claimed helped to offset the drop in donations that would have otherwise been received by the Charity in an ordinary year, although restrictions meant they 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 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. Much of the first grant from NHSCT was spent on the wellbeing of our NHS staff during the early part of the pandemic. Funds paid for refreshments, wellbeing hubs, stranded patient toiletries and iPads to keep patients in touch with family members.

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	Digital Body Camera, Accuveins & trolleys, M8 Health Monitor, PIC Line service
Research and Training	Support the provision of 2 x Research and Innovation Data Managers for 1 year, 8 x tablets to facilitate online training
Technology and Information	Childbirth Educator Toolkit, iPads for wards x 10, TV in Oncology
Comfort and the Environment	Lavender Garden maintenance and upkeep, Recliner sleeper chairs, Scrub production, Patient Christmas presents, children's play packs.

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

The Charity also continues to support the staff PRIDE Awards ceremony, 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 cream tea vouchers at a local 4-star hotel so that staff could still celebrate with a loved one as the main Pride Awards evening event could not take place due to Covid restrictions.

During 2020/21 and as a result of the pandemic, the Charity contribution to the Trust fell by £648k; its patient, staff and research falling by 223%, from £939k in 2019/20 to £291k in 2020/21.

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.

This has been achieved despite the outbreak of Covid-19, reaching an income target of £1,064. This figure does not include Gift in Kind or Gains and Losses.

### **Reserves Policy**

The members 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, (£80k) to cover the relevant period's support costs, and the requisitioning of any equipment or service. 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 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 second 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.
- This has impacted on the way the Charity can generate income in terms of events, traders and general community fundraising, to name but a few methods. However, the charity has found new ways of raising funds through various online fundraising portals. It is also in the process of setting up a direct debit facility to induce regular donations. The generous donations made by the population to NHS Charities Together has also provided another means for claiming funds, and these have 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 income for an ongoing basis if it were to fall into harder times financially.

Consequently, the members 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 all solicitations are managed internally, without involvement of commercial participators or professional fund-raisers, or third parties. 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 and children services, sharing talent, knowledge and expertise in order to achieve greater impact and maximise the benefits to the hospital.

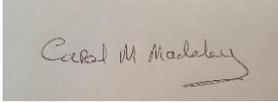
Our Trust serves three London boroughs with a multi-cultural and diverse population. We mirror and adhere to the EDI strategy and policy set out by our Trust which is compliant to the Human Rights Act 1998 and Equality Act 2010. As a non-discriminatory charity we are committed to operating an inclusive 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, to meet the needs to 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 Charity Commission and complies with the relevant codes of practice.

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

Signed by Order of the Corporate Trustee



Trustee/Member... Date...31<sup>st</sup> January 2022  
Carol Madeley



Trustee/Member ..... Date...31<sup>st</sup> January 2022  
**George Wood**

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

### Trustee 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:



Corporate Trustee..... Date 31<sup>st</sup> January 2022

Nick Swift

## Independent auditor's report to the Trustees 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 on financial statements 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 2021 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 Barking, Havering and Redbridge University Hospitals NHS Trust Charity ("the Charity") for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows 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 on financial statements

The Charity has been unable to provide sufficient primary documentary evidence to support the analysis of assets between restricted and unrestricted funds. 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. Consequentially, we were unable to determine whether any adjustment to this analysis was necessary.

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We 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.

## **Other information**

The Corporate Trustee is responsible for the other information. The other information comprises the information included in the Annual Report and Accounts, 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 or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

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 Act 2011 requires us to report to you if, in our opinion:

- the information contained in the financial statements is inconsistent in any material respect with the Trustee's Report; or
- the financial statements are not in agreement with the accounting records and returns.

## **Responsibilities of the Corporate Trustee**

As explained more fully in the Statement of Trustee responsibilities, 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 Corporate Trustee determines 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 Corporate Trustee either intends to liquidate the Charity or to cease operations, or has 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:

Our procedures included the following:

- enquiring of management and those charged with governance, 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;
- obtaining an understanding of the Charity's and Corporate Trustee's framework of authority as well as other legal and regulatory frameworks that the Charity and Corporate Trustee operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the Charity. The key laws and regulations we considered in this context included the Charities Act 2011.
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In addition to the above, our procedures to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management concerning actual and potential litigation and claims;
- reading minutes of meetings of those charged with governance and the Charitable Funds Committee and the Board of the Corporate Trustee;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.
- 

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal specialists 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 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 and 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 Corporate Trustee as a body, for our audit work, for this report, or for the opinions we have formed.

BDO LLP, statutory auditor  
Ipswich, UK

31 January 2022

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 OC305127).

## Barking, Havering & Redbridge University Hospitals NHS Trust Charity Statement of Financial Activities for the year ended 31 March 2021

	Note	2020-21 Unrestricted Funds £000	2020-21 Restricted Funds £000	2020- 21 <b>Total Funds £000</b>	2019-20 Unrestricted Funds £000  (restated)	2019-20 Restricted Funds £000  (restated)	2019-20 Total Funds £000  (restated)
<b>Income From:</b>							
Donations and legacies		556	366	<b>922</b>	349	2,583	2,932
Income from investments	2&3	24	60	<b>84</b>	25	60	85
Income from Charitable Activities (Community)	2	58	20	<b>78</b>	28	25	53
Income from Non-Charitable Activities	2	114	57	<b>171</b>	180	360	540
<b>Total income</b>	<b>2</b>	<b>752</b>	<b>503</b>	<b>1,255</b>	<b>582</b>	<b>3,028</b>	<b>3,610</b>
<b>Expenditure On:</b>							
Expenditure on raising funds (other)	4	(52)	0	<b>(52)</b>	(71)	5	(66)
Expenditure on raising funds (support costs)	4	(9)	(11)	<b>(20)</b>	(40)	0	(40)
Expenditure on charitable activities (other)	4	(42)	(369)	<b>(411)</b>	(173)	(1,972)	(2,145)
Expenditure on charitable activities (support costs)	4	(3)	(4)	<b>(7)</b>	(8)	(10)	(18)
<b>Total expenditure</b>		<b>(106)</b>	<b>(384)</b>	<b>(490)</b>	<b>(292)</b>	<b>(1,977)</b>	<b>(2,269)</b>

(SoFA continued)	Note	2020-21 Unrestricted Funds £000	2020-21 Restricted Funds £000	<b>2020- 21 Total Funds £000</b>	2019-20 Unrestricted Funds £000  (restated)	2019-20 Restricted Funds £000  (restated)	2019-20 Total Funds £000  (restated)
Net gains/losses on investments		100	245	<b>345</b>	(64)	(157)	(221)
Net gains/losses on properties		0	(55)	<b>(55)</b>	0	0	0
Transfer between funds	12	1	(1)	<b>0</b>	0	0	0
<b>Net movement in funds</b>		<u>747</u>	<u>308</u>	<b><u>1,055</u></b>	<u>226</u>	<u>894</u>	<u>1,120</u>
<b>Reconciliation of funds</b>							
Fund balances brought forward	12.1	<u>622</u>	<u>2,618</u>	<b><u>3,240</u></b>	<u>396</u>	<u>1,724</u>	<u>2,120</u>
<b>Fund balances carried forward</b>	12.1	<u>1,369</u>	<u>2,926</u>	<b><u>4,295</u></b>	<u>622</u>	<u>2,618</u>	<u>3,240</u>

The notes at pages 33 to 49 form part of these accounts.

**Barking, Havering & Redbridge University Hospitals NHS Trust  
Charity  
Balance Sheet as at 31 March 2021**

	Note	31 March 2021 £000	31 March 2020 £000  (restated)
<b>Fixed assets:</b>			
Tangible Assets (Property)	23	1,575	1,630
Investments (Shares)	8	2,090	1,745
<b>Total fixed assets</b>		<b>3,665</b>	3,375
<b>Current assets:</b>			
Debtors	9	8	(8)
Cash and cash equivalents	10	1,529	1,100
<b>Total Current Assets</b>		<b>1,537</b>	1,092
<b>Liabilities:</b>			
Creditors: Amounts falling due <b>within</b> one year	11	(567)	(577)
<b>Net current assets</b>		<b>970</b>	515
<b>Total Assets less current liabilities</b>		<b>4,635</b>	3,890
Creditors: Amounts falling due <b>after</b> one year	11	(340)	(650)
<b>Total Net assets</b>	12.1	<b>4,295</b>	3,240
<b>The funds of the Charity:</b>			
Restricted income funds		2,926	2,618
Unrestricted income funds		1,369	622
<b>Total Charity funds</b>	12.1	<b>4,295</b>	3,240

The notes in pages 33 to 49 form part of these accounts.

Signed..... Date.....

Director of Finance and Investment

**Barking, Havering & Redbridge University Hospitals NHS Trust  
Charity**  
**Statement of cash flows for the year ending 31 March 2021**

<b>Reconciliation of net income to net cash flow from operating activities</b>	Note	<b>2020-21 Total Funds £000</b>	2019-20 Total Funds £000
<b>Net income</b>		<b>1,055</b>	1,120
<b>Adjustments for:</b>			
(Gains)/losses on investment funds held		<b>(290)</b>	220
Dividends and interest from investments	2&3	<b>(84)</b>	(85)
(Increase)/decrease in debtors	9	<b>(16)</b>	31
Increase/(decrease) in creditors	11	<b>(320)</b>	1,041
<b>Net cash generated from operating activities</b>		<b>345</b>	2,327
<b>Cash flows from investing activities:</b>			
Dividends and interest from investments	2&3	<b>84</b>	85
Proceeds from the sale of investments	8.1	<b>0</b>	0
Additions to investment properties	8.1	<b>0</b>	(1,630)
<b>Net cash generated from investing activities</b>		<b>84</b>	(1,545)
Change in cash and cash equivalents in the reporting period	10	<b>429</b>	782
Cash and cash equivalents at the beginning of the reporting period	10	<b>1,100</b>	318
<b>Cash and cash equivalents at the end of the reporting period</b>		<b>1,529</b>	1,100

The notes at pages 33 to 49 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 loss of events, traders and community collection boxes, to name but a few methods. However, the Charity has found new ways of raising funds through various online fundraising portals. It is also in the process of setting up a direct debit facility to introduce regular giving. The generous donations made by the population to NHS Charities Together has also provided funds by way of grants, and these have helped to reduce the material uncertainty this year and 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.

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 is due to inherit 4 properties shortly, which will be held to earn rental income or for capital appreciation or for both. Although the titles to these properties are yet to be passed over to the Charity, the Charity has already been receiving the rental income accrued to the properties. Therefore, in line with the substance of such transactions, the Charity has duly recognised these investment assets initially at cost value and have been included in the Balance Sheet Position under Tangible Assets (property) for the current year.

### **Accounting Estimates and Judgements**

For the purpose of this annual report, the valuations given to the 4 properties that are due to be inherited were made as at 31st March 2021, totalling £1.575 million. This is a loss of £55k to the 2019/20 valuation of £1.630 million which can be attributed to 1 vacant property and deterioration due to lack of upkeep.

Assuming no significant changes in the housing market, the Charity currently expects the outcome across all open items to range from a potential increase of 3.5% (£55,125) in the current value, to a potential reduction of 3.5% (£55,125).

Whilst the Board considers the methodologies and assumptions adopted in the valuations are supportable, reasonable and robust, because of the inherent uncertainty of valuation, these estimated values may differ significantly from the values that would have been 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 2020/21.

## **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 accruals 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 charitable activities 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 2021. 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 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 against unrestricted funds, for general purpose uses.

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

## **Pooling Scheme**

An official pooling scheme is operated for investments relating to the following funds:

- Barking, Havering and Redbridge University Hospitals NHS Trust General Purposes Charity Fund
- Barking Hospital General Purpose Charity Fund
- King George Hospital General Purpose Charity Fund
- Victoria Hospital General Purpose Charity Fund
- Romford Cardiovascular Research Fund
- Queen's Hospital General Purpose Charity Fund (Registered 14.03.2007)

The Scheme was registered with the Charity Commission on 17 March 1999.

## 2 Details of income

	Unrestricted Funds 2020-21	Restricted Funds 2020-21	<b>Total Funds 2020-21</b>	Unrestricted Funds 2019-20	Restricted Funds 2019-20	Total Funds 2019-20
	£000	£000	<b>£000</b>	£000 (Restated)	£000 (Restated)	£000 (Restated)
<b>Donations and Legacies</b>						
General donations	115	362	<b>477</b>	34	108	142
Sponsorship	0	2	<b>2</b>	1	45	46
Trusts	231	0	<b>231</b>	1	19	20
Legacies	17	2	<b>19</b>	313	2,411	2,724
Gift in Kind Donations	193	0	<b>193</b>	0	0	0
<b>Income from Charitable Activities:</b>						
Community Fundraising	58	20	<b>78</b>	28	25	53
<b>Income from Non-Charitable Activities:</b>						
Charity Fundraising	114	57	<b>171</b>	117	16	133
Investment Income	24	60	<b>84</b>	25	60	85
Corporates	0	0	<b>0</b>	63	344	407
<b>Total other income</b>	<b>752</b>	<b>503</b>	<b>1,255</b>	<b>582</b>	<b>3,028</b>	<b>3,610</b>

### 3 Income against Expenditure on raising funds

	<b>Total 2020-21 Costs £000</b>	Total 2019-20 Costs £000	<b>Total 2020-21 Funds Raised £000</b>	Total 2019-20 Funds Raised £000
Fund raising – funds raised & costs during the year	<b>485</b>	2,264	<b>1,171</b>	3,525
Investment Managers' fee & dividends	<b>5</b>	5	<b>84</b>	85
	<b>490</b>	2,269	<b>1,255</b>	3,610

#### 4 Details of Expenditure on Charitable Activities

	Unrestricted Funds 2020-21 £000	Restricted Funds 2020-21 £000	<b>Total Funds 2020-21 £000</b>	Unrestricted Funds 2019-21 £000	Restricted Funds 2019-20 £000	Total Funds 2019-20 £000
<b>Grants:</b>						
Patients' education and welfare	33	55	<b>88</b>	44	989	1,033
Staff education and welfare	12	243	<b>255</b>	137	982	1,119
Research	0	75	<b>75</b>	0	11	11
<b>Total Expenditure</b>	<b>45</b>	<b>373</b>	<b>418</b>	<b>181</b>	<b>1,982</b>	<b>2,163</b>

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

	Cost of Generating Funds 2020/21 £000	Direct Charitable Expenditure 2020/21 £000	Governance Costs 2020/21 £000	Total Funds 2020/21 £000	Cost of Generating Funds 2019/20 £000	Direct Charitable Expenditure 2019/20 £000	Governance Costs 2019/20 £000	Total Funds 2019/20 £000
Audit Fee	0	0	15	15	0	0	12	12
Other (Note 4)	57	418	0	475	235	1,981	41	2,257
<b>Total</b>	<b>57</b>	<b>418</b>	<b>15</b>	<b>490</b>	235	1,981	53	2,269

The Trust's auditor BDO LLP has been paid £13,000 (excl. VAT), in respect of the statutory audit of the financial statements for the year ended 31 March 2021.

## 6. Changes in Funds Available for Charity Use

	Unrestricted Funds 2020-21	Restricted Funds 2020-21	Total Funds 2020-21	Unrestricted Funds 2019-20	Restricted Funds 2019-20	Total Funds 2019-20
	£000	£000	£000	£000	£000	£000
Net movement in funds for the year	497	(68)	<b>429</b>	119	1,001	1,120
Net movement in funds available for future activities	497	(68)	<b>429</b>	119	1,001	1,120

## 7. Analysis of Net Assets between Funds

	Unrestricted Funds 2020-21	Restricted Funds 2020-21	<b>Total Funds 2020- 21</b>	Unrestricted Funds 2019-20	Restricted Funds 2019-20	Total Funds 2019-20
	£000	£000	<b>£000</b>	£000	£000	£000
				(Restated)	(Restated)	(Restated)
Tangible fixed assets (property)	0	1,575	<b>1,575</b>	0	1,630	1,630
Investments	607	1,483	<b>2,090</b>	507	1,238	1,745
Current Assets	645	892	<b>1,537</b>	132	960	1,092
Total liabilities	117	(1,024)	<b>(907)</b>	(17)	(1,210)	(1,227)
<b>Total</b>	<b>1,369</b>	<b>2,926</b>	<b>4,295</b>	<b>622</b>	<b>2,618</b>	<b>3,240</b>

## 8 Analysis of Fixed Asset Investments

8.1 Movement in Fixed Asset Investments:	2020-21 £000	2019-20 £000
Investments - Market value at 1 April	1,745	1,966
Net gain (loss) on investment revaluation	345	(221)
Market value at 31 March	<b>2,090</b>	1,745
<i>Historic cost at 31 March</i>	<b>1,771</b>	1,771

8.2 Market value at 31 March	2020-21 Total £000	2019-20 Total £000
Investments listed in:		
UK Equities	229	303
Global Equities	333	298
European Equities	55	57
Absolute Return	183	94
Property Funds	302	291
Other Overseas Equities	856	490
Fixed Income- Cash	67	162
Other Investments	65	111
	<hr/> <b>2,090</b> <hr/>	<hr/> 1,806 <hr/>
Cash on interest bearing deposit ( <b>shown within cash and cash equivalents in balance sheet –included in Note 10</b> )	<b>30</b>	60
	<hr/>	<hr/>

## 9 Analysis of Debtors

Amounts falling due within one year:	2020-21 £000	2019-20 £000
Total debtors falling due within one year	<b>8</b>	(8)
<b>Total</b>	<hr/> <b>8</b> <hr/>	<hr/> (8) <hr/>

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.

<b>10</b>	<b>Cash and Cash Equivalents</b>	<b>2020-21 £000</b>	2019-20 £000
	Cash in hand	1	1
	Cash held at bank not requiring notice for withdrawal	1,528	1,099
	<b>Total Cash and Cash Equivalents</b>	<b>1,529</b>	1,100

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.

<b>11</b>	<b>Analysis of Creditors</b>	<b>2020-21 £000</b>	2019-20 £000
	Amounts falling due within one year:		
	Accrual for grants owed to NHS body	(21)	(253)
	Accrued Expenditure	(546)	(324)
	<b>Total creditors falling due within one year</b>	<b>(567)</b>	(577)
	Amounts falling due after one year	(340)	(650)

## 12 Analysis of Funds

### 12.1 Restricted Funds & Unrestricted Funds 2020/21

Material Funds	Balance 01 April 2020	Income 2020/21	Expenditure 2020/21	Transfer Between Funds	Gains On Investments 2020/21	Loss on Property Revaluation	Balance 31 March 2021
	£000	£000	£000	£000	£000	£000	£000
Barking Hospital	13	1	0	0	4	0	18
King George Hospital	236	29	(3)	0	46	0	308
Queens Hospital	1,295	190	(376)	0	125	0	1,234
Romford Cardiovascular Research Fund	95	0	(3)	0	1	0	93

Barking, Havering & Redbridge Hospitals	979	283	(2)	(1)	69	(55)	1,273
<b>SUB TOTAL</b>	<b>2,618</b>	<b>503</b>	<b>(384)</b>	<b>(1)</b>	<b>245</b>	<b>(55)</b>	<b>2,926</b>
Unrestricted Funds	622	752	(106)	1	100	0	1369
<b>GRAND TOTAL</b>	<b>3,240</b>	<b>1,255</b>	<b>(490)</b>	<b>0</b>	<b>345</b>	<b>(55)</b>	<b>4,295</b>

### Restricted Funds & Unrestricted Funds 2019/20 – (Restated)

Material Funds	Balance 01 April 2019 000'S	Income 2019/20 000'S	Expenditure 2019/20 000'S	Transfer Between Funds 000'S	Loss 2019/20 000'S	Balance 31 March 2020 000'S
Barking Hospital	13	3	0	0	(3)	13
King George Hospital	236	63	(32)	0	(31)	236
Queens Hospital	1,089	516	(232)	0	(78)	1,295
Romford Cardiovascular Research Fund	96	0	0	0	(1)	95
Barking, Havering & Redbridge Hospitals	290	2,446	(1,713)	0	(44)	979
<b>SUB TOTAL</b>	<b>1,724</b>	<b>3,028</b>	<b>(1,977)</b>	<b>0</b>	<b>(157)</b>	<b>2,618</b>
Un-Restricted Funds	396	582	(292)	0	(64)	622
<b>GRAND TOTAL</b>	<b>2,120</b>	<b>3,610</b>	<b>(2,269)</b>	<b>0</b>	<b>(221)</b>	<b>3,240</b>

\*Prior Year balances have been restated following an analysis of the funds held. Whilst the final total balances in the unrestricted and restricted funds remains the same, the 'Transfer Between Funds' has had to be correctly restated. The Charity's accounting software has since been changed to a more robust package, to prevent this reoccurring.

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 Fund 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, that incorporates donations received for BHR Hospitals, which can be used at either Queens hospital or King George's hospital.

### **13 Details of transfers between funds**

The members agreed to continue the process of merging funds within their own specialty area or site e.g. Funds belonging to a closed ward at King George Hospital would be transferred into the Unrestricted Fund at King George Hospital. Small balances in dormant accounts were transferred to relevant Unrestricted Funds. As a result of the need to increase the Unrestricted funds to benefit the many services that have approached the Charity for funding support, it was decided that prior years' retained gains would be transferred to the BHR Hospitals Unrestricted fund depending on the site where applicable.

### **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 take 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 £290,983 on 2020-21, (£938,930 in 2019-20).

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	2020-21		2019-20	
	Turnover Of Connected Organisation <b>£000</b>	Net Loss for the Connected Organisation <b>£000</b>	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 <b>£290,983 during 2020-21</b> (£938,930 in 2019-20)	<b>768,960</b>	<b>(6,403)</b>	640,600	(23,100)

BHRUT is a creditor to the charity and as at 31<sup>st</sup> March 2021 the Charity owed £25,572 to them.

## 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.

## 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:

	<b>Basic pay + HCOL – Net Cost</b>	<b>ER’s Pension</b>	<b>ER’s NI</b>	<b>Total Gross Cost</b>	Basic pay + HCOL – Net Cost	ER’s Pension	ER’s NI	Total Gross Cost
	<b>2020/21 £000</b>	<b>2020/21 £000</b>	<b>2020/21 £000</b>	<b>2020/20 £000</b>	2019/20 £000	2019/20 £000	2019/20 £000	2019/20 £000
Head of Fundraising	73	7	5	85	57	8	7	72
Charity Accountant	54	4	4	62	42	6	5	53
<b>Total Payroll Costs (including above)</b>	<b>299</b>	<b>23</b>	<b>21</b>	<b>343</b>	225	31	24	280

The average head count (number of staff employed by the Charity) during the reporting period 2020/21 is 6.6, 6.0 in 2019/20

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

One of the Charity members, (Chairman), under the provision in the Trust's governing document for Non-Executive Directors, was paid a salary/fee of £11,238 in 2020-21, (£6,746 in 2019/20) as Chair of the Charity's Committee and as an appointed Non-Executive Director Advisor (NED) to the Trust and Charity. No pension contributions were made. None of the other Charity members have been paid expenses out of the Charity.

<b>19 Investment Properties</b>	<b>2020-21 £000</b>	<b>2019-20 £000</b>
Opening balance	1,630	0
Additions	0	1,630
Net (loss) from fair value adjustments	(55)	0
<b>Balance at</b>	<b>1,575</b>	<b>1,630</b>

## **20 The impact of the Covid-19 outbreak at the start of 2020**

The onset of the pandemic and the subsequent lockdowns have seriously impacted the fundraising abilities of the Charity this financial year.

The team have had to find new and more innovative ways of raising funds, utilising the various online platforms, whilst engaging with the community to do things in the name of the NHS. Some examples are Much Loved, PayPal Giving, Just Giving, Virgin Money Giving, Amazon Smile to name but a few.

The Charity finally succeeded in implementing an online regular giving programme, by introducing the Direct Debit scheme to prospective donors. This came into effect in April 2021 and will be promoted throughout the coming years. This will hopefully reduce the material uncertainty for the coming year and provide a regular income that can be forecast.

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

Unfortunately, with the uncertainty of not knowing when this epidemic will end, the continuing impact on the Charity will remain. Our online presence will need to be more readily felt, allowing the team to look to the future with surety and search for more innovative ways and means of fundraising.

This Report is a Public Document. Additional copies may be obtained from Ellen Kyriacou, Charitable Funds Accountant - 01708 774860 Ext 4260.

## Glossary of terms

Term	Definition
<b>Carrying Value</b>	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.
<b>Charitable Funds</b>	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.
<b>Charity SORP</b>	A <b>Statement of Recommended (Accounting) Practice</b> for charities. A guide to good accounting practice by the Charity Commission. Not mandatory.
<b>Corporate Trustee</b>	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.
<b>Endowment Fund</b>	A fund where the donor has specified that the capital may not be spent at all ( <b>Permanent Endowment</b> ) or only after the completion of a particular object and/or elapse of time ( <b>Expendable Endowment</b> ). Note: there are no Endowment Funds at present.
<b>Grant Making</b>	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.
<b>Income</b>	The term now used to replace income. The term embraces the receipt of capital resources as well as income.
<b>Member</b>	A person or body corporate having accepted responsibility for funds to be held on trust to be used in compliance with the donors' wishes.
<b>Realised Gains/Losses</b>	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.
<b>Reserves</b>	Accumulated income for which a future purpose has been identified and designated. Income funds should not be hoarded without good purpose.
<b>Restricted Funds</b>	Funds where the income is only expendable in accordance with restrictions imposed by the donor(s).
<b>SoFA</b>	<b>Statement Of Financial Activity</b> which shows all resources made available in the year, all expenditure incurred in the year and a reconciliation of all changes in the funds.
<b>Special Purpose Funds</b>	Funds which are trusts in their own right which have been registered under an umbrella trust.
<b>Trust</b>	A legal relationship between Settlers/Donors, Trustees and Beneficiaries. In the report the use of the capital <b>T</b> denotes an NHS Body and a small <b>t</b> a holding of funds on trust.
<b>Umbrella Trust</b>	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.
<b>Unrealised Gains/Losses</b>	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.
<b>Unrestricted Funds</b>	Funds where the income is expendable at the discretion of the members on the charity's objectives.

## With special thanks to

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Mr Alan Marshall  
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Rotary Club of Redbridge  
Childs Farm  
Time 107.5  
The Mercury Mall  
West Ham United  
Giving World  
Gems at Work  
Heroes (Help Them Help Us)  
Davin Foods  
Compassion Foods  
Gurdwara Seven Kings  
Taj Food  
Portuguese  
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The executors of the estate of Emily Pemberton-Barnes  
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**King George & Queen's Hospitals Charity**  
**Queen's Hospital, Rom Valley Way, Romford RM7 0AG**  
**Phone: 01708 435000 E-mail: [bhrut.charity@nhs.net](mailto:bhrut.charity@nhs.net)**  
**[www.supportyourhospital.org](http://www.supportyourhospital.org) Find us and follow us ...**

King George & Queen's Hospitals Charity is registered with the charity commission in England and Wales.  
Charity number 1059455.