

FRIENDS OF THE CHELSEA CHILDREN'S HOSPITAL SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31ST MARCH 2018

Charity Commissioners' registration no: 1060218

FRIENDS OF THE CHELSEA CHILDREN'S HOSPITAL SCHOOL

REPORT OF THE TRUSTEES

INTRODUCTION

The Trustees present their report together with the financial statements of the Friends of Chelsea Children's Hospital School ("the Friends") for the year ended 31 March 2018. The report and financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Friends' Constitution, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) issued on 16 July 2014.

ORGANISATION

The Friends is an unincorporated association governed by a Constitution adopted by the Trustees on 17 December 1996. The Charity Commissions' registration number is 1060218.

The Friends' address is Chelsea Community Hospital School, Chelsea and Westminster Hospital, 369 Fulham Road, London SW10 9NH.

The Trustees are the members of the Executive Committee, comprising:

Chair and Secretary	Nicky Foy
Treasurer	Ann Gilbert
Other members	Silvana Camilletti
	Janette Steel OBE
	Sue Browne
	Melissa Stisted

The members of the Executive Committee are elected by the members of the Friends of the Chelsea Children's Hospital School.

As required by the Constitution all members of the executive committee retire from office each year. Having retired each officer now offers herself for re-election.

The Friends has no employees and is reliant on voluntary services provided by members of the Executive Committee and volunteers.

OBJECTS

The objects of the Friends of Chelsea Children's Hospital School are the advancement of a broad education for children and young people admitted to Chelsea & Westminster Hospital, The Royal Brompton Hospital, St. Mary's Hospital, Collingham Child and Family Unit, The Lavender Walk Adolescent Mental Health Unit and any children and young people in the Royal Borough of Kensington & Chelsea ("RBKC") who are unable to attend school because of medical or mental health problems.

The School is primarily funded by the Department for Education, the Friends' aim to provide additional funding.

FUND RAISING

The Friends seek to raise money for the School by applying to other charitable organisations for funding and by running stalls, selling donated goods and cakes, within the hospital and by organising raffles.

The Trustees take this opportunity to thank all those who have made donations to the Friends during the year, and in particular, Bassett House School in partnership with the Kensington and Chelsea Foundation, Nina Lawrence Trust, Scribbler and Waitrose for their support.

FRIENDS OF THE CHELSEA CHILDREN'S HOSPITAL SCHOOL

REPORT OF THE TRUSTEES (continued)

REVIEW OF ACTIVITIES

In planning the activities of the Friends, the Trustees keep in mind the Charity Commissions guidance on public benefit. The main objective of the Friends is to keep the Hospital School open during the 12 week school holidays, take students on a holiday during the summer and provide an enriched experience whilst they are in hospital.

During the period under review the Friends have successfully raised additional funds to support the Hospital School. These have primarily, but not exclusively been:

Summer programme

£4,500 to fund the summer programme at the School.

Information technology

£4,000 to fund the purchase of information technology equipment for the School.

English literature and language

£4,675 to fund English literature and language at the School

General donations and fund raising

The Trustees raised £18,820 from fund raising activities and received unrestricted donations of £12,561. These amounts will enable the Friends to provide funding for the School's extra-curricular activities during the forthcoming year.

FINANCIAL REVIEW

As set out in note 4 to the financial statements the Friends made donations to the School of £70,000 (2017: £60,000), whilst incoming resources were £46,356 (2017: £55,037). At the end of the year total funds were £103,927 (2017: £128,551) consisting of unrestricted funds of £90,611 (2017: £103,986) and restricted funds of £13,316 (2017: £24,565).

PLANS FOR FUTURE PERIODS

In the forthcoming year, the Friends intend to provide funding for the Lavender Walk Adolescent Mental Health Unit and to continue to provide funding for the School's summer programme and to improve its information technology systems.

RESERVES POLICY

At the end of the year the Friends held total unrestricted reserves of £90,611 (2017 - £103,986). The Friends' aim is to hold reserves so that continued funding can be provided to the School for at least the next year.

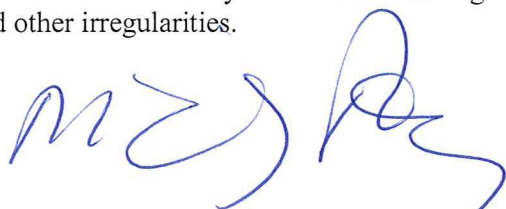
FRIENDS OF THE CHELSEA CHILDREN'S HOSPITAL SCHOOL**REPORT OF THE TRUSTEES (continued)****TRUSTEES' RESPONSIBILITIES**

The Trustees are responsible for preparing the Trustees' Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing those financial statements, the Trustees are required to:

- a) select suitable accounting policies and apply them consistently;
- b) observe the methods and principles in the Charities SORP;
- c) make judgements and accounting estimates that are reasonable and prudent;
- d) state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the financial statements; and
- e) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable the Trustees to ensure that the financial statements comply with Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the charity's trust deed. The Trustees 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.



Nicky Foy, Chair
For and on behalf of the Executive Committee.

13 November 2018

FRIENDS OF THE CHELSEA CHILDREN'S HOSPITAL SCHOOL

INDEPENDENT EXAMINER'S REPORT

Independent Examiner's Report to the Trustees of Friends of the Chelsea Children's Hospital School

I report to the Trustees on my examination of the financial statements of Friends of the Chelsea Children's Hospital School ('the charity') for the year ended 31 March 2018 which comprise the Statement of Financial Activities, the Balance Sheet and related notes.

This report is made solely to the charity's Trustees, as a body, in accordance with section 145 of the Charities Act 2011. My work has been undertaken so that I might state to the charity's Trustees those matters I am required to state to them in this report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for my work, for this report, or for the opinions I have formed.

Responsibilities and basis of report

As the Trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the financial statements. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently I express no audit opinion on the financial statements and my report is limited to those specific matters set out in the independent examiner's statement.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- accounting records were not kept in respect of the charity as required by section 130 of the Act; or
- the financial statements do not accord with those records; or
- the financial statements do not comply with the applicable requirements concerning the form and content of financial statements set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the financial statements give a 'true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

David Crawford

D. D. E. Crawford ACA
F. W. Smith, Riches & Co.,
Chartered Accountants,
15 Whitehall, London, SW1A 2DD.

13 November 2018

FRIENDS OF THE CHELSEA CHILDREN'S HOSPITAL SCHOOL**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31ST MARCH 2018**

	Note	Unrestricted Funds	Restricted Funds	Total 2018	Total 2017
Incoming Resources		£	£	£	£
Donations		13,461	13,175	26,636	46,649
Fund raising activities		18,820	-	18,820	7,381
100 Club		900	-	900	1,000
		<u>33,181</u>	<u>13,175</u>	<u>46,356</u>	<u>55,030</u>
Bank interest		-	-	-	7
Total incoming resources		<u>33,181</u>	<u>13,175</u>	<u>46,356</u>	<u>55,037</u>
Resources expended					
Charitable activities					
Expenditure on Charitable Activities	4	46,476	24,424	70,900	61,023
Fundraising costs		<u>80</u>	<u>-</u>	<u>80</u>	<u>300</u>
Total resources expended		<u>46,556</u>	<u>24,424</u>	<u>70,980</u>	<u>61,323</u>
Net movement in funds		(13,375)	(11,249)	(24,624)	(6,286)
Total funds brought forward		<u>103,986</u>	<u>24,565</u>	<u>128,551</u>	<u>134,837</u>
Total funds carried forward		<u>90,611</u>	<u>13,316</u>	<u>103,927</u>	<u>128,551</u>

FRIENDS OF THE CHELSEA CHILDREN'S HOSPITAL SCHOOL**BALANCE SHEET AS AT 31ST MARCH 2018**

	Note	<u>2018</u>	<u>2017</u>
CURRENT ASSETS		£	£
Cash at bank		103,927	128,551
Total Assets		<u>103,927</u>	<u>128,551</u>
Represented by:			
Unrestricted funds		90,611	103,986
Restricted funds	6	13,316	24,565
Total Funds		<u>103,927</u>	<u>128,551</u>

The financial statements on pages 5 to 10 were approved by the Executive Committee on 13 November 2018 and were signed on its behalf by:



Nicky Foy
Chair of the Executive Committee

FRIENDS OF THE CHELSEA CHILDREN'S HOSPITAL SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

1. ACCOUNTING POLICIES

a) Basis of preparation

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Friends of the Chelsea Children's Hospital School constitutes a public benefit entity as defined by FRS 102.

The Trustees considers that there are no material uncertainties about the Friends of the Chelsea Children's Hospital School's ability to continue as a going concern.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the charity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

b) Income recognition

All income is recognised once the Friends has entitlement to the income, it is probable that income will be received and the amount of income receivable can be measured reliably. The following criteria must also be met before income is recognised:

Donations and gifts

Donations and gifts are recognised when both the amount and settlement date are known.

Interest Income

Interest on funds held on deposit is included upon notification of the interest being paid or payable.

c) Donated services

Donated professional services are recognised as income when any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the Friends of the item is probable and the economic benefit can be measured reliably. On receipt, donated professional services are recognised on the basis of the value of the gift to the Friends which is the amount the Friends would have been willing to pay to obtain services of equivalent economic benefit on the open market; a corresponding amount is then recognised in the period of receipt.

d) Resources expended

Expenditure is recognised in the period when there is a legal or constructive obligation committing the Friends to that expenditure, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. Support and governance costs, as detailed in note 5, are allocated/apportioned to the expenditure on charitable activities as set out in note 4. Governance costs comprise all costs involving the public accountability of the Friends and their compliance with regulation and good practice.

e) Restricted funds

These are monies, which have legal restrictions on their use, where donors have specified the funds can only be spent on specific activities, as set out in note 6.

FRIENDS OF THE CHELSEA CHILDREN'S HOSPITAL SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

1. ACCOUNTING POLICIES (continued)

f) Financial instruments

The Friends has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

Short term debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the Statement of Financial Activities.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand.

Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

g) Functional and presentational currency

The Friends' functional and presentation currency is the pound sterling.

h) Allocation of support and governance costs

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the Friends and its compliance with regulation and good practice.

Governance costs and support costs relating to charitable activities have been apportioned in proportion to the amounts expended on charitable activities. The allocation of support and governance costs is analysed in note 4.

i) Irrecoverable VAT

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

j) Charitable activities

Costs of charitable activities consists of donations made to the Chelsea Children's Hospital School, governance costs and an apportionment of support costs as shown in note 4.

k) Taxation

H. M. Revenue and Customs has granted the Friends charity exemption and thus it is exempt from taxation.

2. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In preparing the financial statements management are required to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from these estimates. Whilst management have made judgements, estimates and assumptions in preparing the financial statements, they consider that these have not had a significant effect on amounts recognised.

FRIENDS OF THE CHELSEA CHILDREN'S HOSPITAL SCHOOL**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018****3. TRUSTEES' REMUNERATION**

The Trustees all give freely of their time and expertise without any form of remuneration or other benefit (2017: £nil). They also take part in fund raising and during the year raised £9,367 (2017: £7,381) by running stalls selling cakes and donated items and by holding raffles.

No expenses were reimbursed to the Trustees (2017: £nil).

4. ANALYSIS OF CHARITABLE EXPENDITURE

The Friends' charitable activities consist of providing financial support to the Chelsea Children's Hospital School. An analysis of the charitable activities and allocated support and governance costs is given below:

	Expenditure on charitable activities £	Support & Governance costs £	Total 2018 £	Total 2017 £
Funded from unrestricted funds	45,576	900	46,476	44,058
Funded from restricted funds	24,424	-	24,424	16,965
Total	70,000	900	70,900	61,023

A detailed analysis of the financial support provided by the Friends to the Chelsea Children's Hospital School is as follows:

	Unrestricted Funds £	Restricted Funds £	Total 2018 £	Total 2017 £
Cricket sessions	5,700	-	5,700	-
Art sessions	21,799	-	21,799	29,716
Music Sessions	7,038	-	7,038	7,314
Riding Sessions	2,380	-	2,380	1,680
Events & outings (Summer Programme)	-	5,300	5,300	4,500
IT consultancy / equipment	-	19,124	19,124	-
FACT	-	-	-	12,465
Swimming sessions	7,534	-	7,534	4,325
Minibus Insurance	1,125	-	1,125	-
Total	45,576	24,424	70,000	60,000

In 2017 charitable expenditure was £60,000, £43,035 from unrestricted funds and £16,965 from restricted funds.

5. SUPPORT AND GOVERNANCE COSTS

Support costs consist of payments for a storage facility of £nil (2017: £123) for the Friends' stall equipment.

Governance costs consist of an Independent Examiner's fee of £900 including VAT (2017: £900 including VAT), provided by F. W. Smith, Riches & Co. for no charge. The value of this service is recognised within incoming resources as a donation, and the equivalent charge for governance related costs has been allocated to the Friends' charitable activities.

FRIENDS OF THE CHELSEA CHILDREN'S HOSPITAL SCHOOL**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018****6. RESTRICTED FUND ANALYSIS**

	Fund balance brought forward £	Donations received £	Resources expended £	Fund balance carried forward £
Summer programme	800	4,500	(5,300)	-
Information technology fund	23,765	4,000	(19,124)	8,641
English literature and language fund	-	4,675	-	4,675
	<u>24,565</u>	<u>13,175</u>	<u>(24,424)</u>	<u>13,316</u>

In 2017 restricted income amounted to £29,065 including interest receivable of £7. Expenditure from restricted funds amounted to £16,965.

Analysis of net assets between the funds:

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Cash at bank	90,611	13,316	103,927
	<u>90,611</u>	<u>13,316</u>	<u>103,927</u>

The aims of the restricted funds are to:

Information technology fund

Provide resources to the Chelsea Children's Hospital School to buy, install, operate and maintain new information technology equipment and software.

Summer programme

Provide resources to enable the patients at the Chelsea Children's Hospital School to participate in activities such as swimming, horse riding and music lessons.

English literature and language fund

Provide resources to fund enhanced English literature and language study at the School.

7. RELATED PARTY DISCLOSURES

The Friends of the Chelsea Children's Hospital School is controlled by its Trustees.