

Friends of University College London Hospitals

Charity Registration No. 266669

Annual Report and Accounts

For the year ended 31 March 2018



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1. Legal and administrative information

Name of the Charity

The full name of the Charity is the Friends of University College London Hospitals ('the Friends'). The Charity is registered with the Charity Commissioners of England and Wales and its registration number is 266669.

Trustees and Officers

During the year, Dr Gillian Vaughan Hudson was President of the Friends of University College London Hospitals.

Mrs Rachel Wilcox	Chairman (retired 10 November 2017)
Dr Judith Dixon	Chairman (Vice Chairman until 10 November 2017)
Mrs Maggie Gormley	Vice Chairman
Mr Tim Lavis	Honorary Treasurer
Miss Susie Aird	
Mrs Cynthia Burton	
Ms Katie Ginger	
Rev Peter Harries	
Mr Tom Hughes	
Ms Diana Scarrott	
Dr Mike Shipley	
Mrs Angela Wedgwood	

The post of Office Manager was held Ms Susan Pavlik.

Principal office

The principal office of the Charity is 2nd Floor Maple House, 149 Tottenham Court Road, London W1P 9LL.

Advisors

Bankers

Coutts & Co, 440 Strand, London WC2R 0QS

Independent Examiner

Geoff Frost BSc FCA
Blue Spire Limited
Cawley Priory
South Pallant
Chichester
West Sussex
PO19 1SY

Investment advisors

CCLA Investment Management Limited
Senator House
85 Queen Victoria Street
London
EC4V 4ET

Schroders Investments Limited
31 Gresham Street
London
EC2V 7QA

Black Rock Fund Managers Limited
12 Throgmorton Avenue
London
EC2N 2DL

2. Structure, governance and management

The Friends is an unincorporated association governed by a constitution originally approved by the Charity Commission on 19 November 1973 and most recently amended and adopted on 11 November 2013.

Decisions of the Friends are made by the Trustees acting through its committee. Appropriate sub-committees of the Trustees are formed as necessary to advise the main committee of Trustees. The Friends' financial activities are administered on behalf of the Trustees by qualified accounting staff of University College London Hospitals Charity (charity registration number 1165398). The Trustees are also grateful to the University College London Hospitals NHS Foundation Trust ('UCLH') which kindly provides office accommodation for the Friends.

New Trustees are proposed by the committee of Trustees upon personal recommendation and elected by the members at the Annual General Meeting. Additional Trustees may be co-opted by the committee of Trustees at any point during the year.

3. Objects and activities

The objects of the Friends set out in its constitution are to relieve patients, former patients, staff and former staff of the hospitals within the UCLH NHS Foundation Trust and other persons in the community who are sick, convalescent, disabled, handicapped, infirm or in need of financial assistance, and, generally, to support the charitable work of the hospitals. In formulating and applying these objects, the Trustees have regard to the guidance of the Charity Commission on Public Benefit.

The Friends' aim is to help the hospitals, their patients and staff by providing facilities and amenities which are not available from the National Health Service.

The Friends invite requests for grants from hospital staff and departments. Grant applications are considered by Trustees at their committee meetings held every two months. Grants, which must fall within the object and powers of the Friends specified in its constitution, are awarded dependent on the Friends' resources.

Grants during the year ended 31 March 2018 included an incentive project for the staff of UCLH NHS Foundation Trust, in which a patient administration employee of the month will receive a £100 John Lewis gift voucher, a recognition badge and feature in the regular Access and Patient Administration newsletter, two electronic recliner chairs for the Evergreen rehabilitation ward to assist patients to get into an upright position, and the provision of mobile phone charging stations in the Emergency Department, Urgent Treatment Centre and Acute Medical Unit, which have been very popular especially with relatives and friends. A full list of grants can be found in note 6 on page 11 of these accounts.

4. Achievements, performance and future plans

The Trustees consider they have achieved their objectives for the year ended 31 March 2018 of making grants to a wide variety of departments and to make good use of the matched funding provided by UCLH Charity. Some 26 grants were made by the Friends during the year ended 31 March 2018.

These grants fall into three broad areas: improvements to the environment for patients, equipment, and support for staff and volunteers. All the grants are listed on page 11 of the accounts. Once again, we have been able to continue our support for weekly art workshops, not only for children and the elderly but also for patients in the NHNN rehabilitation unit, and we have also provided another year of magic shows for the children's wards.

The Trustees do not employ formal milestones, benchmarks or success-indicators. Investment performance is not formally measured but the Trustees review the market values from time to time of investments held by the Friends in common investment funds. A formal review of the Friends' investment is made at least once a year, taking into account such expert advice as the Trustees consider necessary.

5. Financial review

In the year ended 31 March 2018, the Friends had total incoming resources of £78,832 from donations, subscriptions, legacies, investments and sale of merchandise. The equivalent figure for the year ended 31 March 2017 was £65,569.

During the year ended 31 March 2018, the principal voluntary funding sources of the Friends were donations (£14,204) and a grant from UCLH Charity (£24,793). Subscriptions from members accounted for £2,114 and investment income for £33,415.

Charitable activities accounted for 81% of expenditure, and at £64,444 were higher than in 2017 (£57,758). Notes 4 and 5 give the breakdown of spending. Total resources expended over the year amounted to £80,028 (2017: £73,637).

£11,097 was spent on equipment for patients in UCLH, £40,245 on services benefiting patients of UCLH, and £13,102 on staff services. This puts into practice the object of the Friends set out in the constitution. Expenditure on meetings, travel, communications and the employment of an administrator has facilitated the pursuit of these objectives.

At 31 March 2018, £892,552 was held in 5 common investment funds and £46,076 in cash. Creditors amounted to £54,502, which represented accrued grants which were awarded during the year, trade creditors and other accruals.

Risk management policy

The Trustees recognise that they have a responsibility to minimise the risk to which their activities could be exposed. The Committee actively review the major risks which the Charity faces on a regular basis at their committee meetings and believe that the maintenance of reserves, combined with the annual review of the controls over key financial systems carried out through audit programmes provide sufficient resources in the event of adverse conditions.

Reserves policy

The Trustees have ongoing commitments relating to the relief of both patients and staff and the provision of facilities, equipment and amenities. Subscriptions, donations and legacies which are by their nature subject to fluctuations account for a relatively small proportion of the Friends' income with the balance derived from their investments and proceeds from sales of merchandise.

The Trustees therefore consider that there is a need to maintain a level of reserves sufficient for the income to continue to meet these commitments, allowing for fluctuations in the returns that these generate.

The Trustees review the level of reserves regularly to ensure that they can meet their likely commitments, and review their reserves policy on an annual basis. The level of reserves at 31 March 2018 was £919,313 (2017: £904,648).

Investment policy

The Trustees hold units in common investment funds, which fulfil two key requirements in line with the reserves policy outlined above: provision of a regular income to supplement the subscription and donation income, and protection of the capital value of the investments consistent with current policies on grant giving. Fund performance is reviewed regularly and changes to the investments made when necessary. The overall policy is also reviewed on a regular basis.

6. Statement of Trustees' responsibilities

The trustees are responsible for preparing the Trustees' Annual Report and the 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 these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 proper accounting records that 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, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the constitution. 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.

Approved by the Trustees on 20th November 2018 and signed on its behalf by:

Chairman.....M. J. Smith.....

Trustee.....T. H. Jones.....

7. Independent Examiner's Report to the Trustees of the Friends of University College London Hospitals

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 March 2018 which are set out on pages 7 to 13.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts 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.

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:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records.

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 accounts to be reached.



Geoff Frost BSc FCA
Blue Spire Limited
Cawley Priory
South Pallant
Chichester
West Sussex
PO19 1SY

Date

4 December 2019

The Friends of UCLH

8. Statement of financial activities for the year ended 31 March 2018

	Note	Unrestricted Total funds 2017-18 £	Unrestricted Total funds 2016-17 £
Income and endowments from:			
Donations and legacies	2	43,962	31,032
Investments	3	33,415	32,038
Other trading activities - Proceeds of selling merchandise		1,455	2,499
Total		78,832	65,569
Expenditure on:			
Raising funds - seeking donations and legacies	4	14,232	15,502
Raising funds - cost of goods sold		1,352	377
Charitable activities	5	64,444	57,758
Total		80,028	73,637
Net income/(expenditure)		(1,196)	(8,067)
Net gains/(losses) on investments		15,861	111,457
Net income/(expenditure) and movement in funds		14,665	103,390
Reconciliation of funds:			
Total funds brought forward at 31 March 2017	12	904,648	801,258
Total funds carried forward at 31 March 2018	12	919,313	904,648

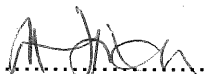
The Friends of UCLH

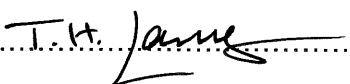
9. Balance sheet as at 31 March 2018

	Note	Unrestricted Total funds 31 Mar 18 £	Unrestricted Total funds 31 Mar 17 £
Fixed assets			
Investments	9	892,552	879,691
Current assets			
Debtors	10	35,187	19,812
Cash at bank and in hand		46,076	113,463
Total current assets		<u>81,263</u>	<u>133,275</u>
Creditors: amounts falling due within one year	11	(54,502)	(105,319)
Net current assets		<u>26,761</u>	<u>27,957</u>
Net assets		<u>919,313</u>	<u>904,648</u>
Funds	12		
Designated funds		892,552	876,691
General fund		26,761	27,957
		<u>919,313</u>	<u>904,648</u>

The notes numbered 1 to 14 form part of these accounts.

Approved by the Trustees on 20th November 2018 and signed on its behalf by:

Chairman.....

Trustee.....

The Friends of UCLH

10. Notes to the financial statements

1. Accounting policies

1.1 Basis of accounting

The Friends of UCLH is an unincorporated charity registered in England governed by a constitution. The address of the principal office is 2nd Floor Maple House, 149 Tottenham Court Road, London W1P 9LL and the charity's operations and principal activities are set out in the trustees' report.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

1.2 Statement of cash flows

The charity has applied Update Bulletin 1 as published on 2 February 2016 and does not include a cash flow statement on the grounds that it is applying FRS 102 Section 1A.

1.3 Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Investment income is earned through holding assets for investment purposes such as shares. It includes dividends and interest. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

1.4 Recognition of expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under expenditure on charitable activities and includes upkeep of the charity's properties and the cost of administering the activity of the charity.

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, and governance costs. They are incurred directly in support of expenditure on the objects of the charity and on raising funds for the charity. Support costs are allocated to expenditure on charitable activities and raising funds on a basis consistent with the use of those funds.

The Friends of UCLH

Notes to the financial statements (continued)

1. Accounting policies (continued)

1.5 Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

1.6 VAT

The charity is not registered for VAT and is unable to recover VAT incurred. On this basis costs are recorded inclusive of VAT within the SoFA.

1.7 Fixed asset investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA where investments are publicly traded or their fair value can otherwise be measured reliably.

1.8 Debtors receivable and creditors payable within one year

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 expenditure.

1.9 Taxation

The charity is considered to pass the tests set out in sections 521 to 536 Income Tax Act 2007 (ITA 2007), as such no income tax is payable on the charity's activities.

1.10 Funds structure

Unrestricted income funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds are a portion of unrestricted funds set aside by the trustees for a particular purpose and represent the investment assets of the charity.

1.11 Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

The Friends of UCLH

Notes to the financial statements (continued)

2.	Voluntary income	Unrestricted Total funds 2017-18 £	Unrestricted Total funds 2016-17 £
	Donations	14,204	8,120
	Subscriptions	2,114	1,829
	Grants	24,793	18,570
	Donated professional services	2,851	2,513
		<u>43,962</u>	<u>31,032</u>

Voluntary income includes £2,851 (2017: £2,513) of donated professional services. The equivalent amount is allocated to support costs in note 8 below.

3.	Investment income	Unrestricted Total funds 2017-18 £	Unrestricted Total funds 2016-17 £
	Common investment funds within the UK	33,337	31,739
	Bank deposit interest	78	299
		<u>33,415</u>	<u>32,038</u>

4.	Cost of generating voluntary income	Unrestricted Total funds 2017-18 £	Unrestricted Total funds 2016-17 £
	Support costs	14,232	15,502
		<u>14,232</u>	<u>15,502</u>

5.	Analysis of charitable expenditure	Grant funded activity £	Support costs £	Unrestricted Total funds 2017-18 £	Unrestricted Total funds 2016-17 £
	Equipment for patients	8,558	2,539	11,097	18,025
	Services for patients	31,036	9,209	40,245	33,900
	Services for staff	10,104	2,998	13,102	5,833
		<u>49,698</u>	<u>14,746</u>	<u>64,444</u>	<u>57,758</u>

6.	Grants awarded during year	£	£
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Equipment for patients:

Equipment for antenatal classes	938	
Two electric recliner chairs, Evergreen Ward	2,513	
Two ipads for Paediatrics/Theatres	1,202	
Mobile phone charging stations in A&E, UTC, AMU	3,240	
Headphones, Anaesthetic Department Block Room	1,736	
Items for visual enhancements	270	
Attendant-propelled wheelchair and lock	112	
Chairs and sofa for Mousehole Nursery	553	
Dyson Fan for Cancer Outpatients Cancer Centre	353	
Speech Therapy Tools	831	
Televisions for waiting areas, RNTNE and Endoscopy	910	
iPad for Paediatrics Outpatient & Wards	653	
Furniture for new staff room on 2A Maple House	1,131	
Filing trays for NHNN at Cleveland St	1,658	
Sara Steady walking aid for Evergreen Ward	1,017	
Water cooler and installation, T3	3,189	
Chester Chest torso model	881	
Less: grants written back	(12,629)	
		8,558

Services for patients:

Art workshops	17,856	
Project Music, Memory and Me	2,500	
Pain management project publication	3,000	
Tissue viability resource folders	1,000	
Pathway advice and services booklet	4,880	
POD children's charity sessions	1,800	
		31,036

Services for staff:

Photosymbol licence	144	
Staff incentive project	3,960	
Exemplar Ward Scheme	8,000	
Less: grants written back	(2,000)	
		10,104

Total charitable expenditure	<u>49,698</u>
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The Friends of UCLH

Notes to the financial statements (continued)

7. Allocation of support costs

Expenditure type	Basis of apportionment	Allocated to cost of generating funds £	Residual for apportionment £	2017-18 Total costs £
Office costs	Split equally, other than specific items	12,397	12,397	24,794
Independent examination fees	Split equally, other than specific items	345	345	690
Insurance	Split equally, other than specific items	321	321	642
Donated accountancy services	Allocated on time	1,169	1,683	2,852
		<u>14,232</u>	<u>14,746</u>	<u>28,978</u>

Apportionment of residual amount

	£	Total costs £
Purchase of equipment	2,539	2,539
Services for patients	9,209	9,209
Services for staff	2,998	2,998
	<u>14,746</u>	<u>14,746</u>

8. Staff costs

During the year there was 1 employee (2017: 1) who received remuneration amounting to £20,697 (2017: £18,409). Employer's National Insurance contributions were £1,730 (2017: £1,381) and pension contribution amounted to £2,976 (2017: £2,591).

The charity had no employees who received employee benefits of more than £60,000.

None of the charity's trustees received remuneration nor were they reimbursed expenses during the year under review or the comparative year.

9. Fixed asset investments

	2017-18 £	2016-17 £
Market value at 31 March 2017	876,691	765,234
Net gain/(loss) on revaluation	15,861	111,457
Market value at 31 March 2018	<u>892,552</u>	<u>876,691</u>
Historic cost at 31 March 2018	635,634	635,634

All investments are held in the UK in common investment funds.

Analysis of material investments

	Market value at 31 March 2018 £
COIF Charities Investment Fund Income Units	356,249
Schroder Charity Equity Fund Income Units	193,599
Charishare Restricted Common Investment Fund Income Shares	156,755
COIF Charities Property Fund Units	100,310
COIF Global Equity Income Fund Income Units	85,639
	<u>892,552</u>

The Friends of UCLH

Notes to the financial statements (continued)

	2017-18 Total funds £	2016-17 Total funds £
10. Debtors		
Prepayments and accrued income	6,798	6,288
Grant payable from UCLH Charity	28,389	13,524
	<u>35,187</u>	<u>19,812</u>

	2017-18 Total funds £	2016-17 Total funds £
11. Creditors: amounts falling due within one year		
Trade creditors	17,617	7,166
Other creditors	33,981	40,788
Accruals	2,904	57,365
	<u>54,502</u>	<u>105,319</u>

Other creditors consist of grants which have been approved but not yet spent.

	Balance at 31 March 2017	Incoming resources	Resources expended	Transfers	Gains and losses	Balance at 31 March 2018
12. Analysis of funds						
Unrestricted funds						
Designated funds	876,691	-	-	-	15,861	892,552
General funds	27,957	78,832	(80,028)	-	-	26,761
	<u>904,648</u>	<u>78,832</u>	<u>(80,028)</u>	<u>-</u>	<u>15,861</u>	<u>919,313</u>

Designated funds are investments held for long-term income generation.

13. Independent examiner's remuneration

Governance costs include independent examiner's fees of £660 (2017: £660).

14. Trustees' remuneration

The trustees received no remuneration during the year (2017: nil). No travel expenses were reimbursed to trustees (2017: nil).