



THE ROYAL ORTHOPAEDIC HOSPITAL
CHARITABLE FUND

Pioneering Care,
Changing Lives

2017/18 ANNUAL REPORT AND ACCOUNTS

The Royal Orthopaedic Hospital Charitable Funds | Registered Charity Number 1078046

NHS
The Royal
Orthopaedic Hospital
NHS Foundation Trust

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Foreword

The Trustees present The Royal Orthopaedic Hospital NHS Foundation Trust Charitable Funds' Annual Report with Financial Statements for the year ended 31st March 2018.

Charitable giving has been central to the foundation and culture of our hospital since its inception in 1817. This is evident as one walks around the Trust and sees the brass plaques on the wall commemorating the generous donations of local businesses, communities, institutions, and individuals.

Although centrally funded through the NHS, charitable giving continues to be very important to us and helps to augment what we do; resourcing improved patient experience initiatives and equipment, facilitating new research projects and supporting the development of staff.

I am very pleased with the progress we have made in 2017/18. Our charity is growing steadily as are the donations received. We have worked hard to build our profile and engage with local partners and stakeholders to share the ambition of the charity and the impact we are having.

The vision of The Royal Orthopaedic Hospital NHS Foundation Trust is to be the 'first choice for orthopaedic care' and the Charitable Fund plays an important role in supporting this vision. We're here to provide amazing care, restore independence and change lives, so I share my sincere thanks with everyone who has supported the charity and enabled it to do just that.



Dame Yve Buckland, Chairman

Legal, reference and administrative details

The Royal Orthopaedic Hospital NHS Trust Charity was formed on the 18th March 1997 under the Trustees of the Birmingham Health Authority General Charity, who delegated the responsibility of expending funds to the Executive and Non-Executive Directors of The Royal Orthopaedic Hospital NHS Trust. On the 12th October 1999 this was amended under a Supplemental Deed by The Royal Orthopaedic Hospital NHS Trust's solicitors, who were Wragge & Co., to transfer total responsibility to the Directors of The Royal Orthopaedic Hospital NHS Trust as Trustees.

The Charity was registered on the "Central Register of Charities" on the 4th November 1999 under the registration number 1078046. The Trust was formerly known as The Royal Orthopaedic Hospital NHS Trust. The Trust was granted Foundation Trust status on 1st February 2007. On 16th October 2007 the Trust executed a Supplemental Deed under which the Charity's name was amended to The Royal Orthopaedic Hospital NHS Foundation Trust Charity.

About us

The Royal Orthopaedic Hospital Charitable Fund exists to support NHS patients, their families and carers, as well as provide specialist training, equipment and knowledge to staff at The Royal Orthopaedic Hospital NHS Foundation Trust.

The Trust is our Corporate Trustee with the hospital Board acting on its behalf. We are managed by the Charitable Funds Committee, which is made up of designated Board members and external stakeholders as detailed in the Principal Officer's section below.

Our annual report and financial statements relate to the funds administered for the public benefit by The Royal Orthopaedic Hospital NHS Foundation Trust.

Aims & objectives

The objects of The Royal Orthopaedic Hospital Charitable Fund as defined in the Charity Commission registration document are as follows:

"The Trustees shall hold the trust fund upon trust to apply the income, and at their discretion, so far as may be permissible, the capital for any charitable purposes relating to the National Health Service wholly or mainly for the services provided by The Royal Orthopaedic Hospital".

The main ongoing objectives of the charity are to support the Royal Orthopaedic Hospital by:

- Improving patient, visitor and staff experience of the hospital surroundings through major development projects
- Funding additional equipment to enhance the level of patient care the hospital can give their patients
- Supporting medical and health research in orthopaedics
- Encouraging specialist teaching and learning to further clinical knowledge and promote innovation

The Trustees have a policy that funds are spent in line with donors' wishes. During the year the funds of the Charity were used to support a range of charitable and health related activities. These funds have been deemed to benefit both patients and staff of the Trust, and by extension the wider public.

Achievements

Fundraising has always been important to the hospital and has contributed to our overall offering by enabling small and large scale change which has benefited both patients and the Trust.

Though fundraising over the past decade has been consistent and rewarding, it has not had an underpinning strategy. We have focussed this year, and will continue to focus in the future, on building a more considered approach to our fundraising activity which will support the Trust's wider five year strategy. Since a dedicated member of staff has been in post for the charity, there have been positive improvements around our brand and development including:

Brand implementation

In July 2017, we implemented a brand for the ROH Charitable Fund and since then have significantly increased the visibility of the charity within the hospital through promotional material including leaflets, roller banners and interactive screen images in patient waiting areas. We have launched a dedicated website for the charity which provides an overview of our history and current priorities, details past and present projects, appeals and fundraising events, as well as offers site visitors opportunities to donate.

We have also established a social media presence (Twitter and Facebook). Our channels are steadily gaining support and the move is proving a useful way to engage with patients and our local community. Over the next year we aim to reach a larger audience through these platforms and evaluate the impact of social media on our fundraising.

Empowering donor stewardship

Donor Stewardship has improved significantly over the past year and we now collect all donor information in line with GDPR regulations. In addition, we ensure a thank you letter or message is issued to each donor. This approach has also been implemented with fundraisers in order to retain individuals who are passionate about the hospital. It is hoped that these individuals could become ambassadors for the charitable fund in future. This is a gradual process but will benefit the charity in the long term.

Fundraising events

Since June 2017, we have raised funds through small internal fundraising events and promotional sales mostly carried out in-house with significant engagement from hospital members of staff. Over the coming year we will work to increase our fundraising events, particularly around engagement with local businesses, patients and the local community.

Activities

The Charity has made funds available for the purchase of new rehabilitation equipment to enhance the current facilities in the physiotherapy gymnasium, thereby improving the patient pathway and creating a culture of excellence. Funds have also been allocated to training courses for staff such as a Mindfulness programme and to support a Dementia stakeholder event.

Public benefit

The Trustees have reviewed the activities of the charity against the public benefit principles outlined in guidance issued by the Charities Commission, and believe that these meet the public benefit charitable aims. The charity meets this requirement through The Royal Orthopaedic Hospital NHS Foundation Trust who provides services to the public.

Looking to the future

The charity's expenditure plans for the next five years from 2018/19 to 2022/23 include improvements to patient care by enhancing facilities, staff training, research and the purchase of medical equipment.

Following a very generous legacy received from Mr Dubrowsky in 2015/16, with the final disbursement of the estate received in 2017/18, work has commenced to utilise £1,015,500 to build a new research laboratory onsite to investigate sarcoma and cartilage research.

For the next two years, the Orthopaedic Research and Teaching fund will continue to use £12,000 a year to deliver the annual Fellowship of the Royal College of Surgeons (FRCS) revision course, training for the Birmingham Orthopaedic Teaching Programme (BOTP) and provision of various training and workshops for the development of orthopaedic teaching.

The above mentioned items are committed spends and planned projects that the Charity is aiming to continue with in the 2018/19 financial year.

From 2018 we will focus on 3 - 4 appeal projects per year. This will help to focus our spending and ensure the staff and patient impact is evaluated more consistently. It will also give donors, staff and the public a clearer understanding of the charity's impact on the hospital.

2018/19 – strategic priorities

The charity's strategic priorities for 2018/19 are:

- Develop a strong case for support for the charity through a thorough marketing strategy
- Build partnerships and strong relationships with our local community through corporate fundraising & events.
- Enhance innovation through the implementation of the charity research strategy
- Increased giving of all kinds

2018/19 – appeal projects



Learning disability appeal, supporting patients, staff and relatives with learning disabilities

This appeal has been built to ensure our learning disability patients have the best possible experience while in hospital. We are raising money this year to fund specialist quality training for all our staff members, and to build several sensory areas in the hospital where patients can go to help them feel more relaxed.



The Throne Project appeal, making our hospital environment dementia friendly

New to 2018, this appeal has been built to help us raise money to refurbish all our patient bathrooms to make them dementia friendly. This will have a significant impact on the experience of our patients.



The Eureka Appeal, supporting research & development at ROH

This is an ongoing appeal which the charity has supported for many years, as research is really important to us. The NHS is constantly changing, finding new cures and caring techniques. This is all done to ensure our patients are diagnosed quickly and have the very best chance of recovery. The Trust has a long history of conducting very important and influential research, which has helped shape the way orthopaedic conditions and injuries are treated today. As a charity we want to enable our research team to fund more new projects, so that we can ensure all our patients experience the amazing effects of new recovery techniques and get better faster.



Invest in our best | The Thank you Appeal, supporting staff at the ROH

This is an ongoing appeal whereby we actively ensure our staff are recognised and thanked for their work across the year. It is evidenced that having happy engaged staff, mean we have more happy patients, and high patient feedback rates. We have many donations from patients wishing to thank staff for the care and treatment received. We want to ensure these donations are used for this purpose. This appeal enables us to fund staff celebratory awards, and training which would not otherwise be funded by the NHS.

Financial Review

The net assets of the Charitable Funds as at 31st March 2018 were £2,193,000 (2016/17 £2,310,000). Fund balances decreased in year by (£117,000) due to donations and legacies of £96,000 and dividend income of £32,000 offset by losses on investments of £27,000 and expenditure of £218,000.

The Charity will produce a five year plan of expenditure intentions of the fund managers in 2018/19 following the development of an on-site research laboratory that commenced in 2016/17.

Investments

The investment and performance review produced by Cazenove, the Charity's investment advisors, showed a negative return on total investments of 3% for the period ended 31 March 2018, compared to a positive return of 16% in 2016/17. The total portfolio decreased from £778,000 at the beginning of the year to £751,000 at the end of 31 March 2018. This was due to a loss of £27,000 on the Charity's investment value.

Income

The main flow of income is received from members of the public, in total income amounted to £128,000 (2016/17 £230,000), which comprises donations of £53,000 (2016/17 £29,000), dividend income on investment totalling £32,000 (2016/17 £30,000) and legacies of £43,000 (2016/17 £171,000).

Material donations and legacies received during the year include:

| Donations | Fund | £ |
|----------------------|----------------|--------|
| Clarke Wilmott | General Fund | 17,539 |
| Blackhams | General Fund | 2,100 |
| ROH Christmas appeal | General Fund | 1,118 |
| H Dodwell | General Fund | 1,000 |
| Other donations | Various Funds | 31,243 |
| Legacies | Fund | £ |
| Mr Dubrowsky | Dubrowsky Fund | 44,739 |

A balance of a legacy that had been provided for in 2016/17 was received at £2,115 less than previously advised and accounted for.

Expenditure

The total expenditure for the period to 31st March 2018 was £218,000 (2016/17 £164,000), which comprises of grants of £198,000 (2016/17 £136,000) and support costs of £20,000 (2016/17 £23,000).

| Material expenditure during the year includes: | £ |
|--|--------|
| Physiotherapy Gym | 55,000 |
| Regenerative Laboratory | 40,750 |
| Pressure Relieving Chairs | 35,000 |
| Fundraising officer | 15,000 |
| Staff Awards 2017-18 | 3,200 |
| Other expenditure across other funds | 49,050 |

Patient welfare and amenities included the following purchases:

- **Pressure relieving equipment**

Top of the range pressure relieving equipment was purchased to significantly reduce patients' risk of developing ulcers. This will ensure patients have improved in-patient stays at the hospital and that their stress levels are reduced.

- **Physio Gymnasium Refurbishment**

New state of the art Gait Biomechanical analysis equipment was purchased to provide a detailed assessment of how our patients perform daily tasks such as walking and running. The new equipment has been very successful so far. Before this system arrived, assessments were completed by our therapy staff. Although effective, this method meant there was some room for error.

When looking into renovating the gym, one of the main priorities was to build a private space for patients to use if needed. This has enhanced patient experience as we are now able to give our patients the option of using a separate area rather than sharing the gym with several other patients. Two of the previous wheelchair stores have been converted into a safe private space for patients and therapists to perform rehabilitative massages and exercises.

Staff welfare and amenities included the following purchases:

- **Specialist training**

Every year our Learning and Development team submit a bid to Charitable Funds to support and enhance learning opportunities for our staff. Whether it's a nursing degree or an advanced apprenticeship opportunity, any member of staff can get involved. This year the charity funded £11, 118 worth of specialist training for staff within the hospital.

- **Mindfulness**

A Mindfulness Guides Network was developed to support the health and wellbeing of the Trust's workforce through regular mindfulness practice. Following an initial training workshop, a committed group of three trained mindfulness guides have provided a weekly 10 minute mindfulness session to staff. This will continue for the foreseeable future.

Since the introduction of the weekly session, attendance has ranged from 3 to 10 people per week, with a range of staff attending, from clinical and administration roles to front line staff and senior managers.

- **Fundraising officer**

The Trustees have also invested in a fundraising officer with the aim of raising the profile of the Charity and increasing charitable income by supporting specific fundraising projects. The Charity has made funds available for this post, salary costs of £15,000 have been incurred and donations were £53,000 in 2017/18 (£29,000 2016/17). Support costs totalled £20,000 (2016/17 £23,000), for the period and were apportioned over each fund pro rata based on the average balance.

Compliance

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's trust deed, which is the governing document, the Charities Act 2011 and 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 published on 16 July 2014.

Principal Address

Registered Office

Mr Paul Athey
The Royal Orthopaedic Hospital NHS Foundation Trust
The Woodlands
Bristol Road South
Northfield
Birmingham
B31 2AP

Email Address

ROH.Charitablefunds@nhs.net

Website:

www.rohcharity.org

Principal professional advisors

Bankers

National Westminster Bank PLC
Birmingham City Office
103 Colmore Row
Birmingham
B3 3NS

Investment Advisers

Cazenove Capital Management
12 Moorgate
London
EC2R 6DA

Independent Examiner

Deloitte LLP
1 City Square
Leeds
LS1 2AL

Solicitors

Mills & Reeve LLP
78-84 Colmore Row
Birmingham
B3 2AB

Principal officers and related parties

Trustee details

The members of The Royal Orthopaedic Hospital NHS Foundation Trust Board, detailed below are the Trustees of the Charitable Funds. Board Members as Trustees are governed by the law applicable to Trusts, principally the Trustees Act 2000.

| Trustee Name | Office |
|---|---|
| <ul style="list-style-type: none">• Dame Y Buckland | <i>Chairman</i> |
| <ul style="list-style-type: none">• Mrs J Chambers | <i>Chief Executive (until July 17)</i> |
| <ul style="list-style-type: none">• Mr P Athey | <i>Acting Chief Executive (from Aug 17)</i> |
| <ul style="list-style-type: none">• Mr T Pile | <i>Non-Executive Director</i> |
| <ul style="list-style-type: none">• Mr R Anthony | <i>Non-Executive Director</i> |
| <ul style="list-style-type: none">• Mrs K Sallah | <i>Non-Executive Director</i> |
| <ul style="list-style-type: none">• Prof D Gourevitch | <i>Non-Executive Director</i> |
| <ul style="list-style-type: none">• Mr R Phillips | <i>Non-Executive Director</i> |
| <ul style="list-style-type: none">• Mr A Pearson | <i>Medical Director</i> |
| <ul style="list-style-type: none">• Mr G Marsh | <i>Director of Patient Services</i> |
| <ul style="list-style-type: none">• Prof P Begg | <i>Director of Strategy and Delivery</i> |
| <ul style="list-style-type: none">• Mr S Washbourne | <i>Interim Director of Finance and Performance</i> |
| <ul style="list-style-type: none">• Mrs J Williams | <i>Interim Chief Operating Officer (from June 17)</i> |

The Trust Board reviews the skills, composition and balance of the Board. The Nominations Committee of the Council of Governors discuss the skill-set required and the time commitment and recommend the process of appointment. The Non-Executive and Executive Directors of The Royal Orthopaedic Hospital NHS Foundation Trust Board, on appointment become Trustees of the associated Charity.

Charitable Funds Committee

The Charitable Funds Committee is constituted as a standing Committee of the Trust Board. The Trust Board is the corporate trustee and as such cannot delegate responsibility for the charity's overall priorities, strategy, budget and reporting responsibilities.

On behalf of all members of the Trust Board (being the Trustees in law under the terms of the Charities Acts) the Committee will:

1. Seek assurance on the adequacy of the arrangements for the safeguarding of those assets donated or bequeathed, in cash or other form, to the Trust's Charitable Funds.
2. Seek assurance that as far as is practicable, that the expressed or intended wishes of donors or benefactors are met in the deployment of funds.
3. Seek assurance on the robustness of the banking, accounting and audit arrangements in respect of charitable funds.
4. Seek assurance on the appropriateness of the appointment of Investment Brokers to provide professional advice on the investment of charitable funds.
5. Seek assurance on the adequacy of the investment strategy for the Charitable funds
6. Seek assurance on the robustness of the management of funds through the consideration of regular reports on income to and expenditure from the Trust's Charitable Funds, prior to submission and to review the regular investment reports supplied by the Trust's brokers.
7. To consider and approve the Annual Charitable Funds accounts and the Annual Report to the Charities Commission
8. To seek assurance that the Trust is complying with Standing Orders, Standing Financial Instructions and operating procedures in so far as these cover the use of charitable funds within the Trust
9. To seek assurance that the Trust is complying with the relevant legislation and formal Department of Health guidance on charitable funds
10. In accordance with the Scheme of Delegated Authority and authorisation limits, (see Standing Orders and Standing Financial Instructions) to consider all business cases involving the use of Charitable Funds prior to any required consideration by the Trust Board.
11. To seek assurance on any additional matter referred to the Committee from the Board

Principal Charitable Funds advisor (to the board)

The Director of Finance and Performance reviews the training needs of the trust board as agent for the corporate trustee. He is responsible for ensuring that the funds are managed appropriately and with due regard to their purpose and requirements.

Delegated officers

Funds Held on Trust (Charitable and Non-Charitable Funds)

| Responsibility | Executive lead | Operational lead |
|---|---|---|
| a) Management Funds held on trust are managed appropriately | Executive Director of Finance & Performance (supported by the Charitable Trustees) | Deputy Director of Finance |
| b) Maintenance of authorised signatory list of nominated fund holders | Executive Director of Finance & Performance | Deputy Director of Finance/ Head of Financial Accounting |
| c) Expenditure Limits | Executive Director of Finance & Performance | Refer to ' Financial Limits ' table below |
| d) Developing systems for receiving donations | Executive Director of Finance & Performance | Deputy Director of Finance/Head of Financial Accounting |
| e) Dealing with legacies | Executive Director of Finance & Performance | Deputy Director of Finance/Head of Financial Accounting |
| f) Appeals 1. Fundraising Appeals 2. Preparation and monitoring of budget 3. Reporting progress and performance against budget | 1. Charitable Funds Committee 2. Executive Director of Finance & Performance 3. Executive Director of Finance & Performance | 1. Fundraising Officer 2. Fundraising Officer with advice from Head of Financial Accounting 3. Fundraising Officer advice from Head of Financial Accounting |
| g) Operation of Bank Accounts 1. Managing banking arrangements and operation of bank accounts 2. Opening bank accounts | 1. Executive Director of Finance & Performance 2. Executive Director of Finance & Performance | 1. Deputy Director of Finance/Head of Financial Accounting 2. Executive Director of Finance & Performance |
| h) Investments 1. Nominating deposit taker 2. Placing transactions in accordance with the Charitable Funds Investment Policy | 1. Charitable Funds sub-committee 2. Executive Director of Finance & Performance | 1. Executive Director of Finance & Performance 2. Deputy Director of Finance/Head of Financial Accounting |

| | Financial Limits (Subject to specific funding earmarked in budget) | Includes: |
|------------|---|--------------------------------|
| 1. | CHARITABLE FUNDS | |
| 1.1 | General Funds | |
| | Charitable Funds Committee | Over £5,000 |
| | Chief Executive or Executive Director of Finance & Performance and relevant Fund holder | From £501 to £5,000 |
| | Named Fund Managers | Up to £500 |
| | | All named officers to approve |
| 1.2 | Specific Funds | |
| | Charitable Funds Committee | Over £5,000 |
| | Chief Executive or Executive Director of Finance & Performance and relevant Fund holder | From £501 to £5,000 |
| | Named Fund Managers | Up to £500 |
| | | Ratification of all approvals |
| | | BOTH named officers to approve |

Structure, governance and management

The business of the Trust is conducted through a series of quarterly Trustees' meetings, where Trustees oversee the day-to-day administration of funds, ensuring that the funds continue to support a wide range of activities benefitting both patients and staff. Trustees are responsible for controlling expenditure and also for the investment and reserve policies with any associated decisions.

The day-to-day running of the Charity is delegated to the key management personnel in the form of Executive Director of Finance and Performance being a member of the Trust Board and a Trustee of the Charity. His responsibilities include ensuring the systems of control are robust, all legal or managerial changes are implemented and that the other Trustees and Fund Managers are advised on a regular basis of the fund balances.

The accounting records and the day-to-day administration of the funds are dealt with by the Finance Department, which is located at The Royal Orthopaedic Hospital NHS Foundation Trust, Bristol Road South, Birmingham B31 2AP, which was licensed as a Foundation Trust from 1st February 2007.

This year, work undertaken includes the provision of detailed information regarding expenditure to the Trustees. Items exceeding a value of £100 are narrated in quarterly reports to the Trustees to ensure that the Charity continues to use its funds for charitable purposes. The Trustees continued to receive investment advice from Cazenove Capital Management during the year, previously known as Schroder and Co. Schroder and Co acquired Cazenove and merged the private bank and charities sections of the business, branding them both as Cazenove Capital Management. The banking facilities and the solicitor as appointed remained unchanged during the accounting period. The independent examiner is Deloitte LLP.

Fund managers have Standing Financial Instructions and internal procedures for administering the Charity, which remain unchanged. Fund Managers and Trustees are made aware of any new legal obligations where appropriate during the year.

There are 34 funds in total, of which two are permanent endowments with associated income funds, thirty one restricted funds for wards and specific departments and one general fund which is unrestricted.

Charitable funds vested in the Trust are operated through a special purpose charity with subsidiary earmarked accounts.

Related parties

The Charity receives services from and provides goods to the associated NHS Foundation Trust. Trustees' serve as Executive and Non-Executive Directors on the Trust Board. Business is conducted carefully to ensure funds are expended in the most appropriate manner and that the expenditure policy is consistent with the preferred wishes of the donor.

Reserve Policy

The Trustees require each fund holder to identify their plans to expend funds. A rolling five-year expenditure plan is completed annually and enables the Trustees to monitor fund movements. To ensure that there is no build-up of unnecessary reserves, this practice continues year on year. The Trustees also inform fund holders when their plans are insufficient to expend their resources. The Charity does not hold any funds that are in deficit.

The Royal Orthopaedic Hospital Foundation NHS Trust Charity has a reserves policy to ensure sufficient unrestricted funds that are freely available for its annual operating purposes not subject to commitments and planned expenditure. The purpose of this level of reserves is to ensure a minimum level of liquidity in order to continue to operate as a charity and have sufficient funds to meet the charity objects.

Reserves do not include endowment funds, restricted funds and designated funds.

| | Current Year | Previous Year | % Increase / (Decrease) |
|---|----------------|----------------|-------------------------|
| Unrestricted Funds (Reserves) | 218,477 | 319,278 | (100,801) |
| Restricted / Designated Funds: | 1,951,634 | 1,967,814 | (16,180) |
| Endowment Funds | 23,030 | 23,030 | 0 |
| Total Funds | 2,193,141 | 2,310,122 | (116,981) |
| Ratio of Reserves to Annual Operating Expenditure | 2.2:1 | 5:1 | (2.8:1) |

Audit Dispensation

The Charity's income and assets are above the independent examination threshold required by the Statement of Recommended Practice "Accounting and Reporting by Charities (SORP 2015)" and therefore the Annual Report and Accounts for the year ended 31 March 2018 have been subject to an independent examination carried out by Deloitte LLP.

Risk Considerations

The Trustees have assessed the risks to the Charity and are satisfied that there are policies and procedures in place to mitigate these risks. A risk register is in place that outlines the key risks that are faced by the Charity and measures that are in place to reduce or mitigate the risk. The two main risks faced by the Charity is that it is exposed to volatility in investments which could lead to a loss of income and the fund restrictions make the utilisation of funds in a timely manner difficult to achieve. The Trustees have decided to accept and retain these risks but measures are in place such as working closely with investment brokers to manage the risk.

Going Concern

The Trustees have assessed the Charity and consider it to be a going concern. All income and expenditure relates to continuing operations and the statement of financial activities includes all gains and losses recognised in the year to 31st March 2018.

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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

The law applicable to charities in England and 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 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
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

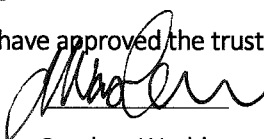
The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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. The Trustees are responsible for the maintenance and integrity of the Charity and financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Declaration

DECLARATION

The Trustees have approved the trustees' report above.

Signature

 Date 31/1/19

Full name

Stephen Washbourne

Position

Interim Director of Finance and Performance



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INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE ROYAL ORTHOPAEDIC HOSPITAL NHS FOUNDATION TRUST CHARITABLE FUND

I report to the trustees on my examination of the accounts of The Royal Orthopaedic Hospital NHS Foundation Trust Charitable Fund ("the Trust") for the year ended 31 March 2018 which comprise the income and expenditure account, the balance sheet and the related notes 1 to 17.

This report is made solely to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011 and regulations made under section 154 of that Act. 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 an independent examiner's 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 charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the 2011 Act"). You are satisfied that your charity is not required by charity law to be audited and have chosen instead to have an independent examination.

I report in respect of my examination of your charity's accounts as carried out section 145 of the 2011 Act. In carrying out my examination I have followed Directions given by the Charity Commission under section 145(5)(b) of the 2011 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 Trust as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts 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 accounts to be reached.

Sarah Anderson, ACCA
for and on behalf of Deloitte LLP
Leeds, United Kingdom
31 January 2019

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Financial statements

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2018

| | | | | | 31 March 2018 Total Funds £000 | 31 March 2017 Total Funds £000 |
|---|----------|-------------------------------|-----------------------------|----------------------------|--|--|
| | Note | Unrestricted Funds £000 | Restricted Funds £000 | Endowment Funds £000 | | |
| Income from | | | | | | |
| Donations and Legacies | 2 | 37 | 59 | 0 | 96 | 200 |
| Investment income | 2 | 3 | 29 | 0 | 32 | 30 |
| Total income | | 40 | 88 | 0 | 128 | 230 |
| Expenditure on | | | | | | |
| Fundraising activities | 5 | 4 | 16 | 0 | 20 | 0 |
| Charitable activities | 3 | 121 | 62 | 0 | 183 | 159 |
| Other - employee's expenses | 4 | 15 | 0 | 0 | 15 | 5 |
| Total expenditure | | 140 | 78 | 0 | 218 | 164 |
| Net income/(expenditure) before investment gains/losses | | -100 | 10 | 0 | -90 | 66 |
| Gains/(losses) on investment assets | 6 | -2 | -25 | 0 | -27 | 88 |
| Net income/expenditure for the year | | -102 | -15 | 0 | -117 | 154 |
| Transfers | 11.6 | 0 | 0 | 0 | 0 | 0 |
| Net movement in funds | 7 | -102 | -15 | 0 | -117 | 154 |
| Fund balances brought forward at 31 March 2017 | | 319 | 1,968 | 23 | 2,310 | 2,156 |
| Fund balances carried forward at 31 March 2018 | | 217 | 1,953 | 23 | 2,193 | 2,310 |

BALANCE SHEET AS AT 31 MARCH 2018

| | Notes | Unrestricted Funds £000 | Restricted Funds £000 | Endowment Funds £000 | 31 March 2018 £000 | 31 March 2017 £000 |
|--|-------|-------------------------------|-----------------------------|----------------------------|--------------------------|--------------------------|
| Fixed Assets | | | | | | |
| Investments | 8.1 | 75 | 668 | 8 | 751 | 778 |
| Total Fixed Assets | | 75 | 668 | 8 | 751 | 778 |
| Current Assets | | | | | | |
| Debtors | 9 | 0 | 18 | 0 | 18 | 70 |
| Cash at bank and in hand | | 150 | 1,344 | 15 | 1,509 | 1,516 |
| Total Current Assets | | 150 | 1,362 | 15 | 1,527 | 1,586 |
| Creditors: Amounts falling due within one year | 10 | 8 | 77 | 0 | 85 | 54 |
| Net Current Assets | | 142 | 1,285 | 15 | 1,442 | 1,532 |
| Total Assets less Current Liabilities | | 217 | 1,953 | 23 | 2,193 | 2,310 |
| Total Net Assets | | 217 | 1,953 | 23 | 2,193 | 2,310 |
| Funds of the Charity | | | | | | |
| Endowment Funds | | | | | | |
| Endowment fund initial gift | 11.1 | 0 | 0 | 23 | 23 | 23 |
| Total Endowment Fund | | 0 | 0 | 23 | 23 | 23 |
| Income Funds: | | | | | | |
| Restricted | 11.3 | 0 | 1,953 | 0 | 1,953 | 1,968 |
| Unrestricted | | 217 | 0 | 0 | 217 | 319 |
| Total Funds | | 217 | 1,953 | 23 | 2,193 | 2,310 |

The notes on pages 19 to 31 form part of these accounts.

These financial statements of The Royal Orthopaedic Hospital NHS Foundation Trust Charitable Funds registered number 1078046 were approved by the Board of Trustees and authorised for issue.

Signed:

Date:

Stephen Washbourne - Interim Director of Finance and Performance

CASHFLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2018

| | Notes | 2017/18 £000 | 2016/17 £000 |
|---|-----------|-----------------|-----------------|
| Cashflow from Operating Activities: | | | |
| Net Cash used in Operating Activities | 17 | (39) | 176 |
| Cashflow from Investing Activities: | | | |
| Dividends, interest and rent from investments | | 32 | 30 |
| Net Cash generated from Investing Activities | | 32 | 30 |
| Change in Cash and Cash Equivalents | | | |
| Cash and Cash equivalents in reporting period | | (7) | 206 |
| Cash and Cash equivalents brought forward | | 1,516 | 1,310 |
| Cash and cash equivalents at the end of the reporting period | | 1,509 | 1,516 |

The notes on pages 19 to 31 form part of these accounts.

Notes to the accounts

1 Accounting Policies

1.1 Basis of preparation

The financial statements are prepared under the historical cost convention, in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities (SORP 2015)" applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), effective 1 January 2015; and the Charities Act 2011.

The accounts are prepared on the basis that the Charity has taken the small charity exemption and has not produced the accounts in line with activity based reporting.

1.2 Income

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

Donations are recognised when the Trust has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the Charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Charity and it is probable that those conditions will be fulfilled in the reporting period.

1.3 Income from legacies

Legacy gifts are recognised on a case by case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a

financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the Charity.

1.4 Expenditure

The funds held on 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.

1.4.1 Investment management costs

Investment management costs are the fees charged by Cazenove for the management of the investment portfolio and are apportioned on the basis of fund values. The Trust is not currently incurring any investment management costs as part of its arrangement with Cazenove.

1.4.2 Grants payable

Grants payable are payments made to third parties (including NHS bodies) in the furtherance of the fund's charitable objectives. They are accounted for on an accruals basis where the conditions for their payment have been met or where a third party has a reasonable expectation that they will receive the grant.

1.4.3 Support Costs – Management, administrative and governance costs

Management and administrative costs are accounted for on an accruals basis and are recharges of appropriate proportions of the following costs from The Royal Orthopaedic Hospital NHS Foundation Trust.

The administration fee represents an agreed estimate of the cost of the provision of The Royal Orthopaedic NHS Foundation Trust's staff for the day-to-day administration of the Charity and the production of the Charity's financial statements.

The arrangement is in place because the Charity has no employees. Costs are apportioned on the basis of fund values each month.

Governance costs comprise costs incurred in the governance of the charity and are apportioned on the basis of fund values each month. Costs incurred are as follows:

| | 31-Mar-18 | 31-Mar-17 |
|-----------------------------|-----------|-----------|
| | £000 | £000 |
| Independent examination fee | 5 | 5 |

1.5 Structure of funds

Where there is a legal restriction on the purpose to which a fund may be put, the fund is classified in the accounts as a restricted fund. Funds where the capital is held to generate income for charitable purposes and cannot itself be spent are accounted for as endowment funds. Other funds are classified as unrestricted funds. Funds which are not legally restricted but which the Trustees have chosen to earmark for set purposes are classified funds held in unrestricted reserves. The major funds held within these categories are disclosed on notes 11.1 to 11.6.

1.6 Transfers between funds

Transfers between funds are approved by the Trust Board through the Charitable Funds Committee. There have been no material transfers during the year to 31 March 2018 (2016/17 £nil).

1.7 Investment fixed assets

Investment fixed assets are shown at market value.

- i) There are no property assets.
- ii) Quoted stocks and shares are included in the balance sheet at mid-market price, ex div.
- iii) Other investment fixed assets are included at trustees' best estimate of market value.
- iv) Investment fixed assets are program related investments.

1.8 Investment current assets

- i) Comprise cash balances available for investment held in Capital or Income accounts.
- ii) The Investments generate dividends and interest, less administration costs.
- iii) Investment current assets are programme related investments.

1.9 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 as the difference between sales proceeds and opening market value (or date of purchase if later). Unrealised gains and losses are calculated as the difference between market value at the year end and opening market value (or date of purchase if later).

1.10 Investment income and expenditure

All income and expenditure from investments is allocated quarterly to the relevant funds pro rata based on the value of each fund.

1.11 Irrecoverable VAT

Any VAT that is irrecoverable is charged to the relevant funds as expenditure.

1.12 Pooling scheme

An official pooling scheme is operated for all investments for all funds administered on behalf of The Royal Orthopaedic Hospital General Charity.

The Scheme was registered with the Charity Commission on 4th November 1999.

1.13 Going concern

After making enquiries, the Trustees have a reasonable expectation that The Royal Orthopaedic Hospital NHS Foundation Trust Charitable Fund has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the accounts.

1.14 Debtors

Amounts that are owed to the charity for goods and services or amounts the charity has paid in advance are measured by their recoverable amounts.

1.15 Cash at bank and in hand

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value.

1.16 Creditors

A liability is recognised for the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as an advance payment for goods or services it must provide. Liabilities must be measured at their settlement amount except for certain types of financial liabilities.

1.17 Accounting judgements and estimates

The Trustee is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The Trustee does not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure beyond the accounting policies listed above.

The Trustee does not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure.

2 Income

| | 2017/18 Funds | | | | 2016/17 Funds | | | |
|-------------------|----------------------|--------------------|-------------------|---------------|----------------------|--------------------|-------------------|---------------|
| | Unrestricted £000 | Restricted £000 | Endowment £000 | Total £000 | Unrestricted £000 | Restricted £000 | Endowment £000 | Total £000 |
| Donations | 39 | 14 | 0 | 53 | 5 | 24 | 0 | 29 |
| Legacies | (2) | 45 | 0 | 43 | 71 | 100 | 0 | 171 |
| Investment Income | 3 | 29 | 0 | 32 | 3 | 28 | 0 | 31 |
| | 40 | 88 | 0 | 128 | 79 | 152 | 0 | 231 |

3 Analysis of expenditure on charitable activities

3.1 Total expenditure by type of fund

| | 2017/18 Funds | | | | 2016/17 Funds | | | |
|--------------------------------|----------------------|--------------------|-------------------|---------------|----------------------|--------------------|-------------------|---------------|
| | Unrestricted £000 | Restricted £000 | Endowment £000 | Total £000 | Unrestricted £000 | Restricted £000 | Endowment £000 | Total £000 |
| Patients welfare and amenities | 87 | 56 | 0 | 143 | 6 | 78 | 0 | 84 |
| Staff welfare and amenities | 39 | 4 | 0 | 43 | 35 | 10 | 0 | 45 |
| Research | 0 | 2 | 0 | 2 | 0 | 2 | 0 | 2 |
| Contributions to NHS | 10 | 0 | 0 | 10 | 5 | 0 | 0 | 5 |
| Support costs | 4 | 16 | 0 | 20 | 4 | 19 | 0 | 23 |
| | 140 | 78 | 0 | 218 | 50 | 109 | 0 | 159 |

3.2 Charitable activities by grants payable

| | 2017/18 Funds | | | | 2016/17 Funds | | | |
|--------------------------------|-----------------------------------|----------------------------------|--------------------------|---------------|-----------------------------------|----------------------------------|--------------------------|---------------|
| | Grants to institutions £000 | Grants to individuals £000 | Support Costs £000 | Total £000 | Grants to institutions £000 | Grants to individuals £000 | Support Costs £000 | Total £000 |
| Patients welfare and amenities | 100 | 0 | 0 | 100 | 82 | 2 | 0 | 84 |
| Staff welfare and amenities | 33 | 8 | 0 | 41 | 35 | 10 | 0 | 45 |
| Research | 4 | 0 | 0 | 4 | 2 | 0 | 0 | 2 |
| Contributions to NHS | 15 | 0 | 0 | 15 | 5 | 0 | 0 | 5 |
| Management & Admin Costs | 0 | 0 | 18 | 18 | 0 | 0 | 18 | 18 |
| Governance Costs | 0 | 0 | 5 | 5 | 0 | 0 | 5 | 5 |
| | 152 | 8 | 23 | 183 | 124 | 12 | 23 | 159 |

There were no non-audit services provided in the current or prior year.

3.3 Grants payable by fund

| 2017/18 Funds | | | | | | |
|--------------------------|--|--|------------------|---------------------------------|--------------------------|---------------|
| | Patient welfare and amenities £000 | Staff welfare and amenities £000 | Research £000 | Contributions to NHS £000 | Support Costs £000 | Total £000 |
| League of Friends | 12 | 0 | 0 | 0 | 0 | 12 |
| General Purpose | 91 | 40 | 0 | 5 | 10 | 146 |
| Ward 11 | 1 | 0 | 0 | 0 | 0 | 1 |
| Hip Research & Education | 0 | 0 | 1 | 0 | 0 | 1 |
| Oncology | 0 | 0 | 1 | 0 | 0 | 1 |
| Mr Thomas | 0 | 0 | 2 | 0 | 0 | 2 |
| Other Funds | 3 | 1 | 0 | 10 | 6 | 20 |
| | 107 | 41 | 4 | 15 | 16 | 183 |

| 2016/17 | | | | | | |
|--------------------------|--|--|------------------|---------------------------------|--------------------------|---------------|
| | Patient welfare and amenities £000 | Staff welfare and amenities £000 | Research £000 | Contributions to NHS £000 | Support Costs £000 | Total £000 |
| League of Friends | 63 | 0 | 0 | 0 | 1 | 64 |
| General Purpose | 6 | 35 | 0 | 5 | 4 | 50 |
| Ward 11 | 9 | 1 | 0 | 0 | 0 | 10 |
| Hip Research & Education | 0 | 4 | 0 | 0 | 1 | 5 |
| Orthopaedic R&T | 0 | 3 | 0 | 0 | 1 | 4 |
| Ward 12 | 3 | 0 | 0 | 0 | 0 | 3 |
| Oncology | 0 | 2 | 0 | 0 | 1 | 3 |
| Mr Thomas | 0 | 0 | 2 | 0 | 0 | 2 |
| Other Funds | 3 | 0 | 0 | 0 | 15 | 18 |
| | 84 | 45 | 2 | 5 | 23 | 159 |

The above grants have all met the objects of the particular fund by which they were financed.

3.4 Expenditure on charitable activities

| 2017/18 | | | | | |
|------------------------------|-------------------------|--|-----------------------------|-------------------------------|---------------|
| | Direct Costs £000 | Grant Funding of Activities £000 | Governance Costs £000 | Management & Admin £000 | Total £000 |
| Management Fees | 0 | 0 | 0 | 13 | 13 |
| Administration Costs | 0 | 0 | 0 | 3 | 3 |
| Indemnity insurance | 0 | 0 | 0 | 2 | 2 |
| Independent Examination fees | 0 | 0 | 5 | 0 | 5 |
| Other Grants Payable | 0 | 175 | 0 | 0 | 175 |
| | 0 | 175 | 5 | 18 | 198 |

| | 2016/17 | | | | |
|------------------------------|----------------------------------|---|--------------------------------------|--|-----------------------|
| | Direct Costs £000 | Grant Funding of Activities £000 | Governance Costs £000 | Management & Admin £000 | Total £000 |
| Management Fees | 0 | 0 | 0 | 13 | 13 |
| Administration Costs | 0 | 0 | 0 | 3 | 3 |
| Indemnity insurance | 0 | 0 | 0 | 2 | 2 |
| Independent Examination fees | 0 | 0 | 5 | 0 | 5 |
| Other Grants Payable | 0 | 136 | 0 | 0 | 136 |
| | 0 | 136 | 5 | 18 | 159 |

4 Analysis of expenditure on employee expenses

During the financial year to 31 March 2018, the Charity funded a fundraising officer. The table below provides a split of the costs incurred:

| | 2017/18 £000 | 2016/17 £000 |
|---|-------------------------|-------------------------|
| Salaries & Wages | 12 | 4 |
| Social Security | 0 | 0 |
| Employers contributions to NHS Pensions | 1 | 1 |
| Employer NI contributions | <u>2</u> | <u>0</u> |
| Total employee expenses | 15 | 5 |
| Headcount (WTE) | 1 | 1 |

5 Analysis of expenditure on fundraising activities

5.1 Fundraising activities during the year £20,000 (2016/17 £0).

5.2 The Charity is not currently incurring management fees in relation to its investment fund (2016/17 £0).

6 (Loss)/Gain on investments

| | 31-Mar-18 £000 | 31-Mar-17 £000 |
|---------------------------------|---------------------------|---------------------------|
| Cazenove Investment (Loss)/Gain | <u>(27)</u> | <u>88</u> |

7 Changes in resources available for charity use

| | Unrestricted Funds £000 | Restricted Funds £000 | Endowment Funds £000 | 31-Mar-18 Total £000 | 31-Mar-17 Total £000 |
|---|-------------------------------|-----------------------------|----------------------------|----------------------------|----------------------------|
| Net movement in funds for the year | (102) | (15) | 0 | (117) | 154 |
| Net movement in funds available for future use | (102) | (15) | 0 | (117) | 154 |

8 Analysis of fixed asset (loss)/gain

8.1 Fixed Asset Investments

| | 31-Mar-18 £000 | 31-Mar-17 £000 |
|--------------------------------|-------------------|-------------------|
| Market value at 31 March | 778 | 690 |
| Net gain/(loss) on revaluation | (27) | 88 |
| Transfer Equity to Cash Pool | 0 | 0 |
| Rounding | 0 | 0 |
| Market value at 31 March | 751 | 778 |
| Historic cost at 31 March | 785 | 785 |

8.2 Market Value at 31 March

| | 31-Mar-18 £000 | 31-Mar-17 £000 |
|----------------------------|-------------------|-------------------|
| Securities - managed funds | 751 | 785 |
| | 751 | 785 |

8.3 Analysis of gross income from investments

| Total gross income | 31-Mar-18 £000 | 31-Mar-17 £000 |
|---|-------------------|-------------------|
| Investments in a Common Deposit Fund or Common Investment Fund | 32 | 30 |
| | 32 | 30 |

9 Analysis of Debtors

| | 31-Mar-18 £000 | 31-Mar-17 £000 |
|---|-------------------|-------------------|
| Amounts falling due within one year: | | |
| Accrued income | 18 | 70 |
| Total debtors falling due within one year | 18 | 70 |

Note: The 31-MAR-17 debtor refers to an unrestricted fund. The 31-MAR-18 debtor refers to a restricted fund

10 Analysis of Creditors

| | 31-Mar-18 £000 | 31-Mar-17 £000 |
|---|-------------------|-------------------|
| Amounts falling due within one year: | | |
| Accruals | 85 | 54 |
| Total creditors falling due within one year | 85 | 54 |

11 Analysis of Funds

11.1 Endowment Funds

| 2017/18 Funds | | | | | | |
|---------------|-------------------|----------------|---------------------|-------------------|------------------------|-------------------|
| | 31-Mar-17 £000 | Income £000 | Expenditure £000 | Transfers £000 | Gains/(Losses) £000 | 31-Mar-18 £000 |
| Sutcliffe | 22 | 0 | 0 | 0 | 0 | 22 |
| Stephens | 1 | 0 | 0 | 0 | 0 | 1 |
| Total | 23 | 0 | 0 | 0 | 0 | 23 |

| 2016/17 Funds | | | | | | |
|---------------|-------------------|----------------|---------------------|-------------------|------------------------|-------------------|
| | 31-Mar-16 £000 | Income £000 | Expenditure £000 | Transfers £000 | Gains/(Losses) £000 | 31-Mar-17 £000 |
| Sutcliffe | 22 | 0 | 0 | 0 | 0 | 22 |
| Stephens | 1 | 0 | 0 | 0 | 0 | 1 |
| Total | 23 | 0 | 0 | 0 | 0 | 23 |

The above listed endowments funds are expendable endowments.

11.2 Details of Endowment Funds

| Name of fund | Description of the nature and purpose of each fund |
|--------------|--|
| Sutcliffe | Nurse Prize |
| Stephens | For the benefit of staff and patients |

11.3 Restricted Funds

| 2017/18 Funds | | | | | | |
|-----------------------|-------------------|----------------|---------------------|-------------------|------------------------|-------------------|
| | 31-Mar-17 £000 | Income £000 | Expenditure £000 | Transfers £000 | Gains/(Losses) £000 | 31-Mar-18 £000 |
| Material funds | | | | | | |
| Mr Dubrowsky | 1,551 | 70 | (51) | 0 | (19) | 1,550 |
| Hip Research | 126 | 2 | (2) | 0 | (2) | 124 |
| League of Friends | 63 | 1 | (12) | 0 | (1) | 51 |
| Oncology | 59 | 3 | (2) | 0 | (1) | 59 |
| Orthopaedic R&T | 33 | 1 | (1) | 0 | 1 | 34 |
| MRI | 31 | 0 | 0 | 0 | 1 | 32 |
| Ward 11 | 20 | 3 | (1) | 0 | 1 | 23 |
| Spinal Surgery | 15 | 0 | 0 | 0 | 1 | 16 |
| Mr Thomas | 10 | 0 | (2) | 0 | 1 | 9 |
| Stephens | 10 | 0 | 0 | 0 | 1 | 11 |
| Sutcliffe | 9 | 0 | 0 | 0 | 0 | 9 |
| Mr Jeys | 7 | 0 | 0 | 0 | 0 | 7 |
| Chapel Furnishings | 6 | 0 | 0 | 0 | 0 | 6 |
| Ward 3 | 5 | 1 | (2) | 0 | 0 | 4 |
| Other Funds | 23 | 6 | (4) | 0 | (7) | 18 |
| Total | 1,968 | 87 | (77) | 0 | (24) | 1,953 |

| 2016/17 Funds | | | | | | |
|-----------------------|-------------------|----------------|---------------------|-------------------|------------------------|-------------------|
| | 31-Mar-16 £000 | Income £000 | Expenditure £000 | Transfers £000 | Gains/(Losses) £000 | 31-Mar-17 £000 |
| Material funds | | | | | | |
| Mr Dubrowsky | 1,385 | 120 | (14) | 0 | 60 | 1,551 |
| Hip Research | 124 | 2 | (5) | 0 | 5 | 126 |
| League of Friends | 121 | 2 | (64) | 0 | 4 | 63 |
| Oncology | 59 | 1 | (3) | 0 | 2 | 59 |
| Orthopaedic R&T | 26 | 9 | (3) | 0 | 1 | 33 |
| MRI | 29 | 1 | 0 | 0 | 1 | 31 |
| Ward 11 | 27 | 2 | (10) | 0 | 1 | 20 |
| Spinal Surgery | 14 | 0 | 0 | 0 | 1 | 15 |
| Mr Thomas | 11 | 0 | (2) | 0 | 1 | 10 |
| Stephens | 9 | 0 | 0 | 0 | 1 | 10 |
| Sutcliffe | 9 | 0 | 0 | 0 | 0 | 9 |
| Mr Jeys | 7 | 0 | 0 | 0 | 0 | 7 |
| Chapel Furnishings | 6 | 0 | 0 | 0 | 0 | 6 |
| Ward 3 | 4 | 3 | (2) | 0 | 0 | 5 |
| Other Funds | 18 | 10 | (6) | 0 | 1 | 23 |
| Total | 1,849 | 150 | (109) | 0 | 78 | 1,968 |

11.4 Details of material funds – restricted funds

| Name of fund | Description of the nature and purpose of each fund |
|---------------------------------|--|
| Mr Dubrowsky | Research relating to dedifferentiated chondrosarcoma |
| Hip research | Research and education |
| League of Friends | Direct or indirect support of patient benefit |
| Oncology | Research into bone tumour |
| Orthopaedic R&T | Research, delivery and development of orthopaedic teaching |
| MRI Education, Research & Staff | Training for staff |
| Ward 11 | Patient and staff welfare |
| Spinal Surgery | Spinal work, teaching & research |
| Mr Thomas | Research |
| Stephens | Nurse prize |
| Sutcliffe | Benefit patient & staff |
| Mr Jeys | Research |
| Chapel | Equipment and training |
| Ward 3 | Equipment and training |

11.5 Details of material funds - unrestricted fund

| Name of fund | Description of the nature and purpose of each fund |
|---------------------|---|
| General Fund | General purpose |

11.6 Transfers between funds

There have been no material transfers during the year to 31 March 2018 (2016/17 Nil)

12 Contingent gains/(losses)

There are no contingent gains or losses during the year ending 31 March 2018 (2016/17 £nil).

13 Legal or constructive obligation to expend funds

The Charity had no legal or constructive obligations as at 31 March 2018 (2016/17 £nil).

14 Trustees and connected persons transactions

There was no remuneration or expenses payable to Trustees and connected persons and key management personnel (2016/17 £nil).

14.1 Trustee Indemnity Insurance

| Description of Cover | Amount 31-Mar-18 £ | Amount 31-Mar-17 £ |
|---|-----------------------------------|-----------------------------------|
| Trustee Indemnity Insurance provided by Marsh Ltd | 2,184 | 2,135 |

15 Loans or Guarantees Secured

The Charity has no assets that are subject to mortgage or charge.

16 Related party transactions

During the period none of the Trustees or members of the key management staff or parties related to them has undertaken any material transactions with The Royal Orthopaedic Hospital NHS Foundation Trust Charitable Fund.

Board members (and any other staff) take decisions both on Charity and Investment matters but endeavour to keep interests of the Charity and the associated Trust separate and discrete and do not seek to benefit personally from such decisions. Note 8 to the accounts on page 27 presents the current investment position for the Charity. Declarations of personal interest have been made in both capacities and are available to be inspected by the public.

The Charitable Trust has made revenue payments of £18,853 (2016/17 £17,503) to The Royal Orthopaedic Hospital NHS Foundation Trust where the Trustees (whose names are listed on page 3) are also members of the Trust.

The only related party transactions which have occurred to 31 March 2018 have been between the Charity and The Royal Orthopaedic Hospital NHS Foundation Trust.

17 Cashflow Statement

| | 2017/18 | 2016/17 |
|--|----------------|----------------|
| | £000 | £000 |
| Net Cash generated from/(used in) Operating Activities | | |
| Net movement in funds | (117) | 154 |
| Interest income | (32) | (30) |
| Losses/(gains) on investments | 27 | (88) |
| Decrease in debtors | 52 | 100 |
| Increase in creditors | 31 | 40 |
| | (39) | 176 |



THE ROYAL ORTHOPAEDIC HOSPITAL
CHARITABLE FUND

The Royal Orthopaedic Hospital Charitable Funds
Registered Charity Number 1078046



The Royal
Orthopaedic Hospital
NHS Foundation Trust