

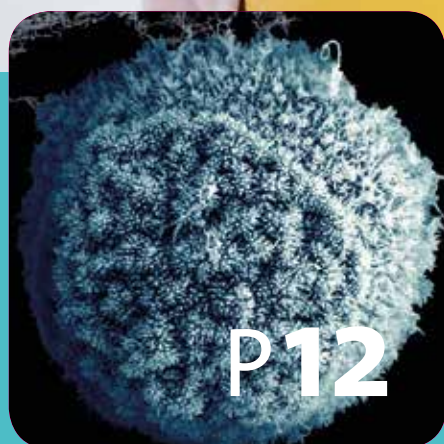
# BARTS CHARITY

funding extraordinary healthcare

Annual Report **2019**



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# Chair's report

This year the Charity has again awarded over £30m in grants to our partners Barts Health NHS Trust (Barts Health) and Barts and The London School of Medicine and Dentistry at Queen Mary University of London (SMD).

In this report you can read about how we have put major research funding into the Barts Cancer Institute, created the Barts Charity Lectureships and funded renovations at SMD's Charterhouse Square campus that will expand its capacity. SMD has received a greater share of our total funding than Barts Health this year, but this division is somewhat arbitrary owing to when our financial year end falls. We aim for our funding to be broadly equal between our partners over a period of 3–5 years.

In this report we highlight not only many of our exciting funding awards made in 2018/19, but also grants from prior years which have demonstrated real impact. Two of our recent large awards to Barts Health – surgical robots in 2017 and the Newham Rainbow Centre for

Children and Young People in 2015 – are already delivering benefit to patients and staff. Both were cited as examples of best practice in Barts Health's recent Care Quality Commission reports.

Our strategy to increase our annual grant spend to at least £30m was originally fixed for three years to 2020. Last year, our Trustees agreed to extend this target for a further two years to 2022. This decision recognises the depth of the funding pipeline and the ability of the Charity to apply recent growth in its balance sheet to meet the needs of our partners. Our desire is to continue to award significant funding beyond 2022; however, to do so we will need to grow our income from donors. We are already working with Barts Health to introduce a more visible and extensive Charity presence across the hospitals. Alongside a staff engagement programme, we hope that this will grow awareness of the Charity as the potential recipient of donations from grateful patients and their families.

After a busy year where we have made progress on multiple fronts, I would like to thank our staff, Trustees, Board Advisers and other senior volunteers, and donors, for their commitment, enthusiasm and support. Together, we are helping the people who work in Barts Health and SMD in their efforts to make a difference to healthcare in our community and further afield.



**Paul Rawlinson**  
Chair



In **2018/19** our charitable funding totalled:

# £31m

£5m Barts Health

£26m School of Medicine  
and Dentistry

Over the last 5 years we  
have funded healthcare  
innovation totalling: **£104m**

for...



medical research



equipment



patient care  
projects



enhancing  
environments



...which would not otherwise  
have been supported by the  
NHS or other funders

...supporting joint strategic  
priority areas for the Charity,  
Barts Health and SMD:



cardiac



cancer



women and  
children



trauma



population  
health



inflammatory  
disorders







# Our communities and partners



## Local, national, global

Our funding benefits some of the most vibrant and fast-growing areas of London. Barts Health's hospital and community services reach a population of some 2.5 million people, treating more than 6,000 people every day.

Within that population there are many healthcare challenges, including:

- Cardiovascular disease and metabolic conditions such as diabetes, both of which pose a particular risk to people of South Asian heritage
- Childhood obesity
- Respiratory disease and asthma, made worse by poor air quality
- Cancer, likely to affect one in two people in their lifetimes

Our funding is helping to ensure that all of East London's communities receive the highest possible standards of healthcare. In addition, our Barts Health partners also provide a range of specialist services that benefit patients from across London, the South-East and sometimes elsewhere in the UK, so the projects that we fund also benefit many people who live outside of the capital.

Much of the research we fund is tailored to the needs of local communities and improves the care and services they receive. In addition, the diversity of the population involved in research often means the results of the projects we fund are relevant to many other populations around the world, so we are proud to say that the impact of our funding can be felt globally as well.



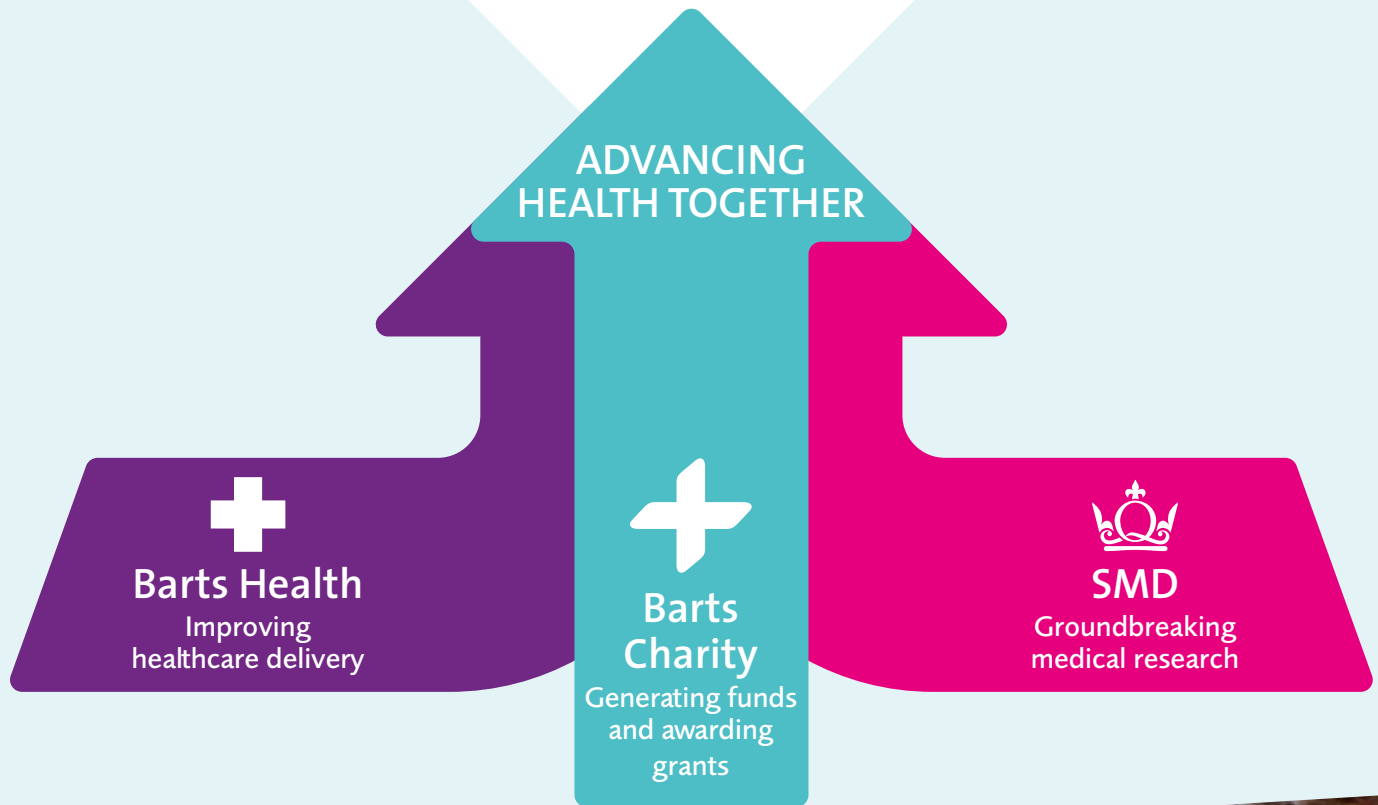
*“Barts Charity is an invaluable support to all we try to do and achieve for our patients. The work of Barts Health would be a lot poorer without its amazing support.”*

Barts Health staff member,  
response to survey





Unlocking the full potential of our partners to deliver life-changing healthcare to benefit people **locally, nationally and globally**



## Working with our partners – inspiring and enabling

We collaborate with two of the UK's leading healthcare institutions – **Barts Health NHS Trust and Barts and The London School of Medicine and Dentistry (SMD)** – enabling them to build upon nationally renowned levels of care and world-leading research.

We work closely with both organisations to identify projects that might benefit from funding in areas identified as joint strategic priorities (see page 3). The SMD research that we fund is tightly integrated with Barts Health services. This ensures that research addresses the key issues facing local populations, helps clinicians contribute to research, enables more patients to take part in studies, and provides a pathway for advances in research to feed rapidly into clinical practice.

In order to ensure that Barts Charity's funding is truly impactful,

our approach is to fund projects that would not attract support from other sources, be that the NHS or other medical research funders. Our aim is that all our funding is catalytic. Our 'pump-priming' of research enables researchers to generate preliminary data to support funding applications to major funding bodies – bringing in millions of extra pounds for research. Furthermore, our funding enables Barts Health to pilot innovative models of care delivery, paving the way for their wider adoption in the NHS.

**“Barts Charity is a tremendous resource. It's not just the money, it's a test of ideas to do things better and differently.”**

**Dr Neil Ashman**  
Deputy Chief Executive,  
The Royal London Hospital

**“The Charity helps us to achieve more – funding some of our most important research, and allowing us to take forward exciting new projects.”**

**Prof. Steve Thornton**  
Vice-Principal (Health), Queen Mary University of London





# Our partners

## Barts Health NHS Trust

Barts Health is one of the largest NHS Trusts in the country, delivering care to hundreds of thousands of patients every year. These include residents of East London and patients from elsewhere in the UK benefiting from its specialist services.



In 2018/19 the total value of our funding to Barts Health was £5m, providing state-of-the-art equipment, supporting innovative new ways of delivering care, and enhancing hospital environments. Our funding is enabling Barts Health hospitals to stay at the forefront of healthcare innovation and ensuring patients benefit from the very latest technologies and ways of working.

Across its five hospitals, Barts Health provides services for people of every age, from newborns to those nearing the end of their lives. Its hospitals are the first point of call for local communities, and in many fields are also nationally important centres pioneering new approaches to care and treating patients from much further afield. In a multitude of areas, from cardiac care to children's orthopaedics, Barts Health delivers unrivalled levels of care.



### Mile End Hospital

- A community hospital in the heart of Tower Hamlets
- Provides a range of services to local communities, including inpatient, rehabilitation, mental health and community services
- Recently selected as the site for a £5m cancer diagnosis centre



### St Bartholomew's Hospital

- The UK's oldest hospital, dating back nearly 900 years
- National centre of excellence for cancer care
- Home to the world-leading Barts Heart Centre





## Barts Health at a glance...



- Provides care to some 2.5 million people in East London and beyond
- Treats more than 6,000 patients every day
- Turnover of £1.4bn
- Employs more than 17,000 people across five hospitals
- Recruits 32,000 patients a year into innovative clinical trials
- Nationally recognised expertise in multiple fields, including cardiac care, paediatrics, cancer, children's orthopaedics and trauma

### Whipps Cross University Hospital

- A large general hospital providing a full range of inpatient and outpatient services, including a 24-hour A&E department
- A centre of excellence for several specialist services, including cardiology, urology and acute stroke care
- Undergoing a major redevelopment of its Women's and Neonatal Unit with Barts Charity funding



### Newham Hospital

- A busy district hospital providing a full range of services to local communities
- Particularly noted for its orthopaedic services
- Site of the Rainbow Centre for children and young people, completely transformed with Barts Charity funding



### The Royal London Hospital

- A major teaching hospital providing local and specialist services
- Includes one of the UK's largest children's hospitals, a major dental hospital and leading renal unit
- Home to nationally important trauma services



“Some of our most exciting, state-of-the-art equipment, most innovative research and cutting-edge projects are funded by Barts Charity. I am hugely grateful for its role in helping us provide safe and compassionate care.”

**Alwen Williams CBE**  
Group Chief Executive,  
Barts Health



# Our partners

## Barts and The London School of Medicine and Dentistry

By working closely with Barts and The London School of Medicine and Dentistry (SMD), part of Queen Mary University of London, we are able to fund medical research that will shape the future of healthcare at Barts Health, in the UK more widely and globally.

In 2018/19 the total value of our funding to SMD was £26m, and at 31 March 2019 SMD researchers were undertaking 161 Barts Charity-funded research projects.

SMD aims to improve the health and wellbeing of people throughout the UK and beyond through research and teaching excellence. It is home to scientists working on a range of conditions affecting local populations such as heart disease, cancer, TB, asthma, diabetes, HIV and high blood pressure.

Working in state-of-the-art facilities close to Barts Health hospitals, scientists in the SMD research institutes and the Institute for Health Sciences Education collaborate closely with clinical colleagues, to train future generations of doctors and researchers, to engage patients in research, and to accelerate the development of new treatments and drive forward changes in clinical practice.

SMD is internationally recognised

for the quality of its research – it is ranked third in the world for research citations (QS World University Rankings 2019). One of SMD's strategic priorities is to grow in size while maintaining the quality of its research. You can read about how Barts Charity is supporting SMD in this aim with our funding of expansion of the Charterhouse Square campus on page 10, Barts Charity Lectureships on page 11, and new research teams in the Barts Cancer Institute on page 12.

### Barts Cancer Institute

- One of the top five cancer research centres in the UK
- A designated Cancer Research UK (CRUK) Centre of Excellence and part of CRUK's City of London Major Centre
- Conducts wide-ranging studies on cancer, spanning cancer cell biology, diagnosis and development of innovative new treatments
- Awarded major funding from Barts Charity in 2018/19 (see page 12)

### Blizard Institute

- The largest SMD Institute, carrying out the full range of laboratory, clinical, and primary care and public health research
- Has strong links with The Royal London Hospital nearby
- Includes the Centre for Trauma Sciences, Barts Research Centre for Women's Health and the Barts Liver Centre, each set up with Barts Charity funding

### Institute of Dentistry

- Ranked top dental school in UK for research in latest national research evaluation exercise (REF)
- Occupies state-of-the-art premises at The Royal London Dental Hospital, housing the most modern and technologically advanced equipment in the UK

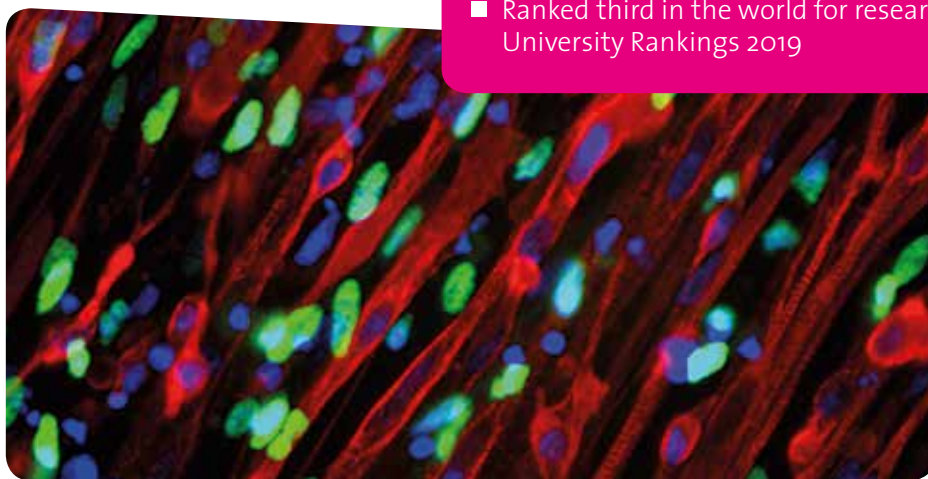






## SMD at a glance...

- One of the UK's leading medical and dental schools, training new doctors and undertaking ground-breaking research
- More than 3,200 students and 1,500 members of staff
- Major sites in Whitechapel and Charterhouse Square, close to Barts Health hospitals
- Ranked third in the world for research citations in QS World University Rankings 2019



### William Harvey Research Institute

- A world-leading centre of research into cardiovascular, endocrine and inflammatory diseases
- Specialises in the integrated application of multiple approaches to understand and treat disease
- Works closely with clinicians at St Bartholomew's Hospital in the Barts Heart Centre, which has received major funding from Barts Charity

### Wolfson Institute of Preventive Medicine

- An internationally influential centre focusing on prevention of disease and disability
- Has run multiple major clinical trials demonstrating the benefits of preventive approaches
- Particular strengths in cancer, cardiovascular disease, psychiatric conditions and environmental risk factors for disease, including diet
- Includes the Barts Centre for Preventive Neurology, set up with Barts Charity funding



“We are extremely grateful to Barts Charity for the substantial investment into strategic awards that will enable further expansion in quality and quantity for our School. Our partnership with the Charity gives us a unique edge and is fundamental for the delivery of the strategy of the School.”

**Professor Mauro Peretti**  
Dean for Research and Research Impact, SMD

# Our grants

This year our charitable funding of £31m has supported many innovative projects designed to transform patient care. The following pages highlight a selection of these new projects as well as some of the successes our previous funding has achieved during the year.

## NEW FUNDING

### Ancient meets modern

Our £6.5m grant is enabling the School of Medicine and Dentistry (SMD) to update its historic Charterhouse Square site.

Nestling a few hundred metres from Smithfield Market, the Charterhouse Square campus is an academic oasis in the heart of Central London. Around a charming green space, bordered by the Charterhouse complex dating back to the 14th century, its buildings house world-class biomedical research institutes. With St Bartholomew's Hospital a five-minute walk away and exceptional transport links, the campus is a hive of activity in the centre of one of Europe's great cities.

Enviably though its location is, it constrains the expansion of a School that is very much on the up, and with ambitious plans to grow its research. SMD has achieved great success in recent years, rising to impressive levels in global research league tables. Its key challenge now is to expand in size while

maintaining its commitment to excellence.

For Charterhouse Square, the solution is to make better use of existing space. With our funding, buildings around the campus will be extensively refurbished, providing additional facilities for scientists already on site and space for new recruits.

There is no shortage of leading researchers keen to take advantage of the environment and opportunities that SMD can offer in fields such as cancer, cardiovascular medicine and metabolic disorders. Now, the space and facilities will be available for them to carry out groundbreaking research, deepening our understanding of disease and driving forward the development of new treatments.

£ £6.5m

2018

Professor Anthony Warrens,  
Dean for Education



*“The Charterhouse Square refit is central to our ambitious plans to grow the School. With St Bartholomew's Hospital nearby, Charterhouse Square will offer new recruits access to world-leading science and clinical services – all in the heart of London.”*

Professor Anthony Warrens,  
Dean for Education



### At a glance...

**The project:** Redevelopment of Charterhouse Square.

**What's being done:** Multiple buildings in SMD's Charterhouse Square campus are undergoing major refurbishment.

**Impact:** The new facilities will provide an outstanding environment and additional space for existing and newly recruited researchers.





“

*The School is a fantastic environment in which to launch a research career. Having a mentor who was always available, no matter how busy they were, was a great help.”*

**Carles Gaston-Massuet,**  
recruited to SMD as an early-career researcher in 2013

## NEW FUNDING

# Rising stars

**Barts Charity funding is enabling SMD to recruit a new wave of up-and-coming scientific talent.**

The transition from postdoctoral scientist to independent researcher is a critical point in a scientific career. It is when up-and-coming scientists begin to spread their wings, no longer being under the supervision of a senior scientist but with responsibility for their own lab and their own team.

It can be a daunting step, but it is also one ripe with opportunity. It is when researchers can begin to fully explore their own ideas and secure their own funding; it is often the point when scientists are at their most productive.

For research institutions, early-career researchers can provide an infusion of new blood, invigorating research programmes, bringing in new techniques, and sparking new ideas.

In 2013, SMD launched a highly successful recruitment drive, bringing on board a new cohort of early-career researchers who have

rapidly established themselves as independent and productive scientists. They have published dozens of papers, successfully secured millions of pounds in additional funding, and most have secured permanent academic positions at SMD.

With our funding, SMD is creating a further 16 positions for young researchers, applying the learning it gleaned from the 2013 exercise. This includes making some of the posts available to young scientists already at SMD, not just to external applicants.

To give new recruits the greatest chance of success, SMD will concentrate on areas of existing research strength. It is also supporting them through the transition to independent researcher, for example by providing each with a senior scientific mentor. With such guidance, the ‘rising stars’ will play a critical role in driving SMD’s research forward over the next decade and beyond.

£ £6.1m

2018

Professors Steve Thornton, Mauro Perretti and David Kelsell

## At a glance...

**The project:** Barts Charity Lectureships.

**What’s being done:** 16 early-career researchers or ‘rising stars’ are being recruited to SMD.

**Impact:** The new recruits will expand SMD’s research capacity and bring in new ideas and technical expertise.

# Our grants

## At a glance...

**The project:** Barts Cancer Institute expansion.

**What's being done:** Major funding is enabling the Institute to expand its groundbreaking research programmes and recruit new researchers.

**Impact:** The research will accelerate the development of new treatments and preventive measures for a wide range of cancers.

### NEW FUNDING

## Getting to grips with cancer

**Our funding is providing fresh impetus to Barts Cancer Institute's meteoric rise.**

Barts Cancer Institute has developed into one of the UK's leading sites of cancer research, receiving substantial support from Cancer Research UK and other national funders.

Barts Cancer Institute and the Wolfson Institute for Preventive Medicine are notable for their range of cancer-related research, from the molecular mechanisms of cancer to population-wide prevention. Their leaders also have ambitious plans to further develop their areas of strength – which is where our funding comes in.

The Institute's plans are to recruit new scientific talent in five strategically important areas:

- New ways to target cancer cells
- Understanding better the host tissues in which cancers develop
- The genomics of cancer
- Screening and early diagnosis
- Cancer prevention and risk reduction

In 2017, we awarded £4.5m for the first phase of this expansion, which is already beginning to deliver results.

- Dr Jane Sosabowski has used Barts Charity funding to purchase equipment for making radioactively labelled probes that bind to prostate cancer cells. These can be used to image the metastatic spread of prostate

cancer. Excitingly, these probes can also be 'armed' so that they destroy the cancer cells they target. Because of the new resources, Barts Cancer Institute has been able to join a major international trial testing this approach for treating metastatic prostate cancer.

- Our funding has been used to recruit two outstanding scientific leaders. Professor Victoria Sanz-Moreno has been carrying out exceptional work identifying how tumours modify host tissues to create an environment that protects and supports their growth. Professor Kamil Kranc is a world authority on why the cancer stem cells responsible for maintaining blood cancers are so resistant to therapy.

In 2018, we provided an additional £5.5m to enable the Barts Cancer Institute and the Wolfson Institute to recruit new researchers to expand the remaining three areas of research. Although the exact details will depend on the new recruits, several areas with exciting potential have been identified:

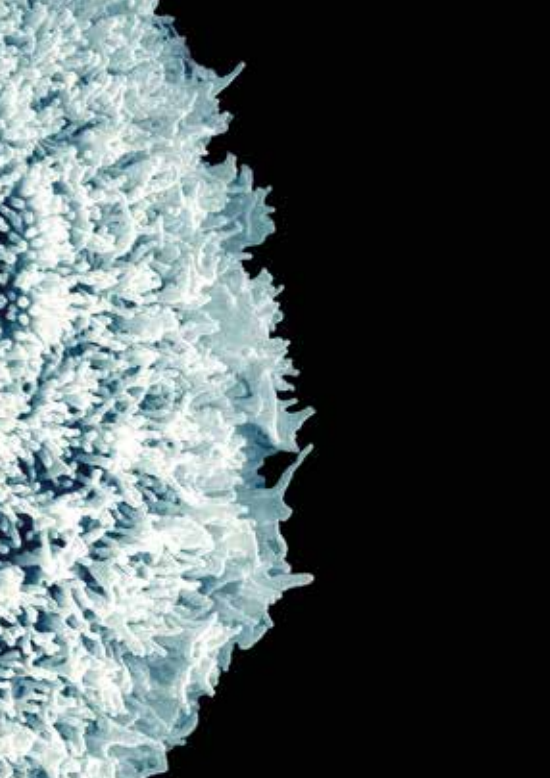
- Extending the use of tamoxifen to prevent breast cancer. Tamoxifen is already recommended for breast cancer



*"I was attracted to possible collaborations with the great Barts Cancer Institute scientific community. It provides the perfect environment to develop our scientific goals and to find new therapies to target cancer cells."*

**Professor Victoria Sanz-Moreno,**  
who moved to the Barts Cancer Institute in 2018





## NEW FUNDING

# Save and print

By funding an expert 3D bioprinting engineer, we're unlocking innovative ways for researchers to investigate cell behaviour.

To investigate cell function and how it goes wrong in disease, researchers commonly use cultured cells – free-living cells in flasks and Petri dishes. However, cells in the body are arranged in organised 3D tissues, which can have a significant impact on how they behave. As a result, there is growing interest in combining the convenience of cultured cells with methods that recreate more life-like structures.

In 2018, the School of Medicine and Dentistry (SMD) acquired a state-of-the-art 3D bioprinter, as a shared resource. Instead of coloured inks, the bioprinter uses 'bioinks' – gels containing living cells. These can be built up layer by layer, as in conventional 3D printing, to create exquisitely intricate structures. In addition, printing can be controlled so that different types of cells are printed at different positions, creating

organised tissue-like structures.

The possible applications of the technology are almost endless. Initial uses include studies of wound healing processes in skin-like tissue, production of artificial blood vessels for testing medical devices, and miniature models of cancer for studies of tumour cell interactions with surrounding cells. The facility is also being used to create artificial muscle tissue to explore abnormalities in muscle function in muscular dystrophy.

To encourage greater use of the facility, our funding has enabled SMD to recruit Dr Ratima Suntornnond, a research engineer experienced in 3D bioprinting. She will also be helping researchers around SMD get the most out of this exciting new technology.

prevention in those at high risk, but lower-dose tamoxifen might also be as effective and have fewer side effects, enabling its wider use in women with elevated risk of breast cancer.

- Low-dose aspirin for prostate cancer control: There is growing evidence that low-dose aspirin protects against cancer. One possible application could be after initial detection of prostate cancer, for patients who are monitored but not treated unless their cancer starts to develop further.
- Self-testing for cervical screening. Detection of precursor lesions is critical to cervical cancer prevention, but cervical screening is not popular. The NHS is moving towards detecting infections with human papillomavirus (HPV), the main cause of cervical cancer, as the primary screening test. Preliminary evidence suggests that HPV can be accurately detected from a self-collected swab, but a full evaluation of this approach is essential.

£192,000

2018

Dr John Connelly, Reader in Bioengineering



*“By demonstrating what is possible, we hope to show groups across the School how 3D bioprinting technology and advanced tissue models could benefit their research.”*

Dr John Connelly,  
Reader in Bioengineering

## At a glance...

**The project:** Support for a 3D bioprinting facility.

**What's being done:** A 3D bioprinting expert has been recruited to support research across SMD.

**Impact:** Multiple groups will be able to draw on the new technology for exploring cell behaviour in more realistic 3D tissue-like structures.

£10m

2017/2018

Professor Nick Lemoine,  
Director of the Barts Cancer  
Institute

# Our grants



NEW FUNDING

## Building the base for brain tumour research

“

*In partnership with our clinical colleagues, we'll put in place structures that will enable us to offer patients the best experimental treatments available.”*

**Professor Silvia Marino,**  
Director of the Brain Tumour  
Research Centre of Excellence



Our funding will ensure that more brain tumour patients can take part in research, and advance the development of new treatments for incurable brain cancers.

Brain tumours are thankfully rare, but the outlook for patients is often poor – particularly those with the most invasive type, glioblastomas – and has scarcely improved over the past 20 years.

Professor Silvia Marino has developed a highly successful programme of laboratory research examining how abnormalities in the regulation of gene activity drive the uncontrolled growth of brain cancer cells. With funding from Barts Charity, she is now developing stronger links with neurosurgeons such as Mr Edward McKintosh to create a platform that will enable more patients to take part in clinical research studies.

Mr McKintosh and his fellow neurosurgeons are keen to offer patients more opportunity to take part in research – very few are able to do so at present. To ensure this can happen, Barts Charity funding is enabling surgeons and oncologists to devote more time to research, as well as supporting a dedicated research nurse and data specialist. This will enable samples and patient data to be collected and stored for use in research.

This new capacity for research will enable the team to join national and international trials of new therapies or diagnostics. In addition, it will provide a platform for the team to develop its own clinical trials. Funding will also enable the team to recruit a new group leader to develop a programme of research in neuro-oncology, and more generally create an environment



## A helping arm

Barts Health brain surgeons are benefiting from new technology inspired by the robotic arms more commonly seen on space stations.

A brain surgeon removing a tumour may spend up to 10 hours of intense concentration on a procedure. It is mentally and physically demanding work. It depends on microscopes that must be positioned and periodically refocused manually, often requiring surgeons to adopt awkward postures to view brain areas of interest. This can disrupt surgeons' concentration and interrupt their procedures. It also puts them at risk of strain-related injury, which can even force them to retire early.

Our funding has enabled the neurosurgical team at The Royal London Hospital to become the first in the country to acquire an exoscope – a high-resolution microscope on a robotically controlled arm.

Using a foot pedal and tracked instruments, surgeons can move the arm to rapidly adjust the position of the microscope, with images conveniently displayed on screens at surgeon's eye level. Surgeons can therefore operate in more comfort, and procedures can be completed quicker – beneficial to patient and surgeon alike.

The screens also enable surgical trainees to view operations in progress, and recordings can be used in reviews of procedures.

The team is phasing in the new technology, starting with relatively straightforward cases and carefully monitoring patient outcomes. Ultimately, the exoscope may enable even more intricate procedures to be undertaken, while the neurosurgery experience could also lead to its adoption by other surgical specialities.



*“The exoscope will have a big impact on our work, reducing procedure times by about 10% – enabling us to perform an extra 40 operations a year.”*

**Alex Alamri**, Neurosurgery Registrar

£ £495,000

2018

Mr Alex Alamri, Neurosurgery Registrar

attractive to other potential scientific recruits.

The new project builds on successful earlier Barts Charity funding. A £200,000 grant enabled Professor Marino to secure £3.3m funding from Brain Tumour Research to establish a Brain Tumour Research Centre of Excellence – which is developing new treatments that could be tested using the new research platform.

£ £1.6m

2018

Professor Silvia Marino, Director of the Brain Tumour Research Centre of Excellence, and Mr Edward McKintosh, Consultant Neurosurgeon

### At a glance...

**The project:** Expanding research into brain tumours.

**What's being done:** A programme is being developed to enable clinicians and laboratory researchers to collaborate more closely.

**Impact:** More patients will be able to join clinical trials to advance the development of new treatments.

# Our grants

## SUCCESS STORY

## The magic of Rainbow

The new Rainbow Centre for Children and Young People is a reassuring space in which to be treated, an inspiring place in which to work and a flagship for Newham Hospital as a whole.

In 2015, funding of £6.85m supported a radical transformation of the Rainbow Ward and children's outpatient department into the Rainbow Centre for Children and Young People at Newham Hospital. Gone are the Portakabins and narrow, dimly lit corridors, and in their place are bright, spacious and colourful spaces.

The new Rainbow Centre for Children and Young People has now been occupied for more than two years, and it is fair to say it is an unqualified success. Indeed, its achievements have been independently ratified. After a visit by the Care Quality Commission in the autumn of 2018, children and young people's services were rated 'good' across all five domains (safe, effective, caring, responsive and well-led) – the only Barts Health children's services to achieve such recognition – and several aspects of the Rainbow Centre environment were rated as 'outstanding'.

As well as noting positive feedback from patients and their

parents, the CQC review reported that: "Staff consistently told inspectors the new environment and facilities made a big difference to their work and they felt reinvigorated and motivated by it."

Visitors also cannot fail to notice the vibrant atmosphere in the new Rainbow Centre. Nurses and doctors are clearly inspired by their surroundings – energised, positive and engaged, with a strong sense of team identity, which can only be beneficial for the quality of care they provide. Busy spaces maintain an aura of calm, the immaculate surroundings inspiring confidence among young patients and families in the quality of care provided.

In practical terms, much has changed. The new Rainbow Centre

has a children's playroom as well as a separate space for adolescents and a school room. It has a private space for parents as well as a colourful and engaging outdoor space, with its own secure buggy park.

Clinical staff now have their own space, including a seminar room, and top-notch IT equipment. They have access to high-standard medical equipment, including a dedicated blood gas analyser, specialist ventilation equipment and a high-dependency unit. As a result, more seriously ill children can be cared for – reducing the need for emergency transfers across London, keeping children closer to their homes, and reducing the demand on intensive care beds.

*"Thanks to Barts Charity funding, we've created a centre that enables doctors and nursing staff to deliver the best possible standards of care, and – most importantly – one that sends a message to families that they truly matter."*

**Tony Halton,**  
Managing Director, Newham Hospital

### At a glance...

**The project:** Transformation of the Rainbow Centre for Children and Young People at Newham Hospital.

**What's being done:** A complete rebuild of the Rainbow Centre has integrated inpatients, outpatients and day care, enhanced clinical facilities, and transformed the hospital environment.

**Impact:** A greatly enhanced patient experience and improved quality of care.

## Performing better

A day dedicated to reflection and participatory role-play is giving Newham Hospital staff the skills to manage the stresses and strains of life on the wards.

Working in a hospital environment is inevitably stressful. There are patients to care for, unexpected emergencies to deal with, days when things don't go according to plan. These challenges are easier to overcome if staff are on top form and working as an effective team – which were the ultimate objectives of the 'Performing Medicine' programme run at Newham Hospital in spring 2019.

Through the initiative, hospital staff at all levels took a day out for a structured programme of group participatory exercises. The exercises were designed to encourage staff to open up about their frustrations and working challenges, to consider how they manage their own health and wellbeing as well as that of their patients, and to reflect on how they interact with colleagues.

The thinking is that by ensuring that staff take steps to maintain

their own physical and mental health, they will be healthier, more resilient and better able to provide care for patients. And by being more aware of how they interact with colleagues, particularly when under pressure, staff can better appreciate how body language, tone of voice and choice of words can build stronger working relationships and more effective team working.

Over 10 weeks, groups of up to 15 staff have taken part in the engaging activities, ensuring that nearly all staff on six participating wards have had the chance to experience the programme. While pressures can never be entirely eliminated, the programme has helped to build the resilience of individuals and teams so that stresses can be better managed.

£ £6.85m  
2015

Newham is a young, growing and ethnically diverse borough with pockets of severe deprivation. Even so, at the new Rainbow Centre, local families have access to children's facilities as good as any in the UK. It is a beacon for the hospital, and a symbol of the standard it aspires to achieve across all its areas of work.



£ £49,000

2018

Louise Hicks, Director of Development, Barts Health

### At a glance...

**The project:** 'Performing Medicine' sessions for Newham Hospital staff.

**What's being done:** Participatory group workshops encourage staff to reflect on key issues such as self-care and team dynamics.

**Impact:** Healthier and more resilient staff working as a team can offer higher quality care to patients.





# Our grants

## SUCCESS STORY

New research has identified the key care challenges for people with severe mental illness and diabetes.

People with severe mental illnesses such as schizophrenia or bipolar disorder typically die 10–15 years prematurely. As well as mental health difficulties, they are also at heightened risk of physical conditions – including a two to three times higher risk of diabetes.

The causes of this link are complex. When dealing with a mental health crisis, people with severe mental illness may be understandably less concerned about their long-term physical health. It may be hard to resist appealing but unhealthy food, or to have the motivation to exercise.

Medications may also increase the risk of obesity.

The co-existence of mental and physical health problems also presents a challenge to an NHS organised around medical specialities, which can make it difficult to offer joined-up care.

To gain insight into the factors affecting access to and quality of care, Professor Alan Simpson and colleagues consulted service users and healthcare workers involved in different aspects of diabetes and mental health care. Key issues identified in interviews and focus groups were explored further in surveys.

The research has generated a wealth of information on the barriers to and enablers of care. In general, service users were well aware of the importance of diabetes and of measures to manage it – actually adhering to recommended diets and exercise regimes was more problematic. Some were concerned about the fragmentation of services. For their part, healthcare workers wanted to offer more integrated care but felt they lacked the skills to do so.

Having identified these critical factors, Professor Simpson and colleagues are seeking to develop and test interventions designed to support more integrated care that better meets the needs of this vulnerable and disadvantaged group.

### At a glance...

**The project:** Identifying barriers to effective diabetes care among people with severe mental illness.

**What's being done:** Service users and healthcare workers have been consulted on the barriers to and enablers of good diabetes care.

**Impact:** The findings provide a basis for the design of improved services that better meet service users' needs.

*“Attending appointments, looking after your own health, becomes a secondary concern when you have mental health challenges. It just drops off the radar for lots of people. They find it hard enough to get out of bed, let alone go to have their bloods done, go for their check-ups and lead the type of life that prevents deterioration.”*

Isaac, service user

£ £63,000

2014

Prof. Alan Simpson, Professor of Collaborative Mental Health Nursing, and Dr Kathleen Mulligan, Senior Research Fellow, City University London



NEW FUNDING

## Tailoring tools for mental health

An interactive tablet-based tool could help GPs provide better care to patients with mental health issues.

Professor Stefan Priebe has developed a tablet-based interactive tool, DIALOG+, to help service users and mental health professionals jointly develop care plans. Using DIALOG+, service users systematically work through their satisfaction with multiple aspects of their life and care with mental health professionals and map out a set of actions.

In mental health service trials, DIALOG+ improved service users' quality of life and had the potential to save the NHS money through reduced demand on services. The tool has now been rolled out across East London.

There is potential to use DIALOG+ in other settings, particularly in the care of people with long-term conditions who often experience mental health problems. However, assessments take 30 minutes to complete, and GPs are typically less experienced at jointly developing care plans.

Professor Priebe's team is using our funding to adapt DIALOG+ so

it can be used by a wider range of clinicians, including GPs. As a first step, researchers are analysing video recordings of DIALOG+ consultations to identify the elements most central to its success, and consulting with doctors, nurses and patients. The team then aims to develop a streamlined version of DIALOG+ for rigorous evaluation.

£ £102,000

2018



Prof. Stefan Priebe, Professor of Social and Community Psychiatry

“

*DIALOG+ is one of those rare interventions that both helps patients and saves the NHS money. However, 80% of patients with mental health problems are treated in primary care, so we could achieve even more impact if we can adapt DIALOG+ for GPs.”*

Prof. Stefan Priebe, Professor of Social and Community Psychiatry

### At a glance...

**The project:** Adapting a mental health assessment tool for use in primary care.

**What's being done:** The interactive DIALOG+ tool, which helps doctors and service users jointly develop care plans, is being adapted so it can be used in general practice.

**Impact:** A tool suitable for general practice could help GPs provide more tailored mental health support to patients.





# Our grants



## NEW FUNDING

## The adrenal experts

**We have provided major funding to a group of the world's leading adrenal gland researchers.**

Situated on top of the kidneys, adrenal glands are small but deceptively complex and central to human biology. They produce a variety of hormones that regulate multiple aspects of metabolism and blood pressure.

Because of these key functions, abnormalities in adrenal gland function can have a wide range of impacts, in children and adults. Adrenal glands may produce insufficient quantities of certain hormones, or they may be overactive, and they are also the sites of different kinds of benign or

malignant tumour. These abnormalities may affect the growth and development of infants, lead to metabolic disorders such as high blood pressure, and predispose to potentially deadly cancers.

Based on close collaborations between Barts Health clinicians and researchers in the School of Medicine and Dentistry, the Barts Centre for Adrenal Studies has developed into a world-leading centre of adrenal research. It has a particular strength in bridging the divide between clinical and laboratory studies, generating new understanding of adrenal disease and using this understanding to improve diagnosis, treatment and care.

Our funding is now enabling the Centre to consolidate and extend this world-leading position. We are supporting a range of studies across complementary areas:

- Identifying genes causing inherited adrenal conditions
- Understanding how different mutations affect the properties and clinical progression of a type of malignant adrenal cancer, to inform the care of newly diagnosed patients
- Determining whether a newly discovered population of adrenal cells are the source of a second type of adrenal cancer, and therefore an important target for new therapies
- Understanding the development of small benign tumours that are a frequently unrecognised cause of high blood pressure

Through this and other work, the Centre will generate new insight into what are often complex conditions, offering patients a clearer diagnosis, care more tailored to specific underlying disease mechanisms, and the prospect of new targeted treatments.

### At a glance...



**The project:** Major funding for the Barts Centre for Adrenal Studies.

**What's being done:** Funding is being provided for innovative research on the causes and mechanisms of multiple conditions affecting the adrenal glands.

**Impact:** The research will lay the ground for better diagnosis and more targeted treatments for patients with adrenal conditions.

**“Barts Charity funding is enabling us to strengthen the links between Barts Health’s clinical services and laboratory research, ensuring that research not only generates knowledge but also benefits patients.”**

**Professor William Drake,**  
Consultant Physician and Professor of Clinical Endocrinology

£1.5m

2018

**Prof. William Drake, Consultant Physician and Professor of Clinical Endocrinology**

# Holistic health and wellbeing

## A new theory about depression in kidney dialysis patients could open the door to better treatments.

Having to undergo kidney dialysis for several hours, three times a week, inevitably impacts on the wellbeing of patients with chronic kidney disease. Indeed, many show symptoms of clinical depression. Unfortunately, drug treatments for depression work for only a minority. And depression not only makes patients' lives more miserable – it makes their symptoms worse and reduces their life expectancy.

However, new research suggests that there may also be biological reasons for their depression. There is growing evidence that inflammation, a feature of chronic kidney disease, may affect the brain. Just as an acute illness like flu can have a severe but thankfully short-lived effect on mood and behaviour, ongoing kidney disease may be having a long-term impact on mood circuits in the brain.

To test this idea, clinicians in the Barts Diabetic Kidney Centre – set up with funding from Barts Charity – have teamed up with neuroscientist Dr Livia Carvalho to explore possible links between inflammation and depression in chronic kidney disease patients.

In the first phase of the project, the team will translate and adapt screening tools for depression that are suitable for local ethnic communities. This can be challenging, as some languages may not have words equivalent to terms used in standard screening tools.

Blood samples from patients diagnosed with clinical depression will then be tested to examine the activity of thousands of genes. Results will be compared with those from patients without depression, to see if there are any patterns of abnormal activity in genes associated with inflammation in depressed patients.

Although a pilot study, the results could reveal possible pathways of inflammation driving depression in patients with chronic kidney disease – the targeting of which could provide new ways to treat this debilitating condition.

£249,000

2018

Professor Kamaldeep Bhui,  
Head of Centre for Psychiatry



“About a quarter of our patients suffer from depression. As well as trying to improve their physical health, we’re now trying to do much more to improve their mental health and wellbeing.”

Professor Magdi Yaqoob,  
Director of the Barts Diabetic  
Kidney Centre

## At a glance...

**The project:** Examining the contribution of inflammation to depression in patients with chronic kidney disease.

**What's being done:** Researchers are looking for 'molecular signatures' of inflammation in patients with depression.

**Impact:** Identification of signatures could suggest new ways to treat depression in patients with chronic kidney disease.



# Our grants



“

*Barts Charity funding enabled us to get the highest-spec ‘Rolls Royce’ version of the new technology, which has given us the freedom to investigate entirely new ways of using it to benefit patients.”*

**Dr Andrew Smith,**  
Consultant in Anaesthesia and Intensive Care

## NEW FUNDING

## The heart in 3D

**New high-resolution ultrasound equipment is providing cardiac surgeons with a uniquely detailed view of the heart.**

Ultrasound imaging of the heart – echocardiography – has become an indispensable tool in the diagnosis of heart problems. Imaging technology has come on in leaps and bounds, and doctors can now draw on tools that provide a real-time 3D view of the heart.

However, imaging from outside the body presents challenges, as the ribs, lungs and other tissues can interfere with ultrasound waves. To address this issue, an ultrasound probe has been developed that can

be inserted into the oesophagus (gullet) and manoeuvred so that it is just centimetres away from the back of the heart, providing startlingly high-resolution images of the beating heart.

Thanks to Barts Charity funding, operating teams at St Bartholomew’s Hospital are among the first in the country to have access to this state-of-the-art technology within operating theatres.

Surgery on mitral valves illustrates the power of the technology. The mitral valve separates the two chambers on the right side of the heart, preventing the backflow of blood when the heart contracts.

However, the valve can become damaged by infection or hardened by deposits. A leaky valve reduces the efficiency of the heart, depriving body tissues of oxygen.

With the new imaging technology, surgeons and anaesthetists can see precisely how the mitral valve is damaged, plan their procedures, and see immediately during surgery how well a repaired or replacement valve is functioning. Recordings can also be watched afterwards, in reviews of operations and in teaching.

Mitral valve repair and replacement is where the new technology is showing most immediate benefits. But having access to the technology is also enabling surgeons and anaesthetists to explore ways in which it could improve other surgical procedures or the management of patients in the acute care unit.

### At a glance...

**The project:** Purchase of transoesophageal echocardiography ultrasound imaging equipment.


**What’s being done:** High-resolution ultrasound imaging provides a clearer view for surgeons carrying out intricate heart surgery.

**Impact:** The new equipment is helping surgeons prepare, carry out and review complex surgical procedures on heart valves.



£ £455,000

2018

 **Dr Ben O’Brien, Clinical Director for Perioperative Medicine**

# Robots make their mark

In the first year, more than 300 patients have benefited from robot-assisted surgery at The Royal London Hospital – including UK-first procedures.

In 2017, Barts Charity provided £5.1m funding to enable The Royal London Hospital and St Bartholomew's Hospital to acquire state-of-the-art equipment for robot-assisted surgery. Unusually, the equipment at The Royal London Hospital is being used by surgeons across a range of disciplines, which is delivering additional benefits.

In 2018/19, we awarded a further grant to support an evaluation exercise looking at whether projected milestones have been met at The Royal London Hospital, and how the robot can be used to drive further innovation.

In the first year, more than 300 procedures were undertaken – significantly more than the 250 originally planned. All six specialties started offering robot-assisted procedures within the first year, and preliminary results suggest that patients experience less pain afterwards and recover quicker.

In addition, the robots are beginning to enable the surgical teams to introduce innovative new practices:

- In procedures to widen the airways of people whose breathing is obstructed at night, robotic surgery is being used to access the throat through the mouth. Previously, such procedures often involved invasive surgery through the neck, sometimes even requiring the jaw to be broken to provide access.
- Barts Health surgeons have been the first in the UK to use robot-assisted surgery in a complex procedure to remove part of the pancreas and join the stomach to the small intestine. Because of the location of the pancreas and the presence nearby of major blood vessels, pancreatic keyhole surgery can be exceedingly difficult.

- Royal London surgeons are the first in the UK to use robot-assisted insertion of a catheter into the abdomen for dialysis in patients with end-stage renal disease.

Surgical teams have also begun to collaborate on procedures, taking advantage of each other's specialist skills. This new way of working has, for example, been used to develop an innovative approach to repair of complex hernias.

The Royal London Hospital team has also established a multispecialty Barts Robotic Research Programme, including medical engineers from Queen Mary University of London. Surgeons identify specific surgical challenges, and colleagues with experience of research help them to develop a rigorous research proposal.

Once the technology has been bedded in and clearly shown to benefit patients, The Royal London team will begin to explore its use in more complex cases – for example, in patients with a high body mass index who are currently not suitable for keyhole surgery.

£ £47,000

2019

Mr Rajesh Sivaprakasam,  
Consultant Transplant  
and Access Surgeon

*"This is the second time I have had treatment for colon cancer. The less invasive approach is better for both your body and mind, and you can make a really good recovery. Even my GP is staggered at how well I look."*

Anne, cancer patient

## At a glance...

**The project:** Evaluation of robot-assisted surgery at The Royal London Hospital.

**What's being done:** The impact of newly introduced robot-assisted surgery is being assessed.

**Impact:** Initial robot use has exceeded expectations; positive early results have enabled new surgical procedures to be introduced and paved the way for use of robots on patients otherwise ineligible for keyhole surgery.

Ms Elly Brockbank, Chair of the  
Robotic Users Group at  
The Royal London Hospital.



# Our grants



*The introduction of the new blood product should significantly improve the chances of survival for critically injured patients with severe blood loss, allowing them the chance to arrive at hospital for life-saving damage-control surgery.”*

**Dr Anne Weaver,**  
Clinical Director of Trauma at The Royal London Hospital



## At a glance...

**The project:** Introducing plasma to accident-site transfusion.

**What's being done:** Emergency response teams are evaluating combined use of plasma and red blood cell transfusions in patients with serious bleeding.

**Impact:** The new product should prevent more deaths from blood loss and provide a step towards whole-blood transfusions at accident sites.

## NEW FUNDING

## Bringing critical care to the roadside

**Barts Health emergency response crews are pioneering a new approach to reduce deaths from bleeding.**

Fast action is required to save the lives of seriously injured people at risk of bleeding to death. Every year, around 100 people in London are injured so badly that they bleed to death before they reach hospital.

Barts Health emergency teams working on London's Air Ambulance were the first in the country to use red blood cell transfusions outside hospital to resuscitate critically injured and bleeding patients prior to arrival in hospital. This innovation has already reduced pre-hospital mortality from 34% to 19%.

With our funding, Barts Health, London's Air Ambulance Charity, NHS Blood and Transplant, and the Centre for Trauma Sciences at Queen Mary University of London (QMUL) are now evaluating whether

using a new blood product that contains both red blood cells and plasma in one bag can save more lives. The addition of plasma provides clotting factors to promote clot formation and stop bleeding.

The study has been a complex one to organise. When people donate blood, it is rapidly separated into its constituent parts, such as plasma, red blood cells and platelets. For the trial, Barts Health surgical scientists and pre-hospital emergency care teams have worked with haematologists and transfusion experts at NHS Blood and Transplant to develop a new blood product that contains both plasma and red blood cells in one bag.

This new product is stored at The Royal London Hospital ensuring it is available around the clock for emergency use on both the helicopter and rapid-response vehicles.

The initial study will assess the feasibility of using red cells and plasma, and whether it improves survival in bleeding trauma patients. Ultimately, the team hopes that the project will be a springboard to develop a 'whole blood' transfusion product also containing platelets, tiny particles in blood on which clots first form. A successful pilot could lead to a multicentre clinical trial led by the unique collaboration of scientists and clinicians at Barts Health, QMUL, and NHS Blood and Transplant.



£100,000



2019



**Dr Laura Green, Consultant Haematologist and Clinical Senior Lecturer**

## Remote control

Blood cancer patients now have the option of 'remote consultations' for their routine follow up.

After successful treatment, blood cancer patients undergo regular checkups to ensure that they remain healthy and show no signs of recurrence. It is a similar story for patients who do not require treatment, but are regularly monitored. Given that their life expectancy may be near normal, this can involve many trips to hospital, often with a carer, with long waits and a return to an environment that many might wish to forget.

Dr Samir Agrawal has pioneered a new approach that avoids all this travel and hassle. He gives patients the option of remote consultations via video-link or phone call. Patients complete questionnaires before the consultation and are sent kits for blood collection, which can be done at a local GP's surgery, and test results are available in advance. Patients still have the option of coming in to St Bartholomew's Hospital if they prefer, or can make a



special one-off appointment.

The remote consultations have proven highly popular. Moreover, with cancer increasingly becoming a condition that is managed over long periods, the model is also one that could potentially be adopted more widely.

£ £33,210

2017

Dr Samir Agrawal, Consultant Haemato-Oncologist

*"This scheme saves us so much time – it saves us the travelling time, sitting in traffic, going up there and waiting in the waiting rooms. You benefit because instead of travelling and waiting, you're at home, somewhere you are comfortable and relaxed."*

Bertal, blood cancer patient

## Comfort in times of need

### SUCCESS STORY

*"The packs give families comfort at a difficult time – it's just a small thing but it's really appreciated by families."*

Jojie Cabalan,  
Tayberry Ward Manager

'Comfort packs' make life a little bit more comfortable for relatives unexpectedly staying overnight at Newham Hospital.

When patients take a turn for the worse, relatives often want to stay with their loved ones overnight. Newham Hospital has foldaway beds and reclining chairs for relatives to sleep on for such occasions.

However, staff are always thinking

about how care could be improved for patients and families. One suggestion was that relatives of patients who might be nearing the end of their lives could be offered a few items for unexpected and unplanned stays.

This led to the idea of the 'comfort pack', a small bag with items such as toothbrush and toothpaste, an eye mask, eyewash, hand lotion and information about practical matters like car parking and out-of-hours access to the hospital. Thanks to funds raised by Claire Davis for Barts Charity, the hospital is now able to offer comfort packs enabling families to make the most of their final time together.

£ £700

2017

Claire Davis, Improvement Lead at Newham Hospital







# Our supporters

Over the past year we have benefited greatly from our dedicated supporters who have gone above and beyond to generously contribute their time and donations. From individuals taking on personal challenge events to collaborative corporate partnerships, our supporters continue to make a real impact in the Barts Health hospitals and SMD that we support.

We are extremely grateful to everyone who helps to raise funds and awareness for our work, enabling us to continue working with our partner organisations in delivering transformative health care and research.

## Future NHS heroes

In partnership with the JPMorgan Chase Foundation, in January 2019 we launched Healthcare Horizons – a three-year programme to help young people in East London discover careers in the NHS. Working with over 20 schools in Tower Hamlets, Waltham Forest, Newham and Hackney, Barts Health will inspire over 1,000 school and college students to consider a career at the Trust.

Endorsed by the Mayor of London, Sadiq Khan, it will encourage students to learn about different

health professions, access higher education and secure employment.

- Hands-on events and work experience placements for secondary school students
- Immersive simulations of how an operating theatre works
- Support and advice for students applying to university
- Motivational training and interview skills development for young people going straight into work



*I'm delighted to support the Healthcare Horizons programme, which will make a real difference in helping young Londoners from all backgrounds gain the skills and practical experiences to help them access the wide range of rewarding jobs available in London's healthcare sector."*

Sadiq Khan, Mayor of London



## Trauma Appeal

In September we launched the 2018 Barts Charity Trauma Appeal in collaboration with the *Sunday Mirror*, to raise awareness and funds for vital trauma research and care in our partner organisations – The Royal London Hospital's Major Trauma Centre and the Centre for Trauma Sciences at Queen Mary University of London.

The Appeal was backed by MP Stephen Timms, who was the

victim of a life-threatening attack in 2010. He said:

*"My life was saved because of the expertise of doctors and nurses at The Royal London Major Trauma Centre. Without their help I might not be here today."*

As well as a four-month run of articles in the *Sunday Mirror* highlighting individual trauma survivor stories, the Appeal also featured in the *Daily Express* and the *Evening Standard*. We also developed a social media campaign featuring three specially created videos. In total, our campaign reached over 2 million people, and has raised over £350,000.

# Bank of Montreal

Bank of Montreal has been supporting us significantly over the past seven years. From decorating children's hospital wards to giving Christmas presents and donations, the generosity of its employees continues to have a huge impact.

The dedication of the team was proven as four traders recently shaved their heads to boost their fundraising. The efforts of Nick, David, Angus and Tom helped to inspire their colleagues to dig deep, with almost £70,000 raised in a matter of weeks.

By supporting the Play Team, the Bank is helping to ensure that staff are better placed to provide the best

*“Due to the immersive nature of virtual reality, patients are transported out of the treatment room where they are having an invasive procedure into an environment that may help to alleviate the negative aspects of being in hospital.”*

Deborah Appea, Health Play Specialist

possible care to young patients at an incredibly distressing time. Donations have been used to buy eight virtual reality headsets to entertain children and distract them during procedures such as blood tests.



## Champion efforts

Catriona Rowland, Quality Improvement Manager at Newham Hospital, has consistently been an active Barts Charity Champion and fundraiser, to date raising over £7,000 for hospital services.

As well as previously completing a Santa Run and Hampton Court Half Marathon, Catriona most recently undertook the Virgin Money London Marathon.



*“Helping the doctors and nurses at Newham is one of my passions, I love to raise money to support them and their hard work. When you donate to Barts Charity, you can actually see those changes in your ward, in your area. You get to see your local hospital move forward.”*

## Canary Wharf Contractors

The Canary Wharf Contractors Fund (CWCF) has kindly supported us since 2009, and recently donated £20,000 to our Trauma Appeal.

As part of this partnership, CWCF Trustees enjoyed a tour of the clinical and research facilities at the Centre for Trauma Sciences led by Professor Karim Brohi. CWCF has also donated almost £140,000 to children's orthopaedics at Barts Health and is a regular supporter of our Christmas Appeal.

*“Thank you to Karim and your team for an inspirational visit to the Trauma team at The Royal London. It is impressive to see such a world class organisation and humbling to be able to support them.”*

Richard Lines, Chair of CWCF





# Governance

Barts Charity is a company limited by guarantee (registration number 7168381) and a registered charity in England and Wales (registration number 212563). It is governed by Articles of Association most recently updated on 12 December 2016. In 2014, it became the first NHS charity to become fully independent of the Department of Health.

## Charitable purposes

Our charitable purposes relate to hospital services (including research), or to any other part of the health service associated with any hospital as our Trustees think fit. In practice, we focus our support for innovation in healthcare on the Barts Health group of hospitals and Barts and The London School of Medicine and Dentistry, part of Queen Mary University of London. (Find out more about our relationship with these key partners on pages 6–9.) Although we are careful to consult with representatives of grantee organisations to ensure alignment of strategic priorities and to secure the greatest impact from our funding, we retain our independence to act in the best interests of Barts Charity and the communities we serve.

## Trusteeship, Committees and Board Advisers

Barts Charity acts through its Board of Directors (who are known as Trustees). At the end of the reporting year, there were 11 such Trustees; since then two additional Trustees have been appointed and two retired. All Trustees give their time freely and no Trustee remuneration is paid. Details of Trustee expenses and related transactions are disclosed in notes 12.1 and 13 to the accounts. Trustees are required to disclose all relevant interests and register them with the Company Secretary and, in accordance with Barts Charity's policy, withdraw from decisions where a conflict of interest arises.

Power to appoint new Trustees lies with the existing Trustees, in accordance with the provisions of our Articles of Association. All Trustees are appointed for a fixed term of not more than three years (renewable to a maximum of nine years in total), although the Board may decide to extend this maximum term for some Trustees in appropriate circumstances.

The Board has established a series of committees so that much of the Charity's detailed governance work can be conducted by groups of Trustees and specialist Board

Advisers with the most relevant experience and expertise (although not all Board Advisers sit on a committee). Board Advisers are appointed for an initial two-year term, renewable to five years in total. Both new Trustees and new Board Advisers have an induction programme, during which they are familiarised with key constitutional and operating documents, meet senior Trustees and management, and tour the hospitals.

The Board and each committee conducts an annual review of performance in accordance with the Charity's Performance Review Policy, covering matters such as objects, terms of reference, relationship with the executive, documentation, conduct of meetings and skill set.

The Board has established a Scientific Review Panel to supplement the peer review of research grant applications. We are fortunate to be able to call upon a cadre of eminent scientists from across the UK with appropriate expertise relative to the subject matter of applications. They meet to discuss the full applications and submit their views and recommendations to the Grants Committee for its consideration. Final decision-making authority rests with the Grants Committee.



## Regulatory

The Board has assessed its governance against the Charity Commission's Governance Code for larger charities and is pleased to report high levels of compliance against the suggested standards. An area of continued focus for the Board is to ensure that the Charity is representative of its grantees and the communities it serves across both senior volunteers and staff. Work will also be undertaken to make the Charity's corporate values more explicit.

We are very grateful to our supporters, who contribute a significant amount of funds to our work. We aim to fundraise in a way that is compelling, respectful and in keeping with our values. The Charity is registered with the Fundraising Regulator and is committed to adhering to the Code of Fundraising Practice. We are also members of the Institute of Fundraising and refer to their best practice guidance.

The Charity does not use professional fundraisers or commercial participators to raise funds on its behalf. Our policies and practice ensure that no individual, including vulnerable persons, is put under undue pressure to make a donation. In the year to March 2019 more than 1,690 individuals and organisations supported us through donations or fundraising and we received no complaints related to fundraising. We have refreshed our privacy policy in line with the General Data Protection Regulation, and both this and our complaints policy are freely available on our website.

## Grant-making policy

We fund healthcare innovation by supporting the remarkable work of staff and researchers at:

- Barts and The London School of Medicine and Dentistry at Queen Mary University of London (SMD)
- Barts Health NHS Trust hospitals
- School of Nursing at City University London

We do this by funding research, training, state-of-the-art equipment and innovative healthcare projects. While we have limited funding partners, we adhere to a strict funding strategy to ensure that the Charity's capital is applied in the ways that will deliver the biggest impact in healthcare and most benefits to patients.

Our strategic funding principles:

- We focus on areas that are identified by both Barts Health and SMD as having potential for transformational change, helping to deliver their longer-term vision
- We will not fund projects if we think they can secure funding from other sources
- We aim to provide catalytic funding, enabling grantees to secure additional funds from external funders – we often 'pump prime' projects to facilitate the collection of pilot data to support a larger high-quality competitive grant application
- We seek to fund projects that have a clear 5–10-year vision on how our funding will leverage significant further funds.

## PROFESSIONAL ADVISERS

### Bank

#### National Westminster

##### Bank plc

440 Strand  
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### Auditors

#### BDO LLP

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Gatwick RH6 0PA

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#### BDB Pitmans LLP

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London SW1H 0BL

#### Taylor Wessing LLP

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### HR benefits advisers

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#### Gryphon Property Partners

12 Austin Friars  
London EC2N 2HE

#### Workman LLP

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London EC2V 6EE

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80 Victoria Street  
Cardinal Place  
London SW1E 5JL

### Global custodian

#### The Northern Trust Company

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Canary Wharf  
London E14 5NT

### Insurance broker

#### Willis Ltd

The Willis Building  
51 Lime Street  
London EC3M 7DQ



# Governance

## TRUSTEES AND BOARD ADVISERS



**Paul Rawlinson**  
Chair

Chartered Accountant; non-executive director of Charles Wells plc and the Classic Prop Company; formerly partner and member of Executive Board of PricewaterhouseCoopers LLP and non-executive director of the Good Care group.



**Sally Flanagan**

Director of Unquoted Investments at Caledonia Investments plc; formerly Head of Healthcare Investment teams at Private Equity investors, Permira and PPM Capital (now Silver Fleet).



**Dame Professor Parveen Kumar**

Professor of Medicine and Education at SMD and Consultant Gastroenterologist; President of the Royal Medical Benevolent Fund and the Medical Women's Federation; Trustee of British Youth Opera.



**Vijay Bharadia**

Chartered Accountant; Chief Financial and Operating Officer at Intermediate Capital Group plc; formerly International Chief Financial Officer at Blackstone and Co-Chief Financial Officer for European Equities at Bank of America Merrill Lynch & Co.



**Moira Gitsham**  
(Board Adviser)

Director of international healthcare communications consultancy Havas SO.



**Dr Richard Lewis**

Independent health strategy consultant and Visiting Senior Fellow at the Nuffield Trust; former lead partner of the health advisory practice at Ernst & Young LLP and has worked at the King's Fund and Cabinet Office.



**Claire Brown**  
(Board Adviser)

Chartered Accountant; consultant, trustee and co-opted member of investment and audit committees for the Nuffield Foundation, the Royal Foundation and Comic Relief; formerly Finance and Investment Director of the Esmée Fairbairn Foundation.



**Professor Catherine Godson** (Board Adviser)

Full Professor of Molecular Medicine at University College Dublin (UCD) and board member of the Health Research Board Ireland, the European Medical Research Council and the Physiological Sciences Committee of the Wellcome Trust; formerly Vice-President, Innovation UCD.



**Ian Peters**  
(*ex officio* Trustee)

Chairman of Barts Health NHS Trust and Vice-Chair of the Peabody Housing Association; formerly Managing Director of British Gas plc.



**Andy Bruce**

Partner, Global Head of Real Estate, Linklaters LLP solicitors.



**Ian Hart**

Chartered Accountant; Co-Chairman of UK Investment Banking at UBS; formerly at Citigroup and Morgan Stanley.



**Professor David Rampton**

Part-time Consultant Gastroenterologist at Barts Health NHS Trust; formerly Professor of Clinical Gastroenterology at SMD.



**Dr Thomas Round**

GP at the Bromley by Bow Health Partnership; Academic Clinical Research Fellow in Primary Care and Public Health Sciences at King's College London.



**Professor Ian Sanderson**

Professor of Paediatric Gastroenterology, SMD; Visiting Professor, University College London; Visiting Professor at Juntendo University, Tokyo, Japan; external faculty, Harvard Medical School, Boston, USA.

### **Appointments and Remuneration Committee**

Paul Rawlinson (Chair)  
Andy Bruce  
Sally Flanagan

### **Finance and Audit Committee**

Vijay Bharadia (Chair)  
Claire Brown  
Dr Richard Lewis  
Paul Rawlinson

### **Grants Committee**

Paul Rawlinson (Chair)  
Professor Catherine Godson  
Dr Richard Lewis  
Professor David Rampton  
Dr Thomas Round  
Professor Ian Sanderson

### **Investment Committee**

Andy Bruce (Chair)  
Sally Flanagan  
Ian Hart  
Paul Rawlinson

As at 17 July 2019

## **SENIOR MANAGEMENT**



**Fiona Miller Smith**  
Chief Executive



**Fiona Bickley**  
Chief Operating Officer



**Clare Chater**  
Director of Engagement and Fundraising



**Steven Harris**  
Chief Finance Officer



**Victoria King PhD**  
Director of Grants



**Ilia Ralphs**  
Director of Major Gifts



## Finance review and strategic report

A positive performance in a challenging economic environment has allowed us to meet our strategic aim and increase charitable activities to £31m.

**Total gross asset base:**  
£481m

**Net assets:**  
£411m

**Total charitable activities:**  
£31m

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing Barts Charity's aims and objectives and in planning future activities and setting the grant-making policy for the year.

### Financial review

Our financial strategy is to manage and grow the investment assets and voluntary income in order to enable annual grant-giving and operating activities in perpetuity and to sustain annual charitable activities at more than £30m. Net assets at year-end remained constant at £411m (£411m in FY2017/18; Figure 1), with an increase in the value of investments offset by a rise in outstanding grant commitments made during the year.

Total income decreased slightly in the year, with the investment portfolio generating £14.8m (£15.4m in FY2017/18; Figure 2), fundraised donations increasing to £1.9m (£1.8m in FY2017/18), and legacies and other fundraising income totalling £1.0m (£2.4m in FY2017/18). Legacy income is lower than in the prior year due to a single large donation in 2017/18.

### Spending review

Total expenditure for FY2018/19 was £34.3m (£33.8m in FY2017/18), of which £30.7m related to charitable activities (£30.2m in FY 2017/18, Figures 3, 4). This represents a continuation of our strategy to award grants totalling at least £30m per year.

The total cost of raising funds – expenditure on fundraising activities and management of the investment portfolio – was £3.6m in FY2018/19 (£3.6m in FY2017/18). Of this figure, £2.6m relates to management of investments.

Costs relating to financial investments (£2.0m) amount to less than 1% of asset value (exclusive of private equity and private credit). The annual spend linked to property-related investments in FY2018/19 was £0.6m against an average asset value of £114.6m, representing 0.5% of asset value. The property assets are predominantly multi-let commercial properties in London and the South-East.

Staff remuneration is determined by reference to a salary survey carried out by specialist reward consultants. The benchmarking data allow us to fix a salary range for each post, taking into account a number of factors such as the location, size and complexity of our organisation.

### Donations and grants

#### Donations and grants (greater than £50,000)

Aspen Insurance UK Services Ltd  
Boston Scientific  
Charles Wolfson Charitable Trust  
Jon Ball and Michael Jacobson  
Joyce Jackson  
JP Morgan Foundation  
JP Moulton Foundation

### Legacies

#### Legacies £5,000 and over

Rosalind Blanking  
Jane Dear  
Charles Hamblen-Thomas  
Roland Leigh-Lancaster  
Paula Mowle  
Kenneth Parker  
Doreen Paul

## Investment review

We conduct an annual review of our Statement of Investment Policies and Objectives, which sets out our financial and investment goals. Endowment and unrestricted funds are intended to last into perpetuity and are managed accordingly. Hence the investment policy provides for long-term stability, preservation of purchasing power, and liquidity sufficient for the funding of grant-making and other operating activities. It also sets out guidelines for the portfolio's risk profile, strategic asset allocation and investment restrictions.

As part of our overall strategy, Cambridge Associates and Barts Charity reviewed the financial objectives and recommended a policy that increases global equity and private equity investment and reduces exposure to UK property. It was also recommended that the Charity divest from corporate bonds as required to fund short-term spending and to rebalance the remainder of the portfolio toward the new targets. To this end, we are developing a new framework for benchmarking, to support monitoring and evaluation of the revised strategy.

During FY2018/19, as part of this new asset allocation policy, we have made additional commitments within the private equity and private credit allocation, which have helped to bring the portfolio more in line with the strategic aim of the investment portfolio (Table 1, page 34). The build-up in private equity exposure will be gradual (3–4 years) and will result in larger allocations to 'core' managers and the addition of a limited number of additional 'satellite' allocations. This increased allocation allows for access to differentiated exposures outside of public markets. The resulting high-quality portfolio will continue to be diversified, robust, and generate a reliable source of income and market appreciation to support grant-giving. The changes do not affect the financial and investment objectives described above.

Figure 1: Net assets



See note 1.3 to the accounts for details of fund structure

Figure 2: Income



Figure 3: Summary of expenditure

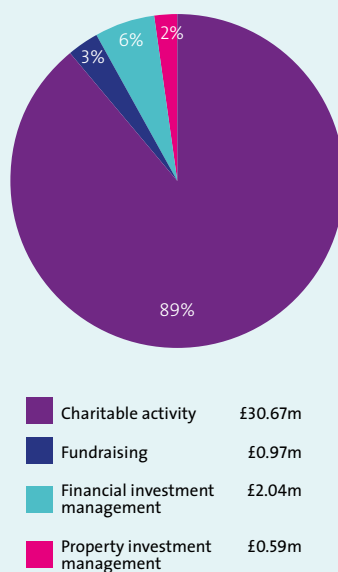
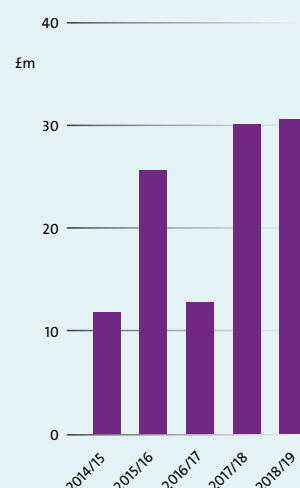


Figure 4: Charitable activities





## Investment review cont.

Public financial investments are principally held in 16 investment funds, allowing for diversification by asset type, risk profile, geographical exposure and manager style (active and passive). During the asset allocation review, shifts within the public equity targets have resulted in greater geographic diversification, with less UK/GBP exposure (10% allocation to UK equities versus 15% previously).

Measured against standard benchmarks, the investment portfolio is achieving sound performance during continuing economic uncertainty, with growth of 6.7% in FY2018/19 (Table 2). The target for the portfolio is an average real return of 4.5% per year over a rolling three-year period. As of 31 March 2019, this target has been met, and the portfolio has achieved a return of 9.6% annualised per year over the last three years. Long-term investment returns have exceeded market benchmarks and the performance of peers.

Investment performance is monitored quarterly by our Investment Committee with the assistance of Cambridge Associates Ltd, which provides advice and monitoring services for the financial portfolio. Gryphon Property Partners provides similar support for the property portfolio, while Workman provides tactical advice and management services.



Table 1: Total investment portfolio performance

	Old policy target (%)	Actual FY2018/19 (%)	New policy target (%)
<b>Growth drivers</b>	<b>51</b>	<b>57.2</b>	<b>64</b>
UK equity	15	12.2	10
Developed market equity	22	31.5	33
Emerging markets equity	6	6.4	6
Private equity	8	4.6	15
Enduring assets	–	2.5	–
<b>Diversifiers</b>	<b>11</b>	<b>31.9</b>	<b>26</b>
Private credit	6	4.9	6
Property	–	27.0	20
Corporate bonds/other liquid investments	5	–	–
<b>Inflation hedges</b>	<b>32</b>	<b>–</b>	<b>–</b>
Property	30	–	–
Enduring assets	2	–	–
<b>Deflation/disaster hedges</b>	<b>6</b>	<b>10.8</b>	<b>10</b>

Table 2: Total investment portfolio performance

	Cumulative trailing 1 Year (%)	Annualised trailing 3 Year (%)	Annualised since November 2005 (%)
Total assets	6.7	9.6	9.4
Long-term policy benchmark	5.9	8.7	6.2
Value added	0.8	0.9	3.2
<b>Total assets excl. private investments</b>	<b>7.1</b>	<b>10.2</b>	<b>6.4</b>
<b>Long-term policy benchmark</b>	<b>7.5</b>	<b>9.7</b>	<b>6.9</b>
<b>Value added</b>	<b>-0.4</b>	<b>0.5</b>	<b>-0.5</b>
<b>Total assets excl. property</b>	<b>7.5</b>	<b>10.4</b>	<b>6.6</b>
<b>Long-term policy benchmark</b>	<b>5.0</b>	<b>8.9</b>	<b>6.8</b>
<b>Value added</b>	<b>2.5</b>	<b>1.5</b>	<b>-0.2</b>

## Investment guidelines

The management of our endowment and other financial investments is designed to provide financing, alongside voluntary income, for our grant-making programme. Assets in the portfolio are therefore chosen in order that they enhance their value over time to achieve a financial return. A managed approach to risk is taken and the Trustees and management work with a number of advisors in order to provide an appropriate balance of risk against a targeted return.

The Trustees have delegated investment decision-making to the Investment Committee, which appoints and monitors investment advisors to provide assistance in managing both financial and property elements of the portfolio. The Investment Committee meets quarterly and reports back to the Board of Trustees after each meeting.

We recognise the importance of ethical investing. The approach taken by fund managers to the environmental, social and governance (ESG) aspects of assets is increasingly taken into account as part of our diligence and monitoring process. According to ESG scoring available from MSCI ESG Research LLC, our portfolio exceeded a benchmark based on a blend of the ESG ratings of FTSE All Share (35%), MSCI World (51%) and MSCI Emerging Markets (14%) companies.

## Reserves and risks

### Reserves policy

The Charity's free reserves, defined as those funds not restricted, designated or part of an endowment, totalled £85.8m in 2018/19 (£95.6m in 2017/18).

Given the nature of the Charity's activities and our grant-making strategy, the Trustees have determined that the reserves policy, taken in conjunction with spending and long-term investment policies, is intended to deliver the following objectives:

- Provide for long-term stability and liquidity sufficient for the funding of the Charity's annual grant-making and other operating activities, and occasionally exceptional grants beyond the normal annual level when appropriate circumstances arise
- Maintain the purchasing power of the Charity such that it can make funding awards in the long term. The Trustees wish to ensure the right balance between funding transformational projects over the next five to ten years and ensuring a meaningful role in perpetuity

As a consequence, the Charity has fixed a threshold level of expendable reserves, which the Charity considers to be the appropriate minimum level it needs to maintain in order to achieve this balance between current and future activity; for 2018/19 this figure is £320m. The total amount of expendable reserves for 2018/19 was £446.9m (£436.4m in 2017/18); these are defined as the level of investments held in order to satisfy the above objectives.

If the level of expendable reserves goes below or is projected to come within 5% of the threshold level, the Trustees will consider the level of spending and reserves in the light of the prevailing market conditions and outlook. It is not expected that the Charity would react to short-term volatility.

The reserve, spending and long-term investment policies will be reviewed and if necessary reassessed at least annually.

### The management of risk

Trustees regularly review the major risks to which Barts Charity is exposed. An operational risk register is reviewed and updated as part of the annual business planning process, while a strategic risk register is reviewed by Trustees at all Board and Committee meetings. Where appropriate, systems and procedures have been established to manage risks, and these are also reviewed regularly. The major risks include the ability to sustain the current level of income, a fall in investment values and returns, reputational risk, and unforeseen changes in the NHS. These risks are managed by careful portfolio construction, active management and review of investments, and regular liaison with the management teams of Barts Health and SMD.





## How we performed

Our targets in 2018/19 were:

- To sustain a high-quality grant-giving programme to deliver a transformational level of giving needed by both Barts Health and Barts and The London School of Medicine and Dentistry (SMD):

*We have again met our spending target of £30m and maintain a strong pipeline of projects with both our funding partners.*

- To raise the Charity's profile and influence across the five hospitals of Barts Health by implementation of integrated fundraising through greater engagement with Barts Health staff, patients and their families:

*A hospital-focused fundraising strategy was agreed by the Board in December 2018, with implementation starting in January 2019. This strategy is a key focus for FY2019/20 (see future priorities).*

- To continue the expansion of our major gifts fundraising programme to achieve significant increase in voluntary income by 2020:

*Income from major gifts has increased to £1.1m (up from £0.7m in FY2017/18), without an increase in costs.*

- To undertake a stakeholder survey and use the results to underpin a communications strategy and the possible launch of a brand awareness campaign:

*This was completed and the results used to inform the hospital fundraising strategy, with further work on our branding to follow in FY2019/20.*

- To update the Charity's branding and roll out across all digital and non-digital outlets:

*This has been completed except for some fixed branding in the hospitals, which will be updated during FY2019/20 as part of the hospital-focused fundraising campaign.*

## Future priorities

Areas of particular focus for FY2019/20 are:

- To increase the number of, and income from, individual supporters via our hospital-focused fundraising strategy, as a result of improved staff engagement and better on-site visibility and calls to action
- To continue the growth of our major gifts fundraising programme to achieve significant increase in income by 2020
- To begin a comprehensive review of our restricted funds with a view to reducing them significantly, both in total value and number, by FY2021/22
- To work with Barts Health and hospital management to improve oversight and sponsorship of funding applications to the Charity
- To review and simplify our grant application and payment processes, especially for smaller amounts
- To sustain our grant-giving programme at £30m per year and maintain a pipeline of high-quality projects



## Independent auditor's report to Barts Charity

### Opinion

We have audited the financial statements of Barts Charity ('the charitable company') for the year ended 31 March 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (UK Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2019 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

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

with the ethical requirements relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions related to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least 12 months from the date when the financial statements are authorised for issue.

### Other information

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

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of

assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report, which includes the Directors' Report and the strategic report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the Directors' Report, which are included in the Trustees' report, have been prepared in accordance with applicable legal requirements.



## Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatement in the strategic report or the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's website (<https://www.frc.org.uk/auditorsresponsibilities>). This description forms part of our auditor's report.

## Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



## Fiona Condron

(Senior Statutory Auditor)  
For and on behalf of BDO LLP,  
statutory auditor  
Gatwick

23 July 2019

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

## Statement of Trustees' responsibilities in respect of the Trustees' Annual Report and the financial statements

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law, they are required to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the excess of income over expenditure for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and 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;
- Assess the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- Use the going concern basis of accounting unless they either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charitable company and to prevent and detect fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Signed on behalf of the Trustees of Barts Charity.



Chair 17 July 2019

## Statement of Financial Activities (including income and expenditure account) for the year ended 31 March 2019

	Notes	Unrestricted funds £000	Restricted funds £000	Endowment funds £000	2019 Total funds £000	2018 Total funds £000
<b>Income</b>						
Donations		123	1,761	0	<b>1,884</b>	1,830
Legacies		0	756	0	<b>756</b>	1,980
Other		0	272	0	<b>272</b>	415
Total voluntary income	2	<b>123</b>	<b>2,789</b>	<b>0</b>	<b>2,912</b>	4,225
Income from investments	7.3	14,679	153	0	<b>14,832</b>	15,395
<b>Total income</b>		<b>14,802</b>	<b>2,942</b>	<b>0</b>	<b>17,744</b>	19,620
<b>Expenditure</b>						
Raising funds:						
Voluntary fundraising costs		966	0	0	<b>966</b>	1,011
Investment management costs:						
Financial		2,042	0	0	<b>2,042</b>	1,863
Property		590	0	0	<b>590</b>	689
<b>Total cost of raising funds</b>		<b>3,598</b>	<b>0</b>	<b>0</b>	<b>3,598</b>	3,563
Charitable activities	3.1	26,003	4,662	0	<b>30,665</b>	30,188
<b>Total expenditure</b>	3.5	<b>29,601</b>	<b>4,662</b>	<b>0</b>	<b>34,263</b>	33,751
<b>Net gains/losses on investments</b>						
Gains/(losses) on revaluation and disposal of investment assets		4,650	0	10,430	<b>15,080</b>	3,155
Gains on revaluation of heritage assets		0	0	2,172	<b>2,172</b>	0
<b>Net (expenditure)/income</b>		<b>(10,149)</b>	<b>(1,720)</b>	<b>12,602</b>	<b>733</b>	(10,976)
Transfers between funds		49	(49)	0	<b>0</b>	0
<b>Net movement of funds</b>		<b>(10,100)</b>	<b>(1,769)</b>	<b>12,602</b>	<b>733</b>	(10,976)
<b>Reconciliation of funds</b>						
Fund balances brought forward at 31 March 2018		96,296	21,865	292,575	<b>410,736</b>	421,712
<b>Fund balances carried forward at 31 March 2019</b>		<b>86,196</b>	<b>20,096</b>	<b>305,177</b>	<b>411,469</b>	410,736

During the year, no operations have been either discontinued or acquired by Barts Charity. The notes on pages 43–55 form part of these accounts.



# Balance Sheet

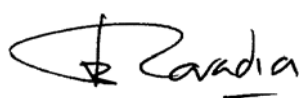
## as at 31 March 2019

	Notes	Unrestricted funds £000	Restricted funds £000	Endowment funds £000	2019 Total funds £000	2018 Total funds £000
<b>Fixed assets</b>						
Intangible and tangible assets	5	137	0	0	137	196
Heritage assets	6	0	0	16,600	16,600	14,428
Investments	7.1	133,311	25,059	288,577	446,947	436,443
<b>Total fixed assets</b>		133,448	25,059	305,177	463,684	451,067
<b>Current assets</b>						
Debtors	8.1	3,957	393	0	4,350	4,674
Cash at bank and in hand		13,428	0	0	13,428	8,020
<b>Total current assets</b>		17,385	393	0	17,778	12,694
Creditors: amounts falling due within one year	9.1	(20,218)	(3,845)	0	(24,063)	(25,985)
<b>Net current (liabilities)/assets</b>		(2,833)	(3,452)	0	(6,285)	(13,291)
<b>Total assets less current liabilities</b>		130,615	21,607	305,177	457,399	437,776
Creditors: amounts falling due after more than one year	9.2	(44,419)	(1,511)	0	(45,930)	(27,040)
<b>Total net assets</b>		86,196	20,096	305,177	411,469	410,736
<b>Funds of Barts Charity</b>						
Capital funds:						
Endowment funds	10.1	0	0	305,177	305,177	292,575
Income funds:						
Restricted funds	10.2	0	20,096	0	20,096	21,865
Unrestricted funds						
General funds		85,825	0	0	85,825	95,550
Designated funds	10.3	371	0	0	371	746
<b>Total funds</b>		86,196	20,096	305,177	411,469	410,736

The notes on pages 43–55 form part of these accounts.



**Paul Rawlinson**  
Chair  
17 July 2019



**Vijay Bharadia**  
Trustee

## Cash Flow Statement for the year ended 31 March 2019

	Notes	2019 £000	2018 £000
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	11.1	<b>(14,123)</b>	(13,785)
<b>Cash flows from investing activities</b>			
Dividends, interest and rents from investments		<b>15,071</b>	14,598
Payments to acquire tangible and intangible fixed assets		<b>(33)</b>	(171)
Payments to acquire investment assets		<b>(48,005)</b>	(27,721)
Receipts from sales of investment assets		<b>52,498</b>	34,114
<b>Net cash provided by investing activities</b>		<b>19,531</b>	20,820
<b>Change in cash and cash equivalents in the reporting year</b>		<b>5,408</b>	7,035
<b>Cash and cash equivalents at the beginning of reporting year</b>		<b>8,020</b>	985
<b>Cash and cash equivalents at the end of reporting year</b>		<b>13,428</b>	8,020

The notes on pages 43–55 form part of these accounts.

# Notes to the accounts

## 1 Accounting policies

### 1.1 Accounting convention

The financial statements have been prepared under the historic cost convention, with the exception of investments and heritage assets, which are included at year-end market value.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (Charities SORP [FRS 102]), the Financial Reporting Standards 102 applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent to provide a true and fair view. This departure has involved following the Charities SORP (FRS 102) issued on 16 July 2014 rather than the preceding Charities SORP (SORP 2005) which was effective from 1 April 2005 and has since been withdrawn.

Barts Charity constitutes a public benefit entity as defined by FRS 102.

### 1.2 Transfer of assets and legal separation

Barts Charity is a charitable company limited by guarantee, regulated solely by the Charity Commission. Before 31 July 2014, it was known as Barts and The London Charity Trustee and was regulated by both the Charity Commission and the Secretary of State for Health, under the powers set out in the NHS Act 2006. Under an appointment by the NHS Trust Development Authority effective 1 April 2013, it acted as the trustee of the unincorporated charity, Barts and The London Charity.

By a Deed of Assignment effective midnight 30 July 2014, Barts and The London Charity Trustee transferred all of the assets which it held in its capacity as trustee (save as set out

below) to itself as absolute owner.

The Charity Commission approved this assignment in an Order dated 28 July 2014. By a Statutory Instrument dated 31 July 2014 (2014 No. 1905), Barts and The London Charity Trustee ceased to be regulated by the Secretary of State for Health under the provisions of the NHS Act 2006. Barts and The London Charity Trustee also changed its name to Barts Charity with effect from the same date.

By virtue of a Charity Commission Order dated 31 July 2014, Barts Charity was appointed as trustee of the permanent endowment assets remaining in Barts and The London Charity and the four Special Purpose Charities related thereto. By a Charity Commission uniting direction dated 31 July 2014, Barts Charity is permitted to account for these trustee assets within its accounts.

### 1.3 Fund structure

- a. Restricted funds are funds for which a legal restriction exists over their use and related income is restricted to the purpose of the fund as set out in note 10.2.
- b. Endowment funds include the following:
  - (i) Permanent endowment funds: capital is held in perpetuity but the related income may be used for unrestricted or restricted purposes as specified by the donor.
  - (ii) Expendable endowment: donations received by the hospitals of Barts Health NHS Trust prior to 5 July 1948 (the date on which the NHS was established). The income and capital are available for such expenditure related to sections 220(3) and 220(5) and paragraph 10(1) of Schedule 4 of the National Health Service Act 2006 (see c(i) below).
- c. Unrestricted funds and their related income are available for use at the discretion of the Trustees for general charitable purposes relating to the following:

#### (i) General

Sections 220(3) and 220(5) and paragraph 10(1) of Schedule 4 of the National Health Service Act 2006: To hold the property on trust for such purposes relating to hospital services (including research), or to any other part of the health service associated with any hospital, as the person holding the property thinks fit.

#### (ii) Designated

The Trustees have chosen to earmark these funds for specific areas within the general charitable purposes (see note 10.3).

### 1.4 Income

Income is recognised when Barts 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.

Legacy income is recognised when three criteria are met: entitlement is established, receipt of the income is probable and it can be reliably measured. Where legacies have been notified to Barts Charity and the criteria for income recognition have not been met, the legacy is treated as a contingent asset and disclosed if material.

Rental income from investment properties is reported as an operating lease and the lease incentive is amortised on a straight-line basis.



## Notes to the accounts

### 1.5 Expenditure

All expenditure is accounted for on an accrual basis. Direct costs of generating funds (including fundraising), charitable activities and support costs are charged to the relevant category or activity according to the area to which the expenditure relates. Support and governance costs incurred that relate to more than one cost category are apportioned based on estimates of time spent on activity in each area.

Charitable activities include grants approved by the Trustees during the year, and are recognised as commitments in the year of approval.

### 1.6 Fixed assets

- a. Tangible and intangible assets  
Tangible and intangible assets are included in the balance sheet at cost less accumulated depreciation. Depreciation is charged on a straight-line basis to support costs over the estimated useful life of three years for software development costs and five years for other assets. See note 1.5 for apportionment basis.
- b. Heritage assets  
Heritage assets are capitalised and include art collections, historic archives, sculptures, ceramics, surgical instruments, uniforms, teaching materials and other items. They are reported on the balance sheet at their insured values, which are based on replacement values in the retail market or, where appropriate, in the second-hand retail market with items of a similar nature, age, condition and quality. They are not depreciated but are revalued every five years with the last valuation completed by Gurr Johns, auctioneers and valuers, in March 2019. Any surplus or deficit on revaluation is credited or debited to the Statement of Financial Activities.

Assets are reviewed regularly for significant damage and appropriate remedial works are

carried out wherever possible to preserve the assets or prevent further deterioration. See note 6 for further details.

#### c. Investments

Quoted investments are stated at market value at the balance sheet date. Asset purchases and sales are recognised at date of trade.

Unquoted pooled financial investments are stated at fair value, the basis of fair value being the market value of the underlying investments held. These valuations are provided by the fund managers and are subject either to independent valuation or annual audit.

Private investments are held through funds managed by private investment groups. As there is no identifiable market price for private investment funds, these funds are included at the most recent valuations from the private investment groups and adjusted for cash flows if the valuation is not available at the balance sheet date.

The annual market valuation of Barts Charity's investment properties has been carried out in accordance with the Royal Institution of Chartered Surveyors Valuation – Global Standards 2017, incorporating IVSC International Valuation Standards.

The valuations were carried out by Gerald Eve LLP, Chartered Surveyors, who have been instructed as external valuer to value Barts Charity's freehold and long leasehold interests at 31 March 2019. They have reported their opinion of the aggregate of the values of Barts Charity's interest in the individual buildings.

### 1.7 Realised and unrealised gains and losses

Realised and unrealised gains and losses on investment assets are included in 'gains and losses on investment assets' within the Statement of Financial Activities.

### 1.8 Overdraft facility

An overdraft facility permitted under charity law and supported by Barts Charity's Memorandum and Articles of Association is in place to meet short-term cash flow requirements while also allowing Barts Charity to be fully invested.

### 1.9 Financial instruments

Basic financial instruments are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year. Barts Charity does not acquire put options, derivatives or other complex financial instruments. Where individual investment managers have discretion to use financial instruments, valuation is in line with market practice.

### 1.10 Pensions contributions

The cost of employer contributions to the NHS Pension Scheme and the Defined Contribution Scheme is charged to the Statement of Financial Activities.

Certain past and present employees are covered by the provisions of the NHS Pensions Scheme. Details of benefits payable under these provisions can be found on the NHS Pensions website ([www.nhsbsa.nhs.uk](http://www.nhsbsa.nhs.uk)). The Scheme is an unfunded, defined benefit scheme, preparing its own statements, that covers NHS

employers, general practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The Scheme is not designed to be run in a way that would enable NHS bodies to identify their share of underlying Scheme assets and liabilities. Therefore, the Scheme is accounted for as if it were a defined contributions scheme: the cost to an NHS body of participating in the Scheme is taken as equal to the contributions payable to the Scheme.

Applicable rates for employee contributions for the NHS Pension

Scheme ranged from 12.5% to 13.5% for 2018/19 and 2017/18. Employer contributions were 14.38% for both 2018/19 and 2017/18.

Employees employed after 1 April 2011 can choose to belong to a Defined Contribution Scheme, which is a Group Personal Pension Scheme. For 2018/19 and 2017/18, the rates of employer contribution for the Defined Contribution Scheme were 9% for senior managers and 7% for other staff. Employee contributions are voluntary.

### Details of voluntary income

	Unrestricted	Restricted	Endowment	2019	2018
	funds	funds	funds	Total	Total
	£000	£000	£000	£000	£000
Donations	123	1,761	0	1,884	1,830
Legacies	0	756	0	756	1,980
Other	0	272	0	272	415
<b>Total 2019</b>	<b>123</b>	<b>2,789</b>	<b>0</b>	<b>2,912</b>	4,225
Total 2018	336	3,889	0		4,225

Voluntary income in 2017/18 included one substantial legacy of £750,000 and an associated donation of £250,000. There were no legacies of a similar value in 2018/19.

## Notes to the accounts

### Details of charitable activities by funding source 3.1

	Grant-funded activity £000	Activities undertaken directly £000	Staff and support costs £000	2019 Total funds £000	2018 Total funds £000
Research	18,934	39	810	<b>19,783</b>	14,603
Enhancement in service delivery	8,468	144	391	<b>9,003</b>	14,237
Innovation and training	395	334	92	<b>821</b>	684
Patient and community engagement	745	111	56	<b>912</b>	680
Others	0	596	127	<b>723</b>	681
<b>Total</b>	<b>28,542</b>	<b>1,224</b>	<b>1,476</b>	<b>31,242</b>	30,885
Reversal of prior years' grants (a)	(577)	0	0	<b>(577)</b>	(697)
<b>Total after reversal of prior years' grants</b>	<b>27,965</b>	<b>1,224</b>	<b>1,476</b>	<b>30,665</b>	30,188
Total for 2018	27,640	1,216	1,332		30,188

(a) Reversal of prior years' grants reflects underspend across various projects. Although Barts Charity maintains regular contact with grantholders, there are occasions when planned expenditure is not achievable and the related grant accrual is reversed.

### Direct charitable expenditure by institution 3.2

	2019 Total £000	2018 Total £000
Barts Health NHS Trust	<b>2,897</b>	13,805
Barts and The London School of Medicine and Dentistry	<b>25,057</b>	13,807
Other	<b>11</b>	28
Grant-funded activity	<b>27,965</b>	27,640
Activities undertaken directly for benefit of patients at Barts Health NHS Trust	<b>1,224</b>	1,216
<b>Total grants awarded</b>	<b>29,189</b>	28,856

The £29.189m of grants awarded does not include Barts Charity staff and support costs allocated to charitable activities. A detailed list of grants paid to institutions during the year can be obtained on application to Barts Charity's office at 12 Cock Lane, London EC1A 9BU.

**Grants paid to individuals 3.3** No grants were paid to individuals in 2018/19 or 2017/18.

**Auditor's remuneration 3.4** In 2018/19, the external auditor was paid £50,400 (inclusive of VAT) in respect of the audit of statutory accounts (£51,600 in 2017/18). Additional costs for assurance services and tax advice for the financial year to March 2019 were £26,400 and £nil, respectively (£nil and £17,700, respectively, in 2017/18).



**Expenditure, including support costs** 3.5

Cost of raising funds						
	Fundraising	Investment management	Charitable		2019	2018
	Financial	Property	activity		Total	Total
	£000	£000	£000	£000	£000	£000
<b>Direct costs</b>	<b>61</b>	<b>1,891</b>	<b>397</b>	<b>29,189</b>	<b>31,538</b>	31,262
Salary costs	563	95	122	930	<b>1,710</b>	1,570
Apportionment of other overheads	342	56	71	546	<b>1,015</b>	919
<b>Total support costs</b>	<b>905</b>	<b>151</b>	<b>193</b>	<b>1,476</b>	<b>2,725</b>	2,489
<b>Total resources expended 2019</b>	<b>966</b>	<b>2,042</b>	<b>590</b>	<b>30,665</b>	<b>34,263</b>	33,751
<b>Direct costs</b>	<b>143</b>	<b>1,735</b>	<b>528</b>	<b>28,856</b>		31,262
Salary costs	531	83	104	852		1,570
Apportionment of other overheads	337	45	57	480		919
<b>Total support costs</b>	<b>868</b>	<b>128</b>	<b>161</b>	<b>1,332</b>		2,489
<b>Total resources expended 2018</b>	<b>1,011</b>	<b>1,863</b>	<b>689</b>	<b>30,188</b>		33,751

Where possible, costs have been directly allocated to one of the above categories. Of total overheads, 63% were allocated in this manner for 2018/19 (65% in 2017/18). The remainder, relating to general office costs, has been allocated on the basis of staff time. Support costs include governance costs of £186,808 (£147,915 in 2017/18). Restricted expenditure amounted to £4.66m in 2018/19 (£3.03m in 2017/18).

**Analysis of staff costs** 4.1

	2019	2018
	Total	Total
	£000	£000
Salaries and wages	<b>1,443</b>	1,315
Social security costs	<b>152</b>	144
Other pension costs	<b>115</b>	111
<b>Total</b>	<b>1,710</b>	1,570
Average monthly number of full-time equivalents	<b>31</b>	28
Average head count	<b>32</b>	29

Staff costs include restructuring costs of £46,885 (£29,070 in 2017/18).

**Pension contributions for higher paid employees** 4.2

The following pension contributions were made for employees within the annual emolument ranges indicated:

£	Value of contributions £000	Number of staff receiving contributions
60,001 to 70,000	<b>11</b>	<b>2</b>
90,001 to 100,000	<b>13</b>	<b>1</b>
130,001 to 140,000	<b>13</b>	<b>1</b>
150,001 to 160,000	<b>13</b>	<b>1</b>

## Notes to the accounts

### Higher paid employees

4.3 The following number of employees received annual emoluments falling within the ranges indicated:

£	2019	2018
60,000 to 70,000	2	0
70,001 to 80,000	0	1
80,001 to 90,000	0	3
90,001 to 100,000	1	0
130,001 to 140,000	1	0
140,001 to 150,000	0	1
150,001 to 160,000	1	0

Key management personnel (the senior management team of the charity) received aggregate employee benefits of £692,467 in 2018/19 (£657,366 in 2017/18).

### Fixed assets

#### 5 Fixed assets: Intangible and tangible

	Fixtures fittings and equipment £000	Intangible assets £000	Total £000
Tangible and intangible fixed assets:			
Balance at 31 March 2018	112	311	423
Additions	10	23	33
Balance at 31 March 2019	122	334	456
Accumulated depreciation:			
Balance at 31 March 2018	15	212	227
Charge for the year	24	68	92
Balance at 31 March 2019	39	280	319
<b>Net book value at:</b>			
31 March 2019	83	54	137
31 March 2018	97	99	196

### Heritage assets

#### 6

	2019 £000	2018 £000
Valuation at start of year	14,428	14,428
Revaluation	2,172	0
Valuation at end of year	16,600	14,428
Type of heritage asset:		
Antique furniture	1,253	2,165
Paintings, prints and drawings	8,792	5,631
Books and manuscripts	3,003	2,897
Other	3,552	3,735
<b>Total</b>	<b>16,600</b>	<b>14,428</b>

Painting, prints and drawings include two William Hogarth paintings which have been valued at £3m and £2.6m (£1.4m and £1.25m, respectively, in 2017/18). Other heritage assets include clocks, barometers, works of art, sculptures, ceramics, glass, silver and gold. Heritage Assets are revalued every 5 years and so the valuations for 2014/15, 2015/16, 2016/17 and 2017/18 remained the same as the 2013/14 valuation of £14.4m. (see note 1.6b).

The changes in valuation include a reduction of £1.3m largely related to assets located in the Church of St Bartholomew which are under the custody of the City Churches Foundation.

Analysis of fixed asset investments	7.1	Fixed asset investments	Property	Financial	2019	2018
			£000	£000	Total £000	Total £000
		Market value at 1 April 2018	120,549	315,717	<b>436,266</b>	439,079
		Less: Disposals at carrying value	(11,921)	(40,606)	<b>(52,527)</b>	(32,451)
		Add: Acquisitions at cost	1,017	46,905	<b>47,922</b>	27,764
		Net gain/(loss) on revaluation	(1,064)	15,769	<b>14,705</b>	1,874
		<b>Market value at 31 March 2019</b>	<b>108,581</b>	<b>337,785</b>	<b>446,366</b>	436,266
		Cash held as part of the investment portfolio	0	581	<b>581</b>	177
		<b>Total</b>	<b>108,581</b>	<b>338,366</b>	<b>446,947</b>	436,443

Investments	7.2	Market value at 31 March:	2019	2018
			Total £000	Total £000
		Investment properties	<b>108,581</b>	120,549
		Investments listed on stock exchange	<b>298,728</b>	285,851
		Private investments	<b>38,595</b>	29,866
		Cash held as part of the investment portfolio	<b>1,043</b>	177
		<b>Total</b>	<b>446,947</b>	436,443

Financial investments held at 31 March 2019 include 16 unit trust funds, representing 88% of the total value, and 20 separate private investments. Cash held as part of the investment portfolio includes £462,000 held in an instant access money market fund.

Analysis of gross income from investments	7.3		2019	2018
			Total £000	Total £000
		Investment properties	<b>5,489</b>	6,249
		Investments listed on stock exchange	<b>7,644</b>	7,881
		Private investments	<b>1,668</b>	1,257
		Interest on cash held as part of the investment portfolio	<b>31</b>	8
		<b>Total</b>	<b>14,832</b>	15,395

Accounting for lease incentives increased investment property income by £90,000 (£202,000 in 2017/18); see note 1.4. Restricted investment income amounted to £153,000 in 2018/19 (£763,000 in 2017/18).



## Notes to the accounts

### Analysis of debtors

#### 8.1 Amounts falling due within one year as at 31 March:

	2019 £000	2018 £000
Trade debtors	1,064	1,417
Prepayments	152	193
Accrued income	3,130	3,035
Other debtors	4	29
<b>Total</b>	<b>4,350</b>	<b>4,674</b>

Accrued income relates largely to income on financial investments and amortisation of rent-free period for related leases (see note 1.4).

#### 8.2 Operating lease

Barts Charity generates income from leasing out space within its investment properties. The future minimum lease payments under non-cancellable operating leases are as follows:

	2019 £000	2018 £000
Not later than one year	5,430	5,823
Later than one year and not later than five years	15,080	17,987
Later than five years	22,510	24,945
<b>Total</b>	<b>43,020</b>	<b>48,755</b>

Future minimum lease payments include £25.4m from a 45-year lease, granted in December 2014.

### Analysis of creditors

#### 9.1 Amounts falling due within one year as at 31 March:

	2019 £000	2018 £000
Trade creditors	894	1,473
Other creditors	203	222
Grant accruals	21,687	23,022
Deferred income	1,279	1,268
<b>Total</b>	<b>24,063</b>	<b>25,985</b>

Deferred income represents rent billed to the tenants in advance for the first quarter of the following financial year. Prior period deferrals were released in FY2018/19.

#### 9.2 Total creditors falling due after more than one year as at 31 March:

	2019 £000	2018 £000
Grant accruals	45,930	27,040
<b>Total</b>	<b>45,930</b>	<b>27,040</b>

**Analysis of  
creditors**

**9.3 Operating lease commitments**

At 31 March 2019 Barts Charity was committed to making the following payments in respect of operating leases:

	2019 £000	2018 £000
Not later than one year	210	210
Later than one year and not later than five years	315	525
Later than five years	0	0
<b>Total</b>	<b>525</b>	<b>735</b>

**Analysis of  
funds**

**10.1 Endowment funds**

	Balance 31 March 2018 £000	Gains and losses £000	Balance 31 March 2019 £000
Expendable endowments	276,215	11,760	<b>287,975</b>
Permanent endowments:			
H F Bailey	6,792	350	<b>7,142</b>
Aylwen Bursaries	2,463	127	<b>2,590</b>
Edward Hewlett	2,023	104	<b>2,127</b>
JJ Guthrie Blandford and George Shuter Staff Benefit	1,780	92	<b>1,872</b>
Hannington	797	41	<b>838</b>
David Hughes	593	30	<b>623</b>
Bailey City and Hackney	250	13	<b>263</b>
Hamblen Thomas	248	13	<b>261</b>
MacCready Mann	245	13	<b>258</b>
Levy Family	212	11	<b>223</b>
M A E L Jones	196	10	<b>206</b>
Nine funds each under £200k	761	38	<b>799</b>
<b>Total</b>	<b>292,575</b>	<b>12,602</b>	<b>305,177</b>
Total for 2017/18	290,579	1,996	292,575

Note 1.3 on page 43 provides further details of the endowment fund structure. There were no other resources received, expended or transferred in FY2018/19.

Name of fund	Nature and purpose of each fund
Expendable endowments	For purposes relating to NHS hospitals
Permanent endowments:	
H F Bailey	For children's services
Aylwen Bursaries	Funding of research bursaries
Edward Hewlett	General purposes
JJ Guthrie Blandford and George Shuter Staff Benefit	Staff benefit
Hannington	General purposes
David Hughes	General purposes
Bailey City and Hackney	For children's services
Hamblen Thomas	For children's services
MacCready Mann	Research purposes
Levy Family	General purposes, Royal London Hospital
M A E L Jones	For benefit of patients in intensive care

## Notes to the accounts

10.2 Restricted funds	Balance 31 March 2018 £000	Income £000	Expenditure £000	Gains and losses £000	Transfers between funds £000	Balance 31 March 2019 £000
<b>Material funds</b>						
Inflammatory Bowel Disease Research	1,484	0	(73)	0	0	<b>1,411</b>
Margaret Centre	1,219	38	(53)	0	0	<b>1,204</b>
JJ Guthrie Blandford and George Shuter Staff Benefit	1,776	53	(716)	0	0	<b>1,113</b>
Cardiac fund	898	328	(441)	0	7	<b>792</b>
Cardiovascular device and therapeutic innovation hub	375	375	0	0	0	<b>750</b>
Gastroenterology Whipps Cross	645	0	0	0	0	<b>645</b>
Funds £400k–£500k (1)	497	19	(77)	0	0	<b>439</b>
Funds £300k–£400k (6)	2,117	75	(121)	0	0	<b>2,071</b>
Funds £200k–£300k (9)	2,675	467	(963)	0	96	<b>2,275</b>
Funds £100k–£200k (22)	2,694	441	(167)	0	75	<b>3,043</b>
Others (525)	7,485	1,146	(2,051)	0	(227)	<b>6,353</b>
<b>Total</b>	<b>21,865</b>	<b>2,942</b>	<b>(4,662)</b>	<b>0</b>	<b>(49)</b>	<b>20,096</b>
Total for 2017/18	20,227	4,652	(3,027)	10	3	21,865

Note 1.3 on page 43 provides further details of the restricted fund structure. A comprehensive review of restricted funds is to take place with a view to reducing them in total value and number.

### Details of material funds

Name of fund	Nature and purpose of each fund
Inflammatory Bowel Disease Research	Research into inflammatory bowel disease
Margaret Centre	Margaret Centre at Whipps Cross University Hospital
JJ Guthrie Blandford and George Shuter Staff Benefit	Staff benefit
Cardiac fund	Treatment of and research into cardiac disease
Cardiovascular device and therapeutic innovation hub	Establishment of a cardiovascular device and therapeutic innovation hub at Barts Heart Centre
Gastroenterology Whipps Cross	Gastroenterology department at Whipps Cross



10.3 Designated funds	Balance 31 March 2018 £000	Income £000	Expenditure £000	Transfers between funds £000	Balance 31 March 2019 £000
<b>Material funds</b>					
Cardiac fund	122	0	0	0	<b>122</b>
Funds up to £100k (3)	624	0	(100)	(275)	<b>249</b>
<b>Total</b>	<b>746</b>	<b>0</b>	<b>(100)</b>	<b>(275)</b>	<b>371</b>
Total for 2017/18	807	60	(120)	(1)	746

#### Details of material funds

##### Name of fund

##### Nature and purpose of each fund

Cardiac fund	Treatment of and research into cardiac disease
--------------	--

10.4 Transfer between funds	Unrestricted funds £000	Designated funds £000	Restricted funds £000	Endowment funds £000
Total transfer between funds	324	(275)	(49)	0

The transfer between funds largely represents the removal of designation for two inactive funds.

10.5 Prior year distribution of net assets and gains/losses	Unrestricted funds £000	Restricted funds £000	Endowment funds £000	2018 Total funds £000
<b>Distribution of net assets between funds</b>				
Total fixed assets	133,085	25,407	292,575	<b>451,067</b>
Current assets	12,694	0	0	<b>12,694</b>
Current liabilities	(23,367)	(2,618)	0	<b>(25,985)</b>
Creditors: amounts falling due after more than one year	(26,116)	(924)	0	<b>(27,040)</b>
Total net assets	96,296	21,865	292,575	<b>410,736</b>
<b>Net gains/losses on investments</b>	1,149	10	1,996	<b>3,155</b>

## Notes to the accounts

Notes to the Cash Flow Statement	11.1 Net cash used in operating activities	2019	2018
		£000	£000
	Net income/(expenditure) for the period	733	(10,976)
	Adjustments for:		
	(Gains) losses on revaluation and disposal of investment assets	(15,080)	(3,155)
	(Gains) losses on revaluation and disposal of heritage assets	(2,172)	0
	Tangible fixed assets written off	0	17
	Investment income	(14,832)	(15,395)
	Depreciation charges	92	112
	Decrease in debtors	96	724
	Increase in creditors	17,040	14,888
	<b>Cash (outflow)/inflow from operating activities</b>	<b>(14,123)</b>	<b>(13,785)</b>

11.2 Analysis of changes in cash and cash equivalents	Balance	Movement	Balance
	2018		2019
	£000	£000	£000
Cash in hand and at bank	8,020	5,408	13,428
<b>Total cash and cash equivalents</b>	<b>8,020</b>	<b>5,408</b>	<b>13,428</b>

## Notes to the accounts

**Trustee and connected persons transactions**

**12.1 Trustee expenses reimbursed**

One Trustee was reimbursed for expenses in 2018/19 of £583 (no trustee reimbursement in 2017/18).

**12.2 Trustee remuneration**

No Trustee received remuneration in 2018/19 or 2017/18.

**12.3 Trustee indemnity insurance**

	Year ended 31 March 2019	Year ended 31 March 2018
	£	£

Premiums paid by Barts Charity during the reporting period	1,288	1,265
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**Related party transactions**

- 13** The total amount of related party transactions made, without conditions, was £4,400 (£5,305 in 2017/18).

During the year, Barts Charity made revenue and capital grants totalling £2.9m and £25.1m to Barts Health NHS Trust and Barts and The London School of Medicine and Dentistry, respectively (£13.8m to each in 2017/18). Ian Peters is a Trustee and Chairman of Barts Health NHS Trust .

A number of Trustees are employed by Barts Health NHS Trust and/or Barts and The London School of Medicine and Dentistry. See page 30 for details.





# Support Barts Charity

There are many ways in which you can help, either as an individual or organisation:

- + Support us with a regular gift or a one-off donation
- + Become a long-term partner, working closely with our clinicians and scientists
- + Introduce us to contacts who could help support our work
- + Organise or take part in a fundraising event
- + Leave a gift in your will

For further information about how you can get involved and support our beneficiaries, contact our fundraising team on **020 7618 1720** or go to **[www.bartscharity.org.uk](http://www.bartscharity.org.uk)**.

#### **Photography:**

Cover, inside front cover, contents, pp. 2, 3, 4, 5, 6, 7, 8 (lower), 10, 11, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 28, 31, 32, 34, 35, 36: Noel Murphy; p. 2 (upper): Ian Jones; p. 4 (lower): dynasoar/iStock; pp 8, 9 (upper), 12, 20 (upper right): Barts and The London School of Medicine and Dentistry; p. 26: Barts Health NHS Trust.

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