

Royal
Papworth
Charity



Annual Report and Accounts

2021/22

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Foreword from the Chairman

Following a few difficult years with challenges which have united the global healthcare community it is a pleasure to shine a light on the positive impact of Royal Papworth Charity and share our successes together over the last 12 months.

The commitment and generosity of the Charity's fundraisers has once again been awe inspiring this year. You have helped to transform the lives of our patients by helping to raise over £1.5 million in a number of wonderful ways, including, taking on impressive challenges such as walking over 6 million steps in a castle-to-castle challenge from Colchester to Florida, tackling the Swiss Alps in the Engadin Ski marathon and free-falling 13,000ft in a tandem skydive.

As the government COVID-19 restrictions eased, Royal Papworth Charity was able to attend and deliver a few local events once again. The Thriplow Daffodil Weekend was a true highlight for the Charity calendar this year, it raised an incredible £70,000 for its chosen nominated charities including Royal Papworth. A number of scheduled mass participation events which had previously been cancelled or postponed took place and raised over £30,000 including £6,000 from a Papworth Team of 12 who competed on the cobbles in the Cambridge Half Marathon. 21/22 has been truly quackers with the launch of the new regular giving programme 'the Duck Club' which has raised over £35,000 this year. Taking the lessons learnt from the pandemic, the Charity reviewed their digital presence and engaged with supporters in new and innovative ways online with seasonal competitions and fundraising initiatives which raised over £130,000 from individual donations.

In 21/22 the Charity received over £70,000 of wonderful physical gifts to distribute to the hospital, including items of specialist medical equipment from the Norfolk Zipper Club. This is still a new area of income for the Charity and is providing an exciting way to directly help patients and staff with immediate effect. The Charity distributed £2.2M in grants to Royal Papworth Hospital for a variety of projects which improved the hospital environment, enhanced the care delivered and supported our staff. Following such difficult times and with the effects of covid-19 still being felt, the wellbeing of staff remained a key priority for the Charity.

The Hospital's Compassionate and Collective Leadership Programme (CCLP) received a grant of £674k to tackle the needs of all our staff. The programme focuses on health and wellbeing, equality, diversity and inclusion, line manager training and team development to create a working environment where staff can feel valued and can fulfil their potential. This programme helps create a culture at Royal Papworth that enables the delivery of continuously improving, high quality, safe and compassionate care.

It was thrilling to witness the final touches to the Heart and Lung Research Institute and to receive the keys to this collaborative centre for world leading translational medicine. The £5M invested by the Charity will help to change the future of heart and lung treatment worldwide. In addition, the Charity has provided £1.2M in grants to pump-prime research which will act as a catalyst for the great work of the HLRI moving forward.

Time is truly precious. It is the gifts, money and time generously donated by our community of supporters that makes it possible for our patients to have more time with their families. Thank you from everyone at Royal Papworth Hospital for your continued support.

Professor John Wallwork CBE
Chairman



1. Who we are

- 1.1 Royal Papworth Hospital Charity (Royal Papworth Charity) is registered with the Charity Commission under registered Charity number 1049224 in accordance with the Charities Act 2011.

The Charity is governed by a Declaration of Trust dated 10 July 1995 (amended by a supplemental deed dated 14 May 2008 and amended 16 January 2018).

The Charity object is set out in the governing document, "for any purpose or purposes relating to the National Health Service."

Royal Papworth Charity is governed by a Corporate Trustee, Royal Papworth Hospital NHS Foundation Trust (Royal Papworth Hospital). The Board of Directors of Royal Papworth Hospital act on behalf of the Corporate Trustee through a Trustee Board.

1.2 Our Vision

The Trustee Board decided that Royal Papworth Charity's vision and values were to be founded on ensuring that it puts patients and staff at the heart of everything we do.

Royal Papworth Charity is committed to raising vital funds to provide the very best for our patients, their families and our staff.

This report will provide you with information on what we do, what we have achieved and how we allocate funding across the Hospital. Please read on and learn about how your support now and in the future could change the way heart and lung disease is treated forever.



2. What we do: our objectives and activities

2.1 By raising new money and through the management of existing funds, Royal Papworth Charity provides funding to Royal Papworth Hospital for the benefit of patients and staff, specifically to:

- improve the Hospital environment;
- provide both state-of-the-art and additional equipment as required;
- develop new ways of treating cardiothoracic diseases;
- support and realise the potential in our Hospital's staff;
- develop and expand the Hospital's research capability.

This is accomplished by raising funds in a variety of ways including:

- supporting community fundraising activities and our own events;
- running fundraising campaigns for specific projects;
- encouraging grateful patient giving;
- developing close relationships with corporate partners and grant-making organisations;
- promoting legacies and in-memory giving;
- effectively managing the Charity funds and investing wisely.

2.2 The Corporate Trustee of Royal Papworth Charity via the Trustee Board, has complied with the duty in Section 17 of the Charities Act 2011 and has paid due regard to Charity Commission guidance on public benefit in deciding what activities the Charity should undertake.

2021/22 Highlights

Our primary objective for the year was to support the Hospital during the coronavirus recovery period. Focus remained on supporting the wellbeing of staff at Royal Papworth Hospital as they worked above and beyond to restore services to meet the needs of Royal Papworth patients.

To help develop Royal Papworth Hospital as an organisation that continuously improves and delivers high quality, safe and compassionate care, the Charity contributed £674k to the Hospital's Compassionate and Collective Leadership Programme.

The Charity also adapted and responded to the new needs of the Hospital, purchasing specialist equipment, providing emergency accommodation for relatives and funding new staff roles were instrumental in ensuring we could help Royal Papworth Hospital offer the highest level of care today. Funded staff positions have included a Cystic Fibrosis Dietitian Assistant Practitioner (£24k) who provides virtual dietetic reviews to help patients with cystic fibrosis overcome obstacles that impact their health and subsequently reduces the time spent in clinic.

Since the Hospital's establishment in 1918, it has developed an international reputation for excellence in research and innovation. The Charity has provided £325k to the Research and Innovation Fund this year to generate a catalyst for vital research to accelerate the discovery of medical advances to help our patients and save more lives. With the commitment to raise £5 million towards the Heart and Lung Research Institute achieved last year, the building officially handed over in December. The Charity's fundraising plans for the future recognise the need for research today to help patients tomorrow.

Royal Papworth Charity is proud to have funded 148 grants for a variety of projects across the Hospital in 2021/22 with a combined value of £2.2 million. Charitable funds are used in a variety of ways to benefit the Hospital, including investment in capital projects, purchase of medical equipment, providing amenities for patients and their families, training and education for staff and for ground-breaking research. This year many grants had a direct and immediate impact on our patients, their families and our staff.

3. How we fund our work, our achievements and performance

Our year together in numbers



Value of grants committed to the hospital:

£2,253,000



Grants made to the hospital:

148



No. of patient supported
through financial hardships
of being in hospital:

19



Year two of Euroscore III:

£120,000



Funding provided to the
Compassionate and Collective
Leadership programme

£674,500



Funding provided for
medical equipment:

£52,000



20 Overseas settling-
in vouchers:

£10,000



Gifts in kind distributed
to staff and patients:

£71,000



Delta-Surgical MPR2 device:

£17,500



15 patient exercise
bikes purchased:

£10,000



Funding provided
for staff training:

£29,000



Funds committed to the
Research Innovation Fund:

£325,000



Value of gifts left
in wills received:

£290,000



Funds received for the year:

£1,501,000



Raised from events:

£32,000



Raised through
Facebook fundraisers:

£11,000



Money raised through
Charity Golf Day:

£8,000



Raised in-memory
and celebration:

£135,000



Grants received:

£70,000



8 staff skydivers raised:

£5,000



Sparkies sold:

70



Charity fleeces purchased:

100



Raised through our regular
giving programme,
the 'Duck Club':

£35,000



Weddings celebrated:

3



Engagements with
our social media posts:

650,000

JustGiving™

Justgiving fundraiser
pages created:

90



4. Risks

Royal Papworth Charity has 28 open risks. Seven risks have a Residual Risk Rating (RRR) of 'High' or above. Risks are reviewed by our Charitable Funds Committee quarterly to assess our plans to manage those risks and any factors which will affect the financial position of the Charity. All Charity risks are graded in line with the national risk framework detailed below and mapped against the six main Trustee duties.

| NHS Risk Guide | Risk Count | Feb-22 |
|--------------------|--------------------|--------|
| 15-25 Extreme Risk | 15-25 Extreme Risk | 0 |
| 8-12 High Risk | 8-12 High Risk | 12 |
| 4-6 Moderate Risk | 4-6 Moderate Risk | 10 |
| 1-3 Low Risk | 1-3 Low Risk | 5 |
| Closed Risk | Closed Risk | 1 |

Risk scoring = consequence x likelihood (C x L)

| | Likelihood | | | | |
|------------------|------------|----------|----------|--------|----------------|
| Likelihood score | 1 | 2 | 3 | 4 | 5 |
| | Rare | Unlikely | Possible | Likely | Almost certain |
| 5 Catastrophic | 5 | 10 | 15 | 20 | 25 |
| 4 Major | 4 | 8 | 12 | 16 | 20 |
| 3 Moderate | 3 | 6 | 9 | 12 | 15 |
| 2 Minor | 2 | 4 | 6 | 8 | 10 |
| 1 Negligible | 1 | 2 | 3 | 4 | 5 |

The Essential Trustee - 6 Main Duties. Charity Commission CC3



4. Risks (continued)

| Trustee Core Duty | Title | Description | Risk level |
|--------------------------------|---|--|------------|
| Accountable | Regulatory reporting requirements: Financial and other reporting requirements | "If" the charity is constituted according to certain regulations, "then" financial and other reporting requirements will be dependent on this and may vary according to funding arrangements. Failure to comply with regulations could result in regulatory action, reputational risk and there could be an impact on funding. | 4 |
| Accountable | Procedural and Systems Documentation | "If" procedures and systems are not in place and accurate "then" there could be a lack of operational and regulatory awareness and this may result in actions being taken without proper authority or legality. | 4 |
| Accountable | Reporting to Trustees (accuracy, timeliness and relevance) | "If" reporting to Trustee Board is not compliant, timely and comprehensive "then" inadequate information may result in poor quality decision making and the failure of Trustee Board to fulfil their control functions. This would lead to the Trustee body becoming remote and ill informed. | 6 |
| Accountable | Our Community Hub patient mailing | "If" Royal Papworth Charity sends a mailing to c.58,000 patients, "then" the Trust could receive an increased volume of complaints about the contact made. | 8 |
| Best Interest | Competition from similar organisations | "If" there is severe competition from similar organisations "then" there is a risk of reduced fundraising potential, reduced public profile, loss of income from trading activities and a subsequent loss of service to beneficiaries. | 12 |
| Best Interest | High Staff Turnover | "If" there is a high staff turnover "then" this will result in a loss of experience and key technical skills, as well as a lack of succession planning. There will be increased recruitment and training costs and increased lead times for activities. There could be an impact on the morale of remaining staff and their productivity and service delivery. | 9 |
| Governing document and the law | Conflicts of Interest | "If" there is a conflict of interest "then" the Charity may be unable to pursue its own interests and agenda because decisions may not be based on relevant considerations. "This" could impact the reputation of the charity and result in long term financial and private benefit. | 6 |
| Governing document and the law | Government Policy | "If" there are variations in the availability of contract and grant funding, or if there is an impactful tax regime on voluntary giving or if general legislation or regulation impacts on charitable activities undertaken, "then" the role of the voluntary sector may change and income and funding activities will decrease. | 4 |

| Trustee Core Duty | Title | Description | Risk level |
|--------------------------------|---|---|------------|
| Governing document and the law | Ethical Fundraising | "If" fundraising is not undertaken ethically, compliantly and legally or realises returns as a consequence of not being ethical, compliant or legal "then" there may be a legal and reputational risk from the campaign or method used. There may also be a risk from the actions of any agents or commercial fundraisers used who are not ethical or legally compliant. This may result in fines and loss of income. | 6 |
| Governing document and the law | Compliance with data legislation and charity regulations appropriate to the activities, size and structure of the charity | "If" there is a failure to comply with legislation and regulations appropriate to the activities, size and structure of the charity, "then" the charity could be subject to fines, penalties or censure from licensing or activity regulators. This could result in a loss of licence to undertake a particular activity (see operational risks) and possible employee or consumer action for negligence. This may also result in reputational risks. Failure to comply with data protection legislation - GDPR - could result in a fine of 4% of the charity's turnover or £2 million. | 4 |
| Governing document and the law | Volunteers | "If" volunteers are not correctly recruited (with compliant vetting and reference procedures), trained, supported and recognised in their role "then" this will result in a lack of competences and engagement, a lack of adherence to volunteer guidelines and a poor service for beneficiaries. It may also result in a lack of legal compliance. | 10 |
| Governing document and the law | Health, Safety and Environment | "If" a responsible and compliant health and safety environment does not exist, "then" there could be injury to staff, beneficiaries and the public and a risk from products and services which could result in an inability to operate and legal implications resulting in loss of Trust income. | 9 |
| Governing document and the law | Compliance with donor imposed restrictions | "If" the charity does not comply with donor imposed restrictions for the use of funds, "then" funds applied outside restriction may result in the immediate repayment of the grant/income and the future relationship with donor and beneficiaries may be damaged. Regulatory action may also be taken against the charity. | 3 |
| Governing document and the law | Data Protection | "If" a third party company that is used by Royal Papworth Hospital Charity has a data breach "then" this could result in legal, reputational and significant financial damage to the Charity. | 8 |

4. Risks (continued)

| Trustee Core Duty | Title | Description | Risk level |
|--------------------------------|--|--|------------|
| Governing document and the law | Fraud or error | "If" fraud or erroneous activities are detected or committed "then" this may result in financial loss which could have an impact on funding and reputational risk and lead to regulatory action and/or loss of staff morale. | 6 |
| Public Benefit | Relationship with funders | "If" there is a deterioration in relationship/s with major funders "then" this may impact on funding and support available. Longer term this would mean reduced income and less funds to support the Trust. | 6 |
| Public Benefit | Charity purpose and object | "If" Royal Papworth Hospital does not request financial support from Royal Papworth Charity, "then" Royal Papworth Charity is unable to fulfil its purpose. | 12 |
| Reasonable Care and Skill | Trustee body lacks relevant skills or commitment | "If" the Trustee Board of the Charity do not have the right skills or commitment then the charity may fail to achieve its purpose. This could lead to decisions being made which bypass the Trustee, resentment or apathy amongst staff and poor decision making reflected in poor value for money on service delivery for beneficiaries. | 9 |
| Reasonable Care and Skill | Security of Assets | "If" assets are not securely managed "then" there is a risk of loss, damage or theft including intellectual property right infringement. This may result in loss of income. | 0 |
| Reasonable Care and Skill | Public Perception | "If" public perception of the Charity changes "then" this could impact on income which could in turn impact on use of services by beneficiaries and the ability to access grants or contract funding. | 6 |
| Reasonable Care and Skill | Working in a foreign country | "If" we are working overseas in a foreign country "then" there may be exposed to risk legally, security of staff, corruption, reputation and financial to the Trust. | 3 |
| Reasonable Care and Skill | Direction, strategy and forward planning | "If" the Charity lacks direction, strategy and forward planning "then" it may drift with no clear objectives, priorities or plans. Issues may only be addressed on a piecemeal basis with no strategic reference and the needs of beneficiaries may not be fully addressed. This may also lead to long term loss of income, difficulties with financial management and loss of reputation. | 9 |
| Reasonable Care and Skill | Food Hygiene | "If" the Charity accepts donations of food, "then" there is a risk that it doesn't meet food hygiene standards and could make consumers ill. | 3 |

| Trustee Core Duty | Title | Description | Risk level |
|----------------------|--|---|------------|
| Resources | Investment | "If" there is a failure to adhere to investment policies, "then" this could result in unforeseen severe adverse investment conditions, financial loss through inappropriate or speculative investment or lack of investment advice or diversity. Cash flow difficulties may arise from lack of liquidity. | 9 |
| Resources | Dependency on income sources | "If" there is a disproportionate dependency on one income source "then" cash flow and budget may be impacted if there is a loss of this income source. | 12 |
| Resources | New Charity project or Service Development | "If" projects or services are developed which are not compatible to the objectives, plans, priorities and funding of the department or for which there is no funding "then" the Charity could be exposed to financial and reputational risk. | 2 |
| Resources | Taxation | "If" there are financial penalties, interest and 'back duty'/ assessments "then" there may be loss of income e.g. failure to utilise gift aid arrangements, loss of mandatory or discretionary rate relief and/or failure to utilise tax exemptions and reliefs. | 2 |
| Resources | Reserves Policies | "If" the reserves policy is not administered accurately, "then" this could result in a lack of funds or liquidity to respond to new needs or requirements and/or an inability to meet commitments or planned objectives. Conversely, it may result in an excess of funds which could then lead to mismanagement of funds. | 12 |



5. Around the world in 80 days

In the run up to the big move and to celebrate their relocation from Royal Papworth Hospital to the Heart and Lung Research Institute (HLRI), the Research and Development team at Royal Papworth Hospital challenged themselves to see how far around the world they could get in 80 days to raise money for Royal Papworth Charity.

Starting their challenge on 21 January, the fundraisers walked, cycled and ran over 80 days to reach their final destination of Ho Chi Minh City, all the way in Vietnam – 6,384 miles away from Royal Papworth Hospital.

From trips to the zoo, windy walks, adventures with families, friends and beloved pets, the intrepid team members used every opportunity to get their miles in and exceeded their fundraising target, raising £530 to support research into heart and lung disease.

As a joint venture between Royal Papworth Hospital and the University of Cambridge, the HLRI will draw together some of the best minds in the industry to find cures for some of the hardest to treat heart and lung conditions.

It will be home to more than 380 scientists and medical professionals and will include a special 10-bed facility where the first inpatient studies of new treatments will be conducted.

Royal Papworth Charity has contributed £5 million to the development of the HLRI to ensure Royal Papworth patients have access to the world's best treatments. The HLRI focuses on conditions such as the causes of heart attacks, acute lung injury and repair, cystic fibrosis, atrial fibrillation and pulmonary hypertension.

Without further medical advances, an estimated one-in-four people in the UK will die from heart or circulatory disease, while one-in-five will die from lung disease.



6. Royal Papworth Golf Day

On Friday 13 August 2021 Royal Papworth Charity hosted its first golf day for many years. Following the previous 18 months of challenges from COVID-19, the golf day provided a welcomed occasion for everyone to enjoy some friendly competition.

Over the course of the event £8,000 was raised to support the work of Royal Papworth Hospital. 20 teams made up of staff, patients, supporters and local businesses joined Royal Papworth Charity at the Cambridgeshire Golf Course.

The golf day began bright and early with a breakfast roll and coffee for our golfers, followed by 18 holes of golf and finished with a two-course BBQ and raffle. Sponsorship for the event was generously provided by Titleist, NHS Shared Business Services and Insource, who all entered their own teams to take part in the day.

The winning teams included many of our own wonderful staff from the Hospital. The Papworth Eagles, including: Sarah Brisbane, Craig Salmon, Stuart Phillips and Chris Goodier took third place, the Ladies of the Link came in

second place and the winning team, the Strokeologists including Marcus Hall, Adam Braybrooke and Mike Rogacs came in first place.

The sun shone and the atmosphere was filled with laughter and friendly competition as the day offered many opportunities for our golfers to win a prize, from the longest drive to the putting challenge and even if you didn't win a competition, you still went home with a goody bag.

The day could not have gone ahead without the support of two members of Royal Papworth staff, Craig Salmon and Sarah Brisbane, who helped organise the day and our wonderful group of volunteers who manned the challenges, marshalled the course, and offered up many opportunities to buy a raffle ticket. Volunteers on the day included staff members Kate Beard, Gary Boulton, Jack Fellows, and a local supporter Jean Mannion, who all gave up their time and provided invaluable support in making sure everyone had a wonderful day.



7. Thriplow Daffodil Weekend

Royal Papworth Charity was delighted to join Thriplow Daffodil Weekend on 19-20 March as one of the fair's nominated charities.

The fair, which brings people from across the UK together, raised an incredible total of over £70,000 for its chosen good causes, Royal Papworth Charity, East Anglian Air Ambulance and charities supporting the people of Ukraine.

The weekend saw over 10,000 people attend the festival with more than 500,000 colourful daffodils in full bloom across the village. As well as receiving a portion of the proceeds from ticket sales, Royal Papworth Charity hosted a stall, featuring a luxury raffle with prizes from L'Occitane, Porsche and Scudamores and a 'Guess how many ducks' challenge; and – as always - sharing different ways people can support Royal Papworth Hospital.

Our lucky raffle winners were selected by David Walston, a local farmer, who played an instrumental role in Royal Papworth Charity's nomination of charity partner following his own cardiac arrest in 2019 at just 37 years old.

All funds raised are supporting Royal Papworth Charity's Heart and Lung Research fund to help future heart and lung patients.

Alice Macek, Fundraising Manager, said:

"Seeing so many people together in one place again was wonderful. The joy of everyone visiting the fair was evident and reflected in the beautiful weather we had over the weekend. We are truly grateful to the 350 volunteers who dedicated their time and energy into making the weekend such a success. As one of the nominated charities of this year's event we will be able to use the money raised to continue to go above and beyond in the care provided for Royal Papworth patients and we cannot thank everyone enough for their support."



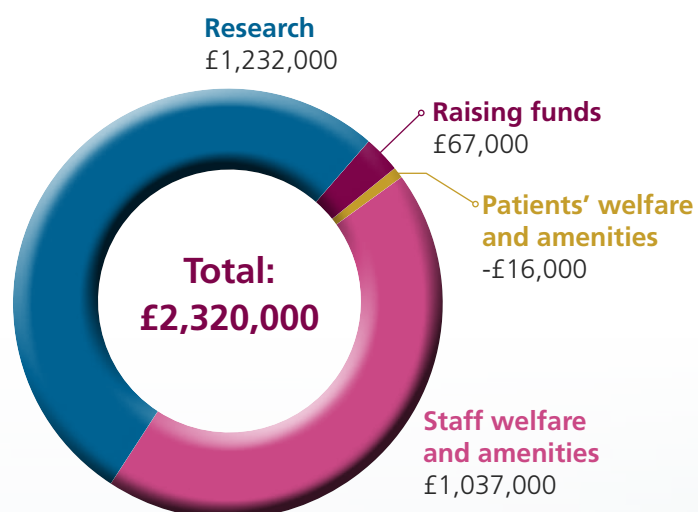
8. How we support Royal Papworth Hospital

8.1 Expenditure

Charitable funds are used in a variety of ways to benefit the Hospital, including investment in capital projects, purchase of medical equipment, providing amenities for patients and their families, training and education for staff and for ground-breaking research.

Funds used in the year to further the Charity's objectives amounted to **£2,320,000** (2020/21: £2,059,000) and comprised of:

8.2 Charitable Expenditure 2021/22



The negative spend on patients' welfare and amenities results from the release of the provision for committed spend no longer required.

Included within staff welfare and amenities is £71k (2020/21 - £1,155k) of gifts in kind which has been provided to staff during the financial year.

Under the Statement of Reporting Practice (SORP) the Charity is also required to include future commitments in this expenditure. The majority of the Charity's commitments relate to costs for the Heart and Lung Research Institute, EuroSCORE III, the Compassionate and Collective Leadership Programme and the Research Innovation Fund.



8.3 Vision Statements

In line with our Vision Statement, Royal Papworth Charity has supported a variety of grants to the Hospital for the benefit of our patients, their families, and our staff. To ensure we are delivering the very best projects charitable expenditure is mapped to our five strategic aims:



Hospital Environment and Patient Welfare

Patients are at the heart of all that Royal Papworth Hospital does. Supporting the ongoing welfare of patients within a high-quality environment significantly benefits their clinical outcomes. Royal Papworth Charity will ensure that the Hospital can continue to offer a holistic approach to care by supporting amenities that have a positive bearing on patient care and which enable the Hospital to achieve excellence every day.



Medical Equipment

State-of-the-art medical equipment forms the corner stone of all activity at Royal Papworth Hospital. Royal Papworth Charity will invest in medical equipment to match our clinical expertise and ensure compatibility with the new Hospital infrastructure.



Medicine of Tomorrow

As an internationally leading cardiothoracic centre of excellence, Royal Papworth Hospital continually develops new ways of treating cardiothoracic diseases. Royal Papworth Charity will bridge the financial gap from bench to bedside and beyond to ensure that we can offer our patients pioneering treatments that would otherwise not be possible.



Recruiting Excellence and Staff Welfare

It is the staff at Royal Papworth Hospital who enable the Hospital to achieve excellence. Royal Papworth Charity will ensure that the Hospital can recruit, retain and develop the highest quality workforce to deliver the best possible patient outcomes.



Research

Research is fundamental in providing the future building blocks of cardiothoracic medicine. Royal Papworth Hospital Charity will support Royal Papworth Hospital to develop and expand its research capability to help ensure that the medicines of tomorrow are delivered today.

9. Our Major Projects

Heart and Lung Research Institute – £5 million

Groundwork on the HLRI began in October 2019 and construction started in January 2020 – just weeks before coronavirus truly impacted the country. While many services have stopped during the pandemic, the building has progressed with rapid speed. The HLRI was 'handed over' in December 2021 with plans for Royal Papworth staff to begin working in the building in April.

Features of the Institute include: a new laboratory space, a clinical research facility, a collaboration space for link-ups between academia, healthcare providers and industry, and education facilities such as seminar rooms and a lecture theatre. It also includes a special 10-bed facility where the first-in-patient studies of new treatments can be conducted.

Royal Papworth Charity has successfully raised £5 million towards the building of the HLRI, fulfilling our largest ever capital appeal. Our supporters have been incredibly generous in their donations to this appeal, and the Hospital's support and social groups have been an integral part of our fundraising. Royal Papworth Charity is now looking to the future and actively fundraising for the research that will take place within the HLRI which will transform the future of heart and lung medicine across the globe.



Patient exercise bikes – £10k

Royal Papworth Charity funded 15 new exercise bikes to help our thoracic surgery patients recover faster and get home quicker.

To reduce the risk of complications post-surgery Royal Papworth patients who have had chest surgery are seen by the Physiotherapy Team twice daily for their tailored exercise programme which provides airway clearance advice, upper limb exercises and mobilisation practice.

The new fleet of exercise bikes have been put in patients' bedrooms across surgical wards so that each patient can use them between their physiotherapy sessions, helping to alleviate boredom as well as improving cardiovascular fitness on their road to recovery.

Zoe Barrett-Brown, Team Lead Physiotherapist said:

"After surgery it is vital that patients get up, move around and exercise, some patients can be in for several days, weeks or sometimes months recovering. The exercise bikes funded by the Charity help these patients remain active and motivated during their hospital stay".



DCD (non-beating) Heart Transplant Programme – £1.8 million



Royal Papworth Charity has committed over £1.8 million to the Non-Beating (DCD) Heart Transplant Programme since its launch in 2015. This programme has enabled over 100 patients at Royal Papworth Hospital to receive hearts from donors which would otherwise not have been used, resulting in an increase in adult transplant activity at the Hospital by 48% in five years.

This programme offers patients with the poorest outcomes a chance at a new life and the life-saving technique has now been adapted and used to save the lives of six children in collaboration with Great Ormond Street Children's Hospital. The number of children who would benefit from organ transplants exceeds the number of organs available. Children face longer-than-average wait times due to the difficulty of finding the right match and because the consent rate for paediatric organ donation is much lower than the national average for adults. The OCS machine is currently the only medical device capable of making DCD heart transplantation a clinical reality.

The teams at Royal Papworth Hospital and Great Ormond Street Hospital are working together to develop a new machine that will enable DCD heart donation from even smaller infants, opening up a new dawn of transplantation for babies and young children where donors are the most scarce. Royal Papworth Charity is proud to support the research into the further development of this life-saving technique and we will continue to fund research into the development of this programme to provide hope for children and their families waiting for a heart transplant.

Compassionate and Collective Leadership Programme – £674k



To help Royal Papworth Hospital to recruit, retain and develop the highest quality of workforce to deliver the best possible patient outcomes, the Charity has contributed £674k towards the Compassionate and Collective Leadership Programme.

The programme helps to create a culture at Royal Papworth that enables the delivery of continuously improving, high quality, safe and compassionate care to offer the best staff experience in the NHS. Focusing on health and wellbeing, equality, diversity and inclusion, line manager training and team development to create a working environment where staff can feel valued and can fulfil their potential.

The programme has also supported the continuation of additional health and wellbeing resources, which was established in the pandemic, including the role of our Staff Wellbeing Practitioner and Wellbeing Facilitators and providing wellbeing spaces for staff to have a safe place to manage and process the physical and psychological demands of their work.

"The values and behaviours workshop I joined as part of the CCLP gave me a platform to express my needs as a member of staff. It gave me an opportunity to really understand the new hospital values and to learn what I can do to support my colleagues."

Research Innovation Fund – £325k



In collaboration with Royal Papworth Charity, Research and Development at Royal Papworth Hospital launched the Research Innovation Fund to foster a research environment that encourages all staff groups to participate in and lead research activities.

The Research Innovation Fund provides grants to enable preliminary research activity and facilitate high quality applications to external funding sources. The fund aims to support innovation which will have a direct impact on patient care both locally and nationally while pump-priming new ideas and supporting the development of research projects. All staff groups have been encouraged to apply for funding with the goal to broaden the active research staff base at Royal Papworth Hospital.

This year several exciting new projects have begun to be explored including studies into sputum biomarkers to identify sudden clinical deterioration of patients with cystic fibrosis, exploring the use of new additional diagnostic tools prior to lung transplantation to increase organ utilisation to evaluating the optimal strategy for Interprofessional Education in Specialist Cardiothoracic Intensive Care. Presentation of the studies will take place over the next 12 months to evidence the impact and outcomes of these studies.

“The Research Innovation Fund is pump-priming research to transform patient care. By inviting staff from across the hospital, who all have varied expertise and ideas, we can encourage a culture of innovation at Royal Papworth.”

Cystic Fibrosis Assistant Dietitian Practitioner – £24k



Elisabet is Royal Papworth Hospital's very first dedicated Dietitian Assistant Practitioner for our patients with CF. Elisabet began her role as a CF Dietitian Assistant Practitioner in May 2021. Elisabet ensures that every patient with CF receives a thorough routine dietetic review virtually to help them overcome obstacles that may impact their health, reduces their clinic times and gets our patients back to doing what they love.

Prior to clinic appointments Elisabet screens patients to assess their symptoms and gather data about their diet, enzymes, vitamins and weight. Using this information Elisabet identifies which patients need to be prioritised and treated by specialist CF dietitians in clinic. Patients who are stable are able to get dietetic advice and the support they need during their virtual call, reducing their time waiting in clinic.

Thanks to careful monitoring and advancement in treatments, people with CF are now living longer than ever with almost 50% living past the age of 40. The Royal Papworth Hospital Adult CF Centre looks after more than 330 adults with CF. In addition to providing a 24/7 emergency service they provide specialist clinics including: diabetes, liver disease and psychological medicine to ensure that all aspects of our patients' health is closely monitored enabling them to focus their attention on living life to the fullest.

“Being able to support these patients, address their worries and concerns while getting to know them better so that they feel comfortable to come to me directly with any issues they may be having is incredibly rewarding.”

Elisabet Rowland, Dietitian Assistant Practitioner

10. Financial Review

- 10.1 The following figures are taken from the full accounts, which carry an unqualified audit report, and the accounts should be viewed if more details are required. This part of the Trustee's Report comments on key features of those accounts. The full accounts, entitled Royal Papworth Hospital Charity Accounts 2021/22 have also been lodged with the Charity Commission. The following section explains how we performed against our Financial Targets and how we manage our funds once they are received.
- 10.2 Royal Papworth Charity can only continue to support the work of Royal Papworth Hospital for as long as we receive donations. The majority of our income comes from the voluntary efforts of the general public, to whom we are most grateful.

| | Unrestricted £k | Restricted £k | Total £k |
|----------------------------|-----------------|---------------|---------------|
| Fund balances b/fwd | £4,448 | £1,176 | £5,624 |
| Income | £1,437 | £375 | £1,812 |
| Expenditure | -£2,129 | -£194 | -£2,323 |
| Fund balances c/fwd | £3,756 | £1,357 | £5,113 |

10.3 How we manage the money

Money which is donated to Royal Papworth Charity is managed via restricted and unrestricted funds. Some of this money is donated for a specific purpose, such as to buy medical equipment, whilst other donations are more generic and donated for the Charity to use where it thinks there is the greatest need in the Hospital. The Trustee Board, on behalf of the Corporate Trustee, believes that all of the unrestricted and restricted funds are able to meet current and future commitments.

More detailed information on the breakdown of the Charity funds is available in **Note 11 of the Accounts**.

10.4 Fund Balance

Fund balances decreased by £511,000. During the year, unrestricted funds decreased by £692,000 and restricted funds increased by £181,000.

10.5 Reserves

Restricted balance of **£1,357,000** arises where our donors have specifically requested that their donations are used for a particular purpose or they have responded to an appeal for donations to a specific project.

Unrestricted funds of **£3,756,000** are funds which are donations the Charity may use for any purpose as no restrictions have been placed by our donors.

Of which:

Designated funds: **£1,901,000** are funds set aside out of unrestricted funds by the Trustee Board for specific purposes relating to Royal Papworth Hospital without restricting or committing the funds legally.

Free reserves: **£1,855,000** are unrestricted funds not already committed or designated that can be used as part of active financial management and forward financial planning for sustainability of the Charity.

10.6 Income

Royal Papworth Charity is fortunate to receive generous support from many members of the public. It has been a challenging year for the Charity sector with following the impact of the pandemic and the financial challenges the public are currently facing.

The Charity team have worked hard to diversify income generating activity and to prioritise stewardship to best support our donors.

Total income for the year amounted to £1,501k (2020/21: £2,771k). Our income comes from a variety of sources of which legacy, in-memory and community fundraising are most prevalent.

The Charity received £71k of gifts in kind which were distributed across the Hospital.

| Fundraising stream | 21/22 Target | 21/22 Actual | Variance |
|------------------------|----------------------|-----------------|----------------------|
| Gifts in kind | £14,000 | £71,000 | £57,000 |
| Community | £124,490 | £93,000 | £31,490 |
| Direct Marketing | £50,000 | £24,000 | £26,000 |
| Events | £16,000 | £33,000 | £17,000 |
| Lottery (raffle) | £18,000 | £14,000 | £4,000 |
| Individual Giving | £140,000 | £147,000 | £7,000 |
| In-mem and celebration | £133,000 | £163,000 | £30,000 |
| Legacies | £1,635,200 | £290,000 | £1,345,200 |
| Retail | £30,000 | £34,000 | £4,000 |
| Reg Giving | £35,000 | £36,000 | £1,000 |
| Trusts | £210,000 | £72,000 | £138,000 |
| Total | £2,405,690.00 | £977,000 | £1,428,690.00 |

*This table does not include £228k of investment income. Legacy income is the actual legacy income received in year and does not reflect the adjustment each year end for legacy income notified but not received.

Legacy Income

As a healthcare charity legacy gifts will always be a vital source of income. 21/22 was a particularly challenging year as legacies as a source of income did not perform well and raised £1,345k less than the forecast target of £1,635k.

21 gifts were received by Royal Papworth totaling £290k, £1,157k less than 20/21.

Royal Papworth Charity has continued its membership to Remember a Charity, a charitable organisation that represents 200 UK charities whilst also working closely with partners in the legal sector, government, and private sector to raise awareness of legacy gifts. We marked Remember a Charity week in September by shining a light on the difference a legacy gift can make to future patients of Royal Papworth Hospital through our 'Will you?' campaign.



The partnership provided the Charity with an additional platform to raise awareness of how to leave a gift in your Will and explaining the possible benefits of doing so.

The Charity developed new legacies materials to further promote the importance and impact of legacy gifts. As a healthcare charity legacy gifts will always be a vital source of income.



Community Income

The outpouring of support Royal Papworth Charity receives from individuals, businesses and our local community groups ensures we can continue supporting the transformational work of Royal Papworth Hospital. Their determination to always go above and beyond in the support that they provide is felt across the Hospital.

With the return of many scheduled mass-participation fundraising events our supporters joined in with enthusiasm and raised over £30,000. The Virgin Money London Marathon saw up to 40,000 runners tackle the iconic route in central London, six of our runners represented Royal Papworth Charity in London while five runners tackled the marathon virtually. Whether our supporters raced in London or their local area, their dedicated fundraising and training truly makes an incredible difference and inspires us all.

The Charity continues to experience an increase in donations made in-memory. We are incredibly grateful to individuals that decide to dedicate their fundraising in-memory of a loved one to Royal Papworth Charity during an unbelievably difficult time. Their contribution helps to create a lasting impact for future Royal Papworth patients.

This year Royal Papworth Charity helped three couples to celebrate their wedding. It has been an honour to celebrate these special occasions alongside our supporters and to play a small part in their big day.

Our groups in the community and the support and social groups at the Hospital have continued to be hugely supportive of the Charity in fundraising for us in their regions.

The dedication to both fundraising and supporting the work of the Hospital whilst also caring for their members and patients is exceptional.

Local patient support group, the Norfolk Zipper Club, donated three Diathermy devices, with a combined value of £30k. These devices will ultimately expedite patient recovery time by limiting blood loss during surgery. The Norfolk Zipper Club is celebrating its 40th anniversary next year and the Charity looks forward to recognising their four decades of wonderful support.

Every donation to the Charity makes a difference, whether it is hosting an event or taking on a challenge, every donation makes it possible to fund a vital project in the Hospital.

Thank you for your continued support as you provide hope and encouragement for the patients and staff at Royal Papworth Hospital. Everything you do truly helps to make a difference, now and in the future.



11. Fundraising Heroes

Ollie, Arjun, Will, Tom, Nelson and Adam

While Ed was in hospital awaiting a heart transplant, his friends cycled from Bristol to Royal Papworth Hospital. Their epic three-day cycle challenge saw the lads cycle 250km, finishing the challenge by being greeted by Ed at Royal Papworth before they all travelled home together.



£17,318

Team Royal Papworth

On Sunday 6 March, 10,000 runners pounded the streets of Cambridge in the TTP Cambridge Half Marathon. With the sun shining, the Charity team cheered on 12 members of Royal Papworth staff and three supporters in our local half marathon. Collectively they raised £6,214 for Royal Papworth Charity in a step towards a brighter future for the patients of Royal Papworth Hospital



£6,214

Maddi raised over £4,000 for Royal Papworth Charity by racing in the Engadin Ski Marathon – one of the world's toughest cross-country ski challenges – to say thank you to Royal Papworth Hospital for 'fixing' her dad.

Maddi



£4,209



Eli

11 year old Eli cut his beautiful 27 inch long hair, at his first ever haircut, as a thank you to Royal Papworth Hospital for looking after his mum. Eli received a huge amount of support for his big chop and raised an incredible £1,765. His beautiful long locks were donated to the Little Princess Trust to support a child suffering the effects of hair loss.

£1,765

All Saints' Primary School

The children of All Saints Primary fundraised for Royal Papworth Charity in the run up to Christmas. They enjoyed doing a variety of fundraising activities, including a bun sale and bucket collection at Victoria Theatre. They even braved the cold during their Christmas Fair to hold a 'guess how many sweets' table.



£526



£1,130

Phil

In recognition of the incredible life-saving heart transplant he received at Royal Papworth Phil decided to host a charity football match at Chipping Sodbury Football Club. The match was inspired by a similar event which was held by Phill's friends last year while he was in hospital. The football match was a huge success and in total raised £1,130 in aid of Royal Papworth Charity.

12. Our Future Plans

Our Fundraising Strategy

Our 2022-2027 Charity strategy aligns with the Hospital's strategy to ensure that the Charity achieves its principal object; "for any charitable purpose or purposes relating the National Health Service".

The Hospital's strategy recognises that clinical excellence and innovation have helped Royal Papworth establish itself as a world-renowned institution and highlights the importance of improving staff experience and building meaningful partnerships with organisations who share common goals for the benefit of patients with heart and lung disease across the UK and internationally.

Our strategy sets out core strategic goals for the period 2022 – 2027, whilst providing a framework that is backed up with a sustainable reserves policy, effective fundraising strategy, impactful grant giving policy and a rigorous governance programme.

This will help us build on our strengths, address our challenges and realise the potential of Royal Papworth Charity and Hospital together. The strategy provides a framework for decisions and a context within which all of our activities and planning can be set. It is based upon a review of our previous strategy, the changing fundraising landscape, the unpredictable needs of the Hospital, and the opportunities offered by building on the successes of the last five years.



Vision Statement
Royal Papworth Charity vision 2022-2027:

To support Royal Papworth Hospital NHS Foundation Trust as the UK's leading centre of excellence for the treatment and diagnosis of cardiothoracic diseases, ***to bring tomorrow's treatments to today's patients.***

Royal Papworth Charity's vision prioritises the need for funding today to realise the potential of tomorrow for the benefit of Royal Papworth's patients now and in the future. The vision priorities align to the Hospital's strategic goals.



Royal Papworth Hospital Strategic Goals

Priority Statements

Underpinning our vision, we have set out 5 core priority statements:

Developing tomorrow's medicine today

We will commit to pump priming research projects and core infrastructure today, to provide a stable environment and start a catalyst for vital research required to accelerate the discovery of further medical advances which will save more lives tomorrow.

Hospital Strategic Alignment:

Research
and
Innovate

Deliver
Clinical
Excellence

Achieve
Sustainability

Educating tomorrow's workforce today

Building on the NHS People Plan of "growing for the future", we will fund the education and development of Royal Papworth's current workforce which will enable the development of a 'home-grown', diverse and world-leading workforce for the future.

Hospital Strategic Alignment:

Share and
Educate

Offer
Positive Staff
Experience

Deliver
Clinical
Excellence

Investing in tomorrow's innovation

We will provide seed funding for innovative and creative healthcare solutions which will nurture our staff's expertise and creativity in a structured way and support the Hospital's financial sustainability goals by creating additional income streams for the future.

Hospital Strategic Alignment:

Research
and
Innovate

Pathways
with
Partners

Achieve
Sustainability

Addressing the needs of the Hospital today

Funding low value, high impact grants addressing the needs of individuals in the Hospital today. These grants ensure the delivery of an exceptional patient experience by offering immediate financial assistance for a designated purpose addressing additional welfare needs of patients, staff and visitors.

Hospital Strategic Alignment:

Deliver
Clinical
Excellence

Offer
Positive Staff
Experience

Share and
Educate

Prioritising today's patients for tomorrow's healthcare system

We will ensure that funding is available for a suite of patient experience services today to ensure that interventions are tailored to the individual needs of our patients. Investing effort and resource to address system wide healthcare inequalities, develop community initiatives, develop bereavement and liaison services and improve the Hospital environment to implement a comprehensive model of care for our patients.

Hospital Strategic Alignment:

Deliver
Clinical
Excellence

Offer
Positive Staff
Experience

Share and
Educate

13. Reserves Statement

Approved statement of policy on reserves

The Trustee Board believes it is prudent to hold a level of free reserves to enable the Charity to take advantage of opportunities as they present themselves and to have sufficient working capital to allow the fundraising, support and governance operations of the Charity to continue for one year. This will allow the Charity to respond in a considered way to any adverse change in circumstances, giving sufficient time to enable emerging circumstances to be assessed and appropriate plans developed and implemented, without requiring a crisis response.

Having carefully considered the best interests of the Charity and its beneficiaries, the Trustee Board believes it to be appropriate to aim to hold £1m free reserves. £0.4m is required for working capital and £0.6m is the Trustee Boards' best estimate of the amount which should be held for potential future (but as yet unknown) opportunities.

Any free reserves held by the Charity over and above this amount which are not expected to be used in the short term will be made available by the Trustee Board for grants to benefit the patients of Royal Papworth Hospital NHS Foundation Trust. If free reserves fall below this level the Trustee Board will consider whether this is due to short term circumstances or a longer-term reason, and will review its expenditure and fundraising plans accordingly.

Material Designated Funds

Material Designated Funds Where the Trustee Board has approved projects as suitable for fundraising and fundraising occurs towards those projects, donations received are placed in the appropriate designated fund pending the formal grant of monies once sufficient fundraising has taken place to enable the project to proceed.

14. About our investments

14.1 **Monitoring of Investments**

Investment performance is monitored by the Charitable Funds Committee, which receives reports from the investment advisers. The Charitable Funds Committee reviews the Investment Policy on an annual basis and undertakes periodic reviews of arrangements for investment advice to ensure that value for money is being achieved.

14.2 **The Investment Policy (RPC003)**

The Trustee Board aims to ensure that donations and funds held by the Charity are spent effectively and efficiently for the benefit of the patients of Royal Papworth Hospital NHS Foundation Trust.

This means that they may not need to be spent straight away and there will be time between receiving donations and spending them when they can be invested to further increase their value and earn extra income for the Charity as well as to protect them in the short to medium term so that they are available to meet future expenditure on committed projects.

The Trustee Board has adopted this Investment Policy to regulate the activities of their Investment Manager from time to time and to meet the requirements of the Trustee Act 2000. As an unincorporated Charity, the Trustee Board has the general powers of investment and duties provided for in the Trustee Act 2000, subject only to any specific provisions in the governing document. The Trustee Board makes full use of its powers to invest for the benefit of the Charity and its beneficiaries and reserves the right to hold any asset for the purpose of generating money, whether income or capital growth, with which to further the work of the Charity.

The Trustee Board has determined that its appetite for risk is balanced overall. The Investment Manager will be expected to adopt a diversified portfolio with an overall volatility of no more than 12% for its long-term portfolio measured over a five-year annualised period. The Investment Manager will be evaluated against a national/international benchmark by the Charitable Funds Committee on a quarterly basis.

The Trustee Board has set a threshold of 7% as the maximum holding in or exposure to any individually traded asset. Collective investment schemes can be held at higher concentrations provided the underlying assets do not breach the 7% limit.

The Trustee Board acknowledges the general principle that their power of investment has to be used to further the purposes of the Charity, and that those purposes will normally be best served by seeking the maximum return consistent with commercial prudence; *Harries (Bishop of Oxford) v Church Commissioners* [1992] 1 WLR 1241 (the 'Bishop of Oxford' case). In particular the Trustee Board is not free to take a moral position on behalf of and at the expense of the Charity. Having considered the three situations where an ethical restriction is permitted, namely:

- cases where investment in a particular type of business would conflict with the aims of the Charity;
- investments which might hamper the work of the Charity, either by making potential beneficiaries unwilling to be helped because of the source of the Charity's money, or by alienating supporters; or
- investments judged to be inappropriate on moral grounds, provided excluding them would not involve a risk of significant financial detriment the Trustee Board has determined that no investments should be made in securities of tobacco industry, armaments or companies whose principal activities include the manufacture of alcoholic beverages, whether direct or indirect, as this would be in conflict with the aims of the Charity.

No further ethical restrictions apply, although the Trustee Board reserves the right to exclude any investments which they judge might prove damaging, directly or indirectly, to the purposes, reputation or public support of the Charity. Investments that are speculative in nature are prohibited.

15. Charity governance, structure and management arrangements

Trustee recruitment, appointment and induction

Trustee recruitment, appointment and induction Non-executive Directors of the Board of Directors are appointed by the Council of Governors. The Chief Executive is appointed by the Non-Executive Directors, subject to the approval of the Council of Governors. Executive Directors of the Board are appointed by a Committee, normally comprising of the Chairman, the Chief Executive, at least two other Non-executive Directors and an independent assessor. Members of the Board of Directors and the Charitable Funds Committee are not individual trustees under Charity Law but act as agents on behalf of the Corporate Trustee. As part of their induction, new Executive and Non-executive Directors of the Royal Papworth Hospital NHS Foundation

Trust are made aware of their responsibilities as Corporate Trustee of the Royal Papworth Charity, which include a standing declaration of interests at all meetings.

The induction includes an introduction to the objectives, scope and policies of the Trustee Board and Charitable Funds Committee, Charity Commission information on trustee responsibilities, copies of the previous years' Trustee's Annual Report and Accounts and a copy of the governing documents for the Charity's Statement of Trustees' Responsibilities in respect of the Trustees' annual report and the financial statements.

Statement of Corporate Trustee's responsibilities in respect of the Corporate Trustee's annual report and the financial statements

Under the trust deed of the charity and charity law, the corporate trustee is responsible for preparing a Corporate Trustee's Annual Report and the financial statements in accordance with applicable law and regulations. The corporate trustee is required to prepare the financial statements in accordance with UK Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources for that period.

In preparing these financial statements, generally accepted accounting practice entails that the corporate trustees:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether the financial statements comply with the trust deed, subject to any material departures disclosed and explained in the financial statements;
- assess the charity'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 charity or to cease operations, or have no realistic alternative but to do so.

The corporate trustee is required to act in accordance with the trust deed and the rules of the charity, within the framework of trust law. They are responsible for keeping accounting records which are sufficient to show and explain the charity's transactions and disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the corporate trustees to ensure that, where any statements of accounts are prepared by them under section 132(1) of the Charities Act 2011, those statements of accounts comply with the requirements of regulations under that provision. 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 charity and to prevent and detect fraud and other irregularities.

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

16. Current Members of the Trustee Board (Agents of the Corporate Trustee)

16.1

| Name | Title |
|-------------------|--|
| John Wallwork | Chairman |
| Stephen Posey | Chief Executive Officer |
| Tim Glenn | Chief Finance and Commercial Officer |
| Roger Hall | Medical Director (to 15 April 2022) |
| Ian Smith | Acting Medical Director (19 August 2021 - 7 November 2021) |
| Eilish Midlane | Chief Operating Officer |
| Oonagh Monkhouse | Director of Workforce and OD |
| Maura Screaton | Chief Nurse (from 2 August 2021) |
| Jag Ahluwalia | Non-Executive Director |
| Michael Blastland | Non-executive Director |
| Cynthia Conquest | Non-executive Director |
| Gavin Robert | Non-Executive Director |
| Ian Wilkinson | Non-executive Director |
| Amanda Fadero | Non-executive Director |

16.2 Members of Corporate Trustees who left during 2021/22

| Name | Title |
|--------------|----------------------------------|
| Josie Rudman | Chief Nurse (until 31 July 2021) |

16.3 Members of the Corporate Trustee:

Professor John Wallwork CBE, Chairman.

John held a number of senior roles at Royal Papworth Hospital, including Director of the Transplant Service, Medical Director and Director of Research and Development, until his retirement in July 2011.

Stephen Posey, Chief Executive Officer

Stephen joined the Trust as its Chief Executive in November 2016. Previously Stephen was the Deputy Chief Executive and Director of Strategy at East and North Hertfordshire NHS Trust where he led the delivery of Hertfordshire's acute consolidation programme which completed in 2014.

Tim Glenn, Chief Finance and Commercial Officer

Tim joined Royal Papworth Hospital as Chief Finance Officer in April 2020. He was previously with Cambridge University Hospitals NHS Foundation Trust where he was Director of Finance. Tim is a Chartered Accountant with 15 years of senior financial leadership experience working across community, acute and specialist NHS organisations as well as in the private sector.

Dr Roger Hall, Medical Director (to 15 April 2022)

Roger is a Consultant Cardiothoracic Anaesthetist and Intensivist. From 1991 to 2002 he was a consultant at Green Lane Hospital in Auckland, New Zealand, practicing both paediatric and adult cardiac anaesthesia and intensive care before moving to Royal Papworth Hospital. In May 2015 he was appointed Medical Director.

Dr Ian Smith, Acting Medical Director (from 19 August 2021 – 7 November 2021)

Ian is the Medical Director of Royal Papworth Hospital. He has particular responsibility for the research direction of the hospital. He has led on the delivery of the Heart and Lung Research Institute a major collaboration with the University of Cambridge and oversaw the establishment of the Papworth Clinical Trials Unit.

Eilish Midlane, Chief Operating Officer

Eilish joined us from East and North Hertfordshire NHS Trust, where she was the Divisional Director of Clinical Support Services. Eilish holds a wealth of experience spanning strategy, operational leadership and delivery and Hospital and clinical services reconfiguration

Oonagh Monkhouse, Director of Workforce and Organisational Development

Oonagh joined the Trust in October 2017 having held the same role at Bedford Hospitals NHS Foundation Trust. Oonagh worked previously at Cambridge University Teaching Hospitals, where she undertook several senior human resources roles including Deputy Director of Workforce.

Josie Rudman, Chief Nurse

Josie was appointed Director of Nursing in March 2014. She first came to Royal Papworth Hospital in 2008 as Deputy Director of Nursing involved in introducing the Productive Ward, E-rostering and Alert Service, and then as Acting Director of Nursing from 1 July 2013.

Maura Secreaton, Chief Nurse (from 2 August 2021)

Maura was appointed Chief Nurse at Royal Papworth Hospital NHS Foundation Trust in August 2021. She was previously Deputy Chief Nurse at Cambridge University Hospitals NHS Foundation Trust.

Dr Jag Ahluwalia

Jag was formerly Director of Digital at CUH and is the Chief Clinical Officer at the Eastern Academic Health Science Network. Jag's leadership and management experience includes nearly 10 years as the Executive Medical Director at Cambridge University Hospitals. In addition to his acute Hospitals roles, Jag has many years' experience of leading, supporting and managing change and leadership and strategy challenges across the wider NHS.

Michael Blastland

Michael is a writer and broadcaster. For nearly 20 years, he was a BBC current-affairs presenter and producer. He teaches, advises, and presents widely, in schools, to business, government and academia.

Cynthia Conquest

Cynthia is an experienced ex NHS Director of Finance with a wide portfolio of NHS experience covering 39 years. She has worked in all aspects of financial services and in all types of healthcare settings including large acute teaching Hospitals, specialist Hospitals, mental health and community services. She has a high level of experience in all financial and healthcare processes with a speciality in financial management and transformation.

Gavin Robert

Gavin has many years' experience as a private practice lawyer specializing in competition law. He is currently a senior consultant with boutique competition law firm Euclid Law, and teaches competition law at Cambridge University as part of a Masters programme. Gavin has advised global healthcare companies throughout his career, and his decisions at the UK Competition & Markets Authority included the merger of NHS Foundation Trusts.

Professor Ian Wilkinson

Ian is a Clinical Pharmacologist and Professor of Therapeutics in the University of Cambridge. Ian directs the Cambridge Clinical Trials Unit, and Office of Translational Research, and leads the division of Experimental Medicine and Immunotherapeutic at the University of Cambridge. His main research interests are clinical/experimental studies designed to understand the mechanisms causing hypertension and cardiovascular disease, and to develop new treatments.

Amanda Fadero

Amanda enjoyed an extensive, varied and rewarding career in the NHS for over 40 years and the ethos, belief and love of the NHS remains a strong part of who she is and her ongoing contribution to life and work. Amanda possesses valuable experience in leading transformation, managing complexity, using problem solving and conflict resolution to progress and manage change.

16.4 The Charitable Funds Committee

The Trustee Board has devolved responsibility for the on-going management of the investment funds and some other duties to the Charitable Funds Committee. The Charitable Funds Committee Terms of Reference state that its role is to undertake the following duties on behalf of the Corporate Trustee:

- Receive information on charitable funds income and expenditure as prepared by the Finance Department.
- Monitor on behalf of the Trustee Board the performance of the Trust's Fundraising Department against the Charity's Annual Plan.
- Authorise expenditure of charitable funds over £25,000 and up to a delegated limit of £50,000, for each item of expenditure.
- Receive reports of the Trust's activity in relation to fundraising.
- Receive and review the Trust's Charitable Funds' Annual Report and Accounts and recommend these to the Audit Committee and Trustee Board.
- Establish and annually review the Trust's Charitable Funds Reserves Policy (RPC005) and receive assurance that the Trust is carrying an appropriate amount of charitable funds as reserves, in line with policy and best practice.
- Establish and regularly review a policy for the use of Charitable Funds and to monitor the implementation of that policy.
- Approve and review at least every three years the appointment of investment managers to advise, invest, administer and realise the Trust's charitable funds in accordance with the policy.
- Regularly review a Charitable Funds Investment Policy (RPC003) to ensure that the investment of funds by the investment managers is in accordance with the policy and in accordance with any policy on ethical investments that the Trust may establish.
- Review a Donation Acceptance and Refusal Policy (RPC004)

17. Reference and administrative details

Our Advisors

Bankers

Barclays – Corporate Banking Centre,
PO Box 855, Mortlock House, Histon,
Cambridgeshire CB24 9DE

Legal Advisers

Mills and Reeve – Botanic House, 100 Hills Road,
Cambridge CB2 1PH

Bevan Brittan – Fleet Place House, 2 Fleet Place,
Holborn Viaduct, London EC4M 7RF

External Auditors

KPMG LLP – Botanic House, 100 Hills Road,
Cambridge CB2 1PH

Investment Managers

Cazenove Capital – 1 London Wall Place, London Wall,
Barbican, London EC2Y 5AU (from July 20)

Internal Auditors

BDO LLP, 55 Baker Street, London W1U 7EU

Key Management Personnel Remuneration

The Trustee has concluded that the Trustee Board comprise the key management personnel of the Charity as it is in control of directing and controlling the Charity. Trustee Board members received no remuneration from the Charity for work undertaken as representatives of the Corporate Trustee. Trustee Board members are remunerated by Royal Papworth Hospital in their capacity as directors of Royal Papworth Hospital. No Trustee Board member received any expenses from the Charity during the year (2020/21: Nil).

The Charity does not directly employ any staff. Staff that solely work for the Charity are employed by Royal Papworth Hospital NHS Foundation Trust and these costs are recharged to the Charity. See Note 3.4 in the Accounts.

18. Wider networks and our relationship with the wider community

Royal Papworth Charity is one of the 240 member charities of NHS Charities Together, formerly the Association of NHS Charities. NHS Charities Together provides support for NHS charities from across the UK, funding projects that improve services for patients while supporting NHS staff and volunteers both practically and emotionally. As a member Charity, we have the opportunity to discuss matters of common concern and exchange information and experiences, join together with others to lobby government departments, and to participate in conferences and seminars which offer support and education for our staff.

Through NHS Charities Together we have sought advice and worked with their partners including consulting the services of Withers LLP.

In 2021/22 Royal Papworth Charity received 1 grant from NHS Charities Together totalling £22,000. This grant provided vital funding to support Royal Papworth Hospital's response and recovery phase post COVID-19.

Royal Papworth Hospital

The ability of Royal Papworth Charity to continue its support for Royal Papworth Hospital is dependent on its ability to maintain and increase donations from the general public. Royal Papworth Charity continues to forge strong relationships with members of staff of Royal Papworth Hospital without whose co-operation the ability to make effective contributions would be much diminished.

Fundraising Regulator

Royal Papworth Charity is a member of the Fundraising Regulator which is an independent, non-statutory body that regulates fundraising across the charitable sector in England, Wales and Northern Ireland. Their mission is to enhance and sustain public confidence in charitable fundraising. We recognise the importance of joining this community as Royal Papworth Charity is passionate about delivering best practice in our fundraising efforts.

The Fundraising Regulator also works in partnership with other regulators and representative bodies in the charity and fundraising sectors to build public confidence and ensure consistent fundraising standards across the UK.

Fundraising Governance

Royal Papworth Charity reports on charitable fundraising activities to the Fundraising Group which meets on a bi-annual basis and is overseen by the Charitable Funds Committee which is a committee of the Trustee Board. A quarterly fundraising report is received by the Committee which details current fundraising activities and associated income.

Royal Papworth Charity received no formal complaints this financial year and continues to adhere to the complaints procedure and policy as set out by the Trust. The Charity is registered on the Fundraising Regulator Directory with details available should someone wish to make a complaint.

Royal Papworth Charity recognises the regulations in place to ensure we are doing everything in our power to protect vulnerable people and other members of the public during fundraising activities.

We remain compliant with these regulations and support the Fundraising Regulator's voluntary regulation scheme.

The Charity has donated to the Gambling Commission in support of their work to provide help, advice or support in relation to gambling. The Royal Papworth Lottery is provided by Unity and is promoted in accordance with the Gambling Act 2005. Following the new rules, players must be a minimum of 18 years of age to participate.

Royal Papworth Charity has held fewer events and challenge events throughout 2021/22 due to the risks associated with Covid-19. As restrictions relax, the calendar of events will be reviewed and updated as appropriate in line with relevant guidance and best practice fundraising to keep our supporters safe.

19. How to contact us

Registered office:

Royal Papworth Hospital NHS Foundation Trust
Royal Papworth Charity
Papworth Road
Cambridge Biomedical Campus
Cambridge
CB2 0AY

For Fundraising queries please contact:

01223 639950
papworth.charity@nhs.net
www.royalpapworthcharity.com



20. Related Parties

During the financial year 2021/22, Royal Papworth Hospital was the main beneficiary of the Charity and is a related party by virtue of being Corporate Trustee of the Charity. **Note 13** to the Accounts provide further detail. Royal Papworth Charity is grateful for the support of volunteers in the following areas:

- **Fund Holders** – employed by Royal Papworth Hospital NHS Foundation Trust, who oversee and ensure our designated and restricted funds are spent in accordance with the donor's wishes and in accordance with the Charity's aims.
- **Volunteers and Ambassadors** – The COVID-19 crisis has meant that many of Royal Papworth Charity's Volunteers and Ambassadors have been shielding as they are clinically vulnerable. With government restrictions lifted, we were incredibly grateful to welcome a handful of our volunteers to our golf day in August – who's support was invaluable and helped to ensure the day was a success. We are looking to re-engage with our volunteers and include them in a wide range of activities including events, administrative support and community activities next year.
- **Fundraisers** – Many supporters of Royal Papworth Charity give up their free time and conduct a number of fundraising activities to raise money for the Charity. During 2021/22 our fundraisers have gone above and beyond to find new and creative ways of raising money in aid of the Charity.

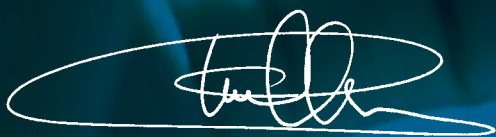
20. Thank you!

Only together can we continue to fund the delivery of transformational heart and lung medicine at Royal Papworth Hospital.

Your support is greatly appreciated by everyone at Royal Papworth Hospital and will enable us to move forwards as a globally renowned centre of excellence, delivering the best possible care and treatment for our patients.

From everyone at Royal Papworth Charity, thank you for your continued generosity, kindness and support throughout the past year.

For and on behalf of the Corporate Trustee



Tim Glenn
Chief Finance and Commercial Officer

On behalf of the Trustee Board
Royal Papworth NHS Foundation Trust

Date: 05 December 2022



Royal Papworth Hospital NHS Foundation Trust
Royal Papworth Charity
Papworth Road
Cambridge Biomedical Campus
Cambridge
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papworth.charity@nhs.net
www.royalpapworthcharity.com



Registered Charity No: 1049224 (England & Wales)

NATIONAL HEALTH SERVICE

ROYAL PAPWORTH HOSPITAL CHARITY

ANNUAL FINANCIAL STATEMENTS 2021/22

The financial statements of the Funds Held on Trust by the Royal Papworth Hospital Charity (Royal Papworth Charity).

FOREWORD

These financial statements have been prepared by the Corporate Trustee in accordance with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations 2008 and the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014.

STATUTORY BACKGROUND

Royal Papworth Hospital Charity is registered with the Charity Commission and includes funds in respect of Royal Papworth Hospital NHS Foundation Trust.

MAIN PURPOSE OF THE FUNDS HELD ON TRUST

The main purpose of the charitable funds held on trust is to grant income for any charitable purpose relating to the National Health Service wholly or mainly for the services provided by Royal Papworth Hospital NHS Foundation Trust.

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Independent auditor's report to the Corporate Trustee of Royal Papworth Charity

Opinion

We have audited the financial statements of Royal Papworth Hospital Charity ("the charitable company") for the year ended 31 March 2022 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and related notes, including the accounting policies in note 1.

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 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the charitable company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The Corporate Trustee has prepared the financial statements on the going concern basis as they do not intend to liquidate the charitable company or to cease its operations, and as they have concluded that the charitable company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the Corporate Trustee's conclusions, we considered the inherent risks to the charitable company's business model and analysed how those risks might affect the charitable company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the Corporate Trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the Corporate Trustee's assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the charitable company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud (“fraud risks”) we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of management and inspection of policy documentation as to the Charity’s high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because of the nature of the income received by the Charity.

Within the Charities sector, auditors also consider the risk that material misstatements due to fraudulent financial reporting may arise from the manipulation of expenditure recognition. Due to the nature of the expenditure recognised by the Charity, the risk has been limited to expenses which do not relate to transfers to the Royal Papworth Hospital NHS Foundation Trust.

We performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted to unusual accounts.
- Agreeing a sample of expense transactions back to relevant invoices and supporting documentation.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the Corporate Trustee and other management (as required by auditing standards), and discussed with the Corporate Trustee and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Whilst the Charity is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including the Charities SORP) and taxation legislation and

we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations

Other information

The Corporate Trustee are responsible for the other information, which comprises the Corporate Trustee's Annual Report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information;
- in our opinion the information given in the Corporate Trustee's Annual Report is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Charities Act 2011.

Matters on which we are required to report by exception

Under the Charities Act 2011 we are required to report to you if, in our opinion:

- the charitable company has not kept adequate accounting records 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 Trustee Board Member's remuneration specified by law are not made; or we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Corporate Trustee's responsibilities

As explained more fully in their statement set out on page 33, the Corporate Trustee (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; 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; 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 they either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

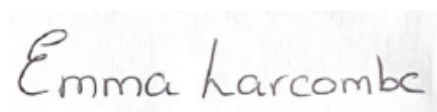
Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the charity's Corporate Trustee as a body, in accordance with section 144 of the Charities Act 2011 (or its predecessors) and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's Corporate Trustee those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its Corporate Trustee, as a body, for our audit work, for this report, or for the opinions we have formed.



Emma Larcombe (Senior Statutory Auditor)

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

Botanic House

100, Hills Road

Cambridge

CB2 1AR

05 December 2022

KPMG LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Statement of Financial Activities for the year ended 31 March 2022

| | | Unrestricted funds | Restricted funds | Total funds 2021/22 £000 | Total funds 2020/21 £000 |
|---|-----------|-----------------------|---------------------|---|-----------------------------------|
| | Note | £000 | £000 | £000 | £000 |
| Income from: | | | | | |
| Donations and legacies | 2.1 | 935 | 289 | 1,224 | 2,616 |
| Charitable activities | 2.4 | 35 | - | 35 | 27 |
| Other trading activities | 2.3 | 14 | - | 14 | 15 |
| Investments | 2.2 | 193 | 35 | 228 | 113 |
| Total | | 1,177 | 324 | 1,501 | 2,771 |
| Expenditure on: | | | | | |
| Charitable activities | 3.1 | (2,065) | (188) | (2,253) | (2,000) |
| Raising funds | 3.2 | (61) | (6) | (67) | (59) |
| Total | | (2,126) | (194) | (2,320) | (2,059) |
| Net gains on investments | | 260 | 51 | 311 | 1,141 |
| Net income | | (689) | 181 | (508) | 1,853 |
| Other recognised gains/(losses): | | | | | |
| (Loss)/gain on sale of tangible fixed asset | | (3) | - | (3) | 53 |
| Net movement in funds | 4 | (692) | 181 | (511) | 1,906 |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | 10 | 4,448 | 1,176 | 5,624 | 3,718 |
| Funding reallocation | | - | - | - | - |
| Total funds carried forward | 10 | 3,756 | 1,357 | 5,113 | 5,624 |

The notes on pages 48 to 61 form part of these financial statements.

All incoming resources and resources expended derive from continuing activities.

There is no material difference between the net (outgoing)/incoming resources on ordinary activities before taxation and the (outgoing)/incoming resources for the financial year stated above and their historical cost equivalents.

All gains and losses recognised in the year are included in the Statement of Financial Activities.

Balance Sheet as at 31 March 2022

| | | Unrestricted Funds | Restricted Funds | Total at 31 March 2022 £000 | Total at 31 March 2021 £000 |
|--|------|-----------------------|---------------------|--|--------------------------------------|
| | Note | £000 | £000 | £000 | £000 |
| Fixed assets: | | | | | |
| Investments | 5 | 4,761 | 1,230 | 5,991 | 5,679 |
| Total fixed assets | | 4,761 | 1,230 | 5,991 | 5,679 |
| Current assets: | | | | | |
| Stocks | | 41 | - | 41 | 34 |
| Debtors and accrued income | 6 | 525 | - | 525 | 224 |
| Cash and cash equivalents | 7 | 794 | 205 | 999 | 2,561 |
| Total current assets | | 1,360 | 205 | 1,565 | 2,819 |
| Current liabilities | | | | | |
| Creditors | 8 | (236) | (61) | (297) | (393) |
| Provision for liabilities | 9 | (1,876) | (17) | (1,893) | (2,481) |
| Net current assets/(liabilities) | | (752) | 127 | (625) | (55) |
| Total assets less current liabilities | | 4,009 | 1,357 | 5,366 | 5,624 |
| Non-current liabilities | | | | | |
| Provision for liabilities | 9 | (253) | - | (253) | - |
| Net assets | | 3,756 | 1,357 | 5,113 | 5,624 |
| The funds of the charity: | | | | | |
| Restricted income funds | 10.1 | - | 1,357 | 1,357 | 1,176 |
| Unrestricted funds | 10.3 | 3,756 | - | 3,756 | 4,448 |
| Total charity funds | | 3,756 | 1,357 | 5,113 | 5,624 |

The financial statements on pages 45 to 61 were approved by the Trustee Board on behalf of the Corporate Trustee and signed on its behalf by:

Signed:



Position: Chief Finance & Commercial Officer

Date: 05 December 2022

The notes on pages 48 to 61 form part of these financial statements.

Statement of Cash Flows for the year ended 31 March 2022

| | | Total Funds at 31 March 2022 £000 | Total Funds at 31 March 2021 £000 |
|--|------|--|--|
| | Note | | |
| Cash flows from operating activities: | | | |
| Net cash used in operating activities | 13 | (1,786) | 905 |
| Cash flows from investing activities: | | | |
| Dividends, interest and rents from investments | | 228 | 113 |
| Decrease in investments - cash held | | - | 762 |
| Proceeds from sale of investments | | - | 4,429 |
| (Loss)/gain from sale of fixed assets | | (3) | 272 |
| Purchase of investments | | (1) | (5,194) |
| Net cash provided by investing activities | | 224 | 382 |
| Change in cash and cash equivalents in the year | | (1,562) | 1,287 |
| Cash and cash equivalents brought forward | | 2,561 | 1,274 |
| Cash and cash equivalents carried forward | 7 | 999 | 2,561 |

The notes on pages 48 to 61 form part of these financial statements.

Notes to the Financial Statements

1 Accounting Policies

1.1 Basis of preparation and assessment of going concern

The financial statements have been prepared under the historic cost convention, with the exception of investments which are included at fair value.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

The financial statements have been prepared on a going concern basis which the Corporate Trustee considers to be appropriate for the following reasons.

The business model of the Charity is such that its charitable activities are limited to those which it has sufficient funds to support from the excess of funding received over the costs of administering the Charity. The Charity therefore has no specific commitments and no committed costs beyond its fixed costs of operation which are detailed in note 3.

The Corporate Trustee consider that there are no material uncertainties about the Charity's ability to continue as a going concern and is confident that the Charity will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements.

The principal accounting policies have been applied consistently throughout the year.

Key matters relating to the Charity's financial position are:

- The Charity reported fund balances (after provisions) of £5,113k at the end of 2021/22 financial year (2020/21 £5,624k);
- The Charity reported a closing cash position of £999k for the 2021/22 financial year (2020/21 £2,562k).

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

1.2 Incoming resources

- a) All incoming resources are included in the Statement of Financial Activities as soon as the following three factors can be met:
- Entitlement – control over the rights or other access to the economic benefit has passed to the Charity.
 - Probable – where it is more likely than not that the economic benefits associated with the transaction or gift will flow to the Charity.
 - Measurement – the monetary value or amount of the income can be measured reliably and the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

b) Gifts in kind

- Assets given for distribution by the funds are included in the Statement of Financial Activities when received by the Charity;
- Gifts made in kind but in trust for conversion into cash and subsequent application by the funds are included in the accounting period in which the gift is sold.

In all cases the amount at which gifts in kind are brought into account is either a reasonable estimate of their value to the funds or the amount actually realised.

c) Legacies

Legacies are accounted for as incoming resources once the receipt of the legacy becomes probable, that is, once confirmation has been received from the representatives of the estates that payment of the legacy will be made or property transferred and once all conditions attached to the legacy have been fulfilled.

d) Investment income

Investment income from short term investments and equity held are apportioned to each fund based upon the balance of that fund at the end of the period the income is received.

1.3 Resources expended and irrecoverable VAT

The financial statements are prepared in accordance with the accruals concept. A liability (and consequently, expenditure) is recognised in the financial statements when there is a legal or constructive obligation, it is probable (more likely than not) that settlement will be required and the obligation can be reliably measured.

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

a) Charitable activities

Grants payable are payments made to third parties (including NHS bodies) in the furtherance of the objectives of the Charity. They are accounted for fully in the year the commitment arises. Activities undertaken directly are payments made by the Charity in furtherance of the objectives of the Charity. Grant payments are recognised as expenditure when the conditions for their payment have been met or where there is a constructive obligation to make a payment.

A constructive obligation arises when:

- The Charity communicates its intention to award a grant to a recipient who then has a reasonable expectation that the grant will be received.
- The Charity makes a public announcement about a commitment which is specific enough for the recipient to have a reasonable expectation that they will receive a grant.
- There is an established pattern of practice which indicates to the recipient that the Charity will honour its commitment.

b) Costs of raising funds

Costs of raising funds include all expenditure associated with generating incoming resources from all sources other than from undertaking charitable activities. This includes costs of fundraising, trading and associated costs and costs of managing investments.

c) Support costs

Support costs are those costs that do not themselves produce or constitute the output of the Charity but are necessary in order to deliver an activity. These include some staff costs, costs of administration, software costs and external audit costs. Support costs have been apportioned between costs of raising funds and charitable activities on an appropriate basis. These costs are apportioned across charitable activities in proportion to total spend. For the method of apportionment, see note 3.3.

d) Staff costs

The Charity does not directly employ any staff. Staff that work on the Charity are employed by the Royal Papworth Hospital NHS Foundation Trust and these costs are recharged to the Charity. See note 3.4.

1.4 Structure of funds

Where there is a legal restriction on the purpose to which a fund may be put, the fund is classified in the financial statements as a restricted fund. The major funds held within these categories are disclosed in note 10. Funds where the capital is held to generate income for charitable purposes and cannot itself be spent are accounted for as endowment funds. There are no endowment funds held during this accounting period.

Other funds are classified as unrestricted funds. Funds which are not legally restricted but which the Corporate Trustee has chosen to earmark for set purposes are classified as “designated” within unrestricted funds.

The reclassification of restricted funds is approved by the Corporate Trustee and is compliant with Charity Commission NHS Charities guidance.

1.5 Tangible fixed assets

Assets are capitalised if they are capable of being used for a period which exceeds one year and individually have a cost of at least £5,000.

Tangible fixed assets are capitalised on acquisition and initially measured at cost, including costs that are directly attributable to bringing assets into a working condition.

Land and buildings are periodically re-valued and are stated in the balance sheet at their re-valued amounts, being the fair value at the date of valuation less any subsequent accumulated depreciation and impairment losses. Valuations are carried out by professionally qualified valuers in accordance with the Valuation Standards published by the Royal Institute of Chartered Surveyors. Revaluations are performed on a 5 yearly basis with interim valuations every 3 years. Fair value will be determined as market value for land and buildings.

Depreciation

Tangible fixed assets are depreciated on a straight line basis over their useful economic lives. No depreciation is provided on freehold land, which is considered to have an infinite life.

Revaluation and impairment

Revaluation gains or losses which are not considered to be impairment losses are recognised in the Statement of Financial Activities under other recognised gains and losses.

Impairments of assets held for the Charity's own use are recognised as additional depreciation of the impaired asset and are included in the expenditure section of the Statement of Financial Activities.

The carrying value of fixed assets are reviewed for impairment in periods of events or where changes in circumstances indicate carrying values may not be recoverable.

1.6 Fixed asset investments

Fixed asset investments are initially recognised at their transaction value (historic cost) and are subsequently measured at their fair value (market value) as at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

1.7 Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening market value (or date of purchase if later). Unrealised gains and losses are calculated as the difference between market value at the year end and opening market value (or date of purchase if later).

1.8 Stock

Stock is recognised in the financial statements at the lower of cost and net realisable value, using the first in first out (FIFO) method. No provision has been made for slow moving, obsolete or defective stock during the year.

1.9 Change in the Basis of Accounting

There has been no change in the basis of accounting during the year.

1.10 Corporation Tax

The Charity is a registered Charity, and as such is entitled to certain tax exemptions on income and profits from investments and surpluses on any trading activities carried on in furtherance of the Charity's primary objectives, if these profits and surplus are applied solely for charitable purposes.

1.12 Cash and cash equivalents

Short term, highly liquid investments are included as cash at bank and in hand when the notice period of the account is 90 days or less and is cash investment.

1.13 Debtors

Debtors are amounts owed to the Charity. They are measured on the basis of their recoverable amount.

1.14 Creditors

Creditors are amounts owed by the Charity. They are measured at the amount that the Charity expects to have to pay to settle the debt.

Amounts which are owed in more than a year are shown as long term creditors.

1.15 Provisions

A provision arises when there is a constructive obligation. See note 1.3(a) for the conditions required for a constructive obligation.

2. Income

2.1 Donations and legacies

| | Unrestricted Funds £000 | Restricted Funds £000 | 2021/22 Total Funds £000 | 2020/21 Total Funds £000 |
|-----------|-------------------------------|-----------------------------|-----------------------------------|-----------------------------------|
| Legacies | 416 | 170 | 586 | 604 |
| Donations | 519 | 119 | 638 | 2,012 |
| | 935 | 289 | 1,224 | 2,616 |

Included within restricted funds donations is £71k (2020/21 - £1,155k) of gifts in kind donations received into the COVID 19 fund for the benefit of staff.

2.2 Details of investment income

| | Unrestricted Funds £000 | Restricted Funds £000 | 2021/22 Total Funds £000 | 2020/21 Total Funds £000 |
|--------------------------------|-------------------------------|-----------------------------|-----------------------------------|-----------------------------------|
| Investments in listed equities | 193 | 35 | 228 | 113 |
| | 193 | 35 | 228 | 113 |

Investment income from short term investments and equity are apportioned to each fund based upon the balance of that fund at the end of the period the income is received.

2.3 Analysis of income from other trading activities

| | Unrestricted Funds £000 | Restricted Funds £000 | 2021/22 Total Funds £000 | 2020/21 Total Funds £000 |
|----------------------|-------------------------------|-----------------------------|---|-----------------------------------|
| Merchandise and shop | <u>35</u> | <u>-</u> | <u>35</u> | <u>27</u> |
| | 35 | - | 35 | 27 |

Income from trading activities remained low due to ongoing COVID 19 restrictions.

2.4 Analysis of income from charitable activities

| | Unrestricted Funds £000 | Restricted Funds £000 | 2021/22 Total Funds £000 | 2020/21 Total Funds £000 |
|--------------------------|-------------------------------|-----------------------------|---|-----------------------------------|
| Charitable events income | <u>14</u> | <u>-</u> | <u>14</u> | <u>15</u> |

Ongoing COVID 19 restrictions have meant that there has been a sustained reduction in the scope of fundraising events that have been able to take place.

3. Expenditure

3.1 Analysis of Charitable activities

| | Grant funded activity £000 | Support and governance costs £000 | 2021/22 Total £000 | 2020/21 Total £000 |
|---------------------------------|-------------------------------------|--|-----------------------------------|--------------------------|
| Patients' welfare and amenities | (24) | 8 | (16) | 34 |
| Staff welfare and amenities | 860 | 177 | 1,037 | 1,692 |
| Research | <u>1,083</u> | <u>149</u> | <u>1,232</u> | <u>274</u> |
| | 1,919 | 334 | 2,253 | 2,000 |

The negative spend on patients' welfare and amenities results from the release of the provision for committed spend no longer required.

Included within staff welfare and amenities is £71k (2020/21 - £1,155k) of COVID 19 gifts in kind donations which has been provided to staff during the financial year.

Research activity has increased in year with the relaxing of COVID 19 restrictions. The expenditure relates mainly to commitments for ongoing and new research projects and approval of the balance of the commitment to the Heart and Lung Research Institute.

Support costs are apportioned across charitable activities and raising funds. For the method of apportionment see note 3.3.

3.2 Analysis of Raising Funds

| | Unrestricted funds £000 | Restricted funds £000 | 2021/22 Total funds £000 | 2020/21 Total funds £000 |
|-----------------------|-------------------------------|-----------------------------|---|-----------------------------------|
| Gift shop expenditure | 6 | - | 6 | 15 |
| Investment management | 8 | 3 | 11 | (5) |
| Fundraising events | 40 | - | 40 | 41 |
| Support costs | 7 | 3 | 10 | 8 |
| | 61 | 6 | 67 | 59 |

Support costs are apportioned across charitable activities and raising funds. For the method of apportionment see note 3.3.

3.3 Analysis of Support costs

| | Raising funds £000 | Charitable activities £000 | 2021/22 Total Funds £000 | 2020/21 Total Funds £000 |
|-----------------------------|--------------------------|----------------------------------|---|-----------------------------------|
| Audit fee | - | 12 | 12 | 12 |
| Seconded staff costs | 8 | 267 | 275 | (30) |
| Publications and literature | - | 7 | 7 | 5 |
| Other | 2 | 48 | 50 | 101 |
| | 10 | 334 | 344 | 88 |

The expenditure on seconded staff reflects the actual cost incurred in year, as the commitment for this expenditure was approved early 2021/22. This is a change to prior years when the commitment for this expenditure was approved before the start of the financial year.

| | Unrestricted funds £000 | Restricted funds £000 | 2021/22 Total funds £000 | 2020/21 Total funds £000 |
|-----------------------|-------------------------------|-----------------------------|---|-----------------------------------|
| Raising funds | 7 | 3 | 10 | 8 |
| Charitable activities | 238 | 96 | 334 | 80 |
| | 245 | 99 | 344 | 88 |

Support costs are apportioned across raising funds and charitable activities in proportion to the total spend for the year in each category.

The Charity appointed KPMG LLP (KPMG) as external auditors of the Charity from 1 April 2015. The audit fee for the statutory audit is £12,000 (2020/21: £12,000), excluding VAT.

3.4 Staff costs and employee benefits

| | 2021/22 £000 | 2020/21 £000 |
|---------------------------------|-----------------|-----------------|
| Salaries and wages | 159 | 154 |
| Social security costs | 14 | 28 |
| Employers pension contributions | 16 | 18 |
| | 189 | 200 |

Included within Seconded staff costs are those costs for staff working exclusively for the Charity, but whose contracts are with and paid by Royal Papworth Hospital NHS Foundation Trust. The average number of employees for 2021/22 is 6 (2020/21: 7). No employee was paid in excess of £60,000 during the year (2020/21: Nil).

3.5 Trustee remuneration, benefits and expenses

Trustee Board members receive no remuneration from the Charity for the work undertaken as representatives of the Corporate Trustee. Trustee Board members are remunerated by Royal Papworth Hospital in their capacity as directors of Royal Papworth Hospital. However, they can claim expenses to reimburse them for costs that they incur in fulfilling their duties.

No Trustee Board member received any expenses during the year (2020/21: Nil).

4. Change in Resources available for Charity use

| | Unrestricted Funds £000 | Restricted Funds £000 | 2021/22 Total Funds £000 |
|---|-------------------------------|-----------------------------|-----------------------------------|
| Net movement in funds available for future activities | (692) | 181 | (511) |

| | Unrestricted Funds £000 | Restricted Funds £000 | 2020/21 Total Funds £000 |
|---|-------------------------------|-----------------------------|-----------------------------------|
| Net movement in funds available for future activities | 1,626 | 280 | 1,906 |

5. Analysis of Fixed Asset Investments

5.1 Fixed Asset Investments

| | Total 2021/22 £000 | Total 2020/21 £000 |
|---|-----------------------------------|-----------------------------------|
| Investment Management | | |
| Market value at 1 April | 5,679 | 3,773 |
| Add: Additions of shares | 1 | 5,194 |
| Less: Disposals at carrying value | - | (3,773) |
| Net (loss)/gain on revaluation | <u>311</u> | <u>484</u> |
| Market value at 31 March | <u>5,991</u> | <u>5,678</u> |
| Cash held with Investment Management at 31 March | <u>-</u> | <u>1</u> |
| Fixed Asset Investments | <u><u>5,991</u></u> | <u><u>5,679</u></u> |
| Historic cost at 31 March | <u>5,195</u> | <u>5,194</u> |

The valuation of the investments is at 31 March 2022 and may not be realised at the date the investments are disposed of.

The historic cost represents the value of shares after purchases and sales at 31 March 2022 before the shares are revalued.

Cash held with the Charity's investment managers at 31 March 2021 has been used to purchase shares during the year. The Charity's investments managers are holding £nil of cash within the investment portfolio at 31 March 2022.

5.2 Market value

| | 31 March 2022 £000 | 31 March 2021 £000 |
|---|-----------------------------------|-----------------------------------|
| Investment listed on a recognised stock exchange held | | |
| Within the UK | 5,195 | 5,194 |
| Outside the UK | <u>-</u> | <u>-</u> |
| | <u>5,195</u> | <u>5,194</u> |

6. Analysis of Debtors

| | 31 March 2022 £000 | 31 March 2021 £000 |
|--------------------------------------|-----------------------------------|--------------------------|
| Amounts falling due within one year: | | |
| Accrued Income | 523 | 222 |
| Other debtors | 2 | 2 |
| | 525 | 224 |

7. Cash and cash equivalents

| | 2022 £000 | 2021 £000 |
|---------------------------------------|----------------------|--------------|
| Cash in hand | 999 | 2,561 |
| Total cash at bank and in hand | 999 | 2,561 |

8. Analysis of Creditors

| | 31 March 2022 £000 | 31 March 2021 £000 |
|--|-----------------------------------|--------------------------|
| Amounts falling due within one year: | | |
| Amounts owed to Royal Papworth Hospital NHS Foundation Trust | 97 | 146 |
| Other creditors | 200 | 247 |
| | 297 | 393 |

9. Analysis of Provision for liabilities

| | Provision for Research £000 | Other Provisions £000 | Total £000 |
|---|-----------------------------------|-----------------------------|-----------------------|
| At 1 April 2021 | 1,743 | 738 | 2,481 |
| Arising during the year | 1,033 | 1,207 | 2,240 |
| Utilised during the year | (1,524) | (767) | (2,291) |
| Unused amounts reversed during the year | - | (284) | (284) |
| At 31 March 2022 | 1,252 | 894 | 2,146 |
| Expected timing of cash flow: | | | |
| - not later than one year | 1,252 | 641 | 1,893 |
| - later than one year and not later than five | - | 253 | 253 |

| | Provision for Research £000 | Other Provisions £000 | Total £000 |
|---|-----------------------------------|-----------------------------|---------------|
| At 1 April 2020 | 1,758 | 1,139 | 2,897 |
| Reallocated between categories | (86) | 86 | - |
| Arising during the year | 130 | 388 | 518 |
| Utilised during the year | (59) | (785) | (844) |
| Unused amounts reversed during the year | - | (90) | (90) |
| At 31 March 2021 | 1,743 | 738 | 2,481 |
| Expected timing of cash flow: | | | |
| - not later than one year | 1,743 | 738 | 2,481 |

The Charity awards a significant number of grants during the year. Many grants are awarded and paid out in the same financial year. However, some grants, especially those relating to research and development or those to fund specific staff posts are multi-year grants paid over a longer period.

As the Charity approved and communicated an expectation of the award of the grants, there is little uncertainty around these payments.

10. Analysis of funds

10.1 Analysis of funds – Restricted funds

| | Balance 1 April 2021 £000 | Incoming Resources £000 | Resources Expended £000 | Notional Revaluation of Investments £000 | Balance 31 March 2022 £000 |
|--|------------------------------------|-------------------------------|-------------------------------|--|-------------------------------------|
| Material funds (list individually) | | | | | |
| A Cardiac Care Fund | 98 | 116 | (10) | 6 | 210 |
| B DCD Transplantation Fund | 357 | 38 | (40) | 14 | 369 |
| C Royal Papworth Hospital Transplant Fund | 415 | 13 | (38) | 16 | 406 |
| D Lung Defence Fund | 98 | 50 | (11) | 5 | 142 |
| E Pulmonary Hypertension Fund | 51 | 1 | (4) | 2 | 50 |
| F The Greg Mustill Memorial Fund | 46 | 1 | (7) | 2 | 42 |
| G COVID-19 Support Fund | 81 | 88 | (67) | 5 | 107 |
| Others 4 (2020/21: 5) | 30 | 17 | (17) | 1 | 31 |
| Total | 1,176 | 324 | (194) | 51 | 1,357 |

10.2 Detail of Material Funds – Restricted funds

| Name of fund | Description of the nature and purpose of each fund |
|---|--|
| A Cardiac Care Fund | Funds donated for the benefit of Cardiac Services at Royal Papworth Hospital |
| B DCD Transplantation Fund | Funds donated for the DCD Transplant Programme |
| C Royal Papworth Hospital Transplant Fund | For the benefit Transplant Services at Royal Papworth Hospital |
| D Lung Defence Fund | Funds donated for research and education specifically relating to the Lung Defence Unit |
| E Pulmonary Hypertension Fund | Funds donated for the Pulmonary Hypertension service and associated research |
| F The Greg Mustill Memorial Fund | Funds donated to support patients and families who spend extended periods of time at Royal Papworth Hospital |
| G COVID-19 Support Fund | For the benefit of staff, patients and relatives of Royal Papworth Hospital. For all reasonable activities relating to supporting the response to COVID-19 including research, staff and patient support and relative welfare. |

10.3 Unrestricted funds

Unrestricted funds amounting to £3,756k (2020/21: £4,448k) consist of 2 (2020/21: 3) general funds totalling £1,800k (2020/21: £2,132k) and 33 (2020/21: 36) designated funds totalling £1,956k (2020/21: £2,316k).

Within designated funds are funds earmarked for future payment for the direct benefit of the staff and patients within the directorates of Royal Papworth Hospital NHS Foundation Trust.

Funds have arisen from donation, legacies and fundraising activities.

10.4 Analysis of unrestricted funds

| | 31 March 2022 £000 | 31 March 2021 £000 |
|------------------------------------|--------------------------|--------------------------|
| Material undesignated funds | | |
| General | 1,742 | 2,044 |
| Merchandise & Shop | 58 | 35 |
| | <u>1,800</u> | <u>2,079</u> |

10.5 Analysis of unrestricted designated funds

| Material designated funds | Description of the nature and purpose of each fund | 31 March 2022 | 31 March 2021 |
|---|---|---------------|---------------|
| | | £000 | £000 |
| Transplant General | For the benefit of staff and patients of the transplant unit | 52 | 45 |
| Theatres, Critical Care and Anaesthetics | For the benefit of TCCA Services at Royal Papworth Hospital | 34 | 30 |
| Cardiac Services Fund | For the benefit of all Cardiac Services at Royal Papworth Hospital | 331 | 336 |
| HLRI Project | For capital contributions to the Heart and Lung Research Institute | 593 | 1,020 |
| Electrophysiology Fund | For the benefit of Electrophysiology Services at Royal Papworth Hospital | 86 | 82 |
| Hospital Equipment Fund | Funding for cutting-edge equipment for the Hospital | 284 | 298 |
| Staff Education Fund | Funding for support the development and educational requirements of staff | 87 | 102 |
| Hospital Environment and Arts-health Fund | Funding for enhancing the hospital environment and wards at Royal Papworth Hospital | 64 | 79 |
| Others (March 2022: 28, March 2021: 28) | | 425 | 377 |
| Total | | 1,956 | 2,369 |

11. Contingencies and commitments

There are no capital commitments in 2021/22 (2010/21: £nil).

There are no contingent liabilities in 2021/22 (2020/21: £nil).

12. Related Party Transactions

The Royal Papworth Hospital Charity has made revenue and capital payments to the Royal Papworth Hospital NHS Foundation Trust during 2021/22.

The amount paid was £2,654k (2020/21: £1,128k) and there was a creditor at the end of the year of £97k (2021: £146k).

The Charity is a subsidiary of Royal Papworth Hospital NHS Foundation Trust, the parent entity. Royal Papworth Hospital NHS Foundation Trust is the UK's largest specialist cardiothoracic Hospital and the country's main heart and lung transplant centre. It has an extraordinary commitment to delivering the highest levels of clinical quality and outcomes and for providing the best possible standards of personalised care to its patients.

The consolidated group accounts can be found on Royal Papworth Hospital NHS Foundation Trust's website <http://www.royalpapworth.nhs.uk/>

Royal Papworth Hospital NHS Foundation Trust is the Corporate Trustee of Royal Papworth Charity.

During the year none of the ex-officio Trustee Board member or members of the key management staff or parties related to them has undertaken any material transactions with Royal Papworth Charity.

13. Reconciliation of net movement in funds to net cash flow from operating activities

| | 2022 | 2021 |
|--|-----------------------|------------|
| | £000 | £000 |
| Net movement in funds | (511) | 1,906 |
| Adjustments for: | | |
| (Gains) on investments | (311) | (1,141) |
| Loss/(gains) on sale of fixed assets | 3 | (53) |
| Dividends and interest received from investments | (228) | (113) |
| (Increase) in stocks | (7) | (19) |
| (Increase) / decrease in debtors | (301) | 559 |
| (Decrease) / increase in creditors | (96) | 182 |
| (Decrease) in provisions | (335) | (416) |
| Net cash provided by (used in) operating activities | <u>(1,786)</u> | <u>905</u> |

14. Post Balance Sheet Event

There are no post balance sheet events to report.