

Royal
Papworth
Charity



Annual Report and Accounts

2023/24

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Foreword from the Chairman

2023 has been a year of remarkable progress and steadfast dedication for Royal Papworth Charity. This year, we have continued our commitment to funding transformative initiatives that enhance the lives of our patients and support our exceptional staff. Our strategic priorities remain aligned with the hospital's goals, ensuring that every contribution is directed towards making the most significant impact.

We are proud to announce that the Charity's income for this year reached an impressive £2.75M, a testament to the unwavering support from our community. Legacy giving played a crucial role, contributing £1M, which underscores the deep connections our supporters maintain with Royal Papworth Hospital.

Our community's engagement has been extraordinary, from sponsored haircuts to festive bucket collections, and from tombolas to yard sales to physically demanding events like cycling challenges and tandem skydives, our supporters' enthusiasm and creativity have been inspiring.

Corporate partners and community groups have also been instrumental in our success. We are grateful for the innovative support from our partners. This year, we have welcomed Edmondson Hall who selected us as their Charity of the Year, raising £9,415.30 through various initiatives. Additionally, over 200 individuals participated in runs, skydives, walks, and treks, and organised bake sales and celebration events, collectively raising £158k. Our collaboration with specialist will-writers Octopus Legacy has also continued to grow, enhancing our legacy income significantly.

In total, we have committed £1.52M in grants to Royal Papworth Hospital for various projects. These include the pioneering Ex-Vivo lung perfusion programme, which received £373k in funding. This innovative technique is designed to increase the viability of donor lungs, offering hope to many patients on the transplant waiting list.

Additionally, we have supported the hospital's Compassionate and Collective Leadership programme with £335k, promoting a positive work culture and staff wellbeing.

Recognising the importance of continuous improvement, we have also funded a new Volunteer Coordinator role, ensuring that our volunteer services enhance patient experience and support hospital teams effectively. This year, our research initiatives have been bolstered with a £200k contribution to the Research Innovation Fund, driving forward clinical and non-clinical research projects that will shape the future of cardiothoracic treatment.

As we look ahead, we remain committed to our ambitious goals. Our vision for 2022-2027 aims to raise £20M, with plans to more than double our grant-giving expenditure to £5.7M by 2027. This strategic growth will enable us to support Royal Papworth Hospital in delivering the highest standards of care and pioneering new treatments.

I invite you to explore the detailed accounts and achievements in our Annual Report for the year ending 31 March 2024. Together, we will continue to make a profound difference in the lives of our patients and the future of cardiothoracic medicine and care.



Dr Jag Ahluwalia
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 are “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 go about spending the money given to us. 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. The Board has paid due regard to Charity Commission guidance on public benefit in deciding what activities the Charity should undertake.

3. 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 Charity achieved the ambitious fundraising targets for the year and have laid a strong foundation to build upon this by aiming to raise £20M by 2027.

The fulfilment of this strategy will see grant giving expenditure allocated to the hospital more than double by 2026/27. The promotion of the initial grant awards in the opening years of the strategy will make it possible to distribute more funding with a greater impact by year five. This year the Charity committed £1,523k for 240 grants which have supported all strategic areas. Grants have been used to support the hospital in a variety of ways, including investment in capital projects, purchase of medical equipment, patient support services, staff training and education, innovation programmes, research and welfare initiatives.

In 23/24 the Charity provided £373k in funding to a new lung transplant programme called Ex-Vivo lung perfusion. The Ex-Vivo programme is an innovative new technique that increases the utilisation of donor lungs. The specialist equipment involved in the organ retrieval process will help to maintain the donor lungs in transit, with a hope to increase organ viability by 20%.

To help develop Royal Papworth Hospital as an organisation that continuously improves and delivers high quality, safe and compassionate care, the Charity contributed £334,535 to the hospital's compassionate and collective leadership programme.

This programme offers staff a variety of opportunities to access training and support as well as provide reciprocal mentoring and welfare support packages. The initiatives in this programme were designed and influenced by the feedback received by staff and in response to the needs of the hospital to create a better environment for staff.

The Charity also adapted and responded to the new needs of the hospital by funding new staff roles which ensure the hospital offers the highest level of care. The Charity granted £20k to fund a Volunteer Coordinator to build and embed the volunteering programme for the hospital and Charity. Karen, who undertakes this role, said: "I am here to support the Patient Advice and Liaison Service (PALS) Team with the reintroduction and the development of the volunteer service. Our volunteers enhance the care we deliver and support our hospital teams to improve the patient experience within our hospital and I am very proud to be part of that."

Since the hospital's establishment in 1918, it has developed an international reputation for excellence in research and innovation. The Heart and Lung Research Institute continues to be a priority area of funding for the Charity. Our £5 million contribution towards the capital investment is the beginning of a long-term plan and commitment for additional investment into research. The Charity has provided £200k to the Research Innovation Fund this year to pump prime research and accelerate the discovery of medical advances to help our patients and save more lives.

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

Our year together in numbers



Value of grants committed to the hospital:

£1,523,000



Grants made to the hospital:

240



Specialist Music
Occupational therapist:

£55,000



Research Innovation funding
to pump prime clinical and
non-clinical research projects:

£200,000



A new lung transplant
programme – Ex-vivo
lung perfusion:

£373,320



Patient pamper
sessions delivered:

230



1 x ECG Laptop analyser funded
by the Norfolk Zipper Club:

£24,000



Funding for a
Volunteer Coordinator:

£20,000



Additional equipment to
mobilise lung patients:

£900



Compassionate and collective
leadership programme:

£334,535



Gift bags provided for
transitioning transplant patients:

15



3 x Sybio manikins for simulation
and resuscitation training:

£3,200



Nurse attendance at the International
Society for Heart and Lung
Transplantation annual meeting:

4



Funds received for the year:
£2,754,000



Gifts received from Wills:
£1,067,000



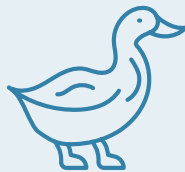
No. of lottery entries:
31,493



Raised from events:
£23,000



Money raised from
our retail items:
£26,474



No. of Puddles the duck sold:
100



No. of Christmas cards sold:
1,195



No. of community fundraisers:
217



No. of corporate partnerships:
22



No. of leaves on the
Giving Tree:
27



No. of volunteers:
53



No. of pages on
virtual memory wall:
94



No. of regular givers in
Duck Club:
228

5. Risks

Royal Papworth Charity has 29 open risks. Eleven risks have a Residual Risk Rating (RRR) of 'High' or above. Risks are reviewed by our Charitable Funds Committee and Trustee Board 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 24
15-25 Extreme Risk	15-25 Extreme Risk	0
8-12 High Risk	8-12 High Risk	11
4-6 Moderate Risk	4-6 Moderate Risk	10
1-3 Low Risk	1-3 Low Risk	8
Closed Risk	Closed Risk	0

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



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."	9
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."	12
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

5. Risks (continued)

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."	9
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."	6
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

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."	3
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.	9
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.	12
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."	3
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

5. Risks (continued)

Trustee Core Duty	Title	Description	Risk level
Resources	Investment	"If" the Charity does not have or fails to adhere to investment policy, "then" this could result in unforeseen severe adverse investment conditions, financial loss through inappropriate or speculative investment or lack of investment advice or diversity."	1
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."	6
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."	9
Resources	Market investment	"If" there is high market volatility, resulting in a significant market downturn "then" cash flow difficulties may arise from lack of liquidity. This could impact on the Charity's ability to deliver its strategic objective for expenditure."	12
Resources	Social investment	"If" the charity makes social investments, "then" there are additional reporting and regulatory requirements to adhere to. Any income generated from the investments must be incidental."	2

6. John's source to sea Thames challenge

In an awe-inspiring testament to resilience and self-determination, John tackled a 232-mile trek along the iconic River Thames Path and raised £831 for our Charity.

John Tippetts took on the ambitious trek which began at the Star River Thames source in Kemble, Gloucestershire and ended at the North Sea in Grain, Kent, to celebrate the life-changing procedure he received at Royal Papworth Hospital.

Reflecting on his amazing achievement, John said: "Every step, especially with the pain I battled, made reaching Grain Beach in the warm summer sun all the more meaningful. This wasn't just a walk; it was the embodiment of my personal and emotional journey."

John is no stranger to a challenge, in 2010 he began his own battle with atrial fibrillation (AF). The condition, marked by erratic heart rhythms causing breathlessness and fatigue, threatened to define his life course. However, that all changed in 2016, when he agreed to take part in the trial of a new technology.

Thanks to Dr Andrew Grace a former Consultant Cardiologist at Royal Papworth Hospital, John underwent a cutting-edge catheter ablation procedure. John is happy to report that his heart has remained in normal rhythm since the procedure.

Embracing his new zest for life, John embarked on his ambitious trek endeavouring to complete his journey in 14 stages. Along the way he faced a new set of health challenges. This time they belonged to his left foot and not his heart rhythm. He had been struggling with pain in his left foot prior to the start date but decided to go ahead with the challenge.

Sadly six days later, after having completed four stages of the challenge, he had to stop after being diagnosed with achilles tendinopathy and mild plantar fasciitis. Despite facing painful challenges John's spirit remained unbroken and after a two-month recovery period he resumed his walk and achieved his mission.



7. Transplant patients pedal power 200-miles!

The transplant team from Royal Papworth Hospital and their patients took on a 200-mile charity cycle ride from Cambridge to Harrogate to raise awareness of organ donation and funds for our Charity.

The team of ten included Dr Jasvir Parmar, Consultant Transplant Respiratory Physician and patient's Michael and Andy who received world leading transplant care at the hospital.

Michael said: "I feel so grateful and excited that I have been given a second chance of not just surviving, but actually living and truly appreciating the miracle that transplantation and organ donating offer".

Michael's teammate, Andy had been battling Idiopathic Pulmonary Fibrosis, a lung condition that scars the lungs and hinders breathing. His mild symptoms escalated into a life-altering diagnosis that led to a lung transplant.

Andy is determined to embrace life's moments and said: "Every breath is a testament to the gift of life and while the road has been arduous, I cherish each step forward, fuelled by hope and gratitude."

The team pedal powered their way up to Harrogate in March. The North Yorkshire town was hosting the British Transplant Society annual congress, with a focus on sustainability.

The ambitious cycle ride was an ideal opportunity to highlight the importance of organ donation and how it transforms the lives of patients.

Dr Jasvir Parmar, Consultant Transplant Respiratory Physician at Royal Papworth Hospital, said the cycle ride raised the awareness of the importance of donation and resonated with the annual congress theme. He added: "We are grateful for the support of Royal Papworth Charity who have provided financial and organisational support".



8. Taking on the UK's biggest inflatable obstacle course

Stacey, who received a life-changing heart transplant at Royal Papworth Hospital, took on 32 gigantic inflatable obstacles across a 5km track at the Huntingdon Racecourse.

Stacey and her family were part of three Royal Papworth Charity teams that took on the Huntingdon Inflatable 5K in October to raise funds for the hospital.

The sun was shining as the three teams which included members of the hospital's transplant team and respiratory support and sleep centre team, battled through obstacles such as 'The Web', 'Bish Bash' and 'The Temple of Doom'.

All three teams whizzed around the course with Harry and Ffion from the respiratory and support sleep centre team sliding and bouncing their way to the finish line in rapid time!

Stacey a passionate supporter of the Royal Papworth Hospital said the 'day was so much fun' and added: "By participating in this personal challenge, we hope to raise money that will help Royal Papworth Charity continue its fantastic work. With increasing pressures on the NHS, the Charity plays a vital role in ensuring that the hospital continues to provide the highest standards of care. Our experience has shown us firsthand how important this work is."



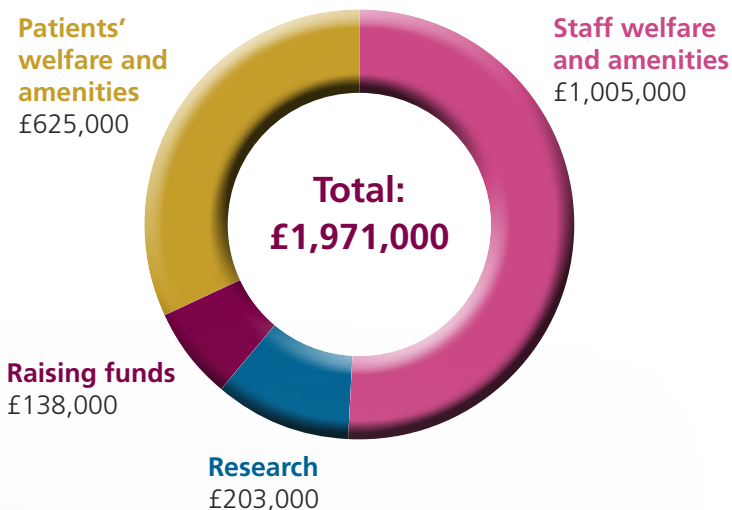
9. How we support Royal Papworth Hospital

9.1 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 **£1,971,000** (2022/23: £1,430,000) and comprised of:

9.2 Charitable expenditure 2023/24



The research expenditure relates mainly to commitments for ongoing and new research projects such as the Research Innovation Fund.

Included within staff welfare and amenities is £79k (2022/23 - £110k) of gifts in kind which have been provided to further the reach of the Charity during the financial year.

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

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, the Compassionate and Collective Leadership Programme and the Research Innovation Fund.



10. Our strategy and plans for the future

23/24 was the second year of our five year Charity strategy and the primary objective was to develop the five new priority statements across the charity to underpin the planned growth and development required to achieve our vision in the next five years whilst assessing future investment in the charity team to deliver its ambitious strategy.

*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.

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 in the past.

The Charity achieved their ambitious fundraising targets for the year and are on a positive trajectory to achieve the income targets for the years ahead. The fulfilment of this strategy will see grant giving expenditure allocated to the hospital more than double by 2026/27 from £2.4M 'today' to £5.7M 'tomorrow' as this would allow the Charity to effectively support the hospital to deliver the aims of their strategy.

To achieve this growth there will need to be an increase strategic grant giving activity annually building on the successful investment of smaller grants this year.

10. Our strategy and plans for the future (continued)

Underpinning our vision, we have set out five 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.



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.



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.



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

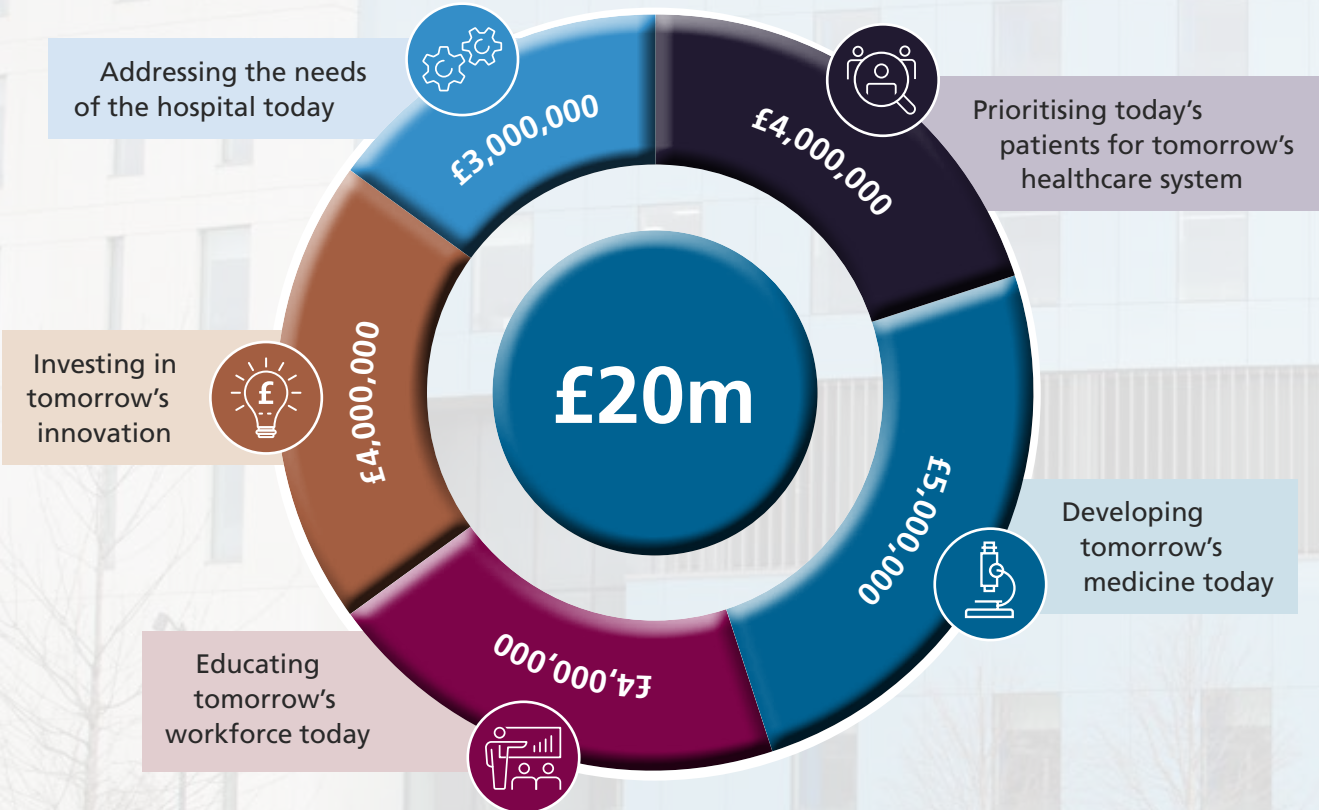
Offer
Positive Staff
Experience

Share and
Educate

10. Our strategy and plans for the future (continued)

Over the next five years the Charity will distribute £20M in strategic grant expenditure

Five year forecast of total strategic grant expenditure



ROYAL PAPWORTH

11. 2023/24 project achievements

Developing tomorrow's medicine today

Establishing a Research Innovation Fund

Staff at Royal Papworth Hospital are encouraged to participate in and champion new research projects to help tackle the ever-growing prevalence of cardiothoracic disease. Fostering a positive research culture and pump-priming research projects are key components to developing the latest treatments and trials for our patients.

Both clinical and non-clinical projects have been funded since the launch of the Charity's strategy and with this investment, 10 research projects have been implemented with a range of specialities including: transplantation, extracorporeal membrane oxygenation (ECMO) and sleep centre services.

A further commitment of £200,000 has been made by the Charity in 2023/24 to aid the discovery of potential opportunities that could be the next innovative solution to positively impact patient care.

The utilisation of funding to date has demonstrated that there is an active research appetite within the hospital, opening doors for external funding opportunities and keeping the Charity on track to provide £2 million by 2027.



11. 2023/24 project achievements (continued)

Educating tomorrow's workforce today

The recruitment and retention of a diverse staff group is vital to provide a thriving workforce that excels. The Charity provided more than 60 grants for staff to attend conferences, specialist courses and national education days, all with a translational patient benefit to deliver the highest quality care.

The attendance at conferences has given staff the opportunity to present findings and share learnings worldwide. The collaboration opportunities keep the hospital's treatments and care at the forefront of medical advancements and allow staff to develop to their full potential.

An Occupational Therapy Apprentice role (£14,000) has been part-funded to allow a person-centred practitioner the opportunity to gain a deep understanding of the occupational science provision at Royal Papworth, under the mentorship of our experienced occupational therapy team.

The apprentice role was shaped as a 'grow your own' opportunity, allowing the post holder to re-launch patient groups on the wards which had been put on hold since Covid-19, such as relaxation and lunch groups and establishing rehabilitation services for in-house urgent patients.

The multidisciplinary educational opportunities are essential for keeping the workforce engaged and focused, the provision of £4 million in funding by 2027 will keep staff on track to achieve excellence.



Investing in tomorrow's innovation

New lung transplant programme – Ex-Vivo lung perfusion (£373,320)



In response to the shortage of lungs that are viable for transplant, the Ex-Vivo lung transplant programme is an innovative method used to increase the utilisation of lungs for transplantation with the latest technology.

Sadly, a large number of patients die on the waiting list due to the lack of available organs. This new technique allows the donor lungs to be placed into specialist equipment and maintained whilst an assessment of their viability is undertaken.

Where traditional methods of assessment and retrieval may have determined that the lungs were not viable for transplant, the Ex-vivo programme hopes to utilise 20% more lungs for transplant.

Echocardiogram (ECG) laptop analyser and heart monitors



The ECG Laptop analyser has specialist cardiology software to collect, analyse and interpret a patient's ECG information. The associated monitors offer a less invasive and more accurate way to collect patient data.

Past methods of collecting this data have involved the patient wearing a device for seven days at a time and calling the department to share the data collected. In some cases, patients were undiagnosed and would have to undergo a procedure to implant a loop recorder under the skin of their chest.

With this new technology, patients are able to wear the ECG monitor for 28 days, providing a better sample of data for more accurate diagnosis and care plans.

The Norfolk Zipper Club generously donated £24,188 to cover the cost of the equipment as part of their commitment to provide Royal Papworth with medical equipment for heart patients.

11. 2023/24 project achievements (continued)

Addressing the needs of the hospital today

Compassionate and Collective Leadership Programme



Following significant investment from the Charity, the CCL programme is now in its fourth phase with the aim to embed and build on the work already achieved across the Hospital.

A further £334,535 has been committed over the next two years with a vision to deliver a health and wellbeing provision for staff and an enhancement to the equality, diversity and inclusion work that is being undertaken.

The programme aims to support a positive, and compassionate work culture, through provision of a counselling service by the Health and Wellbeing Practitioner, health and wellbeing resources, and training and awareness opportunities to empower staff to be a voice of change for themselves and their colleagues.

Overseas settling allowance (£12,000)



Showing compassion to our staff is embedded throughout the workforce. In recognition of the upheaval that can accompany moving to a new country and starting a new job, the overseas settling allowance has provided some relief to colleagues with an allowance of up to £500 to purchase essentials and allow a sense of ownership whilst starting their journey at Royal Papworth.

The grant has helped many but one staff member said: "I want to take this opportunity to express my gratitude for your thoughtfulness and for providing such a valuable gesture. Your support has made a significant difference and has truly helped alleviate many burdens associated with the move. Once again, thank you for your kindness and for being there for me during this exciting but challenging time. I am grateful to be a part of such a supportive and caring organisation."

Read a Little Aloud (£13,770)

The Read a Little Aloud project is a bibliotherapy used by the Library Services team to ignite imagination, stir memories and evoke laughter from patients on critical care.

The service has been supervised by nurses and volunteers to break up the daily routine of inpatients and has many benefits such as stress reduction and providing a social connection in an otherwise isolated environment.

The sessions are conducted online by Cambridgeshire Libraries twice a week, with a nurse or volunteer supporting the patient to use the tablet to access poetry, prose and non-fictional material. The themes are carefully chosen to provide an uplifting programme, mindful of the personal circumstances that the patient may be experiencing.

The service has been proven to have a positive impact on mental-wellbeing and patient experience whilst fostering a sense of connection and support.



11. 2023/24 project achievements (continued)

Prioritising today's patients for tomorrow's healthcare system

Occupational Therapy Specialist role – using music as a therapeutic intervention (£55,000)

Occupational therapy at Royal Papworth Hospital facilitates patient recovery, psychological wellbeing and promotes functional independence and quality of life.

Funding for this specialist role has enabled music-related interventions and assessments to be developed across the department, promoting physical and cognitive rehabilitation.

The team have seen positive results in a variety of areas since the role has been in post including: stress relief, increased wakefulness and engagement and a renewed interest in rehabilitation.

Providing this type of specialist care as an additional patient service promotes the improvement and growth that is echoed in the Charity strategy.

Innovative changes to the hospital environment will improve patient experience and drive staff to achieve excellence.



12. Financial review

- 12.1 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 2023/24 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.
- 12.2 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	4,187	1,796	5,983
Income	1,886	868	2,754
Expenditure	(1,400)	(571)	(1,971)
Net gain on investments	201	106	307
Fund balances c/fwd	4,874	2,199	7,073

12.3 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 10 of the Accounts**.

Unrestricted funds of **£4,874,934** 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: **£1,798,223** 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: **£3,076,710** 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.

12.4 Fund balance

Fund balances increased by £1,090,000. During the year, unrestricted funds increased by £687,000 and restricted funds increased by £403,000.

12.5 Reserves

Restricted balance of **£2,198,860** 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.

12.6 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.

12. Financial review (continued)

Income Stream	23/24 Target	23/24 Actual	Variance
Gifts in kind	£140,000	£79,276	-£60,724
Community	£155,000	£158,491	£3,491
Direct marketing	£15,000	£14,140	-£860
Events	£30,000	£22,681	-£7,319
Lottery	£15,000	£18,328	£3,328
Individual giving	£90,000	£59,329	-£30,671
In-memory	£150,000	£152,203	£2,203
Retail	£30,000	£26,475	-£3,525
Regular Giving	£35,000	£39,314	£4,314
Trusts	£150,000	£45,728	-£104,272
Major Gifts	£50,000	£60,000	£10,000
Targeted fundraising total	£860,000	£675,965	-£184,035
Legacies minimum anticipated income	£863,333	£1,066,821	£203,488
Total income	£1,723,333	£1,742,786	£19,453

Total income for the year amounted to £1,743k (2022/23: £1,869k). Our income comes from a variety of sources of which legacy, in-memory and community fundraising are most prevalent. The Charity exceeded its target for fundraising by £19k, thanks to good performances in community, legacy and regular giving. Unfortunately an expected grant from NHS Charities together was not approved leading to a poor performance in Trusts and Grants.

*The Charity has received £269k in investment income and interest, of which £244k is excluded from this table. Legacy income is the actual legacy income received in year and does not reflect the adjustment each year for legacy income notified but not received.

Legacy income

Being a healthcare charity, legacy gifts will always be a vital source of income for us. This year our Charity was fortunate to receive 31 gifts generating over £1m, thanks to the generosity of supporters who bequeath a gift to the Charity in their Will. The anticipated income target for this income stream is guided by a five-year rolling average.



This year, we continued our partnership with specialist will-writers Octopus Legacy, who have been offering a free service for our supporters.

This service has helped our legacy income grow significantly, whilst offering a great opportunity for our supporters to plan for the future. Our supporters are under no obligation to leave a gift to Royal Papworth Hospital if they use the service.

octopuslegacy



Royal Papworth Charity has continued its membership with 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 the Hospital's future patients through our 'Will you?' campaign.



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 many new and returning fundraising events and challenges our supporters always join in with enthusiasm. This year 14 runners tackled the iconic Cambridge Half Marathon in the city centre, raising an amazing total of £7,000 for the Charity. The dedication of our supporters truly makes an incredible impact and inspires us all.

This year over 200 individuals took part in runs, skydives, walks and treks and organised bake sales, celebration events and made donations as a result of selling their creations.

22 corporate supporters enjoyed raising money through auctions, quiz nights and adrenaline challenges.

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. Donations of over £150k, will give hope to future cardiothoracic patients, by supporting the ground-breaking work of the hospital.

Every donation to the Charity makes a difference and whether it is through hosting an event, taking on a challenge, or remembering a loved one, each supporter is making 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.



13. Fundraising heroes

Charlie Ashworth and Brooklands College

Charlie has been fundraising for the Charity in various ways since she underwent a heart transplant at Royal Papworth Hospital. This time, Charlie, a hair and beauty teacher at Brooklands College had the support of her students. The students came together and used their beauty skills to honour their teacher and fundraise for the Charity. Throughout the year the students used their commercial classes to provide reasonably priced hair and beauty services to the public. Money raised from the service was donated to the Charity.



£690

Edmondson Hall

Local equine law firm, Edmondson Hall, selected Royal Papworth Charity as their Charity of the Year in 2023. Many team members have a personal connection to the hospital including Consultant, Dr Michael Drake. Michael underwent a sextuple coronary bypass surgery at the hospital and was readmitted after collapsing five years later. He was then fitted with a coronary stent. Michael says: "I was given total Rolls Royce service on both occasions at the hospital and have been able to enjoy a full life since my procedures. They have my profound thanks."



£9,415

In memory

Emma Wooding

Emma created a page on our Memory Wall in memory of her 17-year old daughter, Evie. All donations will support the Clinical Research Facility 'Play Your Part' campaign, which is a dedicated facility within the Victor Phillip Dahdaleh Heart and Lung Research Institute. Staff, children, and parents from Evie's sister's former primary school, Stebbing Primary School in Dunmow, Essex have contributed £1,600 from a colour run challenge, encouraging people to #BeMoreEvie.



£9,847

Jacob Everitt

Jacob ran the Cambridge Half Marathon in memory of his father, Phil, following the care that he received at Royal Papworth Hospital. Phil received a double-lung transplant in 2011 which gave him five more years with his family. Jacob says, "the level of care and compassion they gave to Dad, Mum, my brothers and me was nothing short of amazing and it is my pleasure to be able to raise funds for such an incredible cause."



£1,360

14. 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 £1.5m free reserves. £0.6m is required for working capital and £0.9m 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 are 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. There were £1,101k commitments approved in 2023/24 (£597k 2022/23) of which £422k related to restricted funds, (£275k 2022/23), £679k related to undesignated funds (£298k 2022/23) and £Nil related to designated funds (£24k 2022/23). A further £562k was approved for the charity budget (£472k 2022/23).

Where the Trustee Board approves the allocation of free reserves towards the funding of future capital programmes/projects/schemes which have been identified by the beneficiary NHS Body as required within the next three to five years, a designated fund is set up for the amount the Trustee Board expects to contribute, and the expected time frame is agreed and recorded..

The designation, time frame and specific proposals are then reviewed by the Trustees as requirements are updated and the fund is closed either when a specific commitment is made or in the event of the proposals being withdrawn.

15. About our investments

15.1 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.

15.2 Investment statement

The Trustee Board aims to ensure that donations and funds held by the Charity are spent effectively and efficiently to achieve its objects; for any purposes related to the National Health Service. 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 an Investment Policy (RPC003 – available upon request) to regulate the activities of their Investment Manager from time to time and to meet the requirements of the Trustee Act 2000. The below statement provides a high-level overview of the policy document.

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 at each Committee meeting.

Having considered the situations set out by the Charity Commission when considering 'responsible investment', the Trustee Board has determined that no investments should be made in securities from organisations that generate a material amount of their turnover or wealth (as defined below) through the following industries and companies:

- Tobacco manufacturers (>10% of overall revenues)
- Armaments (>10% of overall revenues)
- Companies whose principal activities include the manufacture of alcoholic beverages (>25% of overall revenues)
- Companies whose principal activities include the discovery, sale, and distribution of fossil fuels (>20% of overall revenues)

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. The Charity applies the same exclusions within its Donation Acceptance and Refusal Policy. 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 choice of investment manager(s) will be kept under review by the Charitable Funds Committee which should formally decide whether to continue with the current investment manager(s) or recommend to the Trustee Board that a new manager is selected at least every five years.

16. Charity governance, structure and management arrangements

Trustee recruitment, appointment and induction

Members of the hospital's Board of Directors are co-opted into the Trustee Board. The appointment of 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 Trustee Board 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.

17. Members of the Trustee Board (Agents of the Corporate Trustee)

17.1 Current members of the Trustee Board

Name	Title
Jag Ahluwalia	Chairman (from 01/02/2024)
Eilish Midlane	Chief Executive Officer
Tim Glenn	Deputy Chief Executive (from 02/12/2024)
Sophie Harrison	Interim Chief Finance Officer (from 01/11/2023)
Ian Smith	Medical Director
Harvey McEnroe	Chief Operating Officer
Oonagh Monkhouse	Director of Workforce and Organisational Development
Maura Screaton	Chief Nurse
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
Diane Leacock	Non-Executive Director (from 01/02/2024)

17.2 Members of Corporate Trustees who left during 2023/24

Name	Title
John Wallwork	Chairman (until 31/01/2024)
Jag Ahluwalia	Non-executive Director (until 31/01/2024)
Tim Glenn	Chief Finance and Commercial Officer and Deputy Chief Executive (until 31/10/2023) (Secondment to East Kent (from 01/11/2023 - 1/12/2024))

17.3 Members of the Corporate Trustee:

Professor John Wallwork CBE, Chairman (until 31/01/2024)

Professor Wallwork was appointed as Chairman in February 2014. He returned to Royal Papworth Hospital as Chairman after spending 30 years at the forefront of transplant surgery and research at the Trust. Professor Wallwork is Emeritus Professor of Cardiothoracic Surgery. He was a consultant based at Papworth Hospital in Cambridge until his retirement in July 2011.

Dr Jag Ahluwalia, Chairman (from 01/02/2024)

Jag assumed the role of Chair of Royal Papworth Hospital in February 2024, following the retirement of Professor John Wallwork. He had previously been a non-executive director since November 2019. His wide-ranging portfolio as Medical Director included professional medical governance and leadership for more than 1,400 doctors, executive lead for Research and Development, executive lead for Postgraduate Medical Education, lead for patient safety and Director of Infection Prevention and Control. He was co-Chief Operating Officer for over three years and was executive lead for the award winning Electronic Patient Record system and related IT for over 2 years.

Eilish Midlane, Chief Executive Officer

Eilish Midlane became Chief Executive Officer at Royal Papworth Hospital in September 2022, having previously been Chief Operating Officer for five years. Before joining Royal Papworth in 2017, Eilish was the Divisional Director of Clinical Support Services at East and North Hertfordshire NHS Trust. Prior to that, she trained and practiced as a biomedical scientist (a sub-group of healthcare scientists) for many years before moving from pathology to general hospital management in 2008. She holds a wealth of experience spanning strategy, operational leadership and delivery and hospital and clinical services reconfiguration. Eilish brings with her considerable expertise in patient safety, clinical governance and service improvement planning.

Tim Glenn, Deputy Chief Executive and Chief Finance and Commercial Officer (on secondment to East Kent from 01/11/2023 – 31/10/2024)

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.

Sophie Harrison, Interim Chief Finance Officer (from 01/11/23)

Sophie became Chief Finance Officer (interim) at Royal Papworth Hospital in November 2023, having previously been Deputy Chief Finance officer for four years. Sophie is a chartered accountant and a member of the Institute of Chartered Accountants in England and Wales. She brings over 10 years of experience of senior financial leadership across the public sector and prior to joining Royal Papworth she held a number of roles at Monitor (now NHS England) with a focus on supporting organisations and systems to develop long term plans to ensure financial sustainability.

Dr Ian Smith, Medical Director

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.

Harvey McEnroe, Chief Operating Officer (from 01/04/2023)

Harvey joined Royal Papworth Hospital as chief operating officer (COO) in April 2023, having previously held executive and director roles in London and the south east of England. Before joining Royal Papworth, Harvey was managing director and hospital director at University Hospital Sussex, one of the largest NHS Trusts in England. Before this he was COO and chief strategy officer at Medway NHS Foundation Trust. Harvey has a wealth of experience in operations and operational delivery and has worked at acute, specialist, system and regional level in senior operational roles, which give him a unique insight into the full range of services provided in today's NHS, and importantly how to get the best out of them for patients and staff.

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.

Maura Screaton, Chief Nurse

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.

Michael Blastland

Michael Blastland 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.

17. Members of the Trustee Board (Agents of the Corporate Trustee) (continued)

Gavin Robert

Gavin has many years' experience as a private practice lawyer specialising 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. Gavin is also Chair of REAch2 Academy Trust, the largest primary-only multi-academy trust in the country with just over 60 primary academies across England.

Professor Ian Wilkinson

Ian Wilkinson 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.

Diane Leacock (from 01/02/2024)

Diane is a qualified accountant with extensive business experience. She has held Finance Director roles at various commercial organisations including the information and publishing group Informa UK, insurance broker Willis Towers Watson and the regional law firm, Ellisons where she has streamlined, grown and transformed various business units. Currently, Diane works as an independent finance consultant, supporting businesses experiencing challenging situations.

17.4 **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 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)

18. 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 Legal Advisers

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

Withers LLP - 20 Old Bailey, London EC4M 7AN

External Auditor's

KPMG LLP – c/o Fora, 20 Station Road,
Cambridge CB1 2JD

Investment Managers

Cazenove Capital – 1 London Wall Place, London Wall,
Barbican, London EC2Y 5AU

Internal Auditor's

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 personal expenses from the Charity during the year (2023/24: 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.**

19. Wider networks and our relationship with the wider community

Royal Papworth Charity is one of the 230 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. It has been noted that in recent years that NHS Charities Together have changed their approach to engagement and are pro-actively fundraising causing competition concerns and questions regarding the amount of reserves they are holding and distributing, this is being carefully managed via the Charity's risk register.

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 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. This includes mandatory safeguarding training for all staff and volunteers.

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. In line with current rules, players must be a minimum of 18 years of age to participate.

Royal Papworth Charity works with third party suppliers to support and deliver our fundraising and campaigns. All new suppliers are required to adhere to the NHS information governance processes and legal agreements are in place with all formal partnerships, including Commercial Participators.

Royal Papworth Charity has increased its presence in the community providing an exciting calendar of events for supporters and fundraisers to get involved in. All events are held in line with the relevant guidance and best practice fundraising to keep our supporters safe.

20. 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



21. Related parties

During the financial year 2023/24, 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 12** 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** – During 2023/24, the Charity has funded the role of 'Volunteer Coordinator' to help re-build and recruit volunteers to the Hospital and Charity following the negative impact of Covid-19. There are now 53 volunteers registered for volunteering. The volunteers have supported a range of events from the Charity's annual Golf Day, the return of the Carol Concert at Ely Cathedral and the Cambridge Science festival.
- **Fundraisers** – Royal Papworth Charity is hugely grateful to its many supporters who dedicate their time to raise money in aid of the Charity. Whether taking on a skydive, hosting a dinner and dance or taking on a marathon, every fundraiser has made a difference to the wide and varied activities during the year. Once again, the Charity has been impressed and deeply grateful for the imagination and generosity of our supporters who continue to come up with new and exciting ways to fundraise. Together, we are making a real difference.

22. 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



Sophie Harrison
Interim Chief Finance Officer

On behalf of the Trustee Board
Royal Papworth NHS Foundation Trust

Date: 5 December 2024

NATIONAL HEALTH SERVICE

ROYAL PAPWORTH HOSPITAL CHARITY

ANNUAL FINANCIAL STATEMENTS 2023/24

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 (as amended by the Charities Act 2022), 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 1 January 2019.

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

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

Opinion

We have audited the financial statements of Royal Papworth Hospital Charity ("the charity") for the year ended 31 March 2024 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 charity's affairs as at 31 March 2024 and of its incoming resources and application of resources 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 have been appointed as auditor under section 144 of the Charities Act 2011 (or its predecessors) and report in accordance with regulations made under section 154 of that Act.

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 charity 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 charity or to cease its operations, and as they have concluded that the charity'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 charity's business model and analysed how those risks might affect the charity'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 charity'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 charity 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 entity'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 meeting 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 have rebutted the assumed fraud in regard to revenue recognition, on the basis of the nature of 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 and therefore an additional risk has been identified in relation to this.

We performed procedures including:

- Identifying journal entries and other adjustments to test for based on risk criteria and comparing the identified entries to supporting documentation. These included those posted to unexpected account combinations and unusual cash journals.
- Agreeing a sample of expense transactions back to relevant invoices and supporting documentation.

Identifying and responding to risks of material misstatement related to 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 management (as required by auditing standards) and discussed with the corporate trustee and 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.

The Charity is subject to laws and regulations that directly affect the financial statements including Charities SORP and financial reporting legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Whilst the Charity is subject to many other laws and regulations, we did not identify any others where the consequences of non-compliance alone could have a material effect on amounts or disclosures in the financial statements.

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 fraud 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 is responsible for the other information, which comprises the 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.

We are required to report to you if:

- based solely on that work, we have identified material misstatements in the other information; or

- in our opinion, the information given in the Annual Report is inconsistent in any material respect with the financial statements.

We have nothing to report in these respects.

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 charity has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records; 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 is responsible for: the preparation of financial statements which 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 charity'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 charity 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 for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

**20 Station Road,
Cambridge,
CB1 2JD**

Date:

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 2024

		Unrestricted funds	Restricted funds	Total funds 2023/24	Total funds 2022/23
		£000	£000	£000	£000
	Note				
Income from:					
Donations and legacies	2.1	1,669	758	2,427	2,365
Charitable activities	2.4	25	7	32	36
Other trading activities	2.3	26	-	26	30
Investments	2.2	166	103	269	242
Total		1,886	868	2,754	2,673
Expenditure on:					
Charitable activities	3.1	(1,266)	(567)	(1,833)	(1,170)
Raising funds	3.2	(134)	(4)	(138)	(260)
Total		(1,400)	(571)	(1,971)	(1,430)
Net (loss)/gains on investments		200	106	306	(373)
Net income/(expenditure)		686	403	1,089	870
Other recognised gains/(losses):					
(Loss) /Gain on sale of shares		1	-	1	-
Net movement in funds	4	687	403	1,090	870
Reconciliation of funds:					
Total funds brought forward	10	4,187	1,796	5,983	5,113
Total funds carried forward	10	4,874	2,199	7,073	5,983

The notes on pages 48 to 63 form part of these financial statements.

All incoming resources and resources expended derive from continuing activities.

Balance Sheet as at 31 March 2024

		Unrestricted Funds	Restricted Funds	Total at 31 March 2024 £000	Total at 31 March 2023 £000
	Note	£000	£000	£000	£000
Fixed assets:					
Investments	5	3,888	2,027	5,915	5,618
Total fixed assets		3,888	2,027	5,915	5,618
Current assets:					
Stocks		38	-	38	33
Debtors and accrued income	6	1,075	773	1,848	1,087
Cash and cash equivalents	7	1,064	555	1,619	1,921
Total current assets		2,177	1,328	3,505	3,041
Current liabilities					
Creditors	8	(288)	(533)	(821)	(717)
Provisions	9	(736)	(373)	(1,109)	(1,459)
Net current assets/(liabilities)		1,153	422	1,575	865
Total assets less current liabilities		5,041	2,449	7,490	6,483
Non-current liabilities					
Provisions	9	(167)	(250)	(417)	(500)
Net assets		4,874	2,199	7,073	5,983
The funds of the charity:					
Restricted income funds	10.1		2,199	2,199	1,796
Unrestricted funds	10.3	4,874	-	4,874	4,187
Total charity funds		4,874	2,199	7,073	5,983

The annual accounts were approved by the Trustee Board on behalf of the Corporate Trustee and signed on its behalf by:

Signed: Sophie Harrison



Position: Interim Chief Finance Officer

Date: 5 December 2024

Statement of Cash Flows for the year ended 31 March 2024

		Total Funds at 31 March 2024 £000	Total Funds at 31 March 2023 £000
	Note		
Cash flows from operating activities:			
Net cash used in operating activities	13	(571)	680
Cash flows from investing activities:			
Dividends and interest from investments		244	238
Interest received - bank account		25	4
Net cash provided by investing activities		269	242
Change in cash and cash equivalents in the year		(302)	922
Cash and cash equivalents brought forward		1,921	999
Cash and cash equivalents carried forward	7	1,619	1,921

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 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 £7,073k at the end of 2023/24 financial year (2022/23 £5,983k).
- The Charity reported a closing cash position of £1,619k for the 2023/24 financial year (2022/23 £1,921k).

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 conditions are 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 equity held are apportioned to each fund based upon the average yearly balance of each 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 to deliver an activity. These include staff costs, costs of administration, software costs and external audit costs. Support costs have been apportioned between costs of raising funds and charitable activities. 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 based on 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

			2023/24	2022/23
	Unrestricted	Restricted	Total	Total
	Funds	Funds	Funds	Funds
	£000	£000	£000	£000
Legacies	968	867	1,835	1,566
Donations	701	(109)	592	799
	1,669	758	2,427	2,365

2.2 Details of investment income

	Unrestricted Funds £000	Restricted Funds £000	2023/24 Total Funds £000	2022/23 Total Funds £000
Investments in listed equities	<u>166</u>	<u>103</u>	<u>269</u>	<u>242</u>
	166	103	269	242

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	2023/24 Total Funds £000	2022/23 Total Funds £000
Merchandise and shop	<u>26</u>	<u>-</u>	<u>26</u>	<u>30</u>
	26	-	26	30

2.4 Analysis of income from charitable activities

	Unrestricted Funds £000	Restricted Funds £000	2023/24 Total Funds £000	2022/23 Total Funds £000
Charitable events income	<u>25</u>	<u>7</u>	<u>32</u>	<u>36</u>

Income has slightly decreased compared to last year due to increased hardship on cost of living and no new products were introduced to trading activities in the year. Despite having extra events, the income still decreased.

3. Expenditure

3.1 Analysis of Charitable activities

	Grant funded activity £000	Support and governance costs £000	2023/24 Total £000	2022/23 Total £000
Patients' welfare and amenities	478	147	625	180
Staff welfare and amenities	719	286	1,005	418
Research	147	56	203	572
	1,344	489	1,833	1,170

The Research expenditure relates mainly to commitments for ongoing and new research projects.

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

3.2 - Analysis of expenditure of raising funds

	Unrestricted funds £000	Restricted funds £000	2023/24 Total funds £000	2022/23 Total funds £000
Investment management	7	3	10	10
Fundraising events	88	-	88	150
Support costs	39	1	40	100
	134	4	138	260

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	2023/24 Total Funds £000	2022/23 Total Funds £000
Audit fee	1	16	17	16
Seconded staff costs	24	299	323	336
Publications and literature	-	-	-	8
Other	15	174	189	224
	40	489	529	584

	Unrestricted funds £000	Restricted funds £000	2023/24 Total funds £000	2022/23 Total funds £000
Raising funds	39	1	40	100
Charitable activities	363	126	489	484
	402	127	529	584

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 2020. The audit fee for the statutory audit is £14,000 (2022/23: £13,600), excluding VAT.

3.4 Staff costs and employee benefits

	2023/24 £000	2022/23 £000
Salaries and wages	189	201
Social security costs	18	20
Employers pension contributions	18	22
	225	243

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 2023/24 is 6 (2022/23: 7). These staff members belong to the NHS Pension Scheme which is an unfunded defined benefit contribution. For more information on the NHS Pension Scheme refer to the Royal Papworth Hospital NHS Foundation Trust annual report and accounts (note 5.1 page 157-159). The

recharge from Royal Papworth Hospital NHS Foundation Trust includes the employer contributions to the scheme.

No employee was paid more than £60,000 during the year (2022/23: 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 from Charity.

No Trustee Board member received any expenses during the year (2022/23: Nil).

4. Change in Resources available for Charity use

			2023/24
	Unrestricted	Restricted	Total
	Funds	Funds	Funds
	£000	£000	£000
Net movement in funds available for future activities	687	403	1,090
			2022/23
	Unrestricted	Restricted	Total
	Funds	Funds	Funds
	£000	£000	£000
Net movement in funds available for future activities	1,028	(158)	870

5. Analysis of Fixed Asset Investments

5.1 Fixed Asset Investments

	Total 2023/24 £000	Total 2022/23 £000
Investment Management		
Market value at 1 April	5,618	5,991
Disposal of shares	(9)	-
Gain/(Loss)	<u>306</u>	<u>(373)</u>
Market value at 31 March	<u>5,915</u>	<u>5,618</u>
Cash held with Investment Management at 31 March	<u>-</u>	<u>-</u>
Fixed Asset Investments	<u><u>5,915</u></u>	<u><u>5,618</u></u>
Historic cost at 31 March	<u>5,186</u>	<u>5,195</u>

The valuation of the investments is at 31 March 2024 and may not be realised on the date the investments are disposed of. The investments are subject to market risk and changes in the global economic markets which has driven the valuation of investments slightly up during 2023/24.

The historic cost represents the value of shares after purchases and sales at 31 March 2023 before the shares are revalued.

The Charity has shares in SUTL Cazenove Charity Responsible, Multi-Asset Fund, Units-S-GBP Distribution, BF78454 purchased in 2021. At 31 March 2024 10,506,184.56 (31 March 2023 - 10,525,129.60) shares were held in this fund, with a market value at 31 March 2024 of £5,914,981.91 (31 March 2023 - £5,618,314.16).

5.2 Market value

	31 March 2024 £000	31 March 2023 £000
Investment listed on a recognised stock exchange held		
Within the UK	5,915	5,618
Outside the UK	<u>-</u>	<u>-</u>
	<u>5,915</u>	<u>5,618</u>

6. Analysis of Debtors

	31 March 2024 £000	31 March 2023 £000
Amounts falling due within one year:		
Accrued Income	<u>1,848</u>	<u>1,087</u>
	<u>1,848</u>	<u>1,087</u>

7. Cash and cash equivalents

	31 March 2024 £000	31 March 2023 £000
Cash in hand	<u>1,619</u>	<u>1,921</u>
Total cash at bank and in hand	<u>1,619</u>	<u>1,921</u>

8. Analysis of Creditors

	31 March 2024 £000	31 March 2023 £000
Amounts falling due within one year:		
* Amounts owed to Royal Papworth Hospital NHS	488	380
Foundation Trust		
Other creditors	<u>333</u>	<u>337</u>
	<u>821</u>	<u>717</u>

* This was paid to the Trust on 24th of May 2024.

9. Analysis of provision for liabilities

	Provision for Research £000	Other Provisions £000	Total £000
At 1 April 2023	1,313	646	1,959
Arising during the year	248	1,415	1,663
Utilised during the year	(946)	(1,034)	(1,980)
Unused amounts reversed during the year	<u>(30)</u>	<u>(86)</u>	<u>(116)</u>
At 31 March 2024	<u>585</u>	<u>941</u>	<u>1,526</u>
Expected timing of cash flow:			
- not later than one year	335	774	1,109
- later than one year and not later than five	250	167	417

	Provision for Research £000	Other Provisions £000	Total £000
At 1 April 2022	1,252	894	2,146
Arising during the year	333	736	1,069
Utilised during the year	(211)	(873)	(1,084)
Reallocation	(53)	53	-
Unused amounts reversed during the year	<u>(8)</u>	<u>(164)</u>	<u>(172)</u>
At 31 March 2023	<u>1,313</u>	<u>646</u>	<u>1,959</u>
Expected timing of cash flow:			
- not later than one year	813	646	1,459
- later than one year and not later than five	500	-	500

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.

10. Analysis of funds

10.1 Analysis of funds – Restricted funds

	Balance 1 April 2023 £000	Incoming Resources £000	Resources Expended £000	Notional Revaluation of Investments £000	Balance 31 March 2024 £000
Material funds (list individually)					
A Cardiac Care Fund	178	40	(22)	7	203
B DCD Transplantation Fund	331	20	(36)	13	328
C Royal Papworth Hospital Transplant Fund	291	308	(26)	14	587
D Lung Defence Fund	128	9	(23)	4	118
E Pulmonary Hypertension Fund	45	1	(4)	2	44
F The Greg Mustill Memorial Fund	41	3	(4)	1	41
G Vision For Research Fund	85	134	(60)	5	164
H HLRI Project	627	(170)	(15)	52	494
I LEG00227 GB	-	483	(374)	11	120
Others 8 (2022/23: 8)	70	40	(7)	(3)	100
Total	1,796	868	(571)	106	2,199

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 Vision For Research Fund	For the benefit of all research activities at Royal Papworth Hospital relating to the prevention, treatment and cure of cardiothoracic illness and diseases.
H HLRI Project	For supporting future research within the HLRI
I LEG00227 GB	New fund set up for Papworth Hospital in this financial year as a restricted fund for the purpose of funding medical operations.

10.3 Unrestricted funds

Unrestricted funds amounting to £4,874k (2022/23: £4,187k) consist of 2 general funds totalling £3,076k (2022/23: £2,879k) and 32 designated funds totalling £1,798k (2022/23: £1,308k).

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

Funds have arisen from donation, legacies, and fundraising activities.

10.4 Analysis of unrestricted undesignated funds

	31 March 2024 £000	31 March 2023 £000
Material undesignated funds		
General	3,010	2,819
Merchandise & Shop	66	60
	<u>3,076</u>	<u>2,879</u>

10.5 Analysis of unrestricted designated funds

Material designated funds	Description of the nature and purpose of each fund	31 March 2024	31 March 2023
		£000	£000
Transplant General	For the benefit of staff and patients of the transplant unit	83	96
Theatres, Critical Care and Anaesthetics	For the benefit of TCCA Services at Royal Papworth Hospital	104	103
Cardiac Services Fund	For the benefit of all Cardiac Services at Royal Papworth Hospital	602	308
Electrophysiology Fund	For the benefit of Electrophysiology Services at Royal Papworth Hospital	136	146
Hospital Equipment Fund	Funding for cutting-edge equipment for the Hospital	239	270
Staff Education Fund	Funding for support the development and educational requirements of staff	59	71
Hospital Environment and Arts-health Fund	Funding for enhancing the hospital environment and wards at Royal Papworth Hospital	36	42
Radiology General	For the benefit of the Radiology Service at Royal Papworth Hospital for all reasonable activities including research, medical equipment, hospital environment and patient and staff welfare.	31	32
HLRI Research	For capital contributions to the Heart and Lung Research Institute	272	-
Others (March 2024: 23, March 2023: 23)		236	240
Total		1,798	1,308

11. Contingencies and Capital Commitments

There are no capital commitments in 2023/24 (2022/23: £nil).
There are no contingent liabilities in 2023/24 (2022/23: £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 2023/24.

The amount paid was £1,558k (2022/23: £905k) and there was a creditor balance at the end of the year of £488k (2022/23: £380k).

The Charity is a subsidiary of Royal Papworth Hospital NHS Foundation Trust, the parent entity.

The consolidated group accounts for financial year 2023/24 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

	2024	2023
	£000	£000
Net movement in funds	1,090	870
Adjustments for:		
Loss/(gains) on investments	(306)	373
Loss/(gain) on sale of shares	(1)	-
Dividends and interest received from investments	(244)	(238)
Interest received - bank account	(25)	(4)
Investment management fee taken from investment cash held	10	-
(Increase)/decrease in stocks	(5)	8
(Increase)/decrease in debtors	(761)	(562)
Increase/(decrease) in creditors	104	420
Increase/(decrease) in provisions	(433)	(187)
Net cash provided by/(used in) operating activities	(571)	680
 Cash flows from investing activities:		
Dividends and interest from investments	244	238
Interest received - bank account	25	4
Net cash provided by investing activities	269	242

14. Post Balance Sheet Event

There are no post balance sheet events to report.



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