



# Annual Report 2020/2021



# Contents

## Annual Report

|                                   |    |
|-----------------------------------|----|
| Chair's report                    | 3  |
| Chief Executive's report          | 4  |
| Our Charity and Hospitals         | 5  |
| Summary of fundraising activities | 7  |
| Community donations               | 8  |
| Charity events                    | 10 |
| Community fundraising             | 13 |
| Our appeals                       | 15 |
| The arts in our hospitals         | 18 |
| Making the difference             | 23 |
| Fundraising disclosure            | 24 |
| Trustees' report                  | 25 |
| Financial review                  | 27 |

## Financial Statements for the year ended 31 March 2021

|   |    |
|---|----|
| Advisors and Administrative Information | 36 |
| Trustees' Responsibilities Statement    | 37 |
| Independent Auditor's Report            | 38 |
| Statement of Financial Activities       | 42 |
| Balance Sheet                           | 43 |
| Cash Flow Statement                     | 44 |
| Notes to the Financial Statements       | 45 |



# Chair's report

Richard Hunting, CBE



This annual report covers a year like no other. With their deep expertise in respiratory medicine, Royal Brompton and Harefield Hospitals were in the frontline of the Covid-19 crisis. Patients needing specialist treatment were transferred from other hospitals, and wards were quickly adapted to cope with the influx of patients, several on ECMO (Extracorporeal Membrane Oxygenation). The lives of our clinical teams were turned upside down.

Our Charity responded by launching an emergency appeal and our donors – past, present and new – sprang into action. I cannot praise our fundraising team enough for their adaptability and creativity over these 12 months. They hosted online events, receptions and appeal launches and not only raised £2.3m for the Covid-19 Appeal but also kept their original pledge to raise £1m for imaging equipment.

The pandemic created challenges for the Charity beyond disrupted working patterns. Our property portfolio had a difficult time with offices closed and residents leaving London. The valuable unrestricted investments that fund hospital projects, most notably ground-breaking research, took a battering but with astute management we did not fare as badly as many property owners.

In February, Royal Brompton and Harefield Hospitals merged with the Guys and St Thomas's Foundation Trust, opening up new opportunities and resources for cardiac and respiratory care. We took the opportunity of this structural change to reword our Articles of Association, making sure that needs of heart and lung patients are firmly at the centre of work. Our commitment to supporting the work of our strategic partner, Royal Brompton & Harefield Clinical Group, remains unchanged.

At the end of the financial year, we said farewell to our Chief Executive, Gill Raikes, who has made a magnificent contribution to the Charity during the last nine years. I would like to take the opportunity to thank her for her contribution to the Charity during that time.

As 2021/22 got underway, we have welcomed Richard Bowyer as our new Chief Executive and begun the work of building relationships with the wider Foundation Trust. We continue to fund a range of projects at the hospitals, across Covid-19 recovery, healthcare innovation and an improved patient experience. I am pleased to say in this new financial year – my last as Chair – our Charity has never been in better health.

# Chief Executive's Report

Richard Bowyer



It's been a privilege for me to take over leadership of this extraordinary Charity at the end of a period where we have been greatly tested and responded magnificently to the challenge.

Royal Brompton and Harefield Hospitals have played a crucial role in responding to the COVID-19 pandemic, at the heart of the critical care provision and receiving patients from across London and beyond. The Charity supported our colleagues by launching our first-ever emergency appeal, raising more than £2m to fund ventilators, portable ultrasounds, ECMO equipment, research support, and much more. We funded a bespoke Covid-19 testing centre at Harefield, and supported our colleagues with counselling services and food vouchers. Our donors gave gifts from hot food to hand cream and from chocolates to soft drinks.

Every single event planned for 2020 was cancelled but – despite the challenges of moving to home working for large parts of the year – the Charity's team responded with energy and creativity to develop new fundraising opportunities. Charitable Trusts were exceptionally generous. We were particularly delighted to have been able to hold events hosted by two legendary broadcasters, journalists and writers, Mishal Husain and Jonathan Dimbleby. The year ended with the highest income raised ever. Every single member of staff played their part in making this year a success, enabling us to support our two hospitals when they needed us most.

I would particularly like to pay tribute to my predecessor, Gill Raikes, who led this Charity with distinction for almost nine years. Gill's legacy can be seen in the research projects, the equipment and facilities that have had such a positive impact on the patients at our hospitals.

Covid-19 casts a long shadow and there are many challenges ahead of us. In 2021/22, we need to help our hospitals recover from the impact of the pandemic; rebuild our events programme; and connect with new supporters and old friends. But we go into this year with the confidence that we can rise to any challenge.



# Our Charity and Hospitals

Our charity raises funds to support the patients and staff at Royal Brompton and Harefield hospitals. Through fundraising, donations, grants, legacies and investments, the Charity provides money for research, equipment and amenities that fall outside the scope of NHS funding for these two hospitals.

Royal Brompton and Harefield hospitals are dedicated to fighting two of the biggest killers in the world: heart and lung disease. Together they are the UK's biggest heart and lungs centre, treating patients from new-born babies to adults in their 90s. The hospitals perform heart and lung transplants, as well as treating patients suffering from heart attacks, asthma, cystic fibrosis or any other heart or lung conditions.

## Royal Brompton



Royal Brompton hospital was founded in 1841 as a tuberculosis hospital. In the 19th century it was supported by the Royal Family, Benjamin Disraeli and Charles Dickens. It was incorporated into the National Health Service in the 1940s and began developing expertise in treating heart conditions, in addition to its historic specialism in the treatment of lung disease. Today, the hospital is the only specialist heart centre in the country that treats both adults and children.

## Harefield



Harefield hospital opened in 1915 to treat ANZAC troops wounded during the First World War. In the 1930s, a new tuberculosis hospital was built at Harefield and since then the hospital has specialised in treating respiratory conditions. In the 1940s, the hospital began to develop expertise in cardiac treatments. It is now one of the largest and most experienced centres in the world for treating heart and lung disease.

## Changes in 2020/21

The coronavirus pandemic changed the way healthcare was delivered to patients. Remote monitoring was in its infancy at the start of 2020 but it rapidly became vital with patients not able to come to hospitals or surgeries. Digital recording of conditions, skype and zoom calls, and apps replaced journeys to hospital. Our Charity is proud to have been part of a pioneering programme of remote monitoring for cystic fibrosis patients and now, as we look forward to how our Charity will continue to support Royal Brompton and Harefield Hospitals, digital healthcare will be part of our programmes. The Charity also supported rapid Covid-19 research, gathering data from many other hospitals so lessons could be learned and shared on treatment pre, during and post illness. Research will continue to be at the core of our support, not just for Covid-19 but also exploring new treatments for cardiac and respiratory conditions.

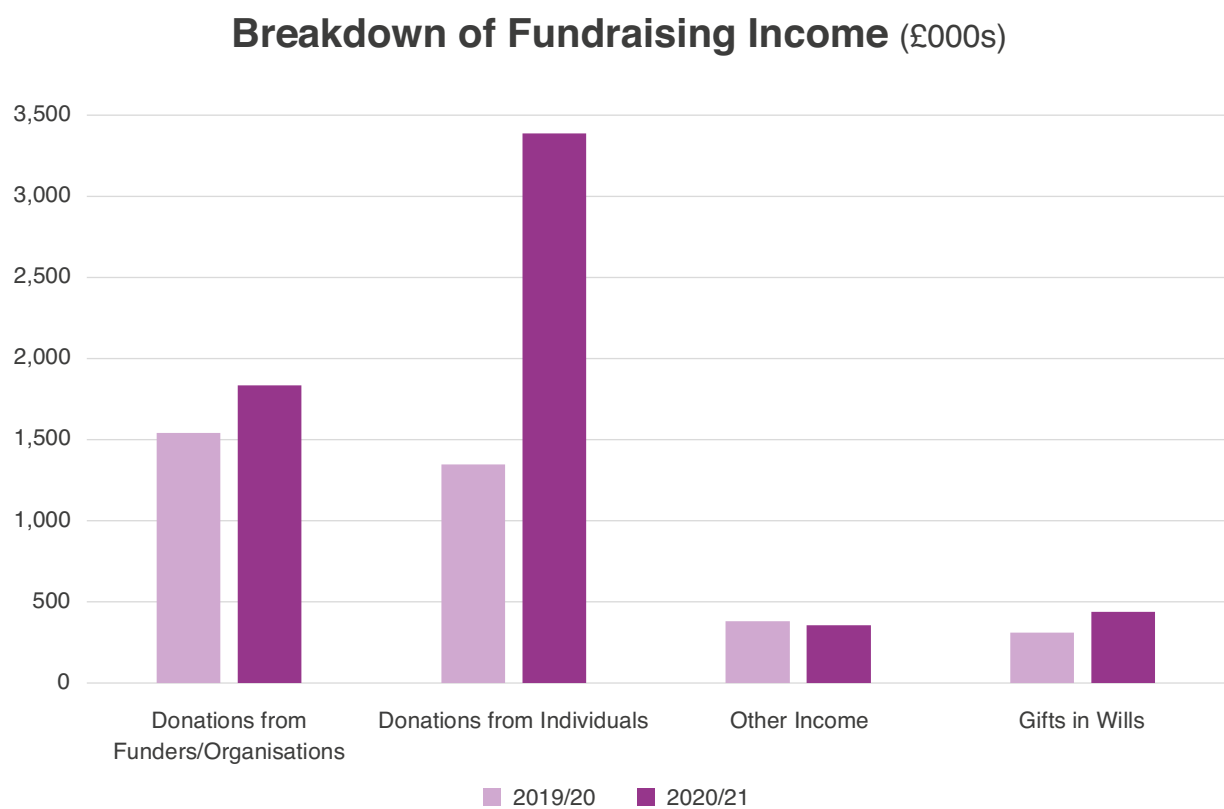
Our two hospitals have merged with Guys and St Thomas's Foundation Trust which is an exciting development for our NHS colleagues and our patients. Our Charity will continue to support Royal Brompton and Harefield hospitals and in addition to cutting edge digital progress and groundbreaking research, we will also fund equipment to ensure our two hospitals stay at the forefront of medical technology. 2021 sees us funding the very latest imaging equipment for a brand-new catheter laboratory at Harefield Hospital as well as ECMO equipment which will be used at both hospitals.

## Improving patient experience

We are also proud to fund our energetic Arts team which brings music, art, dance, comedy and more to our patients and their families. Every year, we fund a host of smaller projects via our Patient Fund. This fund provides items which improves the lives of patients their families and NHS staff, from iPads to furniture and from coffee machines to exercise bicycles.



# Summary of fundraising activities



# Community donations



The communities around both our hospitals supported our staff when their needs were greatest. During both the first and second wave of Covid-19 patients, businesses large and small, community groups and individuals made incredibly generous donations of food and goods for our staff.

Our staff at both hospitals were very busy caring for some of the most severely unwell Covid-19 patients. They did not have time to shop for food and household supplies when working long hours. It was of great help to our staff that the community provided what they needed for them.

Restaurants donated freshly cooked meals, local shops provided groceries and toiletries. We received donations of hand cream, baked cakes, fresh vegetables and pot noodles. Benches were supplied for a quiet seating area and local Harefield residents gathered donations for our staff. Individuals and families made donations including chocolate treats and soft drinks.



There were too many very generous donations for us to thank everyone here. All our staff appreciated every donation. When they needed help, the communities around both our hospitals provided for them.



Another way the community came together during the second wave of Covid-19 patients was via our Care and Share Noticeboard. This was an online space the Charity set up where anyone could add a message, upload a photo, drawing or video to show our staff that their hard work was appreciated. Many moving messages were left by former patients, friends, family and members of the community. This wave of thanks really helped our staff during one of the most difficult periods of the pandemic. Everyone at the Charity and all the staff at Royal Brompton and Harefield hospitals wanted to say thank you to our local communities who went above and beyond to support the hospitals during the pandemic. It meant so much to our staff.



Ellen Dunthorne and Ciara Collins, both critical care matrons at Harefield Hospital said:

*"The support the Critical Care Unit has received from the community during both the first and second surge has been incredible. The endless food, drinks, cakes, soups, biscuits and meals has been amazing and has definitely kept us going and given us a sugar boost when we have been so tired. The generosity from the community is something we will never forget and has made us feel that we are not fighting this battle alone, we are all in this together."*



# Charity Events

The Covid-19 pandemic meant that in 2020/21 many of our regular events, such as the Harefield Fun Run, Golf Day and the London Bridges walk, could not take place. Instead, we adapted by launching new online or virtual events.

## Team Heart vs Team Lungs

In September we held our first online challenge event, Team Heart vs Team Lungs. The event was designed so that anyone could participate, wherever they were and whatever their level of fitness. The distributed nature of the event was key. It meant participants could be socially distanced and take part despite different levels of regional Covid-19 restrictions.

Participants could join either Team Heart or Team Lungs and then cover distance by either, walking, running, jogging or cycling whilst being sponsored. The total distance covered by each team was recorded in the My Virtual Mission platform.

The event was a huge success with over 400 people taking part, from Harefield staff and patients to walkers in Fort William, Scotland. Means of engagement varied from participants walking dogs to climbing mountains. Team Heart vs Team Lungs raised over £40,000 for the Charity and we will be holding the event again in the next financial year.



## Brompton Bingo Bonanza

One of the online events we held, in place of in person events, was a bingo night, which supporters could attend from their own sofa via Zoom. Brompton's Bingo Bonanza consisted of four rounds of bingo with prizes and a raffle. Over 150 people attended the event that raised funds for our Life in Focus appeal.



## The Great Lockdown Quiz



In the early stage of the first lockdown, we realised that it would not be possible to hold our events as normal. Thus, we needed to arrange new events to raise funds for the Covid-19 Emergency appeal. The first of these events was The Great Lockdown Quiz. The quiz consisted of five rounds, each with a guest celebrity host.

Anneka Rice, Bill Bryson, Jeremy Limb, Mel Giedroyc and Jos Buttler all asked questions, in pre-recorded videos, covering geography, sport,

movies and music. The questions went out to our audience of over 100 participants, who attended via Zoom. The event raised £600 for the Covid-19 Emergency appeal, which helped both our hospitals throughout the first wave of the pandemic.

## Virtual Vino

We organised a virtual stroll through the vineyards of Spain with our online wine tasting. The event was hosted by wine expert Phil Humphries and Juan Diez from Tierras de Murillo, live from their winery in Spain. Via Zoom they guided participants through a tasting of three different wines from the La Rioja region of Spain. This event was supported by Unique Wine Safaris and raised £2,600 funds for our Covid-19 Relief Fund.



## Virtually Christmas

Our regular Carols by Candlelight events could not take place this year, so instead we held an online carol concert called Virtually Christmas. The event was co-hosted by both St Luke's Church, Chelsea and St Mary's Church in Harefield and featured readings at both sites.

Virtually Christmas included readings by HRH Princess Eugenie and Dame Sian Phillips, as well as singing from Strictly Come Dancing star Lance Ellington, Fortis Voices, Singing for Breathing and the Harefield Junior School Choir. Virtually Christmas was supported by Savills and filmed at St Luke's Church, Chelsea. The event raised £2,320 for the Life in Focus appeal.





# Community Fundraising

Our brave supporters did not let the Covid-19 pandemic and lockdown prevent them from raising funds, in a safe and socially distanced way. The pandemic meant that our fundraisers needed to get creative in what they did to support our hospitals. Below are some stories of how they managed this:



## Leo May - £1,600

Leo went the extra mile for Harefield Hospital, which he lives near, during the second wave of the Covid-19 pandemic. He laced up his shoes and set himself the target of walking 450,000 steps in 30 days, 15,000 steps a day, to raise funds for the hospital.

Leo said: "At first, I wanted to raise £200 but I increased my target to £600 because people kept donating. I went for a walk every day, even in the sun, ice, snow and rain. I went out with my mum, dad, sister, grandparents and many more people. I really enjoyed it. My total steps tally was 505,949. I could have walked to Liverpool with five miles to spare or almost twice around the M25."



## Andrew Mackenzie - £9,100

During lockdown, transplant patient Andrew and his wife, Sandra, spent their time crafting wooden reindeer and snowmen Christmas decorations, which they sold to raise funds for Harefield Hospital. After taking early retirement from his job in a bank, Andrew took up logging as a hobby. Then in February 2014 he had a lung transplant at Harefield Hospital.

"I'm alive because of some amazing people and a donor. They have, between them, given me, so far an additional 3,500,000 minutes of life," Andrew said.

Together, Andrew and Sandra made over 1,000 decorations that they sold through their website and our online shop, raising £9,100 for Harefield hospital.



## Morgan Fullbrook – £1,315

12-year-old Morgan Fullbrook organised a sponsored 5km run to raise funds for Harefield Hospital. Morgan's grandfather suffered from cystic fibrosis and in September 2018 he had a double lung transplant at Harefield.

"I am doing this because Harefield hospital gave me the best gift ever, they gave me my grandad back, they gave me more time with him, more memories," Morgan said. Morgan aimed to raise £1,000 but he exceeded that and raised £1,315 in total.



## Lawrence Wiffin - £2,035

Ten years ago, Lawrence had surgery to correct a hole in his heart at Royal Brompton Hospital. Last year to mark the 10th anniversary of his life-changing operation, Lawrence took on a fundraising challenge for the Charity. For 10 days, from Friday 6 November until Sunday 15 November 2020, Lawrence ran 10km every day to mark 10 years since his life-changing open-heart surgery at Royal Brompton. He called this his 10, 10ks in 10 days 10 years on.

"If this defect wasn't discovered I probably wouldn't be here now. I am forever grateful to the wonderful staff at the Brompton and if it wasn't for them, I wouldn't have gone on to have three healthy wonderful sons," Lawrence said. Through sponsorship and donations, Lawrence raised £2,035 for the Charity.



## Eugene Miskelly - £9,773

Eight months after being in intensive care, Eugene walked 45 miles along the Thames to raise funds for the Charity. Complications during a routine heart operation left Eugene in a coma for 18 days. He then spent 11 weeks in hospital recovering. When Eugene was discharged, he had to build up his muscles and learn to walk again. He pushed himself to walk further each day and gradually his strength grew. This led to him taking on the challenge of walking 35 miles over four days in March 2021. With his family by his side, Eugene exceeded his 35 miles target and walked 45 miles. He also raised £9,773 for the charity.



**Royal Brompton & Harefield**

**NHS Foundation Trust**

## WTF1 - £16,399

WTF1 held a charity race to celebrate their 10th anniversary. They raised the funds for Harefield Hospital in memory of Tom Reach, the brother-in-law of race organiser Tommy. Tom was treated at Harefield for end-stage heart failure and had a mechanical heart fitted in 2015. Tom passed away in February 2019 and WTF1 held the fundraiser in his honour. The race raised £16,399 for the charity.

# Our Appeals

## Covid-19 Emergency Appeal

*Responding to the Covid-19 emergency*

In the early stage of the Covid-19 pandemic we rolled out our Covid-19 Emergency appeal. This provided equipment urgently needed for the hospitals to respond to the first wave of Covid-19 patients. The appeal quickly received a lot of generous donations and we were able to purchase a new ECMO machine, handheld ultrasound scanners and smart scrubs for NHS staff who quickly found themselves on the front line of the pandemic.

## Life in Focus Appeal

*Bringing even the tiniest hearts into even greater focus*



In summer we launched two new appeals. One of which was the Life in Focus appeal to help with the redevelopment of Cath Lab 2 at Royal Brompton Hospital. The appeal aimed to raise £500,000 to purchase state-of-the-art imaging equipment for the new catheter laboratory (cath lab) that would treat both adult and paediatric patients.

The Charity achieved this target, and the new scanner is currently being installed in Royal Brompton Hospital. When it is online, it will help patients, including babies only a few days old, receive lifesaving minimally invasive heart procedures.



## Lifeline Lab Appeal

*Providing a lifeline to more patients*



The Charity pledged to raise £500,000 to purchase a Siemens Artis scanner for the redevelopment of Cath Lab 5 at Harefield Hospital. Harefield performs over 5,500 minimally invasive cath lab procedures each year, many of them on patients too weak for major surgery. This new scanner will provide more detailed images of patients at lower radiation levels.

## Covid-19 Relief Fund

*Help where it's needed most*



January saw a spike in new Covid-19 cases. This was the most challenging wave of the pandemic, as we received referrals from hospitals around the capital, who sent some of their most critically ill patients.

We established the Covid-19 Relief Fund to buy equipment our NHS colleagues needed immediately, but will also be useful in the future. The appeal also raised funds for staff and patient welfare, including a staff wellbeing and sustenance package and funding for a Patient Experience Coordinator.

## Fuelling the Frontline

*Providing food for frontline NHS staff*

Chelsea based chef Phil Howard and patrons of his Michelin starred restaurant Elystan Street, led this appeal to provide hot food for frontline NHS staff during the Covid-19 pandemic. The appeal succeeded in raising £100,000. All additional funds left over from providing the food, went towards the Covid-19 Emergency Appeal.

## Supporting the Frontline

*Helping frontline NHS staff through the pandemic*

During the pandemic, our staff needed to work longer hours, which made it difficult for them to shop for groceries for themselves and their families. To help with this 5 Hertford Street and Oswald's sponsored food boxes to provide fruit and vegetables to frontline staff.

The original target for the appeal was to raise £75,000, but there was an incredible response and we were able to raise over £240,000, enough to provide a 12 week programme of food boxes for frontline staff. This appeal was supported by many generous gifts in kind from the public and local businesses. The additional funds raised went towards purchasing equipment via the Covid-19 Emergency Appeal.

## The Patients' Fund

*Improving hospital life for our patients*

The Charity pledged £120,000 towards projects submitted by staff to improve patients' stay in hospital. Projects funded in 2020/21 included a wall mounted television screen, a smart phone application providing information to patients, 250 patient comfort packs, an iPad to teach patients and their families to use spirometry software, funding for leisure activities for long stay patients and many more projects.

# The Arts in our hospitals

The Charity supports the Trust Arts Programme (rb&hArts) to provide patients moments of distraction, connections to other patients or space for quiet reflection thanks to the healing power of the arts. rb&hArts aims to positively impact the wellbeing of our hospitals' communities through high-quality cultural activities, which offer beauty, build confidence, develop skills and reduce loneliness, whilst supporting clinical expertise.

Despite the challenges of the Covid-19 pandemic, rb&hArts has continuously run its participatory creative programme, maintaining engagement opportunities for our shielding beneficiaries online. We are grateful that the Charity, and all those who fund the Arts Programme, supported moving the creative programme online and our intention to continue paying our artists during this challenging year. The result was a rapid transformation of our services, which comprised an intensive programme of retraining for our participants to assist them in joining activities online, and for our facilitators who had to relearn how to deliver activities in an online setting.

## rb&hArts online

Our Covid-19 response was titled 'rb&hArts Online', and it saw a blended mix of live music, and art and craft activities, online and on social media alongside piloting our successful Singing for Breathing weekly sessions. Our musicians in residence Stac and Adrian Garratt funded by the Patients Amenity Fund continued offering music on Facebook twice a week until September 2020. Adrian Garratt continued offering live interactive music online on Zoom and on Facebook, and on the wards when possible, thanks to National Lottery Community Fund and the Harefield Transplant Club. Transplant outpatients clubbed together to fundraise to support the initiative, even creating a Fan-Club t-shirt on sale on the website.





Our beneficiaries were treated to the widest ranging arts and craft challenges, posted initially daily, then twice a week on social media. This culminated in a virtual exhibition and event celebrating creativity through lockdown. The funding helped spread distraction activities and learning opportunities for patients on wards in art boxes, distributed across the hospitals.

One of the pre-transplant patients who had spent 6 months without a visitor in hospital said:

*“The Arts package encourages patients to feel more confident and more at home, before they had their transplants. I have found it very useful.”*



## Singing for Breathing

Funded by the Morrisons Foundation, with additional support from the Samuel Gardner Memorial Trust and participants themselves, Singing for Breathing 'online' has provided a vital social space for 117 participants living with chronic/life-limiting respiratory conditions who have been required to shield. It provides time for a chat before trained facilitators lead activities in breath management and group singing. The programme has provided physical exercise supporting lung function through mindful activities, boosting positive mental health and creating peer support networks.

Some of our participants were hospitalised with Covid-19 and have remarked that they found the Singing for Breathing exercises invaluable in recovery. rb&hArts created a social space, with music concerts by Edmund Jeffery and a screening of the "Singing Hospital" performance for our audiences. Participants contributed a collective cheery and heart-warming number for the Charity's Christmas carol concert Virtually Christmas.

A participant said: *"It was lovely to take part in the group session and to see everyone... it cheered me up as like everyone else we do not have very much contact with many people at present. Helped get me moving not had much exercise lately and was feeling a bit lethargic this helped to liven me up a bit".*

Another said: *"Thank you for keeping us all together. It is very important for us all."*



## Vocal Beats

Vocal Beats too continued to offer meaningful youth-led music learning online. Thanks to our funders, Youth Music, the Co-op Foundation Building Connections Youth Strand, the Royal Marsden Cancer Charity and the Brompton Fountain, we continued supporting our activities throughout the pandemic,



musicians diversified their skillsets, adding creative video-making, teaching musical skills progression and music production, furthering capacity to engage young people through collaborative music projects. The result was a series of 6-week virtual short courses in music-making, production and song-writing, and live streams. In October 2020, the programme restarted 121 music-sessions on Zoom with referrals coming from the wards.

A participant said: *“A chance to play and explore with the music. I like that I can connect with friends virtually and have honest discussions in a safe space.”*

Another said: *“Something to aim for, lovely sense of community and belonging, amazing song, people and memories.”*

## Nature & Wellbeing

As well as managing the Arts Collection, rb&hArts has developed contemporary art and design projects that are embedded in the fabric of the hospitals' estates. To mark the completion of a successful 2-year partnership, the Chelsea Physic Garden gifted a mini botanical garden in the courtyard of Sydney Street designed and delivered with the Brompton Fountain. With the addition of a new bespoke Rainbow Bench donated to the Hospital, hand made by Anwick Forge, a Yorkshire-based blacksmith, and with artworks by Carrie Reichardt and Jacqui Symons, the courtyard is now a beautiful haven of tranquillity and a symbol of hope, love and resilience to support patients' rehabilitation and the therapy of all.

Frances Sampayo, Deputy Director (Visitor Experience) said: “We are delighted to be bringing Chelsea Physic Garden's history and expertise on the healing power of plants to Royal Brompton Hospital. Our thanks go to the Foyle Foundation, The Goldsmiths' Company Charity and our amazing staff and volunteers. We hope the space brings joy, relaxation, and peace for those that need it.”

At Harefield Hospital, working in partnership with Groundwork London, rb&hArts developed new garden spaces for patients outside Intensive Care and Rowan Wards. The project was funded through our Charity and the hospital, with additional funding from the Mayor of London Greener City





Fund, Heathrow Community Trust, HS2 Community and Environmental Fund and the National Lottery Community Award, with support from the Harefield Transplant Club. Patients on Rowan Ward can enjoy a window garden from their hospital beds and patients in Intensive Care are surrounded by sensory planting.

A patient moved to the ground floor explained that they *“were greeted by a large window with a view onto a lovely, tastefully designed garden.”*

A specific area of the planting scheme has been dedicated to the Hospital's Anzac heritage, in which patients and their families can immerse themselves. 2020 saw a programme of online gardening workshops, which we are looking forward to delivering face2face in 2021, along with new art by Emily Gardiner.

We were pleased that our funders offered their wholehearted support to the rb&hArts online programme. We are also hugely grateful to Royal Brompton & Harefield Hospitals Charity, our main supporter. Their funding is matched by Trust and Foundations that have included: Youth Music, BBC Children In Need, The Brompton Fountain, the Morrisons Foundation, Samuel Gardner Memorial Trust, the Mayor of London #GreenerCityFund, the National Lottery Community Fund, Heathrow Community Trust, HS2 Community Environmental Fund, the Harefield Transplant Club, the Patient Amenities Fund and participants to Singing for Breathing.

Written by Karen Janody, Arts Manager



# Making the difference



On 18 January Amy Walduck tested positive for Covid-19. She self-isolated, away from her husband and stepdaughter and waited for recovery. However, as the days went on, Amy knew something didn't feel right. Breathing got more difficult, she was coughing non-stop, and she had a temperature. Paramedics came to check her out and took her into Milton Keynes Hospital. A day later Amy's Covid-19 symptoms got dramatically worse.

Amy was put onto a CPAP (continuous positive airway pressure) machine that forced air into her lungs, which helped for a while. The CPAP took the pressure off Amy having to do all the work to breathe. The staff at Milton Keynes tried everything to support Amy, laying her on her front and ventilating her, but she was so poorly she needed additional support. The only option left was ECMO.

On the 31 January Amy was assessed as suitable for ECMO and the team travelled up to Milton Keynes to bring her in. Amy's husband praised the staff at Royal Brompton. "They updated us every day, but the ECMO went on for weeks and there never seemed to be any good news. It all feels like a bad dream now."

On the 19 February, Amy tested negative for Covid-19. Her lungs started to function again and after three or four days she started to make a rapid recovery. A week later, Amy was back in Milton Keynes.

Every moment she felt she had enough energy, Amy took on some physio work and worked on building up her strength and she exceeded expectations by getting discharged and back home three weeks before her birthday.



Amy said: *"I can't put into words how grateful I am. The staff have given me my life and there's nothing I can ever do to express what that means to us. I genuinely didn't think I was going to survive. I just feel so honoured that I was given the opportunity to be treated by the most specialist people in the world at the most specialist hospital in the world. There's nothing I will ever be able to say or do to show how grateful I am and I know my family and my friends feel the same."*

# Fundraising disclosure

The following fundraising disclosure covers the period for the year ended 31 March 2021 in accordance with the Charities Act 2016: new fundraising rules.

## 1. Fundraising methods and processes

a. **Approach to fundraising;**

The Charity seeks support from individuals, Charitable Trusts and corporate organisations. The Charity's objectives and targets are clear and set out the urgent and compelling causes against which to fundraise to support Royal Brompton and Harefield hospitals.

b. **Work with, and oversight of, any commercial participators / professional fundraisers;**

The Charity only fundraises with paid members of staff and is supported by a team of volunteers. The Charity does not pay anyone else, outside of its own team and payroll to fundraise.

c. **Fundraising confirming to recognised standards;**

The Charity is a member of the Institute of Fundraising and it adheres to the Fundraising Codes of Conduct. It is also a paid member of the Fundraising Regulator. The Charity team regularly attends training sessions and stays up-to-date with any changes in standards as set for the sector by the Institute of Fundraising and other guidance bodies such as NCVO and ACEVO.

d. **Monitoring of fundraising carried out on its behalf;**

The Charity reports on fundraising performance every quarter to the Board of Trustees, working to an agreed and transparent return on investment. The Charity works to set targets and achieve these targets with restricted and unrestricted funds. All donors wishes are adhered to and the Charity operates with complete transparency for beneficiaries and our donors.

e. **Fundraising complaints;**

None received.

f. **Protection of the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate;**

The Charity does not work directly with vulnerable people and treats its donors and beneficiaries with great respect. The Charity is fully GDPR compliant and its website has the appropriate privacy notices as required by law. Each time supporters are contacted by email, by post, by text or by telephone, the Charity offers unsubscribe options or the opportunity to optout of specific types of communication with the Charity.

## 2. Use of third party fundraisers

The Charity does not use third party fundraisers.



# Trustees' report for the year ended 31 March 2021

## Introduction

Royal Brompton & Harefield Hospitals Charity was created in 1998, following the merger of Royal Brompton and Harefield Hospitals, to generate income for projects which are outside the scope of NHS funding. Through sources of income including grants, donations and legacies, the Charity funds research, medical equipment and amenities to benefit both staff and patients.

In 2014, new rules were introduced enabling NHS Charities to become independent of the Department of Health – removing dual oversight whereby such charities are regulated by both the Department of Health and the Charity Commission. As a result the Royal Brompton and Harefield Charity Trustee which acted as the trustee of the charity transferred all the assets which it held in its capacity as trustee to itself as absolute owner by a Deed of assignment effective 1 April 2015.

The Charitable Company changed its name to the Royal Brompton and Harefield Hospitals Charity (the Charity) on 17th September 2015.

## Objectives and activities

The objectives of the Charity – as stated in its Memorandum and Articles of Association (amended by special resolution on 26th February 2021) – are restricted specifically to the following:

- (a) the support of any charitable purpose relating to the Health Service in particular but not exclusively by funding research and the support and treatment of patients with heart and lung conditions; and
- (b) the advancement of health by any charitable means.

### Grants distribution policy

The charity has both restricted and unrestricted reserves.

Restricted fund income is donated to the charity for purposes specified by the donor and is used in accordance with the donor's wishes. Primarily these restricted funds relate to research and medical equipment. Unrestricted funds may also be used for grants which help deliver public benefit in line with the charitable objects.

In some cases, individual project grants are made over a period of more than one year. In this instance, under the Statement of Recommended Practice (SORP), the grant is fully recognised in the year it is committed.

During 2021 the Charity has commenced a review of its grant-making strategy. This is expected to be finalised by March 2022 and be adopted as of 1st April 2022. This will set out principles and mechanisms for granting funds, as well as identifying priority themes for project funding decisions.

## Property

The Charity owns a diverse property portfolio consisting of commercial and retail units on Fulham Road, commercial office space within King's Road and Sydney Street and residential properties within Onslow Gardens, which are our high-end rental flats. The Charity embarked several years ago on reinvesting some of its profits back into its property portfolio, which has seen a substantial increase in its value.

Part of this programme was to convert the upper parts of Fulham Road to provide high quality HMO (house in multiple occupation) accommodation. This has been extremely successful since the scheme was completed two years ago.

Further investment is ongoing, and our current project is redesigning and refurbishing 1-9 Foulis Terrace. The building has been empty for several years, whilst the Charity worked alongside its planning and design advisors to provide a robust planning application to RBKC. This consists of 10 studio flats and 44 en-suite HMO rooms. The Project started in October 2020 and is due to complete December 2021.

As part of our improved customer service, we now have an inhouse residential property team which gives our tenants a first line response to any maintenance issues as well as any day to day concerns our tenants may have. Our commercial portfolio is managed by Miles Commercial who are a well-known agent within the area.

The Property portfolio performance is reported directly to our Property and Investment Committee. Several Trustees have extensive knowledge and experience regarding property and direct the strategy and future development.

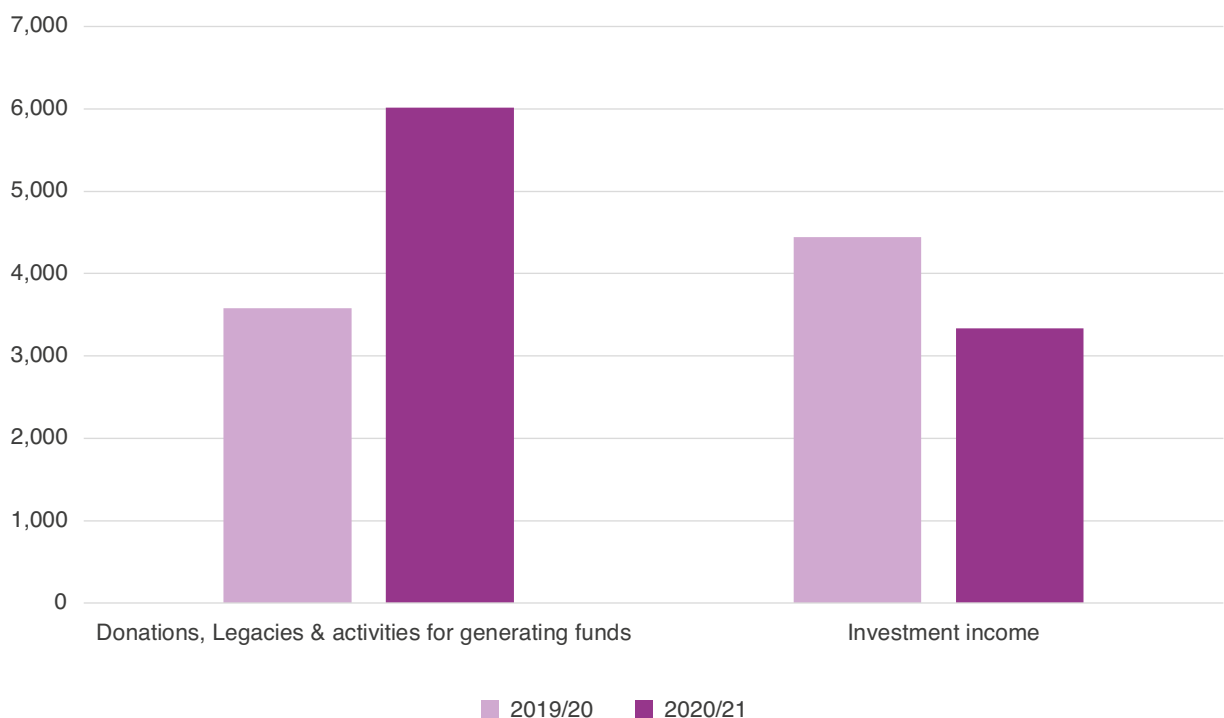
# Financial Review for the year ended 31 March 2021

The Charity's annual report and accounts for the year ended 31 March 2021 have been prepared by its Directors (who are also known as Trustees) in accordance with the Companies Act 2006, the Charities Act 2011 and the provisions of the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in July 2014. The Charity's report and accounts include all the separately established funds for which the Trust is the main beneficiary.

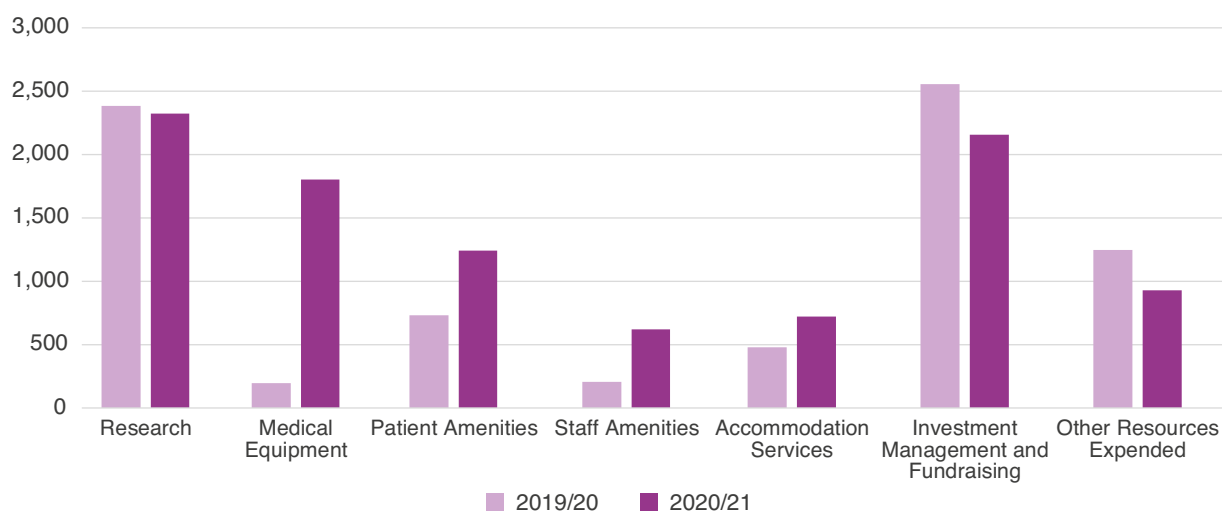
During the year the Charity granted £6.7m of charitable expenditure of which £3.3m was for restricted purposes and £3.4m for unrestricted purposes, reflecting the increased commitments from the Covid-19 fundraising appeal launched by the charity. The Charity also generated income of £9.3m of which £3.7m was restricted, and £5.6m unrestricted. A breakdown of the incoming resources and resources expended is provided below.

The statement of financial activities for the year to 31 March 2021 shows a deficit in net movement in funds of £6m (2019/20: deficit of £3.8m) reflecting net losses of investments of £5.6m during the year.

## Breakdown of Total Income (£000s)



### Breakdown of Total Expenditure (£000s)



The property portfolio of the Charity is revalued each year. The Charity's property portfolio was revalued at 31 March 2021 by Jones Lang LaSalle Ltd.

The overall value of the Charity's funds decreased over the year from £123,448,000 to £117,424,000 of which £11,393,000 (2019/20: £10,686,000) are restricted and £106,031,000 (2019/20: £110,262,000) unrestricted.

The balance sheet at 31 March 2021 includes tangible assets – charity offices of £880,000 (2019/20: £869,000), works of art of £338,000 (2019/20: £339,000), investment property assets of £113,667,000 (2019/20: £119,989,000), stock exchange investments of £20,796,000 (2019/20: £24,794,000), long term liabilities of £27,850,000 (2019/20: £33,900,000) and net current assets of £9,561,000 (2019/20: £8,677,000).

## Achievement and performance

Income from Donations and Legacies at £6.0m is up from £3.6m in 2019/20 reflecting donations from our Covid-19 appeal. Investment property income reduced from £4.4m to £3.3m reflecting the impact of Covid-19 on the property sector, which resulted in a total income of £9.3m. This allowed for £6.7m of charitable activity spend to take place in the year in line with the charitable objectives.

## Reserves

The Charity has updated its objects in 2020/21 to be 'the support of any charitable purpose relating to the Health Service in particular but not exclusively by funding research and the support and treatment of patients with heart and lung conditions; and the advancement of health by any charitable means'. Many of the projects at the two hospitals the charity funds depend on this continuing support from the Charity, although decisions are taken annually as to the quantum of support given. The Trustees have determined that the current level of unrestricted funds should be maintained to provide the income for this continuing funding support, but that this should be reviewed as part of a wider strategic review at the charity during 2020/21. This review will include a review the grant-making policy at the charity and have a particular focus on ESG (Environmental Social Governance) related issues.

The Trustees keep the level of reserves under constant review but considers that the current level of free reserves at £104.7m is appropriate.

## Quoted investments

The Charity's quoted investments have been overseen by the Property and Investment committee which regularly reports on investment performance to the Corporate Trustee.

The Charity's policy on investments includes:

- a) No direct investments in tobacco stock
- b) No investments in shares unquoted on a major stock exchange
- c) Target minimum yield of 2.25%

The performance targets set by the Trustees require Newton's and Goldman Sachs, the investment managers, to exceed an agreed benchmark after fees.

For the full year the Newton fund yielded 1.93% whilst the Goldman portfolio had a 2.7% yield to 31st March 2021.

## Public benefit

The Charities Act 2011 includes a requirement for Trustees to demonstrate that the Charity is operating for the public benefit.

As mentioned previously, the Charity provides grants to the Royal Brompton & Harefield Clinical Group for research, medical equipment and staff and patient amenities.

The Trust provides specialist heart & lung services for patients of all ages from across Britain. The Trust also conducts peer-reviewed cardiac and respiratory research programmes with its partners at Imperial College and other hospitals and universities. The grants from the Charity assist the Trust to provide the best treatment for its patients as well as carry out research into heart and lung disease. Examples of some of the projects funded by the Charity and their benefits are provided on pages 15 to 22.

In shaping our objectives for the year and planning our activities, the Trustees have considered the Charity Commissions guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'. The Trustees believe that the charity fulfils this.

## Going Concern

The financial statements have been prepared on the going concern basis, which the Trustees considers appropriate in the context of the Charity's ability to meet its obligations as they fall due in 12 months following the date of approval of these financial statements. The Trustees believe that the Charity is well placed to manage its business risks successfully despite for the current uncertain economic outlook caused by Covid-19.

## Structure and administrative details

Royal Brompton & Harefield Hospitals Charity, is a company limited by guarantee (registration number 07795583) and a registered charity in England and Wales (registration number 1053584) and is governed by its Articles of Association. The Charitable Company is also the umbrella body for 218 subsidiary charities and restricted funds.

## Trustees

As a Charitable Company limited by guarantee, the Royal Brompton and Harefield Hospitals Charity (previously called Royal Brompton and Harefield Charity Trustee) was established on 3 October 2011. On 1 April 2012 the company was appointed to act as trustee of the Charity. By the Deed of assignment effective from 1 April 2015 the Charitable Company transferred all the assets that it held in its capacity as trustee to itself as absolute owner.

The directors of the Company who served during the year to 31 March 2021 were as follows:

- Richard Hunting (Chair)
- Caroline Bault
- Lord Jamie Borwick
- Raj Shah
- Jo Thomas\* was an employee of Royal Brompton & Harefield NHS Clinical Group during the year
- Brenda Vandamme
- Helen Putter
- Paul Oldershaw
- Stuart Corbyn
- Priya Ponnaiyah
- Donald Wootton



Power to appoint new Trustees lies with the existing Trustees, in accordance with provisions of the Royal Brompton and Harefield Hospitals Charity's Articles of Association. All Trustees are appointed for a fixed term not more than 4 years renewable to a maximum of 10 years.

The Charity maintains an induction pack for newly appointed members of the Trustee Board, which provides:

- Information about the Charity, including the governing document, minutes and report and accounts from the previous year.
- Information about trusteeship, including Charity Commission booklet CC3 and the Charity Governance Code.
- Charity Commission Scheme
- Trustee Act 2000, Charities Act 2011 Summary and the Charity SORP 2015.

## Structure, governance and management

The Charity's unrestricted fund was established using the model declaration of trust and all funds held on trust as at the date of registration were either part of this unrestricted fund or registered as separate restricted funds under the principal charity. Subsequent donations and gifts received by the Charity that are attributable to the original fund are added to those fund balances within the existing Charity. Where funds have been received which have specific restrictions set by the donor, new restricted funds are established.

The responsibility to oversee the management of property, quoted investments as well as finance and audit matters is undertaken by the Property and Investment committee which is a committee of the Trustee Board. The members of the Property and Investment Committee at 31 March 2021 were as follows:

Raj Shah (Chair), Lord Jamie Borwick, Caroline Bault, Richard Hunting and Stuart Corbyn.

The Property & Investment Committee has responsibility for property and investment policy including strategy and management of the property and investment portfolio. It is also responsible for overseeing financial governance and all matters relating to audit. The committee meets at least four times a year.

The Chief Executive of the Charity is now Richard Bowyer who, under the Charity Governance Manual approved by the Trustees, has day to day responsibility for the management of the Charity. The accounting records and the day-to-day administration of the funds are dealt with by the finance department of the Charity.

This charity normally follows the pay rise as put forward by the NHS or the rate of CPI at February of each year. On top of this there are occasional modest performance related bonuses.

The remuneration for the Chief Executive would follow the same process as the rest of the charity team but would always be discussed and confirmed by the chair before it is implemented.

## Risk management

The major risks to which the Charity is exposed, as identified by the Trustees, have been reviewed and systems have been established to mitigate those risks. The principal risks and a summary of the plans and strategies for managing those risks are provided below.

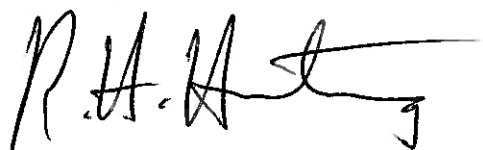
### Principal risk

- Poor use of Capital Assets of the Charitable Company, resulting in loss of income from the property portfolio.
- Pressure from the Clinical Group to provide funds to assist with any Group budget shortfall.

### Plans/strategies for managing the risk

- Monitoring of reports produced by the property advisors
- Regular ongoing review of property vacancies
- Regular external audit of commercial agents
- Regular meetings with external surveyors and project consultants regarding capital development works
- Trustees to assess whether the Charitable Company has sufficient available funds to cover the budget shortfall and the medium-to long-term impact on the Charitable Company's ability to continue to provide grants at the present level.

The Trustees' Report was approved  
by the Board and signed on its behalf by:



September 27th  
2021

Mr Richard Hunting, CBE. Chair September 2021

## Particular thanks for support in 2020/21 goes to:

### Individuals

Aimee Horn  
Alexander Embiricos  
Andrew Lee  
Andrew Moss  
Arif Efendi  
Becki Starkings  
Bob Andrews  
Bud Hedges  
Carla Shohet  
Carol Druce  
Charlotte Musgrove  
Colin Streames-Smith  
David Streames-Smith  
David Woods  
Deborah L Brice  
Demi Nijjar  
Elio Pace  
Elizabeth Baily  
Eugene Miskelly  
Francis Brooke  
Gary Landesburg  
Gerry Carr  
Hannah Schofield  
Ingeborg Margulies  
Jane Ford  
Jason Granite  
Jos Buttler  
Juliet Kernohan  
Kate Hedges  
Lisa Yacoub  
Maria Kokosi  
Mario Frering  
Mary Stassinopoulos  
Matthew Bryant  
Max Glover  
Megan Edwards  
Mohammed Khalid  
Abdulrahman Alhumai  
Nadeem Marrow  
Naren Hathi  
Neel Mahesh Mehta

Nick Sleep  
Noel De Keyzer  
O Driver  
Osman Kobani  
Patrick Evershed  
Peter Smedvig  
Pippa Erskine  
Priti Biggs  
Rasik Mulji  
Richard Cyzer  
Richard Girling  
Richard Tector  
Roberto Hoornweg  
Robin Odey  
Sara Ghassemi  
Sarah and Paul Langwith  
Stan Tottey  
Tim Van Someren  
Tony Buckingham  
Veronique Mansour  
Victor Dahdaleh  
Wendy Woolf  
William Alan McIntosh

### Corporate supporters

1508 London Limited  
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Acutus Medical Inc  
AstraZeneca Plc  
Benenden Health  
Boehringer Ingelheim Ltd  
Boston Scientific Ltd  
Bucks Kirtan Group  
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Richard Green Gallery  
Sanofi European Treasury  
Savills UK  
The Royal Embassy of Saudi Arabia  
UC Health

**Trust and grant giving bodies**

Anglo-American Charitable Foundation  
Bessemer Trust  
Glenbevan Trust  
John Ryder Memorial Trust  
Mayor of London Greener City Fund  
Monday Charitable Trust  
National Foundation for Educational Research  
NHS Charities Together  
Nigel Scott Will Trust  
Taurus Foundation  
The Alan Landesberg Charitable Trust  
The Andrew and Belinda Scott Charitable Trust  
The Brompton Fountain Youth Music  
The Cadogan Charity  
The Clara E Burgess Charity  
The Fieldrose Charitable Trust  
The Findlay Charitable Trust  
The Gerald and Gail Ronson Family Foundation  
The Hintze Family Charitable Foundation  
The Kusuma Trust UK  
The P F Charitable Trust  
The Reed Foundation  
The Thompson Family Charitable Trust  
The Victor Dahdaleh Foundation  
Wang Trust

**rb&hArts would like to thank**

Co-op Foundation Building Connections Youth Strand  
Heathrow Community Trust  
Morrisons Foundation  
The National Lottery Community Fund  
The Radcliffe Trust  
The Royal Marsden Cancer Charity



# Royal Brompton and Harefield Hospitals Charity

## Financial Statements for the year ended 31 March 2021

Registered Charity No. 1053584  
Registered Company No. 07795583

## **Advisors and Administrative Information**

### **Investment**

Newton Investment Management Ltd

Mellon Financial Centre 160 Queen Victoria Street London EC4V 4LA

Goldman Sachs International

River Court 120 Fleet Street London EC4A 2BE

### **Auditor**

Moore Kingston Smith LLP

Devonshire House 60 Goswell Road London EC1M 7AD

### **Property**

Miles Commercial

25 Ives Street Knightsbridge London SW3 2ND

### **Legal**

BDB Pitmans

One Bartholomew Close London EC1A 7BL

Lee Bolton Monier-Williams

1 Sanctuary Westminster London SW1P 3JT

### **Bank**

Metro Bank

One Southampton Row London WC1B 5HA

### **Registered address**

One Bartholomew Close London EC1A 7BL

### **Principal address**

250 King's Road London SW3 5UE

### **Principal Officers** - Key Management Personnel

Richard Bowyer - Chief Executive Officer

Stewart Butcher - Director of Property & Estates

Kelvin Walker - Chief Financial Officer

Ashley Westpfel - Director of Fundraising

## Trustees' Responsibilities Statement

The Trustees (who are also directors of Royal Brompton and Harefield Hospitals Charity) are responsible for preparing the Trustees' Annual Report and the audited financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

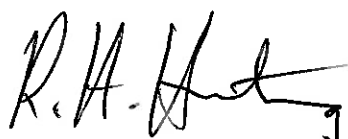
The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

By Order of the Trustees Signed:



27th September  
2021.

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Mr Richard Hunting, CBE. Chair  
September 2021

# Independent Auditor's Report to the members of Royal Brompton and Harefield Hospitals Charity

## Opinion

We have audited the financial statements of Royal Brompton and Harefield Hospitals Charity ('the company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

## Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.



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

We have nothing to report in this regard.

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

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

- the information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' annual report have been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from preparing a Strategic Report.

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 37, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that

an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

### **Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### **Use of our report**

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

*Moore Kingston Smith UK<sub>2</sub>*

Luke Holt (Senior Statutory Auditor)  
for and on behalf of Moore Kingston Smith, Statutory Auditor  
Devonshire House, 60 Goswell Road, London EC1M 7AD

Date: 1 October 2021

## Statement of Financial Activities for the year ended 31 March 2021

|                                    | Note | Unrestricted<br>Funds<br>£000 | Restricted<br>Funds<br>£000 | 2021<br>Total<br>Funds<br>£000 | Restated<br>2020<br>Total<br>Funds<br>£000 |
|------------------------------------|------|-------------------------------|-----------------------------|--------------------------------|--|
| <b>Income from:</b>                |      |                               |                             |                                |  |
| Donations and legacies             | 3    | 2,265                         | 3,748                       | <b>6,013</b>                   | 3,580                                      |
| Charitable activities              | 4    | -                             | -                           | -                              | 28   |
| Investments                        | 5    | 3,335                         | -                           | <b>3,335</b>                   | 4,440                                      |
| <b>Total Income</b>                |      | <b>5,600</b>                  | <b>3,748</b>                | <b>9,348</b>                   | <b>8,048</b>                               |
| <b>Expenditure on:</b>             |      |                               |                             |                                |  |
| Raising funds                      | 6    | 2,150                         | 3                           | <b>2,153</b>                   | 2,556                                      |
| Charitable activities              | 7    | 3,384                         | 3,337                       | <b>6,721</b>                   | 3,996                                      |
| Other                              | 10   | 930                           | -                           | <b>930</b>                     | 1,246                                      |
| <b>Total Expenditure</b>           |      | <b>6,464</b>                  | <b>3,340</b>                | <b>9,804</b>                   | <b>7,798</b>                               |
| Net losses on investments          |      | (5,568)                       | -                           | <b>(5,568)</b>                 | (4,033)                                    |
| <b>Net income / (expenditure)</b>  |      | <b>(6,432)</b>                | <b>408</b>                  | <b>(6,024)</b>                 | <b>(3,783)</b>                             |
| <b>Transfers between funds</b>     | 18   | (299)                         | 299                         | -                              | -  |
| <b>Net movement in funds</b>       |      | <b>(6,731)</b>                | <b>707</b>                  | <b>(6,024)</b>                 | <b>(3,783)</b>                             |
| <b>Reconciliation of funds:</b>    |      |                               |                             |                                |  |
| Fund balances brought forward      |      | 112,762                       | 10,686                      | <b>123,448</b>                 | 127,231                                    |
| <b>Total funds carried forward</b> | 18   | <b>106,031</b>                | <b>11,393</b>               | <b>117,424</b>                 | <b>123,448</b>                             |

There were no other recognised gains or losses other than those listed above and the net income for the year.

All income and expenditure derives from continuing activity.

The notes on pages 45 to 58 form part of these financial statements.

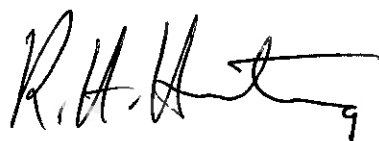


## Balance Sheet as at 31 March 2021

|   | Notes | Unrestricted<br>Funds<br>£000 | Restricted<br>Funds<br>£000 | 2021<br>Total<br>Funds<br>£000 | Restated<br>Unrestricted<br>Funds<br>£000 | Restated<br>Restricted<br>Funds<br>£000 | Restated<br>2020<br>Total<br>Funds<br>£000 |
|---|-------|-------------------------------|-----------------------------|--------------------------------|---|---|--|
| <b>Fixed Assets</b>                                     |       |                               |                             |                                |   |   |  |
| Tangible assets   | 13    | 1,250                         | -                           | 1,250                          | 1,208                                     | -                                       | 1,208                                      |
| Investments   | 14    | 123,048                       | 11,415                      | 134,463                        | 136,735                                   | 10,728                                  | 147,463                                    |
| <b>Total Fixed Assets</b>                               |       | <b>124,298</b>                | <b>11,415</b>               | <b>135,713</b>                 | <b>137,943</b>                            | <b>10,728</b>                           | <b>148,671</b>                             |
| <b>Current Assets</b>                                   |       |                               |                             |                                |   |   |  |
| Debtors   | 15    | 1,475                         | 65                          | 1,540                          | 1,807                                     | 25                                      | 1,832                                      |
| Cash and cash equivalents                               |       | 14,735                        | 1,135                       | 15,870                         | 11,914                                    | -                                       | 11,914                                     |
| <b>Total Current Assets</b>                             |       | <b>16,210</b>                 | <b>1,200</b>                | <b>17,410</b>                  | <b>13,721</b>                             | <b>25</b>                               | <b>13,746</b>                              |
| Creditors: Amounts falling due within one year          | 16.1  | (6,627)                       | (1,222)                     | (7,849)                        | (5,002)                                   | (67)                                    | (5,069)                                    |
| <b>Net Current Assets</b>                               |       | <b>9,583</b>                  | <b>(22)</b>                 | <b>9,561</b>                   | <b>8,719</b>                              | <b>(42)</b>                             | <b>8,677</b>                               |
| <b>Total Assets less Current Liabilities</b>            |       | <b>133,881</b>                | <b>11,393</b>               | <b>145,274</b>                 | <b>146,662</b>                            | <b>10,686</b>                           | <b>157,348</b>                             |
| Creditors: Amounts falling due after more than one year | 16.2  | (27,850)                      | -                           | (27,850)                       | (33,900)                                  | -                                       | (33,900)                                   |
| <b>Net Assets</b>                                       |       | <b>106,031</b>                | <b>11,393</b>               | <b>117,424</b>                 | <b>112,762</b>                            | <b>10,686</b>                           | <b>123,448</b>                             |
| <b>Funds of the Charity</b>                             |       |                               |                             |                                |   |   |  |
| Restricted  |       | -                             | 11,393                      | 11,393                         | -   | 10,686                                  | 10,686                                     |
| Unrestricted  |       | 106,031                       | -                           | 106,031                        | 112,762                                   | -                                       | 112,762                                    |
| <b>Total Funds</b>                                      | 18    | <b>106,031</b>                | <b>11,393</b>               | <b>117,424</b>                 | <b>112,762</b>                            | <b>10,686</b>                           | <b>123,448</b>                             |

The notes on pages 45 to 58 form part of these financial statements.

The financial statements of Royal Brompton and Harefield Hospitals Charity, registered number 1053584, were approved by the Board of Trustees and authorised for issue on:



27th September  
2021

Signed on behalf of the Board of Trustees by Richard Hunting CBE, Chair

## Cash Flow Statement for the year ended 31 March 2021

|   | Notes | 2021<br>£000   | 2020<br>£000   |
|---|-------|----------------|----------------|
| <b>Cash flows from operating activities:</b>                        |       |                |                |
| Net cash generated from / (used in) operating activities            | 20    | <u>3,412</u>   | <u>(5,158)</u> |
| <b>Cash flows generated from / (used in) investing activities:</b>  |       |                |                |
| Purchase of Tangible Fixed Assets                                   | 13    | (48)           | -              |
| Dividends, interest and rents from investments                      | 14.4  | 3,335          | 4,440          |
| Proceeds from the sale of property                                  |       | -              | -              |
| Purchase of investment property                                     | 14.1  | (2,261)        | (1,452)        |
| Proceeds from sale of investments                                   | 14.3  | 6,692          | 3,630          |
| Purchase of investments   | 14.1  | (1,909)        | (3,551)        |
| Interest paid on mortgage   |       | 930            | 1,246          |
| <b>Net cash provided by investing activities</b>                    |       | <u>6,739</u>   | <u>4,313</u>   |
| <b>Cash flows from financing activities:</b>                        |       |                |                |
| Repayment of borrowing  |       | (6,195)        | (1,321)        |
| <b>Net cash (used in) financing activities</b>                      |       | <u>(6,195)</u> | <u>(1,321)</u> |
| Change in cash and cash equivalents in the reporting period         |       | 3,956          | (2,166)        |
| Cash and cash equivalents at the beginning of the reporting period  |       | 11,914         | 14,080         |
| <b>Cash and cash equivalents at the end of the reporting period</b> |       | <u>15,870</u>  | <u>11,914</u>  |

Cash inflows from the Charity's bank loan have been represented as financing cash flows as the trustees consider this more fairly reflects their nature.

The notes on pages 45 to 58 form part of these accounts.

# Notes to the Financial Statements

## Year ended 31 March 2021

**1.01** Royal Brompton and Harefield Hospitals Charity, a public benefit entity, is incorporated in England and Wales as a company limited by guarantee not having a share capital. There are currently 11 Trustees who are also the members of the company. Each member has undertaken to contribute to the assets in the event of winding up a sum not exceeding £10. The charity is a registered charity. The registered office is at 50 Broadway, London SW1H 0BL.

### **1.02 Accounting Policies**

The following accounting policies have been consistently applied in dealing with items which are considered material to Royal Brompton and Harefield Hospitals Charity's (the Charity's) financial statements.

#### **Basis of accounting**

The financial statements are prepared under the historical cost convention, modified so that investments and fixed asset properties are measured at fair value through income and expenditure within the Statement of Financial Activities in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities (SORP 2015)" applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), effective 1 January 2015 and including Update Bulletin 2; the Companies Act 2006. The Charity is a public benefit entity. The financial statements are presented in sterling and rounded to the nearest thousand pounds.

#### **Preparation of financial statements - going concern basis**

The financial statements are prepared on a going concern basis which assumes the charity will continue in operational existence for the foreseeable future. The trustees have assessed the balance sheet and likely future cash flows of the Charity at the date of approving the financial statements having considered potential impacts of Covid-19. The trustees believe that the Charity is well placed to manage its business risks successfully despite for the current uncertain economic outlook. The trustees have a reasonable expectation that the Charity has adequate resources to meet its liabilities they fall due for a period of at least twelve months from the date of approval of these financial statements. Thus, they continue to adopt the going concern basis in preparing the financial statements. There are no material uncertainties affecting the Charity's going concern status.

### **1.03 Fund accounting**

Where there is a legal restriction on the purpose to which a fund may be put, the fund is classified as a restricted income fund. This occurs where the donor has provided that the donation is to be spent in the furtherance of a specified charitable purpose or permanent endowment where the gift provides for the funds to be invested and to produce income. Those funds which are neither endowment or restricted income funds are unrestricted income funds which are at the trustees' discretion. Restricted funds donated to support the work of specific consultants and departments or wards represent £11,393,000 of the funds of the charity. The policy of the charity on transfers of funds is that the holders of restricted funds are given the discretion to contribute to larger projects of an unrestricted nature, providing that such projects fall within the remit of their fund. The Trustees also have the discretion to grant unrestricted monies to restricted funds.

## Notes to the Financial Statements (continued)

### 1.04 Income

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

#### Legacies

Legacy income is only included in income where the legacy has been received, or if before receipt, it is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or it is aware of the granting of probate, and the criteria from income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

### 1.05 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

Expenditure on raising funds includes:

- The cost of generating voluntary funds, the salary costs, the associated administration and cost of fundraising events, such as IT, printing and stationery, and postage.
- The cost of property management associated with raising revenue and the investment properties owned by the charitable company.
- The cost of investment management fees.

Expenditure on charitable activities includes:

- All costs identified as wholly or mainly incurred in the pursuit of the charitable objects of the charity. These costs constitute direct costs together with apportionment of support costs and governance which are shown in note 9.
- Grants payable are payments made to related or third party NHS bodies and non-NHS bodies in the furtherance of the objectives of the funds held on trust, primarily the relief of sickness. The grants are accounted on an accrual basis where the conditions for their payment have been met or where the recipient has a reasonable expectation that they will receive a grant. Provisions are made where approval has been given by the trustees as approval represents a firm intention which is communicated to the intended recipient.
- Grants payable to other NHS bodies represent contributions to the revenue and capital expenditure of Royal Brompton and Harefield Clinical Group. Grants to third parties are payments in furtherance of the charity's objectives to relieve the sick. This includes expenditure on medical equipment, research and amenities for patients and staff.
- Support costs and governance have been allocated between the cost of raising funds and charitable activities. For each cost of raising funds and charitable activity, the allocation and support costs, analysed in note 9 are added to the direct costs.

Irrecoverable VAT is charged against the category of expenditure to which it relates.

### 1.06 Taxation

The charitable company is a registered charity and has no liability to corporation tax on its charitable activities under the Corporation Tax Act 2010 (chapter 2 and 3 of part ii, section 466 onwards) or section 256 of the Taxation for Chargeable Gains Act 1992, to the extent surpluses are applied to its charitable purposes.



## Notes to the Financial Statements (continued)

### 1.07 Fixed asset investments

Fixed asset investment properties are revalued annually at open market value based on existing tenancies using professional valuations in accordance with the Royal Institution of Chartered Surveyors' 'Valuation Standards' (January 2014).

A full valuation was performed as at 31 March 2021 by Jones Lang LaSalle Ltd, surveyors, land & property consultants, acting as independent valuers.

Gains and losses arising from the revaluation of Investment properties are recorded in the statement of financial activities (SOFA).

### 1.08 Realised and unrealised gains and losses on investment assets

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

### 1.09 Fixed Assets

#### (a) Capitalisation

All assets falling into the following categories are capitalised.

- (i) Tangible assets which are capable of being used by the Charity for more than one year and individually have a cost equal to or greater than £5,000;
- (ii) Groups of tangible fixed assets which are interdependent or would normally be provided or replaced as a group with a total value in excess of £5,000 and an individual value of £250 or more.

#### (b) Valuation

Tangible fixed assets are valued as follows:

- (i) Land and buildings are stated at their existing use value although an open market valuation might be higher as it would allow for more commercial rentals. Land and buildings are revalued every year. As at 31 March 2021 a full valuation was performed by Jones Lang LaSalle, surveyors, land & property consultants, acting as independent valuers.
- (ii) The works of art are revalued at five year intervals. The last valuation was made in April 2021 by Christie, Manson & Woods Ltd Fine Arts Valuers.

#### (c) Depreciation

Depreciation is charged on each main class of tangible asset as follows:

- (i) Land and works of art which are not depreciated.
- (ii) Buildings are depreciated on a straight line basis on their revalued amount over the assessed remaining life of the asset as advised by professional valuers. The assessed remaining life is currently 40 years.
- (iii) IT Equipment is depreciated on a straight line basis over 3 years.
- (iv) Impairments, where incurred in the year are separately identified and charged to the funds of the Charity and to the Statement of Financial Activities in the year when the impairment was recognised.

## Notes to the Financial Statements (continued)

### 1.10 Debtors

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

### 1.11 Cash and cash equivalents

Cash at bank and in hand is held to meet the day to day running costs of the Charity as they fall due. Cash equivalents are short term, highly liquid investments, usually in 90 day notice interest bearing savings accounts.

### 1.12 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.

### 1.13 Interest Allocation for restricted funds

The policy of the charity is to invest the entire charitable money available on behalf of the unrestricted funds. It has been decided that those funds attributable to restricted funds be treated as loaned to unrestricted funds for this purpose.

The restricted funds were not paid an interest rate for the year under review. The policy will be kept under review.

## 2 Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In the Application of the Charity's accounting policies, which are described in note 1, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The following judgement is considered by the trustees to have most significant effect on amounts recognised in the financial statements:

The charity's investment property is included in the financial statements at valuation as described in note 14 to the financial statements. This is considered to be a critical accounting estimate in view of the amounts involved and the judgements applied in their valuation, particularly in light of uncertainties arising from the coronavirus pandemic.

The investment property was last re-valued by a third party, Jones Lang LaSalle Ltd, on 31 March 2021 in accordance with the Practice Statements and Guidance Notes contained in the Valuation Standards of the Royal Institution of Chartered Surveyors (RICS) 6th Edition. The Trustees have considered the valuations as at the balance sheet date with reference to comparable available market information, factoring in the potential impact of the coronavirus and resultant potential discounts to value. The Trustees consider that the valuations represent the best estimate of fair value at the balance sheet date.

## Notes to the Financial Statements (continued)

| <b>3 Analysis of Income Donations and Legacies</b>        |                               |                                      |                                |                               |                                      |                                |
|---|-------------------------------|--------------------------------------|--------------------------------|-------------------------------|--------------------------------------|--------------------------------|
|   | Unrestricted<br>Funds<br>£000 | Restricted<br>Funds<br>£000          | 2021<br>Total<br>Funds<br>£000 | Unrestricted<br>Funds<br>£000 | Restricted<br>Funds<br>£000          | 2020<br>Total<br>Funds<br>£000 |
| Donations from individuals                                | 2,101                         | 1,285                                | 3,386                          | 187                           | 1,162                                | 1,349                          |
| Corporate donations                                       | 164                           | 1,671                                | 1,835                          | 62                            | 1,481                                | 1,543                          |
| Consultant fees   | -                             | 355                                  | 355                            | -                             | 379                                  | 379                            |
| Legacies  | -                             | 437                                  | 437                            | 12                            | 297                                  | 309                            |
|   | <b>2,265</b>                  | <b>3,748</b>                         | <b>6,013</b>                   | <b>261</b>                    | <b>3,319</b>                         | <b>3,580</b>                   |
| <b>4 Analysis of Income from Charitable Activities</b>    |                               |                                      |                                |                               |                                      |                                |
|   | Unrestricted<br>Funds<br>£000 | Restricted<br>Funds<br>£000          | 2021<br>Total<br>Funds<br>£000 | Unrestricted<br>Funds<br>£000 | Restricted<br>Funds<br>£000          | 2020<br>Total<br>Funds<br>£000 |
| Income from charitable properties                         | -                             | -                                    | -                              | 28                            | -                                    | 28                             |
|   | <b>-</b>                      | <b>-</b>                             | <b>-</b>                       | <b>28</b>                     | <b>-</b>                             | <b>28</b>                      |
| <b>5 Analysis of Income from Investments</b>              |                               |                                      |                                |                               |                                      |                                |
|   | Unrestricted<br>Funds<br>£000 | Restricted<br>Funds<br>£000          | 2021<br>Total<br>Funds<br>£000 | Unrestricted<br>Funds<br>£000 | Restricted<br>Funds<br>£000          | 2020<br>Total<br>Funds<br>£000 |
| Investment properties                                     | 2,799                         | -                                    | 2,799                          | 3,574                         | -                                    | 3,574                          |
| Investments listed on Stock Exchanges                     | 536                           | -                                    | 536                            | 866                           | -                                    | 866                            |
|   | <b>3,335</b>                  | <b>-</b>                             | <b>3,335</b>                   | <b>4,440</b>                  | <b>-</b>                             | <b>4,440</b>                   |
| <b>6 Analysis of Expenditure on Raising Funds</b>         |                               |                                      |                                |                               |                                      |                                |
|   | Direct<br>Costs<br>£000       | Support<br>Costs<br>£000<br>(note 9) | 2021<br>Total<br>Costs<br>£000 | Direct<br>Costs<br>£000       | Support<br>Costs<br>£000<br>(note 9) | 2020<br>Total<br>Costs<br>£000 |
| Cost of generating voluntary income                       | 812                           | 88                                   | 900                            | 1,125                         | 108                                  | 1,233                          |
| Investment management costs                               | 1,131                         | 122                                  | 1,253                          | 1,169                         | 154                                  | 1,323                          |
|   | <b>1,943</b>                  | <b>210</b>                           | <b>2,153</b>                   | <b>2,294</b>                  | <b>262</b>                           | <b>2,556</b>                   |
| <b>7 Analysis of Expenditure on Charitable Activities</b> |                               |                                      |                                |                               |                                      |                                |
|   | Direct<br>Costs<br>£000       | Support<br>Costs<br>£000<br>(note 9) | 2021<br>Total<br>Costs<br>£000 | Direct<br>Costs<br>£000       | Support<br>Costs<br>£000<br>(note 9) | 2020<br>Total<br>Costs<br>£000 |
| Grant   |                               |                                      |                                |                               |                                      |                                |
| Medical research  | 2,203                         | 119                                  | 2,322                          | 2,311                         | 73                                   | 2,384                          |
| Provision of medical equipment                            | 1,738                         | 65                                   | 1,803                          | 196                           | -                                    | 196                            |
| Staff amenities and welfare                               | 577                           | 42                                   | 619                            | 191                           | 16                                   | 207                            |
| Patients amenities and welfare                            | 1,222                         | 34                                   | 1,256                          | 704                           | 27                                   | 731                            |
|   | <b>5,740</b>                  | <b>260</b>                           | <b>6,000</b>                   | <b>3,402</b>                  | <b>116</b>                           | <b>3,518</b>                   |
| Other Direct  |                               |                                      |                                |                               |                                      |                                |
| Accommodation services                                    | 650                           | 71                                   | 721                            | 421                           | 57                                   | 478                            |
|   | <b>6,390</b>                  | <b>331</b>                           | <b>6,721</b>                   | <b>3,823</b>                  | <b>173</b>                           | <b>3,996</b>                   |

## Notes to the Financial Statements (continued)

| <b>8 Analysis of Grant Expenditure</b> | Grant<br>Funded<br>Activities<br>£000 | Attributable<br>Support<br>Costs<br>£000 | <b>2021<br/>Total<br/>Costs<br/>£000</b> | 2020<br>Total<br>Costs<br>£000 |
|--|---------------------------------------|--|--|--------------------------------|
| Medical research                       | 2,203                                 | 119                                      | <b>2,322</b>                             | 2,384                          |
| Provision of medical equipment         | 1,738                                 | 65                                       | <b>1,803</b>                             | 196                            |
| Staff amenities and welfare            | 577                                   | 42                                       | <b>619</b>                               | 207                            |
| Patients amenities and welfare         | 1,222                                 | 34                                       | <b>1,256</b>                             | 731                            |
|  | <b>5,740</b>                          | <b>260</b>                               | <b>6,000</b>                             | <b>3,518</b>                   |

The total cost of making grants is disclosed on the face of the Statement of Financial Activities. The beneficiaries for each category of charitable activity is disclosed as above. Grants are made to Royal Brompton and Harefield NHS Foundation Trust (Royal Brompton and Harefield Clinical Group from Feb 2021, following the merger with Guy's and St Thomas' NHS Foundation Trust) and Imperial College. During the year the Charity made £5,313,000 (2019/20 £3,053,000) and £377,000 (2019/20 £349,000) of grants to Royal Brompton and Harefield Foundation Trust / Clinical Group and Imperial College respectively. The Trust operated a system whereby grant funded activity is managed by those responsible for the day to day disbursements on their projects in accordance with the directions set out by the trustees in the Standing Orders and Financial Instructions. Imperial College supplies both staff and services, helping to facilitate research programmes relating to Cardiac and Thoracic illnesses in which Royal Brompton and Harefield NHS Foundation Trust specialises.

| <b>9 Analysis of Support Costs</b> | Cost of<br>Generating<br>Funds<br>(note 6)<br>£000 | Charitable<br>Activities<br>(note 7)<br>£000 | <b>2021<br/>Total<br/>£000</b> | 2020<br>Total<br>£000 |
|------------------------------------|--|--|--------------------------------|-----------------------|
| Governance                         | 24   | 40   | <b>64</b>                      | 98                    |
| Finance                            | 80   | 126  | <b>206</b>                     | 275                   |
| Information Technology             | 77   | 120  | <b>197</b>                     | 18                    |
| Human Resources                    | 29   | 45   | <b>74</b>                      | 27                    |
| Procurement                        | -  | -  | <b>-</b>                       | 17                    |
| <b>Total</b>                       | <b>210</b>   | <b>331</b>                                   | <b>541</b>                     | <b>435</b>            |

| <b>10 Analysis of other Expenditure</b> | Unrestricted<br>Funds<br>£000 | <b>2021<br/>Total<br/>Funds<br/>£000</b> | Unrestricted<br>Funds<br>£000 | 2020<br>Total<br>Funds<br>£000 |
|---|-------------------------------|--|-------------------------------|--------------------------------|
| Interest on Loan and related costs      | 930                           | <b>930</b>                               | 1,246                         | 1,246                          |
| <b>Total</b>                            | <b>930</b>                    | <b>930</b>                               | <b>1,246</b>                  | <b>1,246</b>                   |

| <b>11 Net Income / (Expenditure) for the period</b>   | <b>2021<br/>£000</b> | 2020<br>£000 |
|---|----------------------|--------------|
| Net (expenditure) / income is stated after charging:  |                      |              |
| Depreciation of owned assets  | <b>30</b>            | 20           |
| Impairment of owned assets  | <b>40</b>            | 343          |
| Auditor's remuneration:   |                      |              |
| - Fees payable to the charity's auditor for the audit of the charity's annual financial statements - current year | <b>17</b>            | 15           |
| charity's annual financial statements - prior year under-accrual  | <b>-</b>             | 2            |

## Notes to the Financial Statements (continued)

### 12 Analysis of Staff Costs, Trustee Remuneration and Expenses, and the cost of Key Management Personnel

The average monthly number of employees was:

|                       | 2021<br>No. | 2020<br>No. |
|-----------------------|-------------|-------------|
| Raising funds         | 13          | 12          |
| Charitable activities | 0           | 2           |
| Support               | 3           | 3           |
|                       | <u>16</u>   | <u>17</u>   |

Their aggregate remuneration comprised:

|                       | 2021<br>£000's | 2020<br>£000's |
|-----------------------|----------------|----------------|
| Salaries and wages    | 849            | 782            |
| Social security costs | 87             | 88             |
| Other pension costs   | 33             | 42             |
| Total                 | <u>969</u>     | <u>912</u>     |

All of the staff are employed directly by the Charity, an analysis of costs is shown above.

The number of staff whose emoluments, excluding pension contributions but including benefits in kind, were in excess of £60,000 was:

|                     | 2021<br>No. | 2020<br>No. |
|---------------------|-------------|-------------|
| £70,001 - £80,000   | 1           | 1           |
| £80,001 - £90,000   | 1           | -           |
| £90,001 - £100,000  | 1           | -           |
| £150,001 - £160,000 | 1           | 1           |

The total remuneration of the key management personnel of the Charity for the year totalled £424,890 (2019/20: £420,000).

Redundancy and termination costs in the year totalled £53,150 (2020:£nil).

#### Trustees' Remuneration

No trustees received remuneration during the current or prior year. There were no travel and subsistence expenses reimbursed to the Trustees in the period.

#### Trustees' Indemnity Insurance

Trustees and officers' indemnity insurance policy is held by the charity providing indemnity of £5 million. The cost of the policy in 2020/21 was £1,092 (2019/20: £1,092).

## Notes to the Financial Statements (continued)

### 13 Tangible Fixed Assets

|  | Freehold<br>Land and<br>Buildings | Works<br>of Art | IT<br>Equipment | 2021<br>Total | 2020<br>Total |
|--|-----------------------------------|-----------------|-----------------|---------------|---------------|
|  | £000                              | £000            | £000            | £000          | £000          |
| Total Tangible Fixed Assets:   |                                   |                 |                 |               |               |
| Balance at 1 April 2020  | 1,562                             | 339             | -               | 1,901         | 1,901         |
| Additions  | -                                 | -               | 48              | 48            | -             |
| Disposals  | -                                 | (1)             | -               | (1)           | -             |
| Transfer   | (638)                             | -               | -               | (638)         | -             |
| Balance at 31 March 2021   | <b>924</b>                        | <b>338</b>      | <b>48</b>       | <b>1,310</b>  | 1,901         |
| Accumulated Depreciation:  |                                   |                 |                 |               |               |
| Balance at 1 April 2020  | 693                               | -               | -               | 693           | 330           |
| Charge for the year  | 14                                | -               | 16              | 30            | 20            |
| Disposals  | -                                 | -               | -               | -             | -             |
| Impairment   | 40                                | -               | -               | 40            | 343           |
| Transfer   | (703)                             | -               | -               | (703)         | -             |
| Balance at 31 March 2021   | <b>44</b>                         | <b>-</b>        | <b>16</b>       | <b>60</b>     | 693           |
| Net Book Value at<br>31 March 2021   | <b>880</b>                        | <b>338</b>      | <b>32</b>       | <b>1,250</b>  | 1,208         |
| Net Book Value at<br>31 March 2020   | <b>869</b>                        | <b>339</b>      | <b>-</b>        | <b>1,208</b>  | 1,571         |
| Historic cost at 31 March 2021<br>(The original cost when acquired by the charity) | <b>125</b>                        | <b>-</b>        | <b>48</b>       | <b>173</b>    | 125           |

The Charity had its land and buildings portfolio revalued at 31 March 2021 by Jones Lang LaSalle Ltd, surveyors, land and property consultants. Land and buildings are stated at their existing use value although an open market valuation might be higher as it would allow for more commercial rentals. The freehold land to the value of £323,183 (2020: £546,515) has not been depreciated.



## Notes to the Financial Statements (continued)

### 14 Fixed Asset Investments

| 14.1 | Fixed Asset Investments:  | Properties<br>£000 | Investments<br>£000 | 2021<br>£000   | Restated<br>2020<br>£000 |
|------|---|--------------------|---------------------|----------------|--------------------------|
|      | Market value at 1 April   | 122,489            | 24,974              | 147,463        | 149,780                  |
|      | Less: Disposals at carrying value   | -                  | (10,987)            | (10,987)       | (3,570)                  |
|      | Transfers   | (65)               | -                   | (65)           | -                        |
|      | Add: Investment Additions   | 2,753              | 1,909               | 4,662          | 5,003                    |
|      | Net gain / (loss) on revaluation  | (11,510)           | 4,900               | (6,610)        | (3,750)                  |
|      | Market value at 31 March  | <b>113,667</b>     | <b>20,796</b>       | <b>134,463</b> | <b>147,463</b>           |
|      | Historic cost at 31 March<br>(The original cost when acquired by the charity) | <b>44,723</b>      |                     | <b>44,723</b>  | 41,970                   |

All Investment Properties held by the Charity are Freehold.

| 14.2 | Market value                          | Held<br>in UK<br>£000 | 2021<br>Total<br>£000 | 2020<br>Total<br>£000 |
|------|---------------------------------------|-----------------------|-----------------------|-----------------------|
|      | Investment properties                 | 113,667               | 113,667               | 119,989               |
|      | Investments listed on Stock Exchanges | 20,796                | 20,796                | 24,974                |
|      |                                       | <b>134,463</b>        | <b>134,463</b>        | <b>144,963</b>        |

In the Balance Sheet £11,415,000 are held as investments listed on the Stock Exchanges for the Restricted Funds.

| 14.3 | Total Gross Income from Investments   | Held<br>in UK<br>£000 | 2021<br>Total<br>£000 | 2020<br>Total<br>£000 |
|------|---------------------------------------|-----------------------|-----------------------|-----------------------|
|      | Investment properties                 | 2,799                 | 2,799                 | 3,574                 |
|      | Investments listed on Stock Exchanges | 536                   | 536                   | 866                   |
|      |                                       | <b>3,335</b>          | <b>3,335</b>          | <b>4,440</b>          |

## Notes to the Financial Statements (continued)

### Analysis of Current Assets

|             |  |               |               |
|-------------|--|---------------|---------------|
| <b>15</b>   | <b>Debtors</b>                                       | <b>2021</b>   | <b>2020</b>   |
|             | <b>Amounts falling due within one year:</b>          | <b>£000</b>   | <b>£000</b>   |
|             | Other debtors  | 1,200         | 1,604         |
|             | Accrued income                                       | 340           | 228           |
|             | Total debtors falling due within one year            | <u>1,540</u>  | <u>1,832</u>  |
| <b>16</b>   | <b>Creditors</b>                                     | <b>2021</b>   | <b>2020</b>   |
| <b>16.1</b> | <b>Amounts falling due within one year:</b>          | <b>£000</b>   | <b>£000</b>   |
|             | Grant commitments                                    | 3,567         | 806           |
|             | Accruals   | 743           | 650           |
|             | Bank loan  | 1,130         | 1,275         |
|             | Other creditors                                      | 2,409         | 2,338         |
|             | Total creditors falling due within one year          | <u>7,849</u>  | <u>5,069</u>  |
| <b>16.2</b> | <b>Amounts falling due after more than one year:</b> |               |               |
|             | Bank Loan  | 27,850        | 33,900        |
|             | Total creditors falling due after more than one year | <u>27,850</u> | <u>33,900</u> |
|             | Total creditors                                      | <u>35,699</u> | <u>38,969</u> |

The loan is repayable in 2 tranches: March 2039, September 2041 and interest on the loan is payable at 2.7% above base rate.

80-92 Fulham Rd SW3 6HR, 94-108 Fulham Rd SW3 6HS, 10-12 Onslow Gardens SW7 3AP, 13-16 Onslow Gardens SW7 3AW, 250 Kings Rd SW3 6NP and 151 Sydney St SW3 6NT are charged in favour of the bank as security. The loan is 33% of the value of the assets charged. The aggregate amount of the assets secured on loan is £110,370,000.

## Notes to the Financial Statements (continued)

### 17 Comparative Statement of Financial Activities

|   |      |                               |                             | 2020                            | Restated<br>2019                |
|---|------|-------------------------------|-----------------------------|---------------------------------|---------------------------------|
|   | Note | Unrestricted<br>Funds<br>£000 | Restricted<br>Funds<br>£000 | <b>Total<br/>Funds<br/>£000</b> | <b>Total<br/>Funds<br/>£000</b> |
| <b>Income from:</b>                             |      |                               |                             |                                 |                                 |
| Donations and legacies                          | 3    | 261                           | 3,319                       | <b>3,580</b>                    | 4,226                           |
| Charitable activities                           | 4    | 28                            | -                           | <b>28</b>                       | 28                              |
| Investments                                     | 5    | 4,440                         | -                           | <b>4,440</b>                    | 4,138                           |
| <b>Total Income</b>                             |      | <b>4,729</b>                  | <b>3,319</b>                | <b>8,048</b>                    | 8,392                           |
| <b>Expenditure on:</b>                          |      |                               |                             |                                 |                                 |
| Raising funds                                   | 6    | 2,251                         | 305                         | <b>2,556</b>                    | 2,099                           |
| Charitable activities                           | 7    | 1,474                         | 2,522                       | <b>3,996</b>                    | 6,487                           |
| Other   | 10   | 1,246                         | -                           | <b>1,246</b>                    | 1,263                           |
| <b>Total Expenditure</b>                        |      | <b>4,971</b>                  | <b>2,827</b>                | <b>7,798</b>                    | 9,849                           |
| Net losses on investments                       |      | (4,033)                       | -                           | <b>(4,033)</b>                  | (1,134)                         |
| <b>Net (Expenditure)</b>                        |      | <b>(4,275)</b>                | 492                         | <b>(3,783)</b>                  | (2,591)                         |
| <b>Transfers between funds</b>                  | 18   | (96)                          | 96                          | -                               | -                               |
| <b>Other recognised gains / (losses)</b>        |      |                               |                             |                                 |                                 |
| Gains / (losses) on revaluation of fixed assets | 13   | -                             | -                           | -                               | 249                             |
| Realised loss on disposal of fixed asset        |      | -                             | -                           | -                               | (578)                           |
| <b>Net movement in funds</b>                    |      | <b>(4,371)</b>                | <b>588</b>                  | <b>(3,783)</b>                  | (2,920)                         |
| <b>Reconciliation of funds:</b>                 |      |                               |                             |                                 |                                 |
| Fund balances brought forward                   |      | 114,633                       | 10,098                      | 127,231                         | 127,651                         |
| <b>Total funds carried forward</b>              | 18   | <b>110,262</b>                | <b>10,686</b>               | <b>123,448</b>                  | 124,731                         |

There were no other recognised gains or losses other than those listed above and the net income for the year.

All income and expenditure derives from continuing activity.

## Notes to the Financial Statements (continued)

| <b>18 Movements on Funds</b>    | <b>Restated<br/>2020<br/>£000</b> | <b>Income<br/>£000</b> | <b>Expenditure<br/>£000</b> | <b>Gains /<br/>(Losses)<br/>£000</b> | <b>Transfers<br/>£000</b> | <b>2021<br/>£000</b> |
|---------------------------------|-----------------------------------|------------------------|-----------------------------|--------------------------------------|---------------------------|----------------------|
| Unrestricted funds:             |                                   |                        |                             |                                      |                           |                      |
| Unrestricted funds total        | <b>112,762</b>                    | <b>5,600</b>           | <b>(6,464)</b>              | <b>(5,568)</b>                       | <b>(299)</b>              | <b>106,031</b>       |
| Restricted funds:               |                                   |                        |                             |                                      |                           |                      |
| The Asmarley Trust              | 922                               | 315                    | (194)                       | -                                    | -                         | 1,043                |
| CAMRIC Fund                     | 789                               | 80                     | (500)                       | -                                    | -                         | 369                  |
| CORDA                           | 457                               | 5                      | (125)                       | -                                    | -                         | 337                  |
| Radiology Research Fund         | 402                               | -                      | (18)                        | -                                    | -                         | 384                  |
| Cystic Fibrosis Appeal          | 486                               | 12                     | (108)                       | -                                    | (98)                      | 292                  |
| Harefield Cardiac Research fund | 326                               | -                      | (62)                        | -                                    | -                         | 264                  |
| Special Cardiac Fund            | 471                               | 116                    | (5)                         | -                                    | -                         | 582                  |
| RELACS Group Database           | 275                               | 32                     | (40)                        | -                                    | -                         | 267                  |
| Brompton Breathers Fund         | 212                               | 10                     | (18)                        | -                                    | -                         | 204                  |
| Cryotherapy                     | 223                               | 1                      | (3)                         | -                                    | -                         | 221                  |
| Others (208)                    | 6,123                             | 3,177                  | (2,267)                     | -                                    | 397                       | 7,430                |
| Restricted funds total          | <b>10,686</b>                     | <b>3,748</b>           | <b>(3,340)</b>              | <b>-</b>                             | <b>299</b>                | <b>11,393</b>        |
| <b>Total charity funds</b>      | <b>123,448</b>                    | <b>9,348</b>           | <b>(9,804)</b>              | <b>(5,568)</b>                       | <b>-</b>                  | <b>117,424</b>       |

### Restricted funds

Name of fund

|                                 |   |
|---------------------------------|---|
| The Asmarley Trust              | Development of molecular medicine                   |
| CAMRIC                          | Magnetic resonance in cardiology                    |
| CORDA                           | Preventing heart disease and stroke                 |
| Radiology Research Fund         | Research & education into cardiothoracic imaging    |
| Cystic Fibrosis Appeal          | Help people with cystic fibrosis take control       |
| Harefield Cardiac Research fund | Lung development, regeneration and failure research |
| Special Cardiac Fund            | Cardiac research                                    |
| ReLACS Group Database           | Large airway collapse with symptoms - database      |
| Cryotherapy                     | Cryosurgery research, staff welfare and amenities   |

### Transfers between funds

|   | <b>2021<br/>£000's</b> | <b>2020<br/>£000's</b> |
|---|------------------------|------------------------|
| Transfer to Cystic Fibrosis Appeal                        | (98)                   | -                      |
| Transfer to other funds                                   | 397                    | 97                     |
| <b>Net contribution to restricted funds</b>               | <b>299</b>             | <b>97</b>              |
| Transfer from Unrestricted to Restricted funds (as above) | (299)                  | (96)                   |
| <b>Total contribution from Unrestricted</b>               | <b>(299)</b>           | <b>(96)</b>            |

## Notes to the Financial Statements (continued)

### 19 Comparative Movements on Funds

|                            | Restated<br>2019<br>£000 | Income<br>£000 | Expenditure<br>£000 | Gains /<br>(Losses)<br>£000 | Transfers<br>£000 | Restated<br>2020<br>£000 |
|----------------------------|--------------------------|----------------|---------------------|-----------------------------|-------------------|--------------------------|
| Unrestricted funds:        |                          |                |                     |                             |                   |                          |
| Unrestricted funds total   | 117,133                  | 4,729          | (4,971)             | (4,033)                     | (96)              | 112,762                  |
| Restricted funds:          |                          |                |                     |                             |                   |                          |
| The Asmarley Trust         | 798                      | 260            | (136)               | -                           | -                 | 922                      |
| CAMRIC Fund                | 704                      | 179            | (94)                | -                           | -                 | 789                      |
| CORDA                      | 503                      | 110            | (156)               | -                           | -                 | 457                      |
| Radiology Research Fund    | 426                      | 1              | (25)                | -                           | -                 | 402                      |
| Cystic Fibrosis Appeal     | 408                      | 78             | -                   | -                           | -                 | 486                      |
|                            | 349                      | -              | (23)                | -                           | -                 | 326                      |
| Special Cardiac Fund       | 349                      | 130            | (8)                 | -                           | -                 | 471                      |
|                            | 307                      | 31             | (62)                | -                           | (1)               | 275                      |
| Brompton Breathers Fund    | 248                      | 23             | (59)                | -                           | -                 | 212                      |
| Cryotherapy                | 233                      | -              | (10)                | -                           | -                 | 223                      |
| Others (208)               | 5,773                    | 2,507          | (2,254)             | -                           | 97                | 6,123                    |
| Restricted funds total     | 10,098                   | 3,319          | (2,827)             | -                           | 96                | 10,686                   |
| <b>Total charity funds</b> | <b>127,231</b>           | <b>8,048</b>   | <b>(7,798)</b>      | <b>(4,033)</b>              | <b>-</b>          | <b>123,448</b>           |

#### Restricted funds

##### Name of fund

|                                 |   |
|---------------------------------|---|
| The Asmarley Trust              | Development of molecular medicine                   |
| CAMRIC                          | Magnetic resonance in cardiology                    |
| CORDA                           | Preventing heart disease and stroke                 |
| Radiology Research Fund         | Research & education into cardiothoracic imaging    |
| Cystic Fibrosis Appeal          | Help people with cystic fibrosis take control       |
| Harefield Cardiac Research fund | Lung development, regeneration and failure research |
| Special Cardiac Fund            | Cardiac research                                    |
| ReLACS Group Database           | Large airway collapse with symptoms - database      |
| Cryotherapy                     | Cryosurgery research, staff welfare and amenities   |

#### Transfers between funds

|   | 2020<br>£000's | 2019<br>£000's |
|---|----------------|----------------|
| Transfer to Research Funds                                | -              | 57             |
| Transfer to closed appeals                                | -              | 9              |
| Transfer to Cystic Fibrosis Appeal                        | -              | 120            |
| Transfer to RBH Catheter Lab Appeal                       | -              | 161            |
| Transfer to Patient Amenity Fund                          | -              | (13)           |
| Transfer to RELACS Group Database                         | (1)            | -              |
| Transfer to other funds                                   | 97             | -              |
| <b>Net contribution to restricted funds</b>               | <b>96</b>      | <b>334</b>     |
| Transfer from Unrestricted to Restricted funds (as above) | (96)           | (334)          |
| <b>Total contribution from Unrestricted</b>               | <b>(96)</b>    | <b>(334)</b>   |

## Notes to the Financial Statements (continued)

### 20 Related Party Transactions

During the year none of the Trustees, members of the Property and Investment Committee nor Key Management Personnel or parties related to them have undertaken any material transactions with the Charity, except as disclosed

No Trustee received payment from professional or other services supplied to the charity during the period

Total donations received from the trustees during the period were £3,580 (2020: £13,500).

### 21 Notes to the Cash Flow Statement

#### Reconciliation of net income / (expenditure) to net cash flow from operating activities

|  | 2021<br>£000   | 2020<br>£000   |
|--|----------------|----------------|
| <b>Net (expenditure) / income for the reporting period</b> | <b>(6,024)</b> | <b>(3,783)</b> |
| <b>Adjustments for:</b>                                    |                |                |
| Depreciation charges                                       | 30             | 20             |
| Impairment   | 40             | 343            |
| (Gains) / losses on investments                            | 10,906         | 3,690          |
| Dividends, interest and rents from investments             | (3,335)        | (4,440)        |
| (Increase) / decrease in debtors                           | 292            | (1,045)        |
| Increase in creditors                                      | 2,433          | 1,303          |
| Interest paid on mortgage                                  | (930)          | (1,246)        |
| <b>Net cash provided by (used in) operating activities</b> | <b>3,412</b>   | <b>(5,158)</b> |

Cash inflows from the Charity's bank loan have been represented as financing cashflows as the trustees consider this more fairly reflects their nature.

| 22 | <b>Net Debt</b>          | 2020<br>£000    | Movement<br>£000 | 2021<br>£000    |
|----|--------------------------|-----------------|------------------|-----------------|
|    | Cash at bank and in hand | 11,914          | 3,956            | 15,870          |
|    | Bank loans               | (35,175)        | 6,195            | (28,980)        |
|    | <b>Net debt</b>          | <b>(23,261)</b> | <b>10,151</b>    | <b>(13,110)</b> |

### 23 Capital Commitments

The charity had capital commitments for the Foulis Terrace investment property of £4.162m at 31 March 2021 (2020: £nil).

### 24 Post Balance Sheet Events

There were no significant post balance sheet events in either the current or prior year.

### 25 Restatement

During the year the treatment of the South Parade investment property was reviewed and a valuation of £2,500,000 received. Previously no value had been obtained and as result excluded from the net assets of the charity. The inclusion of the valuation has been treated as a prior year adjustment and net assets increased accordingly.





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