

**Homerton Healthcare
NHS Foundation Trust Charitable Fund**

CHARITY NUMBER 1061659

Annual Report 2021/22

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Reference and Administrative Details

Main Charity

Registered Name: Homerton Healthcare NHS Foundation Trust Charitable Fund
Registered Number: 1061659
Registration Date: 3rd April 1997

Subsidiary Funds

Registered Name: Homerton Healthcare NHS Foundation Trust Children's Services Charity
(Subsidiary Fund 2)
Registered Number: 1061659-2
Registration Date: 29th November 2002

Charity Address

Trust Offices
Homerton Healthcare NHS Foundation Trust
Homerton Row
London E9 6SR
Tel: 020-8510-5154

Trustee Arrangements

The Homerton Healthcare NHS Foundation Trust is the Corporate Trustee of the Charity.
The Trust Directors who served as members of the Charitable Fund Committee were:

Ms Tracey Fletcher – Chief Executive to 31st March 22
Mr Dylan Jones – Interim Chief Executive from 1st April 22
Sir John Gieve – Chairman
Phill Wells – Finance Director to 5th June 2022
Alan Macalister – Interim Finance Director from 6th June 2022.
Deblina Dasgupta – Medical Director

Governing Document

Main Charity - Declaration of Trust dated 19th March 1997
Subsidiary Funds 1 and 2 – Declaration of Trust dated 10th September 2002

Objectives

For any charitable purpose or purposes relating to the National Health Service provided by Homerton Healthcare NHS Foundation Trust

Bankers

National Westminster Bank Plc,
20, Amhurst Road,
Hackney,
London, E8 1QZ.

Investment Managers

BlackRock Investment Management (UK) Limited
33, King William Street,
London, EC4R 9AS.

Independent Examiner

Simpson Wreford LLP
Chartered Accountants and Registered Auditors
Wellesley House
Duke of Wellington Avenue
Royal Arsenal
London
SE18 6SS

Structure, Governance and Management

The main Charity is an NHS Charity as defined within the NHS Charities guidance (1 February 2012) and was created by the Declaration of Trust made on 19th March 1997. The Corporate Trustee is the Homerton Healthcare NHS Foundation Trust (the Trust). The Executive Directors and the Non-Executive Directors of the Trust share the responsibility for ensuring that the NHS body fulfils its duties as Corporate Trustee in managing the charitable fund.

The Board of the Trust has delegated the responsibility of managing the charitable fund to the Charitable Funds Committee. The Director of Finance is responsible for the day-to-day management and control of the administration of the charitable funds and chairs the Charitable Funds Committee. The Director of Finance has responsibility to ensure that spending is in accordance with the objectives and priorities agreed by the Charitable Funds Committee and the Board; that the criteria for spending the charitable funds are fully met; proper accounting records are maintained; and that devolved decision-making or delegated arrangements are in accordance with the policies and procedures set out by the Board on behalf of the Corporate Trustee and approves items of expenditure above the delegated limits of the fund holders.

The Charitable Funds Committee reviews the performance of the external investment manager and ensures that the investment of funds is in accordance with the Charity's policy on ethical investment. The Committee approves the appointment and the terms of business of the investment manager and approves items of expenditure above the delegated limits of the fund holders.

Regular reports are produced on financial activity and fundraising programmes and are presented to the Charitable Funds Committee.

During the financial year 2021-22, Charitable Funds Committee has decided to consolidate the existing delegated funds by merging them into thematic groups. Committee believe this is a positive step forward in the evolution of the Homerton Hope Charity to enable more effective and equitable use of the charitable funds. All thematic group funds are managed by the Charitable Funds Committee.

During the financial year, charity has amended its name to Homerton Healthcare NHS Foundation Trust Charitable Funds to be in line with the Corporate Trustee.

The Trust recognises that a well governed Charitable Funds Committee is essential if the Charity is to be effective in achieving its objectives. The Committee must seek to be representative of the people with whom the Charity works and must have available to it all of the knowledge and skills required to run the Charity.

Individual Committee Members must have sufficient knowledge, both of trusteeship in general and of the Charity's activities, to enable them to carry out their role and to represent the Charity at meetings and other events. Any new appointee is required to have these skills.

The Trust seeks to have at least four Members on its Charitable Funds Committee.

Where a vacancy exists or a Committee Member departs, the new person will be given a copy of the Trust's Committee Member Induction Pack on appointment which includes the Charitable Fund Committee Terms of Reference, the previous year's Annual Report and Accounts, the Charity Commission's publication, 'Guidance on the role of a Corporate Trustee', and a list of funds, fund holders and balances held.

Grant making policy:

In order for the Charitable Funds Committee Members to retain overall management control of the funds, they have established a financial scheme of delegation which sets expenditure authorisation limits as follows: -

For all expenditure the following rules apply:

- Purchases up to £1,000
 - One member of Charitable Fund Committee to authorise
- Purchases between £1,000 and £9,999
 - Two members of Charitable Fund Committee to authorise
- Purchases of £10,000 and over
 - To be authorised at a Charitable Funds Committee meeting

Designated funds policy:

Designated funds are set up at the charitable trustees' discretion when a request has been made to the trustees. The trustees will ensure the continuity of the income/ expenditure streams and the charitable benefits to the hospital before deciding on setting up new designated funds.

Restricted funds policy:

Restricted funds are set up when there is either a donation or a grant is received with specific written restrictions on how the funds to be used.

Public benefit statement

The Trustees confirm that they have complied with public benefit guidance published by the Charity Commission.

Our Charity's objective is to provide support for any charitable purpose or purposes relating to the National Health Services provided by Homerton Healthcare NHS Foundation Trust including services provided to the community. The Trustees ensure that this purpose is carried out for the public benefit by working to the strategic objectives.

Our charitable organisation is set up to benefit patients and their families and the staff of Homerton Hospital. Our grants are structured to ensure that the money raised is used to best effect to support the hospital's work and is in line with donor's wishes and the charity's mission and objectives.

The Charity does not provide facilities directly to the public but provides them to the hospital, in so doing, for the patients of the hospital.

Grants made to the hospital do not focus on the income of patients but provide a benefit to any patient requiring the services of the hospital, which are available to all entitled to NHS treatment based on need.

Strategic Objectives and Activities

The main objective of the charitable fund is to ensure that the funds are used: “For any charitable purpose or purposes relating to the National Health Services provided by Homerton Healthcare NHS Foundation Trust”.

The Charity is funded by donations and legacies received from patients, their relatives, and the general public and other organisations. In order to meet our overall objective, we ensure all spend pertains to one of the following three areas:

Patient Expenditure – Purchase of items of equipment, provision of services, and the provision of facilities not normally provided by, or in addition to, the normal NHS provision.

Staff Expenditure – Purchase of educational material and conference/course fees in addition to those provided from the Trust’s training and development budgets. Enhanced staff facilities and services that improve staff wellbeing; and

Capital Equipment - Purchase of equipment in addition to that provided by NHS funds through the Trust’s Capital Programme.

The activities carried out during 2021/22 to meet the strategic objectives are summarised on pages 7 to 9 of this report.

Related Parties

Homerton Healthcare NHS Foundation Trust is the Charity’s only related party. The Charity works closely with Homerton Healthcare NHS Foundation Trust and individuals within the Trust.

Staff within the Trust identify and advise the Charitable Funds Committee on local priorities and assist the Committee Members in monitoring the use of charitable funds.

The corporate trustee is a member of the Healthcare Financial Management Association and receives updates and bulletins on matters affecting NHS charitable funds from the HFMA Charitable Funds Special Interest Group.

Reserves Policy, Investment Policy and Risk Management

Reserves Policy

The Charitable Funds Committee reviewed the Reserves Policy during 2021/22. The review was based on best practice guidance from the Charities Commission on reserves as well as reviewing other reserves policies from similar NHS organisations. The Reserves Policy is set out below:

The minimum reserves level that the Charity should hold is £103k. This is the anticipated expenditure for the following six months arrived using prior year total expenditure.

During the 2021/22 financial year, the Charity has adhered to the Reserves Policy as set out above.

Investment Policy

The Charitable Funds Committee reviewed the Investment Policy for Trust Funds during the year 2021/22. The aim of the policy is to optimise the investment income received whilst maintaining the capital value of the funds and ensure:

- There is a balanced portfolio;
- The investment style is conservative;
- We refrain from direct investment in tobacco related companies;
- There is no direct investment exposure through overseas shares; and
- A sufficient cash balance will be held to meet the fund's ongoing working capital requirements.

To ensure that appropriate advice and guidance is received:

- The Charitable Funds Committee has the delegated authority to appoint fund managers; and
- Fund managers are required to submit performance reports and attend meetings where appropriate, to advice on investment performance, trends, opportunities, and highlight areas of concern.

The funds have been managed in accordance with the Investment Policy during 2021/22.

As a part of its regular review of the Charitable Fund's Investment Strategy, the Committee reviews the Fund's investments to ensure they remain focused primarily on cash/short term investments. As at 31st March 2022 approximately £564k of funds were held in the BlackRock Charinco Common Investment Fund and the Charishare Restricted Common Investment Fund.

Risk Management

The Charitable Funds Committee reviews its risk register on an ongoing basis. When risks are identified, systems and procedures are put in place to manage those risks.

The following risks were identified as possible risks faced by Homerton charity:

- Poor investment performance – financial loss due to poor market conditions on investments.
- Cash flow difficulties as a result of lack of fundraising activities.
- Fraudulent activity – fraudulent payments from charity bank account.
- Security of Art Assets – Theft or damage of various items of art around the hospital.
- Adverse publicity – Damage to charity's reputation by being associated with certain organizations or individuals.

Action taken to mitigate above risks are:

- Regular investment performance reviews by both finance department and Committee.
- Trustees to review fundraising activities of the charity.
- Regular review of bank account to identify any fraudulent activities.
- Regular inspection of paintings and artwork on site by Art Curator as well as up-to-date insurance cover.
- Trustees to review major donations to charity. Set a limit on cash donations and donations are accepted as per the charity user guide.

Review of Achievements and Performance

During 2021/22, the charity continued to support a wide range of charitable and health related activities, benefiting patients and staff in a variety of areas.

The Covid-19 pandemic continued, and we were fortunate to receive donated items to support our staff throughout the ongoing situation. We are still working through some of the projects that had been planned during the previous financial year that were halted due to the pandemic.

Generally, funds are used to provide specialist staff, goods and services which would not have been possible using NHS funding. Some of the activities that happened over the past year are described below.

Peer navigators project

With the help of another donation from the MAC Aids Fund the Charity has been able to support the running of a peer navigators' programme. This project helps patients build confidence to seek employment, navigate the complex and ever-changing social care system, and to provide support in living well with HIV.

Art programme

The therapeutic value of art in health and in speeding recovery is well documented. The Trust has always displayed artwork in its wards, corridors and courtyards. Based in the heart of Hackney, the hospital provides an excellent blank canvas for artists to display their work to patients, staff and visitors.

Charitable funds are used to fund art therapy sessions in the Elderly Care Unit, the Graham Stroke Unit and the Regional Neurological Rehabilitation Unit (RNRU). These were invaluable with patient recovery.

Christmas presents for inpatients

The charity continued its annual tradition of providing small gifts to patients who were staying in hospital during Christmas 2021.

Staff welfare

The charity provided funding for a number of wellbeing initiatives and supported our Networks including Rainbow, Enabled and Together We Rise. Contributions were also made to support the work of the Healthy Homerton Project.

- Education centre seating for staff
- RNRU staff room refurbishment
- Starlight staff room refurbishment
- St Leonard's Wellness room refurbishment
- Physio courtyard improvement work

Patient welfare

Over the last year charitable funds were used to purchase a number of items of equipment and to provide additional services to benefit patients, for example:

- Garden area revamping onsite and community areas
- Health shop refurbishment
- Sensory toys for children with learning needs for Hackney Ark and Starlight ward
- Cubicle panels in Emergency department
- M&S vouchers for breast cancer patients to buy bras

Donations

The charity continues to actively fundraise through a variety of activities, including collection boxes, a large collection box in the main entrance and a card payment machine.

We receive donations from platforms such as Justgiving, Virgingiving, Benevity, Gofundme, eBay selling and PayPal.

NHS Charities Together raised over £130 million which is being given to NHS Trusts around the country. So far, we have received £219,857. This has been used to fund renovations of staff areas, garden areas, well-being initiatives, a psychological post for staff and a Long Covid programme working with the voluntary sector.

The charity received £15,000 from MAC Aids for the peer navigator role.

Significant donations as below:

• Bursary from WaterWipes, The Pure Foundation Fund for the neonatal unit	£2500
• Ickburgh school fundraising sponsored walk	£1080
• Madina Mosque Trust	£3670
• North London Mosque Trust	£4700
• North London Muslim community	£1000
• NHS Charities Together Long Covid grant & OSG	£175,857
• NHS Charities Together psychological support grant	£44,000
• Barts Charity grant to Homerton	£25,000
• London Catalyst Samaritan grant	£1000
• Legacy donation for cardio/respiratory legacy	£181,049
• Roksanda Instagram online fashion show	£2000

As well as monetary donations we also received gifts from the local community and businesses. We have distributed all these to our grateful staff.

The Trust did not receive any political donations during the year.

Future Plans

We will continue to raise funds to further the Charity's objectives and to ensure that they are invested to the benefit of patients and our staff.

Financial Review

Income

During the year ended 31st March 2022 the Charity received donations of approximately £525k (2020/21 £356k) including £220k from NHS Charities Together Covid-19 appeal designated to provide long covid support for patients as well as for staff welfare. £181k received from legacy donation as well as gifts in kind with a valuation of £19k. Other income was from various fundraising platforms, individuals and organizations.

Homerton charity has received £83k from NHS Charities Together as the lead charity on behalf of North East London ICS and these funds were transferred to Barking Havering Hospital NHS Trust.

The Charity also generated £17k (2020/21 £17k) from investments.

Expenditure

During the year ended 31st March 2022 the Fund's expenditure totalled £204k (2020/21 £206k). The breakdown of expenditure was as follows: charitable activities £203k (2020/21 £206k) and fund-raising costs £1k (2020/21 £0k). Expenditure also includes the gifts in kind distributed to staff with a value of £19k.

Charitable activities included patient welfare expenditure of £61k (2020/21 £100k); staff welfare and training costs of £79k (2020/21 £43k); salaries expenditure of £58k (2020/21 £58k) and statutory audit fees of £5k (2020/21 £5k).

Expenditure on patient welfare included the provisions for Peer Navigator programme for patients with HIV, art therapy courses for elderly patients, garden renovations, toys for children with learning difficulties and other various items of expenditures.

Staff training expenditure included sending staff on courses and conferences.

Expenditure on staff welfare included providing free health and wellbeing sessions, staff room refurbishments and support for various staff networking group expenditures.

Other Recognised Gains and Losses

Investments managed by BlackRock Investment Managers were valued at a market value of £564k at the balance sheet date. The artwork investments were valued at £305k (2020/21 £299k) as at 31 March 2022. Trust's artwork portfolio was formally valued in March 2019 by Bonhams valuers.

Reserves

The charity as a whole made a surplus of £371k during the year. This is largely due to the grants received from NHS Charities Together Covid-19 appeal, increase of individual donations received as a result of Covid-19 pandemic together with increase of market value of funds invested with BlackRock Investment

Managers over the year. Investments have increased in value over the year by £33k. This has resulted in the total fund balance increasing from £2,207k to £2,578k.

Future Plans

We will continue to raise funds to further the Charity's objectives and to ensure that they are invested to the benefit of patients and our staff.

We would like to give special thanks to all the local community, businesses, patients, relatives and our staff for their incredible support given to our hospital during the Covid-19 pandemic.

Dylan Jones
Chief Executive
Homerton Healthcare NHS Foundation Trust and Charitable Fund Committee Member

Date:

Homerton Healthcare NHS Foundation Trust
Charitable Fund
(formerly Homerton University Hospital NHS Foundation Trust Charitable Fund)
Charity Number 1061659

Annual Accounts for the Year Ending 31 March 2022

Statement of Trustees' responsibilities in respect of the Trustees' annual report and the financial statements

Under the trust deed of the charity and charity law, the trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations. The trustees have elected to prepare the financial statements in accordance with UK Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the excess of expenditure over income for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether the financial statements comply with the trust deed, subject to any material departures disclosed and explained in the financial statements; and
- assess the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

The trustees are required to act in accordance with the trust deed of the charity, within the framework of trust law. They are responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the trustees to ensure that, where any statements of accounts are prepared by them under section 132(1) of the Charities Act 2011, those statements of accounts comply with the requirements of regulations under that provision. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

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

The Trustees confirm that they have met the responsibilities set out above and complied with the requirements for preparing the accounts. The financial statements set out on pages 11 to 25 attached have been compiled from and are in accordance with the financial records maintained by the Trustees.

By order of the Trustees

Trustee.....Date..... 2022

Trustee.....Date..... 2022

Where the financial statements are published on the internet.

Homerton Healthcare NHS Foundation Trust Charitable Fund Annual Accounts as at 31 Mar 2022
(formerly Homerton University Hospital NHS Foundation Trust Charitable Fund)

Independent Examiner's Report to the Trustees of Homerton Healthcare NHS
Foundation Trust Charitable Fund

I report to the trustees on my examination of the accounts of the Homerton Healthcare NHS Foundation Trust Charitable Fund (the Trust) for the year ended 31 March 2022.

Responsibilities and basis of report

As the charity trustees of the Trust, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

M Broder FCA

For and on behalf of Simpson Wreford LLP, Chartered Accountants
Wellesley House

Duke of Wellington Avenue
Royal Arsenal
London
SE18 6SS

Dated:

Homerton Healthcare NHS Foundation Trust Charitable Fund Annual Accounts as at 31 Mar 2022
(formerly Homerton University Hospital NHS Foundation Trust Charitable Fund)

Statement of Financial Activities for the period ended 31 March 2022

	Notes	Restricted Funds	Unrestricted Funds	Endowment Funds	2021/22 Total Funds	2020/21 Total Funds
		£000	£000	£000	£000	£000
INCOME FROM:						
Donations and legacies	3.0	235	290	-	525	356
Other trading activities	3.1	-	-	-	-	-
Investments	3.2	-	17	-	17	17
TOTAL INCOME		235	307	-	542	373
EXPENDITURE ON:						
Raising funds	4.0	-	(1)	-	(1)	-
Charitable activities	4.1	(91)	(112)	-	(203)	(206)
TOTAL EXPENDITURE		(91)	(113)	-	(204)	(206)
Net income/(expenditure) before investment gains/(losses)		144	194	-	338	167
Net gains/(losses) on investments		-	33	-	33	86
Net income/(expenditure) before tax		144	227	-	371	253
Taxation		-	-	-	-	-
Net income/ (expenditure) for the year		144	227	-	371	253
NET MOVEMENT IN FUNDS		144	227	-	371	- 253
Reconciliation of Funds						
Total funds brought forward as previously reported		157	1,118	932	2,207	1,954
Net movement in funds for the year		144	227	-	371	253
Total funds carried forward	11	301	1,345	932	2,578	2,207

The notes at pages **17 to 24** form part of these Accounts.

Homerton Healthcare NHS Foundation Trust Charitable Fund Annual Accounts as at 31 Mar 2022
(formerly Homerton University Hospital NHS Foundation Trust Charitable Fund)

Balance Sheet as at 31 March 2022

	Notes	Restricted Funds £000	Unrestricted Funds £000	Endowment Funds £000	Total at 31 March 2022 £000	Total at 31 March 2021 £000
Fixed Assets						
Investments	8	-	869	-	869	836
		-	869	-	869	836
Current Assets						
Debtors: amounts falling due within one year	9.1	-	-	31	31	31
Debtors: amounts falling due over one year	9.2	-	-	435	435	466
Cash at bank and in hand		301	504	466	1,271	903
Total Current Assets		301	504	932	1,737	1,400
Creditors: amounts falling due within one year	10		(28)	-	(28)	(29)
Net Current Assets		301	476	932	1,709	1,371
Net Assets		301	1,345	932	2,578	2,207
Funds of the Charity						
Funds revenue / capital	11	301	1,345	932	2,578	2,207
Total Funds		301	1,345	932	2,578	2,207

The notes at pages **17 to 24** form part of these Accounts.

These financial statements of the Homerton NHS FT Charitable Fund registered number 1061659 were approved by the Board of Trustees and authorised for issue on . These were signed on its behalf by:

Signed:

Dylan Jones
Interim Chief Executive

Date:

Homerton Healthcare NHS Foundation Trust Charitable Fund Annual Accounts as at 31 Mar 2022
(formerly Homerton University Hospital NHS Foundation Trust Charitable Fund)

Statement of cash flows

	Notes	Total funds £000 Mar-22	Total funds £000 Mar-21
Cash flows from operating activities:			
Cash generated by operating activities	19	<u>351</u>	<u>177</u>
Cash flows from investing activities:			
Dividends, interest and rents from investments		<u>17</u>	<u>17</u>
Net cash provided by (used in) investing activities		<u>17</u>	<u>17</u>
Cash flows from financing activities:			
Change in cash and cash equivalents in the reporting period		368	194
Cash and cash equivalents at the beginning of the reporting period		903	709
Cash and cash equivalents at the end of the reporting period		1,271	903

Analysis of Cash and Cash Equivalents

	£000 Mar-22	£000 Mar-21
Cash in hand	1	1
Notice Deposits (less than 3 months)	<u>1270</u>	<u>902</u>
Total Cash and Cash Equivalents	<u>1271</u>	<u>903</u>

NOTES TO THE ACCOUNTS

1 ACCOUNTING POLICIES

1.1 Basis of accounting

The accounts (financial statements) have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16th July 2014 and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

1.2 Income

- a) All incoming resources are included in full in the Statement of Financial Activities as soon as the following three factors can be met:
 - i) entitlement - arises when there is control over the rights or other access to the resource, enabling the charity to determine its future application;
 - ii) certainty - when there is reasonable certainty that the incoming resource will be received; and
 - iii) measurement - when the monetary value of the incoming resources can be measured with sufficient reliability.
- b) Gifts in kind include the following:
 - i) assets given for use by the funds e.g. property for its own occupation are included in the Statement of Financial Activities as incoming resources when receivable; and
 - ii) gifts made in kind but on trust for conversion into cash and subsequent application of the funds are included in the accounting period in which the gift is sold.

In all cases the amount at which gifts in kind are recognised in these accounts is at the fair value of those gifts at the time of their receipt to the Charitable Fund or the amount actually realised on disposal of the gift. Where gifts in kind are included in the Statement of Financial Activities at fair value, the value is based on the estimated price the charitable fund would have to pay to acquire the asset in the open market. The basis of the valuation is disclosed in the annual report.

During the financial year 21-22, charity has received number of gifts as a result of the Covid-19 pandemic. These were mainly from the local community, businesses, grateful patients and their families. Various food items, toiletries, services, discounts for staff and vouchers are some of the gifts in kind received. All these gifts were immediately distributed amongst the hospital staff.

c) Legacies

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

During the year 21-22 a legacy donation of £181,049 was received from a patient.

Homerton Healthcare NHS Foundation Trust Charitable Fund Annual Accounts as at 31 Mar 2022
(formerly Homerton University Hospital NHS Foundation Trust Charitable Fund)

1.3 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:

Raising funds:

Expenditure on raising funds includes the costs incurred in generating fundraising income.

Charitable activities:

Expenditure on charitable activities include: patient welfare and amenities, staff welfare and amenities, charity support costs.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities.

Support costs include back office costs, finance, personal, payroll and governance costs which support the charity. These are analysed within note 4.1 under analysis of expenditure.

1.4 Structure of funds

Where there is a legal restriction on the purpose to which a funds may be put, the fund is classified in the accounts as restricted. Funds where the capital is held to generate income for charitable purposes and cannot itself be spent are accounted for as endowment funds. Other funds are classified as unrestricted funds. Funds which are not legally restricted but which the Trustees have chosen to earmark for set purposes are treated as classified funds. An explanation of restricted, unrestricted and endowment have been listed in note 12.

1.5 Fixed Assets Investments

Investments are stated at market value as at the date of the Balance Sheet. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year. Quoted stocks and shares are included in the balance sheet at the mid-market price, excluding dividend.

Art assets are stated at their estimated market value at the balance sheet date. These have been formally valued by Bonhams Ltd as at 31st March 2019.

1.6 Investment gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and carrying value. Unrealised gains and losses are calculated as the difference between market value at the year end and carrying value. Investment gains and losses, whether realised or unrealised are combined and shown in heading 'Gains/ (Losses) on investments in SoFA.

1.7 Pensions Contributions

The costs of two staff members working for the charity are recharged by Homerton University Hospital NHS Foundation Trust. Associated Pension contributions to the NHS Superannuation and other schemes are disclosed within the Trust's financial statements. However, the recharged costs are included within the Charitable Fund Accounts under the heading "Charitable activities".

1.8 Pooling Scheme

No official pooling scheme has been adopted for investments relating to any funds.

Homerton Healthcare NHS Foundation Trust Charitable Fund Annual Accounts as at 31 Mar 2022
(formerly Homerton University Hospital NHS Foundation Trust Charitable Fund)

1.9 Transfer between funds

Charitable funds policy is not to transfer funds between restricted, unrestricted and endowment funds.

1.10 Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.11 Liabilities

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts.

1.12 Financial Instrument Disclosure

The charity has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

The Charity holds investments with BlackRock Investment Managers and receives dividend income quarterly. These investments are classed as Financial Instruments. The carrying amount of financial assets measured at fair value through income and expenditure is £563,975.57

1.13 Going Concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future and for a minimum of 12 months. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

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

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

Homerton Healthcare NHS Foundation Trust Charitable Fund Annual Accounts as at 31 Mar 2022
(formerly Homerton University Hospital NHS Foundation Trust Charitable Fund)

3.0 INCOME

Analysis of income from donations, legacies and grants

	2021/22 £000	2020/21 £000
Donations	525	356
Legacies	-	-
General grants	-	-
	525	356

Donations of Gifts in Kind received during the year a value of £19,240 were included as income. Homerton charity has received £83k from NHS Charities Together as the lead charity on behalf of North East London ICS and this was transferred to Barking Havering Hospital NHS Trust.

3.1 Analysis of income from other trading activities

	2021/22 £000	2020/21 £000
Fundraising activities	-	-
Bank interest	-	-
	-	-

3.2 Analysis of income from investments

	2021/22 £000	2020/21 £000
Dividend received from BlackRock investment	17	17

4 EXPENDITURE

Analysis of expenditure on raising funds

	2021/22 £000	2020/21 £000
Operating fundraising events	(1)	-

4.1 Analysis of expenditure on charitable activities

	2021/22 £000	2020/21 £000
Patient welfare and amenities	(61)	(100)
Staff welfare and amenities	(79)	(43)
Salaries	(58)	(58)
Independent Examiner/Statutory Audit	(5)	(5)
Other costs	-	-
	(203)	(206)

The charity does not directly employ any staff. The costs of Trust staff who engage in the charity's activities are recharged to the charity.

Independent Examiners fees £5k above includes VAT of £780.

Donations of Gifts in Kind received during Covid-19 pandemic up to a value of £19,240 were included as Patient welfare and amenities expenses.

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5 COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	Restricted Funds	Unrestricted Funds	Endowment Funds	2020/21 Total Funds
	£000	£000	£000	£000
INCOME FROM:				
Donations and legacies	162	194	-	356
Other trading activities	-	-	-	-
Investments	-	17	-	17
TOTAL INCOME	162	211	-	373
EXPENDITURE ON:				
Raising funds	-	-	-	-
Charitable activities	(41)	(165)	-	(206)
TOTAL EXPENDITURE	(41)	(165)	-	(206)
Net income/(expenditure) before investment gains/(losses)	121	46	-	167
		-	-	-
Net gains/(losses) on investment	-	86	-	86
Net income/(expenditure) before tax	121	132	-	253
Taxation	-	-	-	-
Net income/ (expenditure) for the year	121	132	-	253
Transfer between funds	-	-	-	-
Other recognised gains/ (losses):	-	-	-	-
Actuarial gains/(losses) on defined benefit schemes	-	-	-	-
NET MOVEMENT IN FUNDS	121	132	-	253
Reconciliation of Funds				
Total funds brought forward as previously reported	36	986	932	1,954
Prior year adjustment	-	-	-	-
Total funds brought forward as restated	-	-	-	-
Net movement in funds for the year	121	132	-	253
Total funds carried forward	157	1,118	932	2,207

6 ANALYSIS OF ASSETS AND LIABILITIES BETWEEN FUNDS

	Restricted Funds	Unrestricted Funds	Endowment Funds	Total
	£000	£000	£000	£000
Tangible fixed assets	-	869	-	869
Current assets	301	504	932	1,737
Current liabilities	-	(28)	-	(28)
Creditors due after one year				
At 31 March 2022	301	1,345	932	2,578
At 31 March 2021	157	1,118	932	2,207

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7 NET MOVEMENT IN FUNDS

	2021/22	2020/21
	£000	£000
Net outgoing resources	338	167
Net movement on investments	33	86
Net movement in funds for the year	<u>371</u>	<u>253</u>

8 ANALYSIS OF FIXED ASSET INVESTMENTS

31 March 2022 **31 March 2021**
£000 **£000**

8.1 Market Valuation

BlackRock Investments

Opening market value	537	451
Disposals	-	-
Net gain on revaluation	27	86
Closing market value	<u>564</u>	<u>537</u>

Art Investments

Opening market value	299	299
Additions	6	-
Disposals	-	-
Closing market value	<u>305</u>	<u>299</u>

8.2 Type of Investments

31 March 2022 **31 March 2021**
Held in UK **Held in UK**
£000 **£000**

Investments in Common Investment Fund	564	537
Other investments	305	299
	<u>869</u>	<u>836</u>

Investments are the funds invested within BlackRock Investment Management. The market value as at 31 March 2022 was £563,975.57. The Annual Management Charge of the fund is reflected in the price of the fund. The historic cost of the Investment Fund is £191k (2021 £191k)

Other investments are the Art Assets, valued at market value as at 31st March 2022 by the trust's Art Curator. A professional valuation was carried out by Bonhams Art valuers in March 2019.

9 ANALYSIS OF DEBTORS

31 March 2022 **31 March 2021**

9.1 Amounts falling due within one year:

	£000	£000
Endowment funds	31	31
Other Debtors	-	-
Total debtors falling due within one year	<u>31</u>	<u>31</u>

9.2 Amounts falling due over one year:

Endowment funds	435	466
Total debtors falling due after more than one year	<u>435</u>	<u>466</u>
Total debtors	<u>466</u>	<u>497</u>

The Endowment funds debtor reflects the balance of an interest free loan originally in the amount of £932,000 from the Charity's permanent endowment fund for the purpose of providing a new lecture theatre at the Homerton University Hospital Foundation Trust. The original repayment term was 30 years from August 2006.

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10 ANALYSIS OF CREDITORS	31 March 2022 £000	31 March 2021 £000
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Amounts falling due within one year:
Accruals

28	29
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11 STATEMENT OF MOVEMENTS ON RESERVES

	Restricted Funds £'000	Unrestricted Funds £000	Endowment Funds £000	Total £000
Fund balances brought forward at 1st April	157	1,118	932	2,207
Income	235	307	-	542
Expenditure	(91)	(113)	-	(204)
Gains/ (losses)	-	33	-	33
Fund balances carried forward at 31 March	301	1,345	932	2,578

12 ANALYSIS OF FUNDS

12.1 Restricted Funds

Restricted fund account had a balance of £157,000 as at end of March 2021.
Charity received several grants totalling £235,000 including NHS Charities Together for staff welfare and patient welfare as a result of Covid-19 pandemic. During the year the charity spent £91,000 of restricted funds for the specific use of the staff and patient welfare. The balance of £301,000 is to be spent on patients who seek treatment in sexual health as well as on staff welfare specifically in relation to the long term effects of Covid-19 pandemic.

12.2 Unrestricted Funds

During the year the charity received unrestricted funds totalling £307,000 which includes a£181,049 legacy donaion from a patient.

Unrestricted funds are those funds that may be spent at the discretion of the trustees on the charity's objectives where no restrictions have been made in writing.

12.3 Endowment Funds (Children Services Fund)

This was set up to partially fund the build for the new lecture theatre. The value of the fund at 31 March 2022 was £932,000 and there has been no movement on this fund during the year.

13 FUNDS NOTE

The objectives of the unrestricted funds are 'for any charitable purpose or purposes relating to the National Health Service provided by Homerton Hospital NHS Foundation Trust'.

14 COMMITMENTS, LIABILITIES AND PROVISIONS

There were no commitments outstanding at year end other than those disclosed in the accounts. Liabilities are recognised in the accounts once they have incurred either a legal or constructive obligation to expend funds.

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15 RELATED PARTY TRANSACTIONS

Homerton University Hospital NHS Foundation Trust has a close relationship with the charity as the fund is set up to benefit the hospital's patients and staff. Related party transactions are explained below.

The balance of the interest free loan provided by the charity to the Trust as at 31st March 2022 is £466,025. During the year the Trust has paid £31,065 to the charity as a loan repayment. At the same time the charity has paid the Trust £58,277 in respect of salary recharges.

16 TRUSTEE REMUNERATION AND EXPENSES

The Trustees did not receive any remuneration, benefits or reimbursement of expenses during the year ended 31 March 2022.

17 STAFF

No staff were directly employed by the charity during the year (2021 nil).

18 POST BALANCE SHEET EVENTS

There are no post balance sheet events to report for the financial year ended 31 March 2022.

19 OPERATING ACTIVITIES

	31-Mar-22	31-Mar-21
	£ £000	£ £000
Net income for the year	371	253
Adjustment for:		
Dividends, interest and rents from investments	(17)	(17)
Operating cash flow before movement in working capital	354	236
Loss / (profit) on investment assets	(33)	(86)
(Increase) / decrease in debtors	31	31
Increase / (decrease) in creditors	(1)	(4)
Cash generated by operating activities	351	177

20 GIFTS IN KIND

During 2021/22 charity received various items of gifts in kind as a result of Covid-19 pandemic. All these gifts received were distributed amongst the staff and patients. Gifts where values can be attributed to are included within the financial statements as income and expenditure. This valuation came to £19,240.

21 CHANGE OF NAME

Charity has amended its name to HOMERTON HEALTHCARE NHS FOUNDATION TRUST CHARITABLE FUND to be in line with the corporate trust.