

**Homerton Healthcare
NHS Foundation Trust Charitable Fund**

CHARITY NUMBER 1061659

Annual Report 2022/23

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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:

Dylan Jones – Interim Chief Executive from 1st April 22 to 3rd Oct 2022.
Louise Ashley – Chief Executive and Place Based Leader from 4th Oct 2022.
Sir John Gieve – Chairman.
Phill Wells – Finance Director until 5th June 2022.
Alan Macalister – Interim Finance Director from 6th June 2022 to 18th Sep 2022.
Robert Clarke - Finance Director from 19th Sep 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.

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 £3,000
 - Charity fundraiser to authorise.
- Purchases between £3,000 and £12,500
 - Two members of Charitable Fund Committee to authorise.
- Purchases of £12,500 and £100,000
 - To be authorised at a Charitable Funds Committee meeting.
- Purchases of £100,000 and over
 - To be authorised by the trust board.

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 confirms it has 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 Trustee ensures 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 2022/23 to meet the strategic objectives are summarised on pages 7 to 10 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 2022/23. 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 £102k. This is the anticipated expenditure for the following six months arrived using prior year total expenditure.

During the 2022/23 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 2022/23. 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 2022/23.

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 2023 approximately £552k 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.
- Committee members 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.
- Committee members 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 2022/23, the charity continued to support a wide range of charitable and health related activities, benefiting patients and staff in a variety of areas.

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.

Art programme

The therapeutic value of art in health and in speeding recovery is well documented. The Trust has always displayed art work 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 in valuable with patient recovery.

Garden programme

Outside spaces have been restored with a Reflection Garden in memory of Covid and a Diabetes vegetable and herb garden. Other areas of improvement include Homerton Transitional Neurological Rehabilitation Unit (HTNRU), Sexual Health and Mary Seacole Nursing Home.

Christmas presents for inpatients

The charity continued its annual tradition of providing small gifts to patients who were staying in hospital during Christmas 2022.

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. We also supported winter pressures with “talking trolleys” going out to all staff areas.

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
- Mary Seacole Nursing Home – improvements to patient rooms
- Coach hire for Hackney Ark family day out to the seaside
- Tesco vouchers for cancer, HIV and TB patients

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, Benevity and PayPal.

NHS Charities Together raised over £130 million which is being given to NHS Trusts around the country. So far we have received £513,000 over the last few years. 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.

Significant donations as below:

• NHS Charities Together Long Covid grant	£86,750
• NHS Charities Together psychological support grant	£44,000

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

Future Plans

The Charity will continue to raise funds to further its objectives and to ensure that they are invested for the benefit of patients and our staff.

Financial Review

Income

During the year ended 31st March 2023 the Charity received donations of approximately £203k (2021/22 £525k) including £131k from NHS Charities Together designated to provide long covid support for patients as well as for staff welfare. Other income was from various fundraising platforms, individuals, and organizations. Charity has also received £8,760 worth of artwork for the art collection which is recognised as income.

Homerton charity has received £84k from NHS Charities Together as the lead charity on behalf of North East London ICS and these funds were transferred to North East London Foundation Trust.

The Charity also generated £19k (2021/22 £17k) from investments and £6k from bank interest (£0 2021/22).

Expenditure

During the year ended 31st March 2023 the Fund's expenditure totalled £304k (2021/22 £204k). The breakdown of expenditure was as follows:

- charitable activities £282k (2021/22 £203k)
- fund-raising costs £22k (2021/22 £1k) which was funded from the NHS Charities Together grant for operational support.

Charitable activities included:

- patient welfare expenditure of £123k (2021/22 £61k)
- staff welfare and training costs of £82k (2021/22 £79k)
- salaries expenditure of £72k (2021/22 £58k)
- statutory audit fees of £5k (2021/22 £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 as well as providing psychological support for staff through employing a psychologist.

Other Recognised Gains and Losses

Investments managed by BlackRock Investment Managers were valued at a market value of £552k at the balance sheet date. The artwork investments were valued at £314k (2021/22 £305k) as at 31 March 2023. Trust's artwork portfolio was formally valued in March 2019 by Bonhams valuers.

Reserves

The charity as a whole made a deficit of £87k during the year. This is largely due to the expenditure related to the restricted and unrestricted funds as well as the decrease in market value of funds invested in BlackRock Investment Managers over the year. Investments have decreased in value over the year by £3k. This has resulted in the total fund balance decreasing from £2,578k to £2,491k.

Future Plans

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

The Charity 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.

Louise Ashley
Chief Executive and Place Based Leader
Homerton Healthcare NHS Foundation Trust and Charitable Fund Committee Member

Date: 24/11/2023

Homerton Healthcare NHS Foundation Trust
Charitable Fund

Charity Number 1061659

Annual Accounts for the Year Ending 31 March 2023

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

Under the trust deed of the charity and charity law, the trustee is responsible for preparing the Trustee's Annual Report and the financial statements in accordance with applicable law and regulations. The trustee 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 trustee:

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

The Trustee 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 24 attached have been compiled from and are in accordance with the financial records maintained by the Trustee.

By order of the Trustee

Committee member.....Date..... 24/11/2023 2023

Committee member.....Date..... 24/11/2023 2023

Where the financial statements are published on the internet.

**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 2023, which are set out on pages 14 to 24.

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; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

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: 24/11/2023

Homerton Healthcare NHS Foundation Trust Charitable Fund Annual Accounts as at 31 Mar 2023

Statement of Financial Activities for the period ended 31 March 2023

	Notes	Restricted Funds	Unrestricted Funds	Endowment Funds	2022/23 Total Funds	2021/22 Total Funds
		£000	£000	£000	£000	£000
INCOME FROM:						
Donations and legacies	3.0	131	72	-	203	525
Other trading activities	3.1	-	6	-	6	-
Investments	3.2	-	19	-	19	17
TOTAL INCOME		131	97	-	228	542
EXPENDITURE ON:						
Raising funds	4.0	(21)	(1)	-	(22)	(1)
Charitable activities	4.1	(160)	(122)	-	(282)	(203)
TOTAL EXPENDITURE		(181)	(123)	-	(304)	(204)
Net income/(expenditure) before investment gains/(losses)		(50)	(26)	-	(76)	338
Net gains/(losses) on investments		-	(11)	-	(11)	33
Net income/(expenditure) before tax		(50)	(37)	-	(87)	371
Taxation		-	-	-	-	-
Net income/ (expenditure) for the year		(50)	(37)	-	(87)	371
NET MOVEMENT IN FUNDS		(50)	(37)	-	(87)	371
Reconciliation of Funds						
Total funds brought forward as previously reported		301	1,345	932	2,578	2,207
Net movement in funds for the year		(50)	(37)	-	(87)	371
Total funds carried forward	11	251	1,308	932	2,491	2,578

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 2023

Balance Sheet as at 31 March 2023

	Notes	Restricted Funds £000	Unrestricted Funds £000	Endowment Funds £000	Total at 31 March 2023 £000	Total at 31 March 2022 £000
Fixed Assets						
Investments	8	-	866	-	866	869
		-	866	-	866	869
Current Assets						
Debtors: amounts falling due within one year	9.1	-	-	31	31	31
Debtors: amounts falling due over one year	9.2	-	-	404	404	435
Cash at bank and in hand		251	457	497	1,205	1,271
Total Current Assets		251	457	932	1,640	1,737
Creditors: amounts falling due within one year	10		(15)	-	(15)	(28)
Net Current Assets		251	442	932	1,625	1,709
Net Assets		251	1,308	932	2,491	2,578
Funds of the Charity						
Funds revenue / capital	11	251	1,308	932	2,491	2,578
Total Funds		251	1,308	932	2,491	2,578

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 ...**5th Sep 2023**... These were signed on its behalf by:

Signed:

Louise Ashley
Chief Executive Officer

Date: 24/11/2023

Homerton Healthcare NHS Foundation Trust Charitable Fund Annual Accounts as at 31 Mar 2023

Statement of cash flows

	Notes	Total funds £000 Mar-23	Total funds £000 Mar-22
Cash flows from operating activities:			
Cash generated by operating activities	19	(85)	351
Cash flows from investing activities:			
Dividends, interest and rents from investments		19	17
Net cash provided by (used in) investing activities		19	17
Cash flows from financing activities:			
Change in cash and cash equivalents in the reporting period		(66)	368
Cash and cash equivalents at the beginning of the reporting period		1271	903
Cash and cash equivalents at the end of the reporting period		1,205	1,271

Analysis of Cash and Cash Equivalents

	£000 Mar-23	£000 Mar-22
Cash in hand	1	1
Notice Deposits (less than 3 months)	1204	1270
Total Cash and Cash Equivalents	1205	1271

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.

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.

Homerton Healthcare NHS Foundation Trust Charitable Fund Annual Accounts as at 31 Mar 2023

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.

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 £552,062.62

1.13 Going Concern

At the time of approving the financial statements, the trustee has 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 trustee continues 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 Trustee is 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 Trustee does 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 2023

3.0 INCOME

Analysis of income from donations, legacies and grants

	2022/23 £000	2021/22 £000
Donations	203	525
Legacies	-	-
General grants	-	-
	<u>203</u>	<u>525</u>

Homerton charity has received £84k from NHS Charities Together as the lead charity on behalf of North East London ICS and this was transferred to North East London Foundation Trust.

Homerton charity has also received £131k from NHS Charities Together for the funding of Long Covid support project & Psychological support for staff.

Homerton charity has received donated arts worth £8,760.

3.1 Analysis of income from other trading activities

	2022/23 £000	2021/22 £000
Fundraising activities	-	-
Bank interest	6	-
	<u>6</u>	<u>-</u>

3.2 Analysis of income from investments

	2022/23 £000	2021/22 £000
Dividend received from BlackRock investment	19	17

4 EXPENDITURE

Analysis of expenditure on raising funds

	2022/23 £000	2021/22 £000
Operating fundraising events	(22)	(1)

During 2020/21 Homerton charity has received £89k from NHS Charities Together for the purposes of operational support. £21k of these monies were spent on recruiting a fundraising assistant during 22/23.

4.1 Analysis of expenditure on charitable activities

	2022/23 £000	2021/22 £000
Patient welfare and amenities	(123)	(61)
Staff welfare and amenities	(82)	(79)
Salaries	(72)	(58)
Independent Examiner/Statutory Audit	(5)	(5)
Other costs	-	-
	<u>(282)</u>	<u>(203)</u>

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.

Homerton Healthcare NHS Foundation Trust Charitable Fund Annual Accounts as at 31 Mar 2023

5 COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	Restricted Funds	Unrestricted Funds	Endowment Funds	2021/22 Total Funds
	£000	£000	£000	£000
INCOME FROM:				
Donations and legacies	235	290	-	525
Other trading activities	-	-	-	-
Investments	-	17	-	17
TOTAL INCOME	235	307	-	542
EXPENDITURE ON:				
Raising funds	-	(1)	-	(1)
Charitable activities	(91)	(112)	-	(203)
TOTAL EXPENDITURE	(91)	(113)	-	(204)
Net income/(expenditure) before investment gains/(losses)	144	194	-	338
		-	-	-
Net gains/(losses) on investment	-	33	-	33
Net income/(expenditure) before tax	144	227	-	371
Taxation	-	-	-	-
Net income/ (expenditure) for the year	144	227	-	371
Transfer between funds	-	-	-	-
Other recognised gains/ (losses):	-	-	-	-
Actuarial gains/(losses) on defined benefit schemes	-	-	-	-
NET MOVEMENT IN FUNDS	144	227	-	371
Reconciliation of Funds				
Total funds brought forward as previously reported	157	1,118	932	2,207
Prior year adjustment	-	-	-	-
Total funds brought forward as restated	-	-	-	-
Net movement in funds for the year	144	227	-	371
Total funds carried forward	301	1,345	932	2,578

6 ANALYSIS OF ASSETS AND LIABILITIES BETWEEN FUNDS

	Restricted Funds	Unrestricted Funds	Endowment Funds	Total
	£000	£000	£000	£000
Tangible fixed assets	-	866	-	866
Current assets	268	440	932	1,640
Current liabilities	-	(15)	-	(15)
Creditors due after one year				
At 31 March 2023	268	1,291	932	2,491
At 31 March 2022	301	1,345	932	2,578

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7 NET MOVEMENT IN FUNDS

	2022/23	2021/22
	£000	£000
Net outgoing resources	(84)	338
Net movement on investments*	(3)	33
Net movement in funds for the year	<u>(87)</u>	<u>371</u>

*Includes £5k loss on investments and £8k donated art (recognised as in year income).

8 ANALYSIS OF FIXED ASSET INVESTMENTS

31 March 2023 31 March 2022
£000 **£000**

8.1 Market Valuation

BlackRock Investments

Opening market value	564	537
Disposals	-	-
Net loss on revaluation	(12)	27
Closing market value	<u>552</u>	<u>564</u>

Art Investments

Opening market value	305	299
Additions	9	6
Disposals	-	-
Closing market value	<u>314</u>	<u>305</u>

8.2 Type of Investments

	31 March 2023	31 March 2022
	Held in UK	Held in UK
	£000	£000
Investments in Common Investment Fund	552	564
Other investments	314	305
	<u>866</u>	<u>869</u>

Investments are the funds invested within BlackRock Investment Management. The market value as at 31 March 2023 was £552,062.62. The Annual Management Charge of the fund is reflected in the price of the fund. The historic cost of the Investment Fund is £191k (2022 £191k)

Other investments are the Art Assets, valued at market value as at 31st March 2023 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 2023 31 March 2022

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	404	435
Total debtors falling due after more than one year	<u>404</u>	<u>435</u>
Total debtors	<u>435</u>	<u>466</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.

Homerton University Hospital NHS Foundation Trust Charitable Fund Annual Accounts as at 31 Mar 2023

10	ANALYSIS OF CREDITORS	31 March 2023 £000	31 March 2022 £000
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Amounts falling due within one year:

Accruals	15	28
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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	301	1,345	932	2,578
Income	131	97	-	228
Expenditure	(181)	(123)	-	(304)
Gains/ (losses)	-	(11)	-	(11)
Fund balances carried forward at 31 March	251	1,308	932	2,491

12 ANALYSIS OF FUNDS

12.1 Restricted Funds

Restricted fund account had a balance of £301,000 as at end of March 2022.

Charity received two grants totalling £131,000 from NHS Charities Together for staff welfare and patient welfare as a result of Covid-19 pandemic. During the year the charity spent £181,000 of restricted funds for the specific use of the staff and patient welfare. The balance of £251,000 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 £89,000 which includes dividend income as well as bank interest.

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 2023 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.

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 £135,591 in respect of salary recharges (this includes Psychological support and Operational support grants received from NHS Charities Trust).

16 TRUSTEE REMUNERATION AND EXPENSES

The Trustee did not receive any remuneration, benefits or reimbursement of expenses during the year ended 31 March 2023.

17 STAFF

No staff were directly employed by the charity during the year (2022 nil).

18 POST BALANCE SHEET EVENTS

There are no post balance sheet events to report for the financial year ended 31 March 2023.

19 OPERATING ACTIVITIES

	31-Mar-23	31-Mar-22
	£	£
	£000	£000
Net income for the year	(87)	371
Adjustment for:		
Dividends, interest and rents from investments	(19)	(17)
Gifts in kind	(8)	-
Operating cash flow before movement in working capital	(114)	354
Loss / (profit) on investment assets	11	(33)
(Increase) / decrease in debtors	31	31
Increase / (decrease) in creditors	(13)	(1)
Cash generated by operating activities	(85)	351

20 GIFTS IN KIND

During 2022/23 charity received gifted art work to the value of £8,760.