



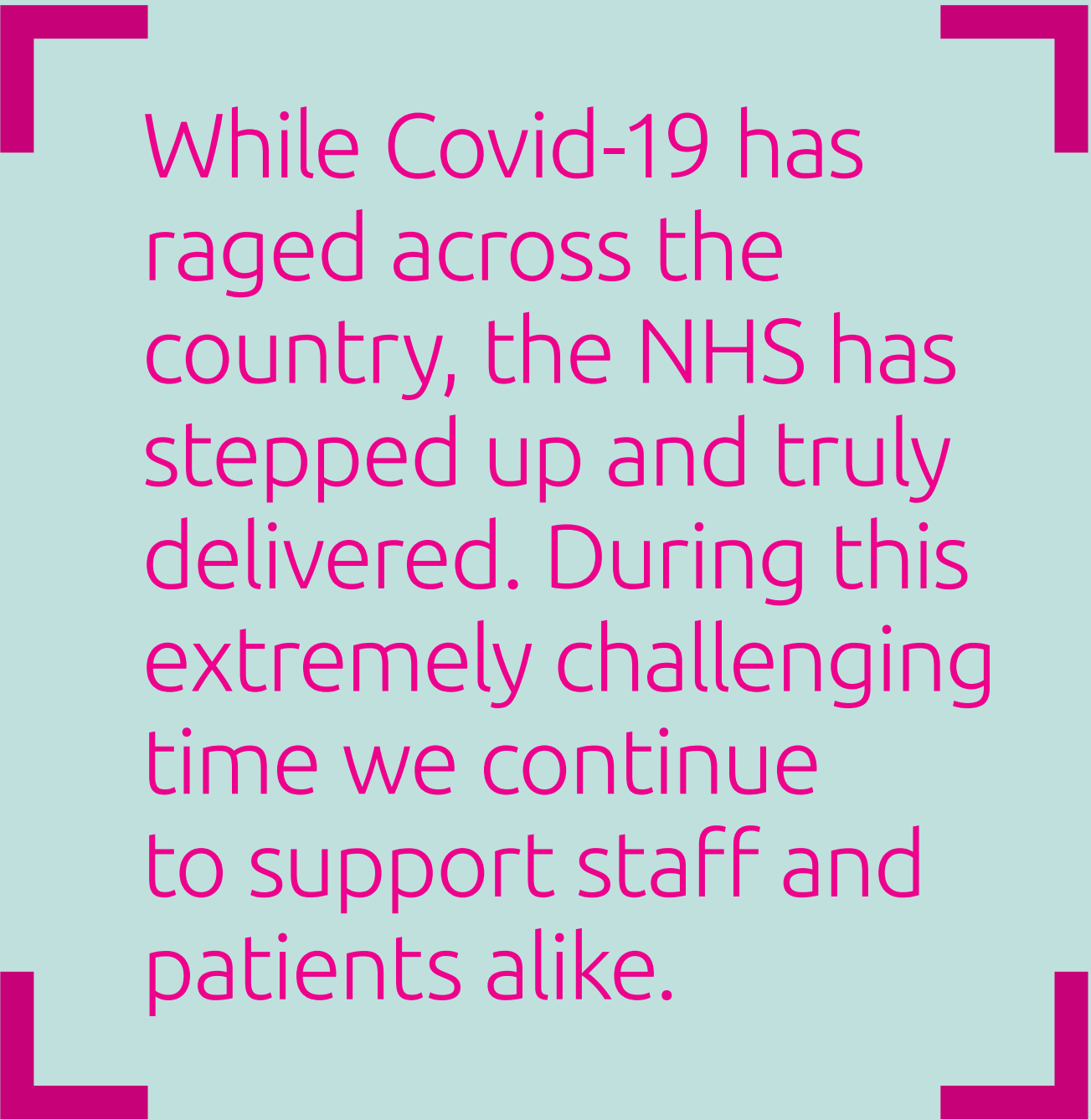
Supporting patients, staff and research at UCLH

UNIVERSITY COLLEGE LONDON HOSPITALS CHARITY
ANNUAL REPORT & ACCOUNTS 2020-21

**UCLH**
charity

uclhcharity.org.uk

Front cover: Cheryl Lobo, consultant breast and oncoplastic surgeon at UCLH. With colleagues Joanna Franks and Sohier (Suzy) Elneil, she created Rainbows@UCLH, a fundraising campaign, at the height of the pandemic. This raised £13,500 and saw beautiful rainbow arches adorning some hospital entrances. Read more at: justgiving.com/fundraising/cheryl-lobo | Photographer: Giles Christopher



While Covid-19 has raged across the country, the NHS has stepped up and truly delivered. During this extremely challenging time we continue to support staff and patients alike.

£2,000,000

worth of personal care
products donated and given
to staff across the hospitals

Supporting patients, staff and research

Our mission is to improve the lives
of patients at UCLH.

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A year like no other



Welcome to our annual report and accounts 2020/21. I was delighted to take on the role of chairman of UCLH Charity in October 2020 after six years as chairman of the investment committee. During my time as a trustee, I have seen at first hand the impact the charity makes on patient care at UCLH. It is an honour to become chairman of this wonderful charity. I would also like to record my sincere thanks to my predecessor, James Thorne whose leadership leaves the charity in an excellent position.

2020/21 has been a period of time like no other. Among the economic, social and political disruption that Covid-19 has wreaked upon us, the NHS has stepped up and truly delivered. It has not only cared for very sick patients in vast numbers, its researchers have developed vaccines which are being delivered to millions of people at pace. One of the world's first vaccinations was delivered in the UK in December 2020, a beacon of hope around the world.

While we applaud the success, and welcome the public affection and gratitude for the NHS, we must recognise that this has been an extremely challenging time. UCLH was a regional centre for the sickest Covid-19 patients, with the ITU expanding to care for more and more patients who needed expert levels of care. The speed and 'can do' approach of staff was nothing short of phenomenal. Wards and recovery areas were converted to intensive care beds, staff were deployed to work in areas where they were needed and teams worked long, gruelling shifts in restrictive personal protective equipment. All the while, UCLH staff continued to perform emergency surgery, deliver babies, treat people with cancer and innovation continued to flourish. We were delighted that the UCLH/UCL/ Mercedes Ventura CPAP device, a 'just-in-time' Covid-19 solution won the Health Service Journal 'Acute sector innovation of the year' in March 2021. We are very proud that Professor Mervyn Singer, one of our trustees, was instrumental to the success of this project.

The support that UCLH and indeed the wider NHS received was phenomenal; Captain Tom Moore captured the depth of feeling of the general public. His endeavours raised over £39m to put NHS Charities Together on the

map. We were one of the founding organisations of NHS Charities Together and are delighted to see such success.

At UCLH, donations to our Covid-19 appeal, gifts in kind and food from numerous sources, including the #FeedtheNHS campaign kept staff going. They are immeasurably grateful, as are we. Special thanks must go to the fundraising and volunteering teams who sourced, packed and distributed thousands of goods, hot meals and essential items to staff on the frontline.

As we emerge from the pandemic (at the time of writing) we have much to be thankful for. But we also recognise that while the rest of the population gets back to 'normal', UCLH staff will be working as hard as ever. Waiting lists will be long, surgery will be more complex and diseases will be advanced. We will continue to be here to support patients and staff as well as encouraging innovation and enhancing what is already world-class care as the NHS adapts to the new 'normal' over the coming months.

I would like to thank our charity team who have worked tirelessly to keep our show on the road during the pandemic. Finally, I would like to thank my fellow trustees for their valuable contribution throughout the period.

A handwritten signature in dark ink that reads "Hemphill". The signature is fluid and cursive, with a large, stylized 'H'.

Lord Hemphill
Chairman

OUR TRUSTEES ■

The trustees determine our strategic aims and assess the suitability of projects for the charity. Some have links within the NHS, while others have expertise in a wide range of fields including law and investments.



Lord Hemphill, who became chairman on 1 October 2020. He has worked in investment management firms for over 40 years and also chairs the investment sub-committee. He serves as a trustee of charitable and family trusts and is chairman of the council at St. Mary's School Ascot.



Dr Junaid Bajwa is a practising GP, a non-executive director at UCLH and Chief Medical Scientist at Microsoft Research. He also holds academic posts at UCL, Harvard, & Stanford. He has a special interest in the use of technology and data to improve patient outcomes and delivering equitable impact, at scale.



Mr Nigel Keen is a Fellow of the Institute of Chartered Accountants, and the Institute of Engineering and Technology. He is the chairman of various health and technology organisations which include Syncona Investment Management Limited, Oxford University Innovation, Oxford Academic Health Science Network, Deltex Medical plc and MedAccess Guarantee Limited.



Adrian Parkhouse is a partner at the law firm, Farrer & Co LLP. A commercial litigator, he has particular experience in the conduct of disputes related to art. He has chaired the IBA's Art Heritage and Law Committee and served on the International Council of Museums Legal Committee. He now sits on the Ethics Committee of the Museums Association.



Prof Donald Peebles is a Professor of Maternal Fetal Medicine in the UCL Institute for Women's Health, Clinical Director of the London Maternity Network and he is national specialty advisor in obstetrics. He has a number of research interests that focus on improving the outcomes for women and their babies following complicated pregnancies.



Mr James Petit joined the board of trustees in June 2021. He has over 30 years' property investment and development experience. He was head of UK Real Estate at Deutsche Asset Management and managed diverse multi-national teams and clients. He is a member of the property committee for the RC Diocese of Westminster.



Prof Mervyn Singer is a Professor of Intensive Care Medicine at UCL and a National Institute Health Research Senior Investigator. His research focuses on sepsis, multi-organ failure, innovative monitors, diagnostics and drugs. He co-chaired the Sepsis Redefinitions International Task Force and led a UCL/UCLH collaboration with Mercedes Benz that developed a new breathing aid machine in the Covid-19 pandemic.



Mr James Thorne, was chairman and a member of the trustee board until 30 September 2020. He is a former partner and is now a consultant at the law firm Farrer & Co LLP. Since retiring as a partner he has been involved with several arts, education and health charities.



Mrs Nikki Williams-Ellis MBE, was a trustee until 5 May 2021. She chaired the property sub-committee. She has extensive experience in the charitable sector, in particular working with children and adults with learning difficulties. She has extensive experience in property sectors and founded a charity that built, and runs, the first international cricket stadium in Rwanda.

ABOUT US ■

UCLH Charity is the official charity of University College London Hospitals (UCLH) NHS Foundation Trust, one of the largest and most complex hospital trusts in the country.

We provide grants for projects 'over and above' what the University College London Hospital (UCLH) NHS Foundation Trust can realistically provide. This includes improvement to clinical services, specialist equipment, enhancements to the environment and funding for pioneering research projects. We also support UCLH staff through training and development and wellbeing initiatives, so that they can provide the best possible care.

Our history

UCLH Charity can trace its roots back to 1745. The present day charity was established as a result of several restructures and mergers. In April 2000 three separate charities – UCH Special Trustees, UCLH NHS Charity and Middlesex Hospital Special Trustees – merged to become UCLH Charity. In April 2017, we became an independent charity regulated by the Charity Commission.

About UCLH

UCLH is made up of the following hospitals:

- University College Hospital (incorporating the Elizabeth Garrett Anderson Wing, the Macmillan Cancer Centre, UCH at Westmoreland Street and the Institute of Sport, Exercise and Health)
- Hospital for Tropical Diseases
- National Hospital for Neurology and Neurosurgery at Queen Square and Cleveland Street
- The Royal London Hospital for Integrated Medicine
- The Royal National ENT and Eastman Dental Hospitals

Our strategy

Our mission to support patient care at UCLH is delivered by four strategic aims:

- 1 Ensure that the charity is run efficiently by knowledgeable trustees and effective staff, adhering to good governance, guided by the strategic direction of UCLH NHS Foundation Trust
- 2 Optimise capital through the investment strategy
- 3 Optimise income by investing in commercial opportunities and property
- 4 Award grants that go 'over and above' NHS provision in line with strategic priorities at UCLH

Our future ambitions

The pandemic will change how the NHS works – we will support UCLH as it adapts to the new normal, as well as continuing to support the Trust's ambitions to become a world class research hospital. We have set aside £28m to fund cutting edge equipment at UCLH, in particular in support of the Grafton Way Building. We will continue supporting the UCLH robotic surgery programme, which provides pioneering surgery, aids research and improves patient care and outcomes. We also plan to fund post-Covid safe air research and support the transformation of communications with families of patients.

OUR OBJECTIVES ■

Our charity supports UCLH NHS Foundation Trust, and our work focuses on four objectives to improve life for patients:



SUPPORTING PATIENT CARE

We support the Trust's strategy to improve the patient experience at UCLH. All our activities are aimed at making patients' lives better.



TRAINING AND DEVELOPING STAFF

We provide funding for training and education to ensure that staff at UCLH are kept up-to-date with health care developments and are able to apply the latest clinical techniques to help patients.



ENVIRONMENT AND EQUIPMENT

We fund state-of-the-art equipment to enable UCLH to provide the best patient care. We also provide funding to make the hospital environment more pleasant for patients and visitors during their stay.



ADVANCING RESEARCH

We fund a wide range of clinical research projects at UCLH which translates cutting-edge research and innovation into new and improved treatments for patients.

Our response to Covid-19

As the pandemic began to unfold in early 2020, it became evident that UCLH staff would need additional support in order to meet the extraordinary demands placed upon them. We funded a number of projects to maintain the practical, physical and mental wellbeing of staff so that they could continue to provide care of the highest quality to those in need. In a world of unknowns, we also funded key research into Covid-19.



See the full impact of our Covid-19 Emergency Staff Support Appeal at <https://bit.ly/357AYHi>



Recharge and refuel

With local catering outlets closed due to lockdown, alongside #FeedtheNHS we funded the provision of three hot, healthy meals a day. We also kitted out kitchens across UCLH including installing industrial strength fridges and microwaves to store and prepare food on-the-go.

Working in the NHS during the pandemic exposed staff to unprecedented levels of pressure and stress. To support them, we engaged the services of an external company to offer psychological support to whoever needed it, 24/7.

We also funded creative comforts, an award-winning arts and heritage programme to provide much needed respite for frontline staff. Origami, art, music and a choir were just some of the activities on offer.



Research

We funded research into different aspects of Covid-19. This included the world's largest study (at time of publication) of immune seroconversion to SARS-CoV-2 (COVID) in maternity health care workers. The results suggested that a third of NHS staff in two hospital units were infected with coronavirus without showing symptoms. The study findings were published by over 200 news outlets around the world. We also part funded a study that showed a single dose of the Pfizer Covid-19 vaccine may boost protection against Covid-19 variants for those who have previously had the virus.



Recovery


We are continuing to fund the 24/7 psychological support service to staff. In addition we are also funding a new initiative to increase numbers of professionally qualified volunteers to give free massages to staff as part of the Covid-19 staff recovery strategy. Since launching, over 300 staff have benefited from this wellbeing offer.



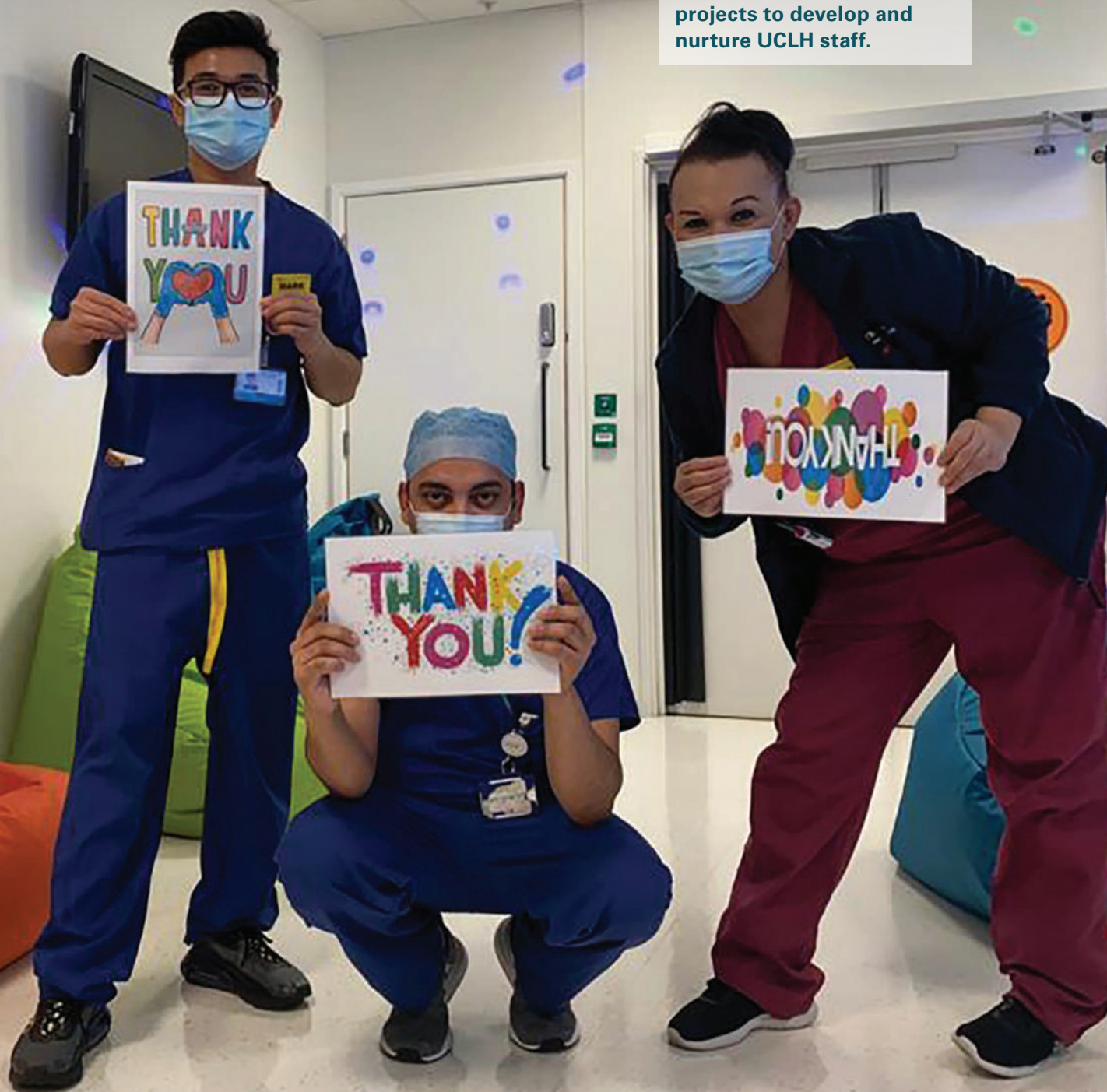
Rest

With staff working longer hours in new shift patterns in new locations, we funded the creation of temporary 'pop up' staff areas giving staff the opportunity to take a much needed break in comfortable surroundings. We also funded improvements and uplifts to existing staff rooms and overnight on call rooms – such as those in the ICU and at UCH at Westmoreland Street.

Supporting staff

 uclhcharity.org.uk/does/training-and-developing-staff

Supporting staff has always been a priority for UCLH Charity. As well as providing a wide range of support for staff during the pandemic, in 2020/21 we continued to fund other projects to develop and nurture UCLH staff.



Staff show their appreciation for the support they received during the pandemic



Thank you gifts

After a challenging year like no other, every member of staff (including volunteers and contractors) received a personal letter of gratitude from the Trust chair and chief executive, together with a £25 gift voucher from UCLH Charity, as a token of thanks and appreciation. The feedback was overwhelmingly positive, with many staff exchanging their gift cards at their preferred retail outlet.

“Thank you for this, it’s a really nice gesture that I am sure the team will appreciate.”

“What a lovely and very generous gift to all staff.”



Staff networks

The charity-funded staff networks programme has flourished in the last year providing much needed support to staff. Activities have gone virtual to reach staff working on-site and remotely, with great success. Highlights include creation of the BAME network steering group which sets the direction of the network, Q&A Covid-19 sessions for BAME staff, re-launch of the women’s network, pride celebrations and ‘self care’ coffee mornings. To support staff development, a careers development workshop and reciprocal mentoring programme were also launched.



Staff wellbeing – at the touch of a button

We are supporting the Trust’s commitment to improving communication and engagement with staff by funding a project to create an online ‘one stop shop’ on the staff intranet, myUCLH. The online hub brings together all things workforce and has a strong focus on staff experience, welfare and health and wellbeing. By finding information quickly, easily and intuitively, it is hoped that staff will save time and feel well supported.



Supporting AHP education

From physiotherapists to play specialists to dieticians and radiographers, Allied Health Professionals (AHPs) play a varied and crucial role in providing patient care.

In 2020, Health Education England and NHS England introduced a new funding model for continued professional development (CPD) offering £1,000 for every nurse, midwife and AHP. To ensure that AHPs can make best use of this opportunity and to ensure the quality of post registration education at UCLH, we have funded an AHP CPD co-ordinator. This will provide parity for AHPs with other clinical groups, enable CPD systems and processes to be consistent and equip the AHP workforce with the skills, knowledge and experience they need to provide the best possible care.



Protecting staff from ‘flu

With Covid-19 in circulation, the need to protect staff from the ‘flu in the winter of 2020 was more vital than ever, but also more operationally challenging due to work pressures and the restrictions of lockdown.

Our funding enabled the ‘flu vaccination programme to utilise creative and innovative ways of both promoting the benefits of the jab and delivering it. This included the appointment of a project manager, an online booking system to facilitate easier bookings and a pop up pod in the atrium of University College Hospital. A highly visible poster and banner campaign featuring senior staff encouraged take up. In addition, a roving team of ‘Get a jab, give a jab’ peer vaccinators (including then UCLH Chief Executive Professor Marcel Levi) visited different sites across UCLH. The team were incentivised to jab as many of their colleagues as possible.


In a tremendous team effort, staff were vaccinated in record numbers, helped in December by the appearance of ‘Sir Jab-a-lot’, a knight in shining armour, carrying his protective flu shield accompanying roving vaccinators to boost morale and encourage even more staff to be vaccinated.

170,000 meals

Hot healthy meals delivered to frontline staff, many from Leon thanks to the #FeedtheNHS campaign and donations to the Covid-19 staff appeal

OUR GRANTS ■

Supporting pioneering patient care

 uclhcharity.org.uk/does/supporting-patient-care

We fund a wide range of projects that ensure UCLH patients benefit from the latest, state-of-the-art developments.



Consultant orthopaedic surgeon Sam Ousseini with the Mako robot | Photographer: Adam Scott



Robotics expansion programme

At the height of the pandemic, we received a bid to invest further in robotic technology at UCLH.

The refreshed and new robotic equipment across three sites will help to treat patients whose surgery has been postponed in the last year, and will facilitate surgery in a range of specialties which have not used robotic technology at UCLH before, such as ear, nose and throat and orthopaedic surgery. It will also cement UCLH's position as a centre of excellence for robotic surgery, building on the work undertaken at Westmoreland Street on urology patients.

The benefits of robotic surgery are well documented – more precision, quicker recovery, reduced risk of infection and shorter hospital stays. This is ever more important as the NHS adapts to the post pandemic 'new normal' where demand for surgery is likely to remain high for many months.

CASE STUDY

Stephen Hunt

Stephen Hunt was one of the first patients to undergo knee surgery using the charity-funded Mako robot in the new Grafton Way Building in April 2021.

"I've always been a keen footballer and have done a bit of cycling. At 57 my knees were telling me it was time to stop, I was referred to UCLH and was told I'd need both knees replaced. That was February 2020 and of course, Covid-19 had other ideas.

"Fast forward to April 2021 and I had robot-assisted surgery on both knees at the same time. I was talked through how the three hour procedure would

be done, using the robot and 3D scanning technology to guide the surgery during the operation, which offers more precision.

"I was in hospital for three days. The brand new hospital is beautiful, spotlessly clean and very modern. The staff were fantastic and you could really feel the sense of pride they felt in their new hospital."



Music therapy on the Neuro-Rehabilitation Unit (NRU)

This year we have funded a project to bring music therapy to the neuro-rehabilitation unit (NRU) at the National Hospital for Neurology and Neurosurgery. The NRU is a regional centre of excellence for severely brain injured patients with complex rehabilitation needs.

In 2019, the unit hosted a trainee music therapist. The effect on patients, their families and carers and staff, was described as 'transformative' prompting the team to submit an application for charitable funding for a two year music therapy project pilot. We are very excited to see the results of the pilot in the coming year.

Communications

We funded iPads to help patients keep in touch with loved ones.



Speech and language therapy for people with rare dementias

We are providing funds to support specialist speech and language therapy for people with primary progressive aphasia and other rare dementias. This service, based at the National Hospital for Neurology and Neurosurgery, aims to improve quality of life and maintain independence for people living with these diagnoses.

Funding will enhance the existing service. There will also be opportunities to explore collaborations with National Institute for Health Research funded research.



Supporting people with learning disabilities


In 2018, we funded the UK's first health play specialist for people of all ages with learning disabilities. Since then, over 190 referrals have been received to support patients coming to UCLH for a wide range of tests and treatments, including blood tests, outpatient appointments and admissions.

The health play specialist works with patients to alleviate stress and fear around hospital visits by taking time to gain trust and build rapport. This can result in a more positive individual patient experience, improved attendance at appointments and compliance with procedures. The feedback is overwhelmingly positive from patients, families and carers and staff alike.

Covid-19 disrupted plans to make this post substantive. In 2020/21, UCLH Charity granted an extension ensure continuity of this vital service.

OUR GRANTS ■

Improving patient outcomes & experience

 uclhcharity.org.uk/does/supporting-patient-care

Improving patient care is at the heart of everything that we do. In 2020/21 we funded a wide range of projects that facilitate better outcomes and experience for the thousands of patients who are treated at UCLH each year.

Safety Kindness Teamwork Improving

Artwork in the atrium of the new Grafton Way Building | Photographer: Paul Raftery



Arts and heritage

Research suggests that art in hospitals has a wide range of positive effects on patient and staff experience.

We have invested in arts and heritage at UCLH for many years. Recently, we part funded the stunning installations that can be seen at the Royal National ENT and Eastman Dental Hospitals and the new Grafton Way Building (GWB).

At the Royal National ENT and Eastman Dental Hospitals, this includes themed floors and backlit ceilings above dental chairs to aid distraction during treatment. An art installation in the main reception, tells the story of two historical institutions that have come together to form a world class centre of excellence.

At the GWB, light-filled rooms, themes of nature, colours of the English country garden, uplifting artwork and restful outdoor terraces aim to aid patient recovery and offer a distraction from the anxieties and stresses of being in a hospital. Unique installations feature in the main atrium, staff spaces, below ground level, critical care and the roof garden.

The team behind the art work in the GWB were awarded first place in the Interior Design and Arts category at the *2021 European Healthcare Design Awards*. The award recognised the exceptional skill in creating a compassionate healthcare environment that reflects and communicates the values of the healthcare provider through the integrated application of interior design with the visual arts.

Mobile art

NHS Charities Together funding provided music therapy and a virtual art gallery for patients and staff to enjoy



Transforming end of life care

UCLH Charity has long been committed to improving end of life care. We funded the establishment of the core Transforming End of Life Care (TEOLC) team which provides specialist education and quality improvement initiatives across UCLH to support patients in their last stages of life.

Through staff facilitation, clinical supervision, staff and patient education and clinical support on the wards, the TEOLC team have prompted a cultural shift at UCLH. There are now more compassionate conversations regarding patient wishes and treatment escalation plans, and an improvement in the care and treatment of patients at the end of life at UCLH.

The Covid-19 pandemic brought End of Life Care to the forefront. The specialist expertise of the TEOLC team was needed to support more patients than ever. In October 2020, a grant was awarded to enable the team to provide specialist support during the Covid-19 surges.

This included expansion of the SWAN service from a five to a seven day per week service. This enabled the service to reach all patients in their last days of life and allowed for the provision of high quality bereavement support for loved ones. The SWAN model was introduced in 2019, and promotes dignity, choice and compassion. The SWAN image is used, with permission of the patient and their loved ones, to highlight to all staff that a patient is in their last days of life. Staff are trained to respond accordingly when they see the SWAN sign.



myCare: healthcare information at the touch of a screen

We have funded a project led by the patient experience team to boost uptake of the patient portal, MyCare. MyCare gives patients information about their care, such as appointments and some test results on a device of their choice. The project has seen an increase of active users from 11,000 to 49,000.

MyCare has been invaluable through the pandemic, enabling the automated delivery of Covid serology and swab results to patients and staff. This made the distribution of results possible to the large proportion of the workforce who have been tested, as well as all patients coming in for elective procedures.

ALSO IN 2020/21

Redthread, the youth charity that aims to keep young people safe from harm, has continued to support young people presenting to UCLH's Emergency Department throughout the pandemic. Over 200 staff have received training, and a clinical champions network is being set up. We funded the project to run for three years from December 2019.

Volunteers have supported UCLH throughout the pandemic. From delivering hundreds of free meals to staff, to distributing important poster messages, to helping patient stay in touch with family and friends via iPads, they have been simply amazing.

OUR GRANTS ■

Funding research and innovation

 uclhcharity.org.uk/does/advancing-research

We are always keen to support projects that aspire to deliver better, safer, more efficient care at UCLH and the wider NHS. Despite the pandemic, the culture of research and innovation continued to thrive at UCLH.



Joel Stanton, charge nurse, stroke services and Levi fellow

CHARGE NURSE
University College London Hospitals 



Investing in research

A clinical fellowship programme was introduced to embed a culture of research and innovation at UCLH. It continues to attract high calibre candidates in a wide range of specialties, including undergraduate medical education fellows in infectious diseases, general surgery and postgraduate medical education fellows in internal medicine training and obstetrics and gynaecology.

CASE STUDY

Joel Stanton

Joel Stanton is a charge nurse on a stroke ward of Stroke Services at the National Hospital for Neurology and Neurosurgery. In summer 2020, he was awarded a charity funded Levi fellowship to explore how Epic, the electronic health record system, could support, improve and enhance decision making around one-to-one nursing care, or 'specialling' as it is known. Joel explains:

"The Levi fellowship has enabled me to explore my interest in how technology can support patient care. Specialling is common in nursing practice, but there is little evidence about how and when to do it. We use our clinical judgement.

"I saw an opportunity in helping to support clinical decision making around specialling using the wealth of data collected by Epic.

"Another aspect of my study involves interviews with staff about their experience of specialling. Taken together I hope to present a comprehensive study which will inform future care."



Using patients' data to transform their care

We're funding a trailblazing initiative that involves patients gathering and entering information about their health into their health record, providing a holistic, real time picture of their health at any one time. This has been facilitated by the implementation of Epic, the electronic patient record system, and its patient portal component, MyCare at UCLH.

In a UK first, a pilot is being undertaken where women planning to have their babies at UCLH can enter their blood pressure data directly into their clinical records. This enables regular monitoring for conditions like pre-eclampsia. Women whose blood pressure indicates risk are flagged to the clinical team for follow up.

Using the same technology, this concept will be further developed so that data from patient wearable devices like Fitbits and Apple can be uploaded automatically into the health record for patients about to undergo surgery. This data would be piloted for use in prehabilitation, getting patients mentally and physically fit before surgery, and rehabilitation, by monitoring patients for problems at home after surgery. These can lead to patients being able to return home earlier and better recovery outcomes.

Covid study

Covid donations have enabled a study into Covid infections among NHS staff from BAME communities



Transforming spinal instrumentation surgery

We are supporting one spinal navigation robot, lead lined theatre doors and the replacement of image intensifiers at the National Hospital for Neurology and Neurosurgery. This will help make surgery for the 350 patients who undergo spinal fixation each year, safer and more precise, thereby reducing the risk of disability. It will also enable lateral and posterior surgery at the same time instead of being done in two different stages. One procedure instead of two reduces surgery risks, improves recovery and reduces overall length of stay in hospital.

ALSO IN 2020/21

We have part funded **new equipment for use at the Centre for Neuromuscular Disease and Neuroimmunology Laboratory** at the National Hospital for Neurology and Neurosurgery. This high-tech equipment measures brain and fluid biomarkers in serum and plasma and enables ongoing assessment and tailored therapy without the need for lumbar punctures. This benefits patients and potentially realises significant cost savings for the NHS.

The pioneering UCLH/ GOSH/ UZ Leuven Fetal Surgery Service operates on babies with spina bifida in the womb, reducing the risk of paralysis and other life-limiting conditions. The service was funded by UCLH Charity and GOSH Charity and has now been commissioned by NHS England, with UCLH as the national provider. We are funding further developments for this service.

OUR GRANTS ■

Our year ahead



The Grafton Way Building | Photographer: Paul Raftery

We are committed to supporting UCLH's strategic priorities which include new capital developments and the wellbeing of staff as we emerge from the Covid-19 pandemic.



Grafton Way Building

After years of planning and in the midst of a pandemic, the Grafton Way Building was handed over to UCLH in 2021. Some services have welcomed their first patients, including those undergoing surgery in this brand new centre.

This state-of-the-art facility will be home to Europe's largest centre for the treatment of blood diseases, short stay surgery and one of only two centres in the UK for the NHS provision of proton beam therapy, an advanced form of radiotherapy, used to treat complex cancers.

Construction of the building, allowing for the equipment needed to deliver proton beam therapy, has been a feat of engineering.

We have earmarked £28 million for equipment and facilities at UCLH, the majority of which will be invested at the Grafton Way Building. Charitable funds have been used to enhance the environment at the facility, see page 11 for more details.



Bedford Passage

Work continues on Bedford Passage, a mixed use development on the site of the former Middlesex Hospital annexe, on Cleveland Street. The development will include residential units and will be home to outpatient and imaging services for UCLH patients. The project is due to complete in 2024.

Staff recovery

We will continue to provide funds for cognitive trauma therapy for frontline workers



Staff wellbeing

We recognise that the pandemic has had a severe effect on the wellbeing of staff at UCLH in many different ways. We will continue to work closely with the Trust as they support staff in the recovery from the pandemic. We have allocated £1m for projects that help improve physical and mental health and wellbeing of the UCLH workforce. This includes access to local gyms, psychological support and training and improvement of respite areas.

ALSO IN 2021/22 WE ARE FUNDING

The **family communication transformation project** to capture the learning from the family liaison service set up by the intensive care unit at the height of the pandemic. This award winning service was described by relatives as 'life saving' and 'like part of the family' by families and carers.

Development of a **MOOC (Massive Open Online Course) on the transfer of critically unwell patients**. Aimed at multidisciplinary teams consisting of doctors, nurses, paramedics and transfer practitioners, this course will be informed by UCLH's experience as a designated regional 'surge centre' during the pandemic.

A post Covid-19 safe air study. Prompted by disruption caused by inadequate airflow and consequent risk of disease transmission at some UCLH sites during the pandemic, this study will use androids that 'breathe' to give a unique insight into how aerosols circulate. This will inform safety measures in clinical (and other) spaces in a post-pandemic world.

Fundraising and philanthropy

The pandemic prompted unprecedented affection for the NHS. The weekly Clap for Carers, thank you rainbows and support for heroic fundraising efforts like Captain Tom Moore's 100th birthday walk were just some of the ways the general public expressed their enormous gratitude to staff working on the frontline.

UCLH was no exception; we were overwhelmed by the support we received from individual donors, local businesses and national campaigns. Here is a snapshot of some of fundraising and philanthropy in 2020/21.

NHS Charities Together

UCLH Charity received grants from NHS Charities Together from funds raised through its national Covid-19 appeal. Funding contributed to staff wellbeing, including psychological support and respite areas, research into Covid-19 infection in healthcare workers, with a focus on staff in the BAME community, training in occupational and public health and arts and heritage projects, which include music therapy for staff.



Support our staff Covid-19 appeal

The appeal was set up in March 2020. As well as a JustGiving page, campaign posters, banners and tap to donate machines appeared in the hospitals. In total, over £1m was raised, together with wonderful messages of support and thanks.

Trusts and foundations

A large gift from the Gerald and Gail Ronson Family Foundation funded the refurbishment of six on-call overnight rooms for junior doctors and nurses at the Westmoreland Street site and the design and print of an adult therapeutic colouring book for staff and patients. The Howard de Walden Estate provided a grant towards long-covid research. In addition, the Danson Foundation expanded the Trust's cycle to work providing an alternative to public transport at the height of the pandemic. A grant from The Rayne Foundation enabled treats for staff, including spa vouchers.

THANK YOU

We would also wish to thank those who have kindly supported UCLH this year:

Rothschild Foundation

Cecil Rosen Foundation

Avast

The Kennedy Leigh Charitable Trust

Robert Gavron Charitable Trust

Mountview Estates

Simon Cheng

Uttarakhand Welfare Association (UK)

Vedic Cultural Society

Henry Oldfield Trust

David and Ruth Lewis Family Charitable Trust



#FeedtheNHS

Along with other hospitals in the local area, we were the fortunate recipients of the #FeedtheNHS campaign, which provided meals for staff working long shifts. Led by Damian Lewis, the late Helen McCrory, Matt Lucas and Leon founder Jon Vincent, this wonderful initiative provided staff with three hot, nutritious meals a day. Staff were extremely grateful for this wonderful gesture, which kept them going at some of the toughest times.



Good neighbours

Our local business community certainly stepped up to support us in our hour of need. Our relationship with the local business improvement district, the Fitzrovia Partnership, went from strength to strength and saw the delivery of food, drinks and toiletries throughout the pandemic. Local supermarkets such as Lidl and Waitrose provided snacks and drinks for staff on a regular basis.

Individual fundraisers

Individual fundraisers found ways to navigate lockdown restrictions safely and raise money to support UCLH. Examples include Alexandra's virtual Inca Trail (30 miles in a single day) and Sophie (age 4) and George's (age 2) sponsored walk.



A place to stay

Housing group Derwent London provided use of newly developed apartments close to UCLH, for staff, free of charge. This generous offer provided a comfortable place to stay and allowed staff to continue to provide care of the highest quality, while keeping themselves and their loved ones safe.

"I can continue to work and keep my family, who are shielding, safe. Without the use of the flat, I would not be able to do both. It's a huge relief for them and for me. Being 10 mins away when on call makes our response time so much quicker and creates a feeling of safety and security for staff and patients alike."

Dr Edward Burdett
Consultant Anaesthetist



Gifts in kind

We were overwhelmed with the gifts in kind we received from local businesses and national companies. The fundraising team sourced and distributed over six thousand treat bags containing wellbeing items including phone chargers for staff to keep in touch with loved ones while they worked long shifts away from home and luxury toiletries to combat the effects of spending many hours in restrictive personal protection equipment. There are too many to mention here but special thanks to Estée Lauder, Jo Malone and Clarins, and everyone who supported UCLH at this challenging time.

Beyond Covid-19

Although the pandemic dominated much of the year, the fundraising team made a successful application to the Wolfson Foundation who awarded £1m to support research activities in the new Grafton Way Building. In addition, enhancements to the environment at the Grafton Way Building were funded in part by The Kay Kendall Lymphoma Fund, Steel Charitable Trust, PF Charitable Trust, Fight for Life, Haematology Cancer Care fund and the Teenage Cancer Trust.

In March 2021, a campaign to refurbish the children's emergency department was launched. The 'Bring the Colour' appeal is raising funds to help make the department a more welcoming place to be. Donors to the project include The Fiona and Geoff Squire Foundation and Regent's Place.

Strategic report and financial review

The trustees have pleasure in presenting their annual report for the purposes of the Charities Act 2011, together with the accounts for the year ended 31 March 2021 for University College London Hospitals Charity (UCLH Charity). The report is also a directors' report as required by S.415 of the Companies Act 2006. The trustees have used the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) and follow the Accounting and Reporting by Charities: 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 in preparing the annual report and accounts of the charity.

Public benefit

It is the intention of the trustees that the charitable funds should be used to expand on and develop the services provided by University College London Hospitals NHS Foundation Trust, by funding innovative and original projects which would not otherwise be possible using only central NHS funds. In formulating and applying these objects and planning the work of the charity, the trustees have due regard for Charity Commission's general guidance on public benefit.

The Covid-19 pandemic reached the UK in early 2020. UCLH has been at the forefront of the response to the virus. Since then, with the generosity of the public, the charity has concentrated its efforts in ensuring UCLH frontline staff are cared for in order for them to provide safe and effective treatments to patients.

Strategy, planning and measurement

In order to work towards its objectives, the charity undertakes regular strategic reviews, based on discussions with UCLH NHS Foundation Trust senior staff. Each review helps the charity to understand the direction of the Foundation Trust, the issues it faces, and how the charity can best support it as it moves forward. Follow-up reports are received from grant recipients to gather evidence on how effective the charity's funding has been. Most projects take some time to show measurable results and the benefits accrue gradually, so the results of grants made in one accounting period may not emerge until future years.

Balance sheet

The group and the charity's financial positions are summarised on pages 30 and 31 respectively.

The Cotton Rooms patient accommodation, which occupies the top two floors of 170 Tottenham Court Road, a property owned by the charity, is classified as a tangible fixed asset, since it is used to provide services to the charity's beneficiaries. It was valued at £9.1m at 31 March 2021 (2020: £9.1m).

The Middlesex Annexe was bought in March 2017 and the purchase cost and other associated fees have also been classified as a tangible fixed asset, since the property is still under construction. The property was transferred to Middlesex Annexe LLP on 1 April 2018 on a long lease and has continued to be developed by the LLP. This has been renamed the Bedford Passage Development and was valued at £30.1m at 31 March 2021 (2020: £27.9m).

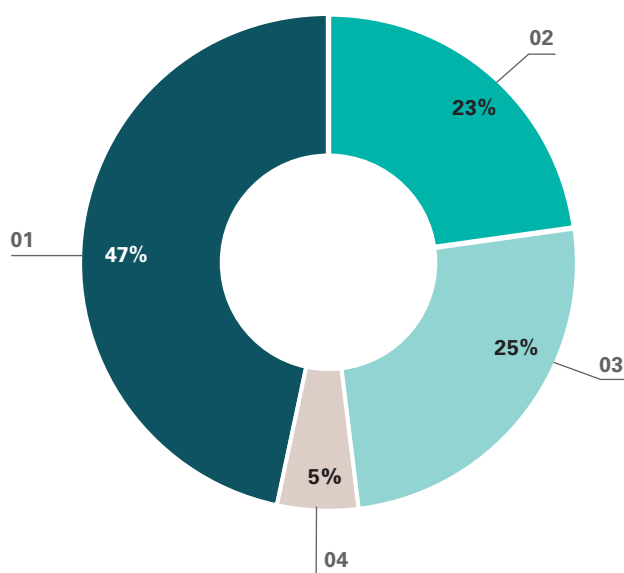
The group's total tangible fixed assets were valued at £44.7m at 31 March 2021 (2020: £40.4m).

Investment properties accounted for £61.2m of the group's assets (2020: £65.1m), with a further £41.0m represented by listed investments (2020: £39.5m). Further details of investment performance are below. Debtors stood at £5.4m (2020: £8.0m), and the group held £48.3m of cash at bank at 31 March 2021. This compares to cash of £37.1m at 31 March 2020.

The charity's main liabilities were its grant creditors, which stood at £18.5m (2020: £17.0m). The previous loan from Handelsbanken of £10m which was outstanding at 31 March 2020 was repaid during the year. Total current liabilities were £23.9m at 31 March 2021 (2020: £31.7m).

A loan was taken out during the year from Reassure Limited of £30m for a period of 30 years.

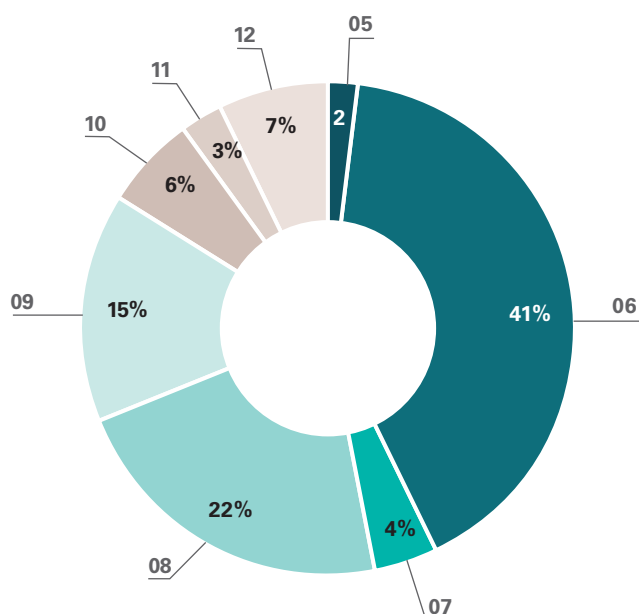
The group balance sheet stood at £144.0m at 31 March 2021 (2020: £157.4m).



Income: Group basis

	2021 £'000	2010 £'000
01 Donations and legacies	7,804	9,774
02 Turnover of subsidiary companies	3,892	5,706
03 Investment income	4,252	5,077
04 Charitable activities, other fundraising activities and other income	856	1,381
	16,804	21,938

Income was £16.8m for the year, £5.1m less than last year. This was mainly due to the impact of the Covid-19 pandemic which affected all areas of the charity's activities. While more donations were received as a result of fundraising, donations and legacies for other areas of the hospital were lower. These are the charity's largest source of funding, and the majority of them are ring-fenced in discretionary funds for consultants, departments and wards. The charity's arrangement of working closely with clinical staff means that this key funding stream is targeted very directly at the priorities identified by clinicians, who are best placed to see how funds can be used to benefit patients.



Expenditure: Group basis

	2021 £'000	2020 £'000
05 Cost of generating donations and legacies	839	885
06 Operating costs of subsidiary companies and other fundraising trading activities	13,844	5,523
07 Investment and property management costs	1,430	1,660
08 Medical equipment and infrastructure	7,492	2,825
09 Provision of staff and professional services	5,239	3,139
10 Patient welfare and amenities	1,879	2,038
11 Medical research	973	1,338
12 Staff education and development	2,202	5,261
	33,898	22,669

Expenditure was £33.9m compared to £22.7m for the same period last year. This was largely due to a large grant of £5m given for robotic expansion at UCLH and an impairment of £8.9m on the Bedford Passage development.

Grant expenditure and expenditure from discretionary funds are by their nature unpredictable and so spending between the different categories of charitable activities is not necessarily consistent from one financial year to another.

Investment policy and performance

As at 31 March 2021, the trustees held investment assets with a market value of £102.2m (2020: £104.6m), consisting of £38.9m held with investment managers, £1.2m held in common investment funds and £61.2m in investment properties. As a result of the sale of Inventive Medical Ltd in 2016-17, the charity holds shares in Intelligent Ultrasound Group plc which were valued at £0.9m at the year end.

During the year, the charity made net investment gains of £3.7m (2020: losses of £3.6m), which related mainly to its investment portfolios. Further details are provided in note 15 to the accounts, including the breakdown between listed investments and investment properties.

The majority of listed investments are held with Sarasin & Partners LLP. The charity also owns a number of investment properties which provide residential and office accommodation, and in addition holds some units in the COIF Charities Investment Fund, managed by CCLA Investment Management Ltd, and some residual investments with Cazenove Capital Management.

Investments in stocks and shares are made in accordance with a Charity Commission Scheme dated 27 March 2017. The charity's governing documents allow the trustees to invest in a wide range of shares and investments provided they are not speculative or hazardous. The trustees require their investment managers to invest in a diversified portfolio of investments to provide growth of both capital and income over the long term, whilst avoiding exposing the charity's assets to unacceptable high levels of risk. Investment is not made directly or indirectly in companies which derive 10% or more of their revenue from the sale of tobacco or tobacco products. The trustees have delegated oversight of listed investment matters to the investment sub-committee.

Investment performance is continuously monitored and measured in-house, against trustees' and investment management benchmarks on a monthly basis. Investment advisers meet with the officers regularly and with the trustees twice a year to discuss strategies and performance. The trustees remain satisfied that their investment objectives are being met.

The trustees have delegated oversight of properties to the property sub-committee. A desktop revaluation of the charity's investment properties was carried out as at 31 March 2021, in line with the requirements of the Charities' Statement of Recommended Practice.

Reserves

At 31 March 2021, the total funds of the group amounted to £144.0m. A full breakdown is shown in note 20.

Endowment funds totalled £7.9m (2020: £6.8m) and restricted funds amounted to £3.6m (2020: £3.1m). A further £54.0m (2020: £54.2m) was held in discretionary funds which have been designated for the support of consultants, departments and wards. For these funds, decisions over spending are delegated to senior clinical staff, so the funds are not available for general application by the charity.

Discretionary funds totalled £54.2m (2020: £53.5m), including £27.9m (2020: £27.9m) which has been set aside for the Foundation Trust with a view to it being used in the near future for the hospital's Grafton Way Building which incorporates the new proton beam therapy unit and additional patient beds for those receiving long-term cancer care. After years of planning, this building was handed over to UCLH in 2021 and some services have welcomed their first patients. A further £14.8m (2020: £13.0m) is held in other designated funds, under the control of the trustees but ring-fenced for specific projects.

The trustees have ongoing commitments relating to the welfare of both patients and staff. Apart from donations and legacies, which are by their nature unpredictable, the income received by the charity's undesignated funds is primarily derived from investments and property rental. The trustees therefore consider that there is a need to maintain a level of free reserves to generate sufficient income to meet these commitments, allowing for fluctuations in the returns that these investments generate.

The charity's expenditure varies from year to year and is often significant on any one project, be it the purchase of expensive medical equipment or a major capital scheme. A substantial level of free reserves is required both to meet known likely expenditure up to two or three years' forward and unforeseen expenditure.

The level of group undesignated general funds at 31 March 2021 was £62.6m and the charity had undesignated general funds of £76.0m. However, the charity has investment properties of £61.2m and tangible fixed assets of £9.1m which are of strategic importance. The funds represented by these assets are not immediately available for use in the charity's activities so the level of reserves which the charity has available for its activities is £5.7m.

The charity continuously monitors the level of reserves to ensure that commitments can be met, and the trustees review the reserves policy on an annual basis. The trustees have set a target level of reserves for the charity of between £5m and £10m and consider that the level of free reserves at 31 March 2021 is adequate to meet the charity's needs.

Risk management

The trustees recognise that they have a responsibility to minimise the level of risk to which their activities could be exposed. They actively review the major risks which the group and charity face on a regular basis and believe that the maintenance of reserves, combined with the annual review of the controls over key financial systems will provide sufficient resources for committed grants in the event of adverse conditions.

UCLH Charity assesses risks for both likelihood of occurrence and potential financial impact, with procedures established to mitigate these as far as possible. Risks which score highly on both scales are monitored closely. At present, the most serious risks the charity has identified fall into two broad categories; investments and investment property. The charity considers that appropriate mitigating procedures are in place in both these areas, supported by the existence of specialist sub-committees on each area reporting to the trustees. In particular, lack of appropriate investment policies or poor investment performance, which could lead to financial loss, is mitigated by the involvement of professional investment management firms who meet regularly with the trustees and officers. The risk of a property market collapse, which could have a significant impact on the value of the charity's investment properties, is mitigated by the fact that the properties are held by the charity as long-term investments and long-term rental agreements are held with tenants, the majority of which are UCLH NHS Foundation Trust or University College London. The risks associated with the significant capital project currently being undertaken are mitigated by the use of professional advisors and regular monitoring procedures are in place.

Fundraising

UCLH Charity aims to achieve best practice in the way in which it communicates with donors and other supporters and is registered with the Fundraising Regulator. It takes care with both the tone of its communications and the accuracy of its data to minimise the pressures on supporters. It applies best practice to protect supporters' data and never sells data, never swaps data and ensures that communication preferences can be changed at any time. The charity undertakes to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its services. During the year, the charity received no complaints about its fundraising activities. Third party fundraisers are not used. The charity supports the fundraising strategy of UCLH NHS Foundation Trust and their priority is to raise funds for the new cancer and surgery centre.

Plans for future periods

Over the next five years, the charity plans:

- To make a grant of £27.9m to UCLH for equipment and facilities, the majority of which will be located at the new Grafton Way Building. This grant will be the largest ever made by the charity;
- To provide ongoing support to UCLH for the projects which they consider to be most beneficial, ensuring that these are over and above NHS provision;
- To expand fundraising activities and raise the profile of the charity within the hospitals and the community which they serve;
- To work with its fundholders who run ward and discretionary funds, supporting them in the valuable work they do on our behalf and assisting with their fundraising initiatives;
- To generate new income streams, particularly through our project to develop the Bedford Passage;
- To continue to support UCLH staff by providing interest-free season ticket loans and funding educational courses and staff wellbeing initiatives.

Structure, governance and management

UCLH Charity structure

Following a restructuring process supported by the Department of Health and the Charity Commission, University College London Hospitals Charity reconstituted as a charitable company limited by guarantee registered with the Charity Commission (no.1165398) and Companies House (09980449). The charity is an incorporated organisation and operates under a Charity Commission Scheme dated 27 March 2017 and the trustees are members of the charitable company. Its objects are covered in its Articles of Association, dated 1 February 2016 and for the public benefit, to further any charitable purposes relating to any purposes of University College London NHS Foundation Trust or that of the health service.

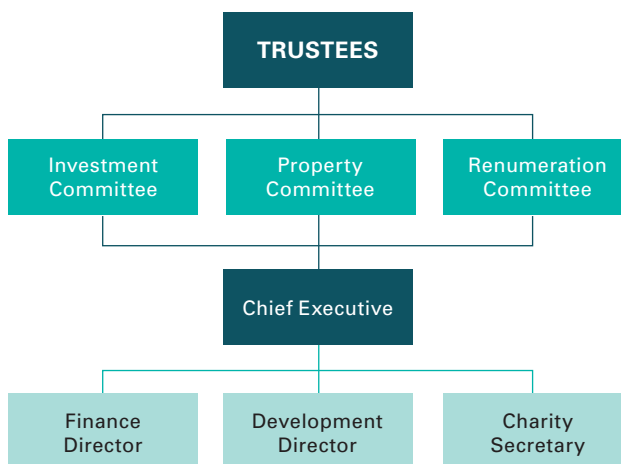
Trustees

For continuation purposes, a number of trustees who were previously trustees of the former NHS charity became trustees of the new charity, carrying over their terms of office. New trustees are appointed by the trustee board after an appointment process. They are selected to provide the charity with a relevant mix of professional skills in health, law, investment management, properties, and charitable grant-making. Altogether the charity has seven trustees composed of four independent trustees, one Foundation Trust trustee and two clinical trustees nominated by the Foundation Trust.

Newly appointed trustees are provided with packs which provide details on the duties and roles of a charity trustee and information about how the charity operates. In addition, new trustees meet the chairman and officers of the charity to discuss the organisation's objectives and direction.

Trustees are kept up to date regularly with changes relating to charity legislation. Conferences organised by legal, financial and investment professionals are available for trustees to attend. The charity is also a member of NHS Charities Together which offers regular seminars for the trustees.

Organisational structure



Organisation and decision-making process

The trustees are responsible for setting the strategic direction of the organisation and for establishing policy. They meet quarterly to discuss and review the group and charity's state of affairs. The trustees delegate the day-to-day administration of the charity to the chief executive who is supported by accounting and administrative staff.

The charity invites applications for funding of projects through University College London Hospitals NHS Foundation Trust. Grant bids must be approved by the UCLH Senior Director Team before consideration by the trustees, to ensure that grants made are in line with the strategic direction of the Foundation Trust. Grant bids which have been passed by the Foundation Trust are discussed at quarterly trustees' meetings which the Foundation Trust's chairman and chief executive are invited to attend in an advisory capacity. Decisions to approve all or part of a particular grant are made by the trustees following these discussions.

There are three sub-committees, investment, property and remuneration. The remuneration sub-committee recommends a level of remuneration for key management personnel comprising the chief executive and the executive team. This sub-committee consists of at least three trustees with appropriate skills and experience. It meets at least once a year and reports to the full board of trustees. Further details of key management personnel and their remuneration are given in note 12.

Discretionary funds

A significant proportion of the charity's activities are delivered by the staff of the Foundation Trust, who are a key link to patients and supporters. For discretionary funds, which are designated (see note 20), the charity relies on these staff to submit proposals for the most effective use of funds, bearing in mind their knowledge of local needs in their own wards and departments. These requests are reviewed and authorised by officers of the charity to ensure that expenditure is in accordance with the charity's objects.

Subsidiary companies owned by UCLH Charity and consolidated in these accounts

The charity owns the entire share capital of the entities listed below, whose results are consolidated in these accounts:

QS Enterprises Ltd (company number 01850377)

This company provides clinical imaging services to patients of the NHS and private hospitals. It has a separate board of directors who report to the charity trustees on a regular basis. The company was unable to make a Gift Aid contribution to the charity for the year (2020: £0.7m). Further details of its financial results are given in note 4.

Middlesex UCLHC Ltd (company number 10821655)

This company was formed on 15 June 2017 to carry out property activities. Its financial activities commenced on 1 April 2018. Further details of its financial results are given in note 5.

Middlesex Annexe LLP (registered number OC417941)

This limited liability partnership was formed on 28 June 2017 to carry out property activities, in particular the development of the former Middlesex Annexe in Fitzrovia, now renamed the Bedford Passage Development. UCLH Charity and Middlesex UCLHC Ltd are members of the partnership. Its financial activities commenced on 1 April 2018 when it acquired a long lease on the property. Further details of its financial results are given in note 6.

Associated organisations

The charity exists to support the work of UCLH NHS Foundation Trust, with which it has a close working relationship. The Foundation Trust chairman and chief executive are invited to attend regular trustees' meetings, but the trustees of UCLH Charity as a body are totally independent of the Foundation Trust.

The charity also works with the Essex Wynter Charity (registered charity number 1084786), an independent charity which provides grants, scholarships and accommodation for the benefit of current and past employees of The Middlesex Hospital and UCLH who are in need of financial assistance. UCLH Charity has the responsibility of appointing the Essex Wynter Charity trustees and provides administrative support. Close links are maintained between the two bodies as staff of UCLH NHS Foundation Trust benefit from the activities of both entities.

Statement of trustees' responsibilities

The trustees (who are also directors of University College London Hospitals Charity for the purposes of company law) are responsible for preparing the trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 the group and of the income and expenditure of the group 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 Accounting and Reporting by Charities: 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 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping proper 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the trustees confirms that:

- so far as the trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustee has taken all the steps that he/she ought to have taken as a trustee in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

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.

Signed on behalf of the trustees:



The Lord Hemphill
Chairman

30 September 2021

Independent auditor's report to the members

Report on the financial statements

Opinion

We have audited the financial statements of University College London Hospitals Charity (the 'charitable parent company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the group and charitable parent company statements of financial activities, the group and charitable parent company balance sheets and the consolidated statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 group's and of the charitable parent company's affairs as at 31 March 2021 and of the group's 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 group 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 group and charitable parent 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 trustees are responsible for the other information. The other information comprises the information included in the annual report and financial statements, other than the financial statements and our auditor's report thereon. 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' report, which is also the directors' report for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report, which is also the directors' report for the purposes of company law, has 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 group and the charitable parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

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

- adequate accounting records have not been kept by the charitable parent company, or returns adequate for our audit have not been received from branches not visited by us; or

- the charitable parent company 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 the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, 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 group's and the charitable parent 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 group or the charitable parent 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 the 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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations; and
- we obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011).

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- challenged assumptions and judgements made by management in assessing the going concern basis of accounting and in its significant accounting estimates, including the estimated values of investment properties and tangible fixed assets held at fair value, the estimated useful economic lives of assets held at depreciated cost for the purpose of determining the annual depreciation charge, and the basis for allocating support costs.
- performed sample based testing of expenditure in the accounting system to supporting documentation and sample based testing of income from source documentation to the accounting system;

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

As a result of our procedures, we did not identify any key audit matters relating to irregularities.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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 charitable 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 anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Shachi Blakemore

Senior Statutory Auditor

For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street, London EC2V 6DL

30 September 2021

Consolidated statement of financial activities

INCLUDING AN INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2021

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2021 Total Funds £'000	2020 Total Funds £'000
Income and endowments from:						
Donations and legacies	3	7,539	265	–	7,804	9,774
Charitable activities		819	–	–	819	1,230
Other trading activities						
Turnover of QS Enterprises Ltd	4	3,892	–	–	3,892	5,706
Other fundraising activities		37	–	–	37	122
Investments	7	4,177	75	–	4,252	5,077
Other		–	–	–	–	29
Total income		16,464	340	–	16,804	21,938
Expenditure on:						
Raising funds						
Costs of generating donations and legacies		833	6	–	839	885
Fundraising trading expenditure						
Operating costs of QS Enterprises Ltd	4	4,509	–	–	4,509	4,974
Operating costs of Middlesex Annexe LLP	6	9,311	–	–	9,311	305
Other		24	–	–	24	244
Investment management costs						
Costs of managing quoted investments		145	9	23	177	176
Costs of managing, maintaining and repairing investment properties		680	–	–	680	1,258
Bank interest and charges on loan relating to investment properties		573	–	–	573	226
Charitable activities	8					
Medical equipment and infrastructure costs		7,488	4	–	7,492	2,825
Provision of staff and professional services		5,156	83	–	5,239	3,139
Patient welfare and amenities		1,878	1	–	1,879	2,038
Medical research		972	1	–	973	1,338
Staff education and development		2,200	2	–	2,202	5,261
Total expenditure		33,769	106	23	33,898	22,669
Net (expenditure)/income before investment gains		(17,305)	234	(23)	(17,094)	(731)
Net gains/(losses) on investments	15	2,280	302	1,088	3,670	(3,613)
Net movements in funds		(15,025)	536	1,065	(13,424)	(4,344)
Reconciliation of funds						
Total funds brought forward	20	147,493	3,053	6,845	157,391	161,735
Total funds carried forward	20	132,468	3,589	7,910	143,967	157,391

All of the group's activities in the above two financial periods were derived from continuing operations.

The notes on pages 33 to 51 form part of these accounts.

Detailed comparative information for the year ended 31 March 2020 is given in note 1 to the accounts.

Charity only statement of financial activities

INCLUDING AN INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2021

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2021 Total Funds £'000	2020 Total Funds £'000
Income and endowments from:						
Donations and legacies		7,539	265	–	7,804	10,449
Charitable activities		820	–	–	820	1,230
Other fundraising activities		37	–	–	37	122
Investments		5,545	75	–	5,620	6,180
Other		52	–	–	52	84
Total income		13,993	340	–	14,333	18,065
Expenditure on:						
Raising funds						
Costs of generating donations and legacies		833	6	–	839	885
Fundraising trading expenditure						
Other		24	–	–	24	244
Investment management costs						
Costs of managing quoted investments		145	9	23	177	176
Costs of managing, maintaining and repairing investment properties		680	–	–	680	1,258
Bank interest and charges on loan relating to investment properties		573	–	–	573	226
Charitable activities						
Medical equipment and infrastructure costs	8	7,488	4	–	7,492	2,825
Provision of staff and professional services		5,156	83	–	5,239	3,139
Patient welfare and amenities		1,878	1	–	1,879	2,038
Medical research		972	1	–	973	1,338
Staff education and development		2,200	2	–	2,202	5,261
Total expenditure		19,949	106	23	20,078	17,390
Net income/(expenditure) before investment gains		(5,956)	234	(23)	(5,745)	675
Net gains/(losses) on investments	15	2,280	302	1,088	3,670	(3,613)
Net movements in funds		(3,676)	536	1,065	(2,075)	(2,938)
Reconciliation of funds						
Total funds brought forward	20	149,929	3,053	6,845	159,827	162,765
Total funds carried forward	20	146,253	3,589	7,910	157,752	159,827

Detailed comparative information for the year ended 31 March 2020 is given in note 2 to the accounts.

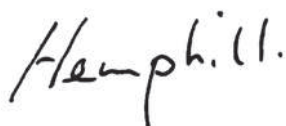
Consolidated balance sheet

AS AT 31 MARCH 2021

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2021 Total Funds £'000	2020 Total Funds £'000
Fixed assets						
Tangible assets	14	44,660	–	–	44,660	40,374
Listed investments and investment properties	15	93,044	1,221	7,910	102,175	104,611
Programme-related loans	16	–	–	–	–	39
Total fixed assets		137,704	1,221	7,910	146,835	145,024
Current assets						
Debtors	17	5,427	–	–	5,427	8,032
Cash at hand and in bank		45,894	2,368	–	48,262	37,149
Total current assets		51,321	2,368	–	53,689	45,181
Current liabilities						
Creditors: amounts falling due within one year	18	23,871	–	–	23,871	31,675
Net current assets		27,450	2,368	–	29,818	13,506
Total assets less current liabilities		165,154	3,589	7,910	176,653	158,530
Creditors: amounts falling due after more than one year	19a	32,686	–	–	32,686	1,064
Provisions for liabilities and charges	19b	–	–	–	–	75
Total net assets		132,468	3,589	7,910	143,967	157,391
The funds of the charity						
Capital funds						
Endowment funds	20	–	–	7,910	7,910	6,845
Income funds						
Restricted funds	20	–	3,589	–	3,589	3,053
Unrestricted funds						
General funds	20	62,168	–	–	62,168	78,739
Designated discretionary funds	20	53,970	–	–	53,970	54,177
Other designated funds	20	14,766	–	–	14,766	13,013
Revaluation reserve	20	1,564	–	–	1,564	1,564
Total funds		132,468	3,589	7,910	143,967	157,391

The notes on pages 33 to 51 form part of these accounts.

Signed on behalf of the trustees



The Lord Hemphill

30 September 2021

Company Registration Number 09980449
(England and Wales)

Charity only balance sheet

AS AT 31 MARCH 2021

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2021 Total Funds £'000	2020 Total Funds £'000
Fixed assets						
Tangible assets	14	9,090	–	–	9,090	9,090
Listed investments and investment properties	15	93,044	1,221	7,910	102,175	104,611
Programme-related loans	16	–	–	–	–	39
Total fixed assets		102,134	1,221	7,910	111,265	113,740
Current assets						
Debtors	17	49,434	–	–	49,434	39,334
Cash at hand and in bank		45,578	2,368	–	47,946	36,247
Total current assets		95,012	2,368	–	97,380	75,581
Current liabilities						
Creditors: amounts falling due within one year	18	20,893	–	–	20,893	29,494
Net current assets		74,119	2,368	–	76,487	46,087
Total assets less current liabilities		176,253	3,589	7,910	187,752	159,827
Creditors: amounts falling due after more than one year	19	30,000	–	–	30,000	–
Total net assets		146,253	3,589	7,910	157,752	159,827
The funds of the charity						
Capital funds						
Endowment funds	20	–	–	7,910	7,910	6,845
Income funds						
Restricted funds	20	–	3,589	–	3,589	3,053
Unrestricted funds						
General funds		75,953	–	–	75,953	81,242
Designated discretionary funds	20	53,970	–	–	53,970	54,177
Other designated funds		14,766	–	–	14,766	12,946
Revaluation reserve	20	1,564	–	–	1,564	1,564
Total funds		146,253	3,589	7,910	157,752	159,827

Consolidated statement of cash flows

FOR THE YEAR ENDED 31 MARCH 2021

	Note	2021 £'000	2020 £'000
Cash flows from operating activities:			
Net cash used in operating activities	22	(8,927)	(5,799)
Cash flows from investing activities:			
Dividends, interest and rents from investments		4,486	5,077
Proceeds from the sale of investments		26,958	29,737
Purchase of tangible fixed assets		(12,597)	(6,428)
Purchase of investments		(20,852)	(28,894)
Repayments of programme-related loans		39	17
Net cash used in investment activities		(1,966)	(491)
Cash flows from financing activities			
Cash inflows from new borrowing		30,000	–
Capital repayment of borrowing		(10,000)	–
New finance leases		2,580	–
Capital element of finance lease repayments		(574)	(293)
Net cash provided by financing activities		22,006	(293)
Change in cash and cash equivalents in the reporting period		11,113	(6,583)
Cash and cash equivalents at the beginning of the reporting period		37,149	43,732
Cash and cash equivalents at the end of the reporting period		48,262	37,149

Analysis of changes in net debt

	Total funds brought forward at 1 April 2020 £'000	Cash flows £'000	Other movements £'000	Total funds carried forward as at 31 March 2021 £'000
Cash and cash equivalents	37,149	11,113	–	48,262
Finance leases	(1,374)	574	(2,580)	(3,380)
Borrowing	(10,000)	(20,000)	–	(30,000)
	25,775	(8,313)	(2,580)	14,882

Notes to the accounts

Accounting policies

Basis of preparation

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

The accounts 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) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The accounts are presented in sterling and rounded to the nearest thousand pounds.

The charity is a public benefit entity as defined by FRS 102.

The trustees consider that there are no material uncertainties about UCLH Charity's ability to continue as a going concern. Preparation of the accounts requires the trustees to make significant judgements and estimates. The items in the accounts where these judgements and estimates have been made include:

- estimating investment management fees charged on managed funds;
- estimating the useful economic life of tangible fixed assets and intangible assets; and
- the basis for allocation of support costs.

The results of the wholly-owned subsidiary company, QS Enterprises Ltd, have been consolidated in these accounts on a line-by-line basis. Further details are given in note 4.

A new wholly-owned subsidiary company, Middlesex UCLHC Ltd, was set up in 2017-18. Its financial activities commenced on 1 April 2018 and have been consolidated into these accounts on a line-by-line basis. Further details are given in note 5.

A new limited liability partnership, Middlesex Annexe LLP, was set up in 2017-18. The two partners in the partnership are UCLH Charity and Middlesex UCLHC Ltd. The LLP's financial activities commenced on 1 April 2018 and have been consolidated into these accounts on a line-by-line basis. Further details are given in note 6.

On 1 April 2017 the entire undertaking of the unincorporated trust then known as University College London Hospitals Charity (the 'Old Charity') was transferred to a new charitable company called University College London Hospitals Charity, a company

limited by guarantee and registered in England and Wales (the 'New Charity') company number 09980449.

No separate statement of financial activities has been presented for the parent charity alone, as permitted by s.408 of the Companies Act 2006 and paragraph 24.36 of SORP 2015.

Funds structure

Where there is a legal restriction on the purpose to which a fund may be put, the fund is classified either as a restricted fund or an endowment fund. Restricted funds are those where the donor has provided for the donation to be spent in furtherance of a specified charitable purpose. Endowment funds arise when the donor has expressly provided that the gift is to be invested and only the income of the fund may be spent.

Those funds which are neither endowment nor restricted income funds, are unrestricted income funds which are sub analysed between designated (earmarked) funds where the trustees have set aside amounts to be used for specific purposes or which reflect the non-binding wishes of donors and unrestricted funds which are at the trustees' discretion, including the general funds which represent the charity's reserves. The major funds held in each of these categories are disclosed in note 20.

Income

All income is recognised once the charity has entitlement to the resources, it is probable (more likely than not) that the resources will be received and the monetary value of income can be measured with sufficient reliability. Where there are terms or conditions attached to income, particularly grants, then these terms or conditions must be met before the income is recognised as the entitlement condition will not be satisfied until that point.

Where terms or conditions have not been met or uncertainty exists as to whether they can be met then the relevant income is not recognised in the year but deferred and shown on the balance sheet as deferred income.

Legacies are accounted for as income either upon receipt or where the receipt of the legacy is probable. Receipt is probable when:

- Confirmation has been received from the representatives of the estate(s) that probate has been granted
- The executors have established that there are sufficient assets in the estate to pay the legacy and
- All conditions attached to the legacy have been fulfilled or are within the charity's control.

The income received from the invested endowment funds is wholly restricted.

Expenditure and irrecoverable VAT

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to each category of expense shown in the statement of financial activities. Expenditure is recognised when the following criteria are met:

- There is a present legal or constructive obligation resulting from a past event
- It is more likely than not that a transfer of benefits (usually a cash payment) will be required in settlement
- The amount of the obligation can be measured or estimated reliably.

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

Grants payable are payments made to linked, related party or third party NHS bodies, in furtherance of the charity's objectives. Grant payments are recognised as expenditure when the conditions for their payment have been met or where there is a constructive obligation to make a payment. A constructive obligation arises when:

- We have communicated our intention to award a grant to a recipient who then has a reasonable expectation that they will receive a grant;
- We have made a public announcement about a commitment which is specific enough for the recipient to have a reasonable expectation that they will receive a grant; and
- There is an established pattern of practice which indicates to the recipient that we will honour our commitment.

The trustees have control over the amount and timing of grant payments and consequently where approval has been given by the trustees and any of the above criteria have been met then a liability is recognised. Grants are not usually awarded with conditions attached. However, when they are, then those conditions have to be met before the liability is recognised.

Allocation of support costs

Support costs are those costs which do not relate directly to a single activity. These include staff costs, costs of administration, legal fees and audit fees. Support costs have been apportioned between costs of raising funds and charitable activities on an appropriate basis. The analysis of support costs and the bases of apportionment applied are shown in note 9.

Costs of raising funds

The costs of raising funds are those costs attributable to generating income for the charity, other than those costs incurred in undertaking charitable activities or the costs incurred in undertaking trading activities in furtherance of the charity's objects. The costs of raising funds represent fundraising costs together with the operating costs of the charity's subsidiary companies, investment management fees and property management costs.

Charitable activities

Costs of charitable activities comprise all costs incurred in the pursuit of the charitable objects of the charity. These costs, where not wholly attributable, are apportioned between the categories of charitable expenditure in addition to the direct costs. The total costs of each category of charitable expenditure include an apportionment of support costs as shown in note 8.

Tangible fixed assets and depreciation

Neither the charity nor its subsidiary companies have a strict monetary limit below which fixed assets are not capitalised. Instead, each asset or group of assets is considered separately and capitalised if appropriate, unless the value is clearly negligible.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost less estimated residual value of each asset evenly over its expected useful life, as follows:

Leasehold improvements	Over the term of the lease
Furniture, medical and office equipment	3 to 5 years
Computer equipment	2 to 3 years

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

Land and buildings are subject to revaluation and are not depreciated. Formal valuations for land and buildings are usually carried out by a professional valuer at five yearly intervals and a formal valuation was last carried out by Dron & Wright at 31 March 2018. Between formal valuations, desktop valuations are provided by a professional valuer, which are used to value the freehold land and buildings in the accounts at the year end date. Valuation gains and losses are credited (or debited) to other gains or losses within the statement of financial activities with the balance sheet reflecting the revalued amounts. Any revaluation losses in excess of previously recognised revaluation gains are shown within the appropriate heading of expenditure.

Investments

Listed investments are a form of basic financial instrument and are included in the accounts at their market value as at the balance sheet date. Investment portfolios are held with Sarasin & Partners LLP, Cazenove Capital Management and CCLA. For Sarasin & Partners LLP and Cazenove Capital Management, quoted stocks and shares are included in the balance sheet at bid price at close of business on the valuation date. Realised and unrealised gains (or losses) are credited (or debited) to the statement of financial activities in the year in which they arise.

The charity does not acquire put options, derivatives or other complex financial instruments.

Formal valuations for land and buildings are usually carried out by a professional valuer at five yearly intervals and a formal valuation was last carried out by Dron & Wright at 31 March 2018. Between formal valuations, desktop valuations are provided by a professional valuer, which are used to value the investment properties in the accounts at the year end date. Valuation gains and losses are credited (or debited) to the statement of financial activities with the balance sheet reflecting the revalued amounts. No depreciation is charged on investment properties.

Investments in subsidiary companies are valued at cost with provision being made for any permanent diminution in value.

Programme-related loans

Programme-related loans comprise loans made by the charity to related organisations in furtherance of UCLH Charity's objectives. These are included in the balance sheet at the recoverable amount.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Pension costs

Employees of the Old Charity at 31 March 2017 were entitled to join the NHS Pensions Scheme, an unfunded, defined benefit scheme that covers NHS employers, general practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The scheme is not designed to be run in a way that would enable participating bodies to identify their share of the underlying Scheme assets and liabilities. Therefore, the Scheme is accounted for as if it were a defined contribution scheme: the cost to the charity of participating in the Scheme is taken as equal to the contributions payable to the Scheme for the accounting period.

The Scheme is a final salary scheme. Since 1 April 2015 there have been two separate pension schemes covering NHS workers. The 1995/2008 Scheme closed with effect from 1 April 2015 except for some members entitled to continue in this Scheme through 'Protection' arrangements. On 1 April 2015 a new NHS Pension Scheme was introduced. This new Scheme covers all former members of the 1995/2008 Scheme not eligible to continue in that Scheme as well as new NHS employees on or after 1 April 2015.

The Scheme is subject to a full actuarial valuation every four years, and an IAS 19 accounting valuation every year. The valuation of scheme liability in accordance with IAS 19 is carried out annually by the Scheme Actuary. The latest assessment of the liabilities of the Scheme is contained in the Scheme Actuary report, which forms part of the annual NHS Pension Scheme (England and Wales) Resource Account, published annually. These accounts can be viewed on the NHS Pensions website.

A defined contribution scheme has been set up for employees who join the New Charity. Contributions are charged on a payable basis.

QS Enterprises Ltd contributes to the personal pension schemes of all employees, other than directors. Contributions are charged to the statement of financial activities as they become payable in accordance with the contribution rates agreed with the relevant employees.

Leased assets

Rentals paid under operating leases are charged to income on a straight line basis over the lease term.

Assets held under finance leases, which are leases where substantially all the risk and rewards of ownership of the asset have passed to the company, are capitalised in the balance sheet and are depreciated over their useful lives. The capital elements of future obligations under finance leases are included as liabilities in the balance sheet.

The interest elements of the rental obligations are charged to the statement of financial activities over the period of the leases and represent a constant proportion of the balance of capital repayments outstanding.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Financial instruments

The charity only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the charity and their measurement basis are as follows:

Financial assets – other debtors are basic financial instruments and are debt instruments measured at amortised cost.

Listed investments are a basic financial instrument as detailed above. Prepayments are not financial instruments.

Cash at bank – classified as a basic financial instrument and is measured at face value.

Financial liabilities – accruals and other creditors are financial instruments, and are measured at amortised cost.

01 Comparative consolidated statement of financial activities split between funds
FOR THE YEAR ENDED 31 MARCH 2020

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2020 Total Funds £'000
Income and endowments from:					
Donations and legacies	3	9,509	265	–	9,774
Charitable activities		1,230	–	–	1,230
Other trading activities					
Turnover of QS Enterprises Ltd	4	5,706	–	–	5,706
Other fundraising activities		122	–	–	122
Investments	7	4,983	94	–	5,077
Other		29	–	–	29
Total income		21,579	359	–	21,938
Expenditure on:					
Raising funds					
Costs of generating donations and legacies		879	6	–	885
Fundraising trading expenditure					
Operating costs of QS Enterprises Ltd	4	4,974	–	–	4,974
Operating costs of Middlesex Annexe LLP		305	–	–	305
Other		244	–	–	244
Investment management costs					
Costs of managing quoted investments		145	7	24	176
Costs of managing, maintaining and repairing investment properties		1,258	–	–	1,258
Bank interest and charges on loan relating to investment properties		226	–	–	226
Charitable activities	8				
Medical equipment and infrastructure costs		2,823	2	–	2,825
Provision of staff and professional services		3,062	77	–	3,139
Patient welfare and amenities		2,031	7	–	2,038
Medical research		1,337	1	–	1,338
Staff education and development		5,253	8	–	5,261
Total expenditure		22,537	108	24	22,669
Net (expenditure)/income before investment gains		(958)	251	(24)	(731)
Net (losses) on investments	15	(3,337)	(61)	(215)	(3,613)
Net (expenditure)/income and net movement in funds		(4,295)	190	(239)	(4,344)
Reconciliation of funds					
Total funds brought forward	20	151,788	2,863	7,084	161,735
Total funds carried forward	20	147,493	3,053	6,845	157,391

02 Comparative charity only statement of financial activities split between funds
FOR THE YEAR ENDED 31 MARCH 2020

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2020 Total Funds £'000
Income and endowments from:					
Donations and legacies		10,184	265	–	10,449
Charitable activities		1,230	–	–	1,230
Other fundraising activities		122	–	–	122
Investments	7	6,086	94	–	6,180
Other		84	–	–	84
Total income		17,706	359	–	18,065
Expenditure on:					
Raising funds					
Costs of generating donations and legacies		879	6	–	885
Fundraising trading expenditure					
Other		244	–	–	244
Investment management costs					
Costs of managing quoted investments		145	7	24	176
Costs of managing, maintaining and repairing investment properties		1,258	–	–	1,258
Bank interest and charges on loan relating to investment properties		226	–	–	226
Charitable activities	8				
Medical equipment and infrastructure costs		2,823	2	–	2,825
Provision of staff and professional services		3,062	77	–	3,139
Patient welfare and amenities		2,031	7	–	2,038
Medical research		1,337	1	–	1,338
Staff education and development		5,253	8	–	5,261
Total expenditure		17,258	108	24	17,390
Net income/(expenditure) before investment gains		448	251	(24)	675
Net (losses) on investments	15	(3,337)	(61)	(215)	(3,613)
Net (expenditure)/income and net movement in funds		(2,889)	190	(239)	(2,938)
Reconciliation of funds					
Total funds brought forward	20	152,818	2,863	7,084	162,765
Total funds carried forward		149,929	3,053	6,845	159,827

03 Donations and legacies

	2021				2020			
	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total Funds £'000	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total Funds £'000
Donations	5,909	265	–	6,174	5,029	265	–	5,294
Legacies	568	–	–	568	968	–	–	968
Grants	1,062	–	–	1,062	3,512	–	–	3,512
	7,539	265	–	7,804	9,509	265	–	9,774

Donations exclude gifts in kind received during the year, as it is not possible to put a value on what the charity would have paid for these items.

04 QS Enterprises Ltd

The charity's wholly owned subsidiary, QS Enterprises Ltd, is incorporated in England and Wales (company number 01850377). Its principal activity is the provision of clinical imaging services to patients of NHS and private hospitals. QS Enterprises Ltd donates its taxable profit, if any, to UCLH Charity.

A summary of its results is shown below. Separately audited accounts for the company are filed with the Registrar of Companies. The share capital of QS Enterprises Ltd has a nominal value of £2.

	2021 Total £'000	2020 Total £'000
Turnover	3,892	5,706
Operating expenses	(4,381)	(4,898)
Audit fee	(17)	(16)
Bank interest receivable	1	1
Interest payable	(165)	(115)
Profit for the year before Gift Aid	(670)	678
Gift Aid payable	–	(675)
Retained profit for the year	(670)	3
Reserves brought forward	67	64
Reserves carried forward	(603)	67

05 Middlesex UCLHC Ltd

The charity's wholly owned subsidiary, Middlesex UCLHC Ltd, is incorporated in England and Wales (company number 10821655). The company operates as a holding company in order to facilitate the development of the site of the former Middlesex Hospital Annexe. It was incorporated on 15 June 2017 and began trading on 1 April 2018. It donates its taxable profit, if any, to UCLH Charity. A summary of its results is shown below. Separately audited accounts for the company are filed with the Registrar of Companies. The share capital of Middlesex UCLHC Ltd has a nominal value of £1.

	2021 Total £'000	2020 Total £'000
Turnover	167	143
Operating expenses	(169)	(148)
Audit fee	(3)	(3)
Loss for the year	(5)	(8)
Interest receivable	837	679
Interest payable	(832)	(671)
Profit for the year	–	–
Reserves brought forward	–	–
Reserves carried forward	–	–

06 Middlesex Annexe LLP

This limited liability partnership has registered number OC417941 and consists of two partners, UCLH Charity and Middlesex UCLHC Ltd. The LLP was formed on 28 June 2017 and began trading on 1 April 2018. Its principal activity is property development and its aim is to maximise profits for its members. A summary of its results is shown below. Separately audited accounts for the LLP are filed with the Registrar of Companies.

	2021 Total £'000	2020 Total £'000
Operating expenses	(443)	(301)
Audit fee	(4)	(4)
Interest payable	(1,368)	(1,104)
Impairment on asset under construction	(8,864)	–
Loss for the year	(10,679)	(1,409)
Reserves brought forward	(2,503)	(1,094)
Losses carried forward	(13,182)	(2,503)

07 Investment income

	2021				2020			
	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total Funds £'000	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total Funds £'000
Investment properties	3,391	–	–	3,391	3,593	–	–	3,593
Listed investments	706	39	–	745	1,091	59	–	1,150
Common deposit or common investment funds	–	36	–	36	–	35	–	35
Investment cash	–	–	–	–	68	–	–	68
Other investments	80	–	–	80	231	–	–	231
	4,177	75	–	4,252	4,983	94	–	5,077

08 Charitable activities

	2021				2020			
	Activities undertaken directly £'000	Grant funded activities (note 10) £'000	Support costs (note 9) £'000	Total Funds £'000	Activities undertaken directly £'000	Grant funded activities (note 10) £'000	Support costs (note 9) £'000	Total Funds £'000
Improvements to patient services								
Medical equipment and infrastructure costs	1,058	6,170	264	7,492	892	1,827	106	2,825
Provision of staff and professional services	3,339	1,716	184	5,239	2,802	219	118	3,139
Patient welfare and amenities	1,086	727	66	1,879	1,197	765	76	2,038
Medical research	886	53	34	973	888	400	50	1,338
Staff education and development	1,978	146	78	2,202	3,895	1,169	197	5,261
	8,347	8,812	626	17,785	9,674	4,380	547	14,601

The charity has a number of designated discretionary funds where decisions over spending are delegated to ward or consultant level, under the oversight of officers of the charity. Direct expenditure from these funds delivered a significant proportion of the activities of the charity. More details are given in the Report of the Trustees.

09 Support costs – apportionment

		2021						
		Charitable activities						
Expenditure type	Basis of apportionment	Raising funds £'000	Equipment £'000	Staff & professional services £'000	Patient welfare & amenities £'000	Medical research £'000	Staff education & development £'000	Totals costs £'000
Charity staff salaries	Time	231	182	127	46	23	53	662
Governance	Proportional to salaries	16	13	9	3	2	4	47
Premises costs	Proportional to salaries	67	39	27	10	5	12	160
Other office and sundry costs	Proportional to salaries	50	30	21	7	4	9	121
		364	264	184	66	34	78	990

		2020						
		Charitable activities						
Expenditure type	Basis of apportionment	Raising funds £'000	Equipment £'000	Staff & professional services £'000	Patient welfare & amenities £'000	Medical research £'000	Staff education & development £'000	Totals costs £'000
Charity staff salaries	Time	247	68	77	49	32	127	600
Governance	Proportional to salaries	44	4	4	3	2	7	64
Premises costs	Proportional to salaries	82	23	25	16	11	42	199
Other office and sundry costs	Proportional to salaries	56	11	12	8	5	21	113
		429	106	118	76	50	197	976

10 Analysis of grants

	2021		2020	
	Number of grants	Aggregate amount paid £'000	Number of grants	Aggregate amount paid £'000
Medical equipment and infrastructure costs	3	6,170	6	1,827
Provision of staff and professional services	8	1,716	3	219
Patient welfare and amenities	6	727	7	765
Medical research	1	53	1	400
Staff education and development	1	146	6	1,169
	19	8,812	23	4,380

All grants were to UCL Hospitals NHS Foundation Trust.

11 Net movement in funds

This is stated after charging:

	2021				2020			
	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total Funds £'000	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total Funds £'000
Staff costs (note 12)	2,675	–	–	2,675	2,531	–	–	2,531
Auditors' remuneration								
Statutory audit services, charity only								
Current year	25	–	–	25	24	–	–	24
Statutory audit services, subsidiary companies	23	–	–	23	23	–	–	23
Other services	4	–	–	4	7	–	–	7
Depreciation	641	–	–	641	611	–	–	611
Operating lease charges	233	–	–	233	246	–	–	246

12 Staff costs

	2021 Total Funds £'000	2020 Total Funds £'000
Wages and salaries	2,246	2,145
Employer's national insurance costs	268	240
Pension costs	161	146
	2,675	2,531

	Headcount		Full time equivalent	
	2021	2020	2021	2020
The average number of employees, analysed by function, was:				
Charity employees	11	11	10	9
Staff of trading subsidiaries	40	44	38	42
	51	55	48	51

The number of senior employees whose emoluments for the year amounted to £60,000 or more were:

	2021			2020		
	Charity	Subsidiaries	Total	Charity	Subsidiaries	Total
£60,001 – £70,000	–	1	1	–	1	1
£70,001 – £80,000	–	2	2	2	2	4
£80,001 – £90,000	2	–	2	–	–	–
£110,001 – £120,000	–	–	–	1	–	1
£130,001 – £140,000	1	1	2	–	1	1
£180,001 – £190,000	–	–	–	1	–	1
£190,001 – £200,000	1	–	1	–	–	–
	4	4	8	4	4	8

The key management personnel of the charity comprise the Chief Executive, the Development Director, the Charity Secretary and the Finance Director. The total remuneration paid to the key management personnel including employer's national insurance and pension contributions was £589K (2020: £535K).

Benefits were accruing to one of the above members of staff at the charity's subsidiary company QS Enterprises Ltd under the defined benefit pension scheme outlined under accounting policies (2020: one member of staff). Contributions of £13K (2020: £12K) were made to purchase defined contribution pension benefits on behalf of one of the above members of staff at the charity's subsidiary company QS Enterprises Ltd.

None of the trustees received remuneration during this or the preceding year. Expenses totalling £168 were reimbursed to one trustee (2020: £1,095 to two trustees).

The charity has purchased insurance to protect trustees from claims arising from negligent acts, errors or omissions occurring whilst on charity business. The insurance policy provides cover up to £3M (2020: £3M) and the cost for the year ended 31 March 2021 was £3K (2020: £3K).

13 Taxation

UCLH Charity is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities. Its wholly owned subsidiaries donate their taxable profits, if any, to the charity.

14 Tangible assets

	Group					
	Land & buildings (charity only) £'000	Assets under construction £'000	Leasehold improvements £'000	Furniture, medical & office equipment £'000	Computer equipment £'000	Total £'000
Cost or valuation						
Brought forward at 1 April 2020	9,090	27,929	3,450	2,562	763	43,794
Additions	–	11,047	983	1,743	18	13,791
Impairment of asset under construction	–	(8,864)	–	–	–	(8,864)
Balance at 31 March 2021	9,090	30,112	4,433	4,305	781	48,721
Accumulated depreciation						
Brought forward at 1 April 2020	–	–	1,586	1,236	598	3,420
Charge for the year	–	–	132	447	62	641
Balance at 31 March 2021	–	–	1,718	1,683	660	4,061
Net book value at 31 March 2021	9,090	30,112	2,715	2,622	121	44,660
Net book value at 31 March 2020	9,090	27,929	1,864	1,326	165	40,374

Land and buildings are held by the charity only. They were revalued as at 31 March 2021 by an independent valuer using a term and reversion technique which values the existing income stream at an initial yield with a reversion to estimated rental value once the current income stream has expired.

Assets under construction consist of the Bedford Passage Development, which was transferred from the charity to Middlesex Annexe LLP on 1 April 2018. At 31 March 2021 the figure of £30.1M represented the purchase cost of the property and the associated planning and professional fees and building costs, less an impairment of £8.9m. At the year end, the LLP was in negotiations with Camden Council about the tenure mix of the residential part of the property development. The most recent valuations and cost projections showed that if the original mix was retained, the development was likely to make a deficit of £8.864m. This figure has been included as an impairment in the accounts at the year end 31 March 2021. The project is expected to be completed in 2024 and there is considerable uncertainty over the final value of the property at that point. Current valuations have been severely affected by the Covid-19 pandemic, and the board is hopeful that they will have recovered by the time of completion.

15 Listed investments and investment properties – group and charity

	2021			2020		
	Listed investments £'000	Investment property £'000	Total £'000	Listed investments £'000	Investment property £'000	Total £'000
Market value at 1 April	39,501	65,110	104,611	41,456	67,610	109,066
Add: acquisitions at cost	20,852	–	20,852	28,894	–	28,894
Less: disposals at carrying value	(23,698)	–	(23,698)	(27,888)	–	(27,888)
Net unrealised gain/(loss) on revaluation	4,330	(3,920)	410	(2,961)	(2,500)	(5,461)
Market value at 31 March	40,985	61,190	102,175	39,501	65,110	104,611
Historic cost at 31 March	38,122	42,928	81,050	42,479	42,928	85,407

Disposal proceeds during the year amounted to £27.0M (2020: £29.7M).

Analysis of listed investments and investment properties – group and charity:

	2021			2020		
	Held in the UK £'000	Held overseas £'000	Total £'000	Held in the UK £'000	Held overseas £'000	Total £'000
Investment properties – charity	61,190	–	61,190	65,110	–	65,110
Investments listed in the stock exchange or valued by reference to such investments	17,680	21,155	38,835	10,748	24,668	35,416
Investments in common deposit or common investment funds	1,221	–	1,221	1,012	–	1,012
Cash held as part of investment portfolio	929	–	929	3,073	–	3,073
Total investments – group and charity	81,020	21,155	102,175	79,943	24,668	104,611

The trustees consider the following individual investment holdings at 31 March 2021 to be material:

	Listed investments £'000	Investment properties £'000
170 Tottenham Court Road, London	–	51,710
68 and 70 Huntley Street, London	–	3,240
69–75 Chenies Mews, London	–	6,240
Sarasin Responsible Corporate Bond	1,801	–
Sarasin Income and Reserves Fund	9,760	–

16 Programme-related loans – group and charity

	Total £'000
At 1 April 2020	39
Repayments during year	(39)
At 31 March 2021	–

The charity made an interest-free loan to the 52 Club, the UCLH staff sports and social club, to enable it to develop fitness studios and upgrade its fixtures and fittings. This loan was repaid during the year.

17 Debtors

	Group		Charity	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Amounts falling due within one year:				
Trade debtors	2,177	2,296	1,698	1,757
Prepayments	602	475	80	190
Accrued income	834	1,096	834	1,269
Due from subsidiary undertakings	–	–	50	715
Other debtors	1,814	4,165	1,126	3,453
Total debtors falling due within one year	5,427	8,032	3,788	7,384
Amounts falling due after more than one year:				
Due from subsidiary undertakings	–	–	45,646	31,950
Total debtors falling due after more than one year	–	–	45,646	31,950
Total debtors	5,427	8,032	49,434	39,334

18 Creditors: amounts falling due within one year

	Group		Charity	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Trade creditors	1,129	438	657	49
Other creditors	913	1,451	232	553
Grant creditors	18,548	17,024	18,548	17,024
Bank loan	–	10,000	–	10,000
Accruals	2,283	2,245	1,263	1,661
Deferred income	193	207	193	207
Hire purchase contracts	805	310	–	–
	23,871	31,675	20,893	29,494

19a Creditors: amounts falling due after more than one year

	Group		Charity	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Hire purchase contracts	2,574	1,064	–	–
Other creditors	112	–	–	–
Bank loan	30,000	–	30,000	–
	32,686	1,064	30,000	–

The bank loan relates to an agreed 30 year facility with Reassure Limited repayable on 30 March 2051. The loan has a fixed interest rate of 3.16% and is secured on the charity's freehold property, 170 Tottenham Court Road.

Minimum lease payments on hire purchase contracts include £2,437,712 falling due between one and five years and £136,371 falling due in more than five years.

19b Provisions for liabilities and charges – group only

	Group	
	2021 £'000	2020 £'000
Provision for dilapidation	–	75
	–	75

All provisions for liabilities and charges relate to dilapidation provisions in the charity's subsidiary company, QS Enterprises Ltd.

20 Analysis of net movement in funds

	Total funds brought forward at 1 April 2020 £000	Total income £000	Total expenditure £000	Transfers between funds £000	Gains and losses £000	Total funds carried forward at 31 March 2021 £000
Endowment funds:						
Otto Beit Fund	167	–	–	–	35	202
Dresden Assistance Fund	402	–	–	–	83	485
UCLH Spicer Samaritan Fund	227	–	–	–	47	274
Gordon Taylor Fund	237	–	–	–	44	281
David E Hughes Fund	1,802	–	(8)	–	339	2,133
University College Hospital Fund	4,010	–	(15)	–	540	4,535
Total endowment funds (group and charity)	6,845	–	(23)	–	1,088	7,910
Restricted funds:						
Otto Beit Fund	111	9	(2)	–	21	139
Dresden Assistance Fund	270	20	(4)	–	51	337
UCLH Spicer Samaritan Fund	1,009	34	(16)	–	191	1,218
Gordon Taylor Fund	229	12	(4)	–	39	276
CancerCare at UCLH Fund	81	–	–	–	–	81
Institute of Sport Fund	898	–	(5)	–	–	893
Exilarch's Foundation	455	265	(75)	–	–	645
Total restricted funds (group and charity)	3,053	340	(106)	–	302	3,589
Unrestricted funds:						
General funds	81,242	5,040	(10,867)	(301)	839	75,953
Designated discretionary funds	54,177	6,895	(7,369)	242	25	53,970
Other designated funds	12,946	2,058	(1,713)	59	1,416	14,766
Revaluation reserve	1,564	–	–	–	–	1,564
Total unrestricted funds, charity	149,929	13,993	(19,949)	–	2,280	146,253
Trading companies	(2,436)	2,471	(13,820)	–	–	(13,785)
Total unrestricted funds, group	147,493	16,464	(33,769)	–	2,280	132,468
Total funds	157,391	16,804	(33,898)	–	3,670	143,967

20 Analysis of net movement in funds (continued)

	Total funds brought forward at 1 April 2019 £000	Total income £000	Total expenditure £000	Transfers between funds £000	Gains and losses £000	Total funds carried forward at 31 March 2020 £000
Endowment funds:						
Otto Beit Fund	172	–	–	–	(5)	167
Dresden Assistance Fund	415	–	–	–	(13)	402
UCLH Spicer Samaritan Fund	234	–	–	–	(7)	227
Gordon Taylor Fund	244	–	–	–	(7)	237
David E Hughes Fund	1,875	–	(8)	–	(65)	1,802
University College Hospital Fund	4,144	–	(16)	–	(118)	4,010
Total endowment funds (group and charity)	7,084	–	(24)	–	(215)	6,845
Restricted funds:						
Otto Beit Fund	108	10	(2)	–	(5)	111
Dresden Assistance Fund	260	24	(4)	–	(10)	270
UCLH Spicer Samaritan Fund	1,021	45	(19)	–	(38)	1,009
Gordon Taylor Fund	230	15	(8)	–	(8)	229
CancerCare at UCLH Fund	81	–	–	–	–	81
Institute of Sport Fund	898	–	–	–	–	898
Exilarch's Foundation	265	265	(75)	–	–	455
Total restricted funds (group and charity)	2,863	359	(108)	–	(61)	3,053
Unrestricted funds:						
General funds	83,911	5,957	(5,500)	(118)	(3,008)	81,242
Designated discretionary funds	53,481	9,017	(8,345)	29	(5)	54,177
Other designated funds	13,862	1,628	(2,309)	89	(324)	12,946
Revaluation reserve	1,564	–	–	–	–	1,564
Total unrestricted funds, charity	152,818	16,602	(16,154)	–	(3,337)	149,929
Trading companies	(1,030)	4,977	(6,383)	–	–	(2,436)
Total unrestricted funds, group	151,788	21,579	(22,537)	–	(3,337)	147,493
Total funds	161,735	21,938	(22,669)	–	(3,613)	157,391

20 Analysis of net movement in funds (continued)

Fund descriptions

Otto Beit Fund – to be applied for the benefit of patients suffering from arthritis and rheumatoid conditions.

Dresden Assistance Fund – to be applied for the benefit of inpatients of University College Hospital who are in need.

UCLH Spicer Samaritan Fund – for the relief of patients who have been treated at any hospital of UCLH NHS Foundation Trust.

Gordon Taylor Fund – to be applied for the benefit of incapacitated nurses of the former Middlesex Hospital or of University College Hospital.

David E Hughes Fund – to be applied for the general purposes of University College Hospital.

University College Hospital Fund – to be applied for the general purposes of UCH.

CancerCare at UCLH Fund – for any charitable purposes of UCLH NHS Foundation Trust relating to cancer research and the treatment, benefit and comfort of cancer patients.

Institute of Sport Fund – for the purpose of creating an Institute of Sport Exercise and Health, a facility for the treatment of athletes and people engaged in sports.

Exilarch's Foundation Fund – to be applied for the Sir Naim Dangoor Centre for Cellular Immunotherapy.

Designated discretionary funds are funds operated on behalf of specific wards or consultants, where decisions over spending are delegated to ward or consultant level, under the oversight of officers of the charity.

Other designated funds are funds which the trustees of the charity have chosen to designate for specific purposes. They include a fund held on behalf of the Royal London Hospital for Integrated Medicine, funds held for the National Hospital for Neurology and Neurosurgery as a result of the annual profit donated by QS Enterprises Ltd, various prize funds and funds created as a result of legacies given to the charity for specific purposes.

Transfers are sometimes made from general funds to designated funds as part of the charity's funding programmes. Expenditure is then accounted for from the designated fund.

The revaluation reserve relates to gains and losses on the revaluation of the charity's tangible fixed assets.

21 Reconciliation of accumulated unrealised gains

	2021 £'000	2020 £'000
Unrealised gains included as part of net assets:		
On listed investments	2,863	(2,978)
On investment properties	18,262	22,182
Total unrealised gains at 31 March	21,125	19,204
Reconciliation of movements in unrealised gains:		
Unrealised gains at 1 April	19,204	28,047
Less: in respect to disposals in the year	1,511	(3,382)
(Less)/add: unrealised (losses)/gains in year	410	(5,461)
Total unrealised gains at 31 March	21,125	19,204

22 Reconciliation of net expenditure to net cash flow from operating activities

	2021 £'000	2020 £'000
Net (expenditure)	(13,424)	(4,344)
Depreciation charges (note 14)	641	611
Impairment of asset under construction	8,864	–
(Losses)/gains on investments	(3,670)	3,613
Dividends, interest and rents from investments	(4,486)	(5,077)
Decrease/(increase) in debtors	2,605	(573)
Increase/(decrease) in creditors and provisions	543	(29)
Cash (outflow) from operating activities	(8,927)	(5,799)

23 Commitments under non-cancellable operating leases

	Land and buildings		Other	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
As at 31 March the group had total commitments under Non-cancellable operating leases which fall due:				
within one year	275	395	181	181
within two to five years inclusive	957	1,574	376	557
over five years	1,279	1,709	–	–
	2,511	3,678	557	738
As at 31 March the charity had total commitments under Non-cancellable operating leases which fall due:				
within one year	115	152	–	–
within two to five years inclusive	157	360	–	–
	272	512	–	–

24 Other contractual commitments

As at 31 March 2021, the group had contractual commitments of £21.3m for refurbishment costs in relation to tangible fixed assets contracted for but not accrued in the accounts at the year end (2020: £7.8m).

25 Material legacies

Legacies are accounted for as income either upon receipt or where the receipt of the legacy is probable and the amount can be determined with reasonable accuracy. As at 31 March 2021 the charity had been notified of one legacy (2020: one legacy) which was not included in income since the amount due to be received was not known.

26 Related party transactions

Mr Nigel Keen is a trustee of UCLH Charity and during the year there were transactions totalling £52k (2020: £42k) with his son Thomas Keen. None of the other trustees or members of the key management staff or parties related to them undertook any material transactions with UCLH Charity.

The Essex Wynter Charity is a related party for UCLH Charity as the trustees of UCLH Charity appoint the trustees of the Essex Wynter Charity. The Essex Wynter Charity was charged a sum of £8K for the provision of accounting and administration services (2020: £8K). Its outstanding balance at the year end was £17K (2020: £17K).

The accounts do not include disclosure of transactions between the charity and its wholly owned trading subsidiaries due to the exemptions available under section 33 of FRS 102.

Name

University College London Hospitals Charity

Registered charity number

1165398

Company number

09980449

Principal office

5th Floor East,
250 Euston Road,
London NW1 2PG

Independent trustees

Lord Hemphill (chairman from 1 October 2020)
Mr Nigel Keen
Mr Adrian Parkhouse (from 1 October 2020)
Mr James Petit (from 16 June 2021)
Mr James Thorne (chairman and trustee until 30 September 2020)
Mrs Nikki Williams-Ellis (until 5 May 2021)

Foundation Trust trustee

Dr Junaid Bajwa

Clinical trustees

Prof Donald Peebles
Prof Mervyn Singer

Executive team

Philip Brading, Chief Executive
Peter Burroughs, Development Director
Zung To, Charity Secretary
Josephine Webb, Finance Director

Auditor

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Principal bankers

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Investment property advisers

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Back cover: Senior staff nurse Patricia Barraza and research clinical trial practitioner Subarna Roy discuss a patient on the acute medicine unit at University College Hospital. There is a close working relationship between clinicians and researchers on the unit as research staff obtain consent from patients for clinical trials in a bid to find out more about Covid-19. 8/1/21.

| Photographer: Tom Pilston





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 @TheUCLHCharity

UCLH Charity
5th Floor East
250 Euston Road
London NW1 2PG

Company Number 09980449
Registered Charity Number 1165398

Thank you for helping us to support the staff and patients at University College London Hospitals NHS Foundation Trust throughout the Covid-19 pandemic