THE ROYAL FREE CHARITY

England & Wales · Charity number 1165672

Details

Status	Registered
Legal form	Charitable company
Company number	09987907
Registered	2016-02-22
Register	View on the Charity Commission register

Contact

Address	The Pears Building Pond Street London NW3 2PP
Phone	02074726677
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Website	https://www.royalfreecharity.org/

Activities

Objects: 3.1 THE OBJECTS OF THE CHARITY ARE, FOR THE PUBLIC BENEFIT:(A) TO FURTHER ANY CHARITABLE PURPOSE OR PURPOSES RELATING TO THE GENERAL OR ANY SPECIFIC PURPOSES OF THE FOUNDATION TRUST OR THE PURPOSES OF THE HEALTH SERVICE;(B) TO PROMOTE, PROTECT, PRESERVE AND ADVANCE ALL OR ANY ASPECTS OF THE HEALTH AND WELFARE OF THE PUBLIC, PARTICULARLY WITHIN THE CATCHMENT AREA OF THE FOUNDATION TRUST; AND (C) TO ADVANCE AND PROMOTE KNOWLEDGE AND EDUCATION IN MEDICINE, INCLUDING BY ENGAGING IN AND SUPPORTING MEDICAL RESEARCH.3.2 THIS ARTICLE 3 MAY BE AMENDED BY SPECIAL RESOLUTION BUT ONLY WITH THE PRIOR WRITTEN CONSENT OF THE COMMISSION.

Activities: We support the Royal Free London NHS Foundation Trust at the Royal Free Hospital, Barnet Hospital, Chase Farm Hospital and North Middlesex University Hospital through four key strategic priorities: enhancing the experience of patients, supporting NHS staff, investing in innovation and research, and securing the best available technology and equipment for our clinicians.

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Classification

- **How:** Makes Grants To Organisations, Acts As An Umbrella Or Resource Body
- **What:** The Advancement Of Health Or Saving Of Lives
- **Who:** The General Public/mankind

Geography

- Barnet
- Camden
- Enfield
- Haringey

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£9,388,572	£14,571,877	£101,186,647	75
2024-03-31	£14,817,151	£15,663,976	£109,851,793	86
2023-03-31	£25,090,000	£22,371,000	£108,583,000	70
2022-03-31	£25,347,000	£12,163,000	£106,653,000	68
2021-03-31	£8,478,000	£14,554,000	£93,254,000	61

Trustees

Name	Role	Appointed
Alison Munday		2025-04-01
Gillian Louise Smith		2023-04-03
Judy Frances Dewinter		2018-01-02
Julie Ann Hamilton		2023-04-03
Melanie Laura Sherwood		2019-12-02
Peter Landstrom		2024-01-02
RUSSELL BROOKS		2016-04-01
Simon Lyons		2023-01-28
Stephen John Craig		2025-06-10
Valerie Celia Jolliffe		2023-01-28

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Linked charities

- THE ROYAL FREE HAMPSTEAD CHARITIES (1165672-1)
- THE ROYAL FREE HAMPSTEAD COMMON INVESTMENT FUND (1165672-10)
- THE DRESDEN ASSISTANCE FUND IN CONNECTION WITH THE ROYAL FREE HOSPITAL (1165672-11)
- SPECIAL TRUSTEES FOR THE ROYAL FREE HOSPITAL CHARITY (1165672-2)
- THE SPECIAL TRUSTEES OF THE ROYAL NATIONAL THROAT NOSE AND EAR HOSPITAL RESEARCH CHARITY (1165672-3)
- THE SPECIAL TRUSTEES OF THE ROYAL NATIONAL THROAT, NOSE AND EAR HOSPITAL CHARITY (1165672-4)
- THE ROYAL FREE HOSPITAL (EXPENDABLE FUNDS) COMMON INVESTMENT FUND (1165672-5)
- THE ROYAL FREE HOSPITAL (CAPITAL ENDOWMENTS) COMMON INVESTMENT FUND (1165672-6)
- DRESDEN ASSISTANCE FUND IN CONNECTION WITH THE ROYAL FREE HOSPITAL (1165672-7)
- THE SPECIAL TRUSTEES' GENERAL CHARITY (1165672-8)
- THE SECTION 11 TRUSTEES' GENERAL CHARITY (1165672-9)

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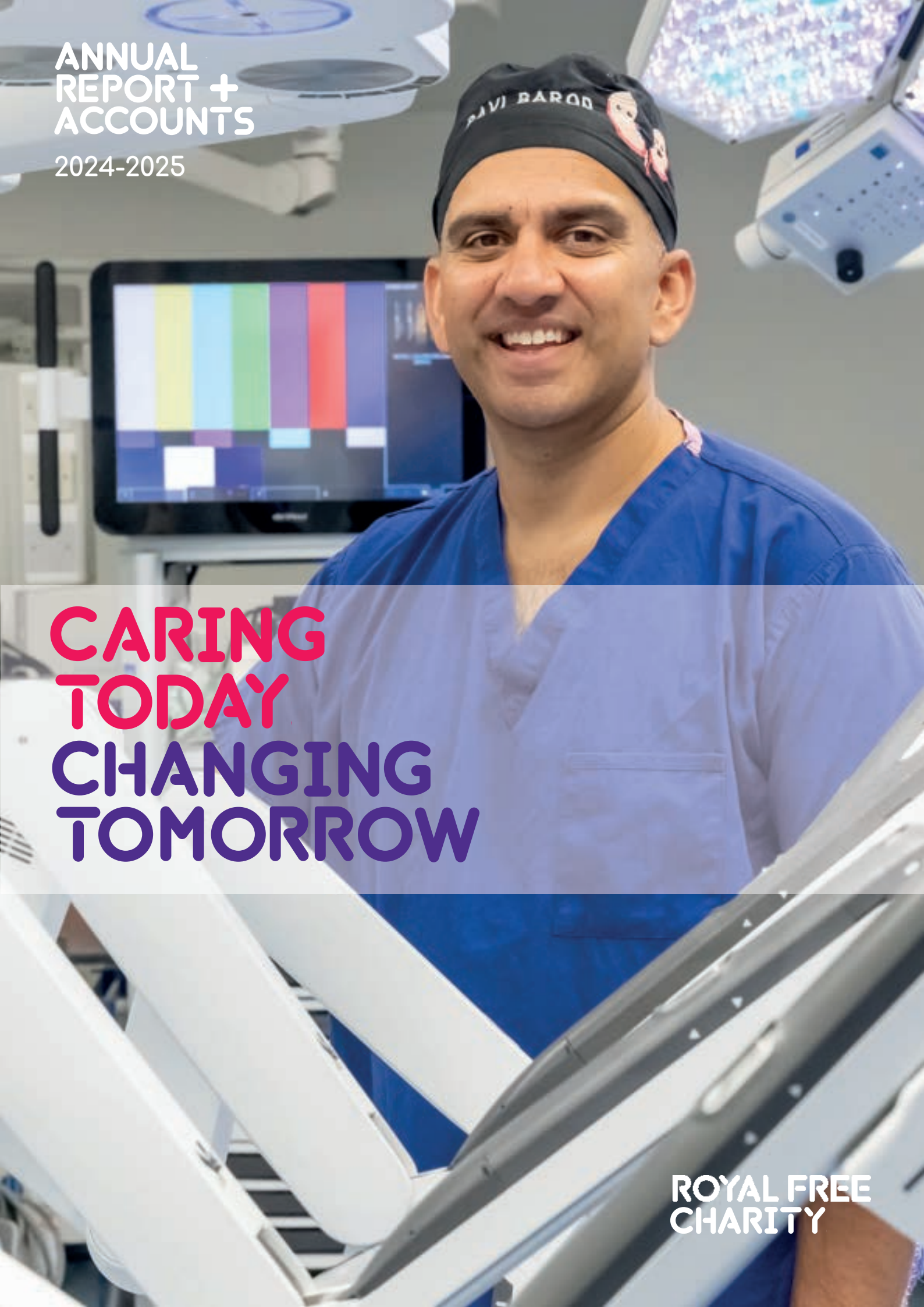
THE ROYAL FREE CHARITY

England & Wales - Charity number 1165672

Accounts

ANNUAL REPORT + ACCOUNTS

2024-2025



CARING TODAY CHANGING TOMORROW

ROYAL FREE CHARITY

Front cover: Ravi Barod, consultant urological surgeon, with one of the surgical robots at the Royal Free London NHS Foundation Trust, where Mr Barod has led the robotic programme.

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CARING TODAY CHANGING TOMORROW

We exist to support patients – and the staff who care for them – at Barnet, Chase Farm, North Middlesex and the Royal Free hospitals. Our year at a glance:

Powering breakthroughs

£15m in grants to improve care and research, including:

- £2m surgical robot – faster recovery, fewer complications
- UK's first Quadra PET-CT scanner – earlier, more accurate diagnosis
- Research grants into cancer, kidney and liver disease

Past investments paying off

- £60m Pears Building – world-leading immune system research
- Clinical research facility – cutting-edge trials for patients

Tackling cancer

Major cancer centre appeal launching in 2026 – combining best-in-class care with research which will mean:

- earlier diagnosis
- new and better treatments
- improved outcomes
- more patients taking part in clinical trials

Caring for patients and NHS staff

- Welfare and benefits advice
- Complementary therapies to relieve symptoms and stress
- Volunteer-led companionship and practical help
- Specialist training and development

CARING TODAY CHANGING TOMORROW

MESSAGE FROM OUR CHAIR AND CHIEF EXECUTIVE

This year, we've grown bigger, bolder and even more ambitious despite a challenging economic and fundraising environment. Following the merger with North Middlesex University Hospital (North Mid) and its community services, we've expanded our reach and impact. Our first step at our newest site will be to welcome North Mid's dedicated volunteers into our volunteering programme – extending the warmth, skill and dedication that our volunteer family brings to every patient's experience.

Our supporters have once again helped us achieve the extraordinary. Together, we bought a £2m Da Vinci surgical robot, giving the Royal Free London NHS Foundation Trust's (RFL) world class surgeons their second set of the most modern tools for even more patients. The technology revolution we began last year with the NHS's first Siemens Quadra PET-CT scanner is delivering results: faster, more accurate cancer diagnoses and fresh insights into life-saving treatments.

We've continued to grow our direct services, delivering practical, emotional and financial support where it's needed. Our support hub – described by an independent RFL review as a trailblazer for the NHS – handled nearly 500 new enquiries, supported almost 300 patients and secured £660,000 in benefits for some of our most deprived patients. Our complementary therapy team has added acupuncture, reflexology and lymphoedema massage to their specialist skills and our volunteer numbers have risen from 400 to 500, with a renewed Investing in Volunteers UK accreditation confirming the quality of our programme.

The challenge of cancer has never been greater. The RFL receives more cancer referrals than almost any other NHS trust and cases are rising fast. That's why we're preparing our most ambitious campaign yet: to create a pioneering cancer centre.

We've strengthened our fundraising team, making it easier for grateful patients to give back to the NHS through us. Donor numbers are climbing and we're growing our core income alongside the cancer campaign – a vital task in a tough fundraising climate.

This year, we had £15m invested in projects across five key areas, including an even greater focus on



population health so we can keep more people out of hospital. We launched our first five-year research strategy, achieved full membership of the prestigious Association of Medical Research Charities and funded projects to boost staff wellbeing, raise cancer awareness and advance research into conditions like liver cirrhosis.

We've been a strong voice for NHS philanthropy – engaging with the media, policymakers and politicians to argue for stronger government backing for the role of philanthropy in healthcare, with greater incentives for donors.

The future is changing fast. The NHS's 10-year plan will mean radical changes to our health service. Technology, including artificial intelligence, has the potential to transform how we deliver our mission. We're building a new long-term strategy that puts us at the forefront of this change – with cancer as a key focus – and we will continue to strive to be an employer of choice for the exceptional charity colleagues who make our work possible.

Judy Dewinter
Chair

Jon Spiers
Chief Executive

HIGHLIGHTS OF OUR YEAR





Robotic surgery, faster recovery

When a scan for pneumonia revealed kidney cancer, 70-year-old Eliese Gray (above) received surgery using the new robot funded by our supporters. She was back home just two days after her operation — walking, climbing stairs and healing faster than anyone expected. "If someone were thinking of having robotic surgery I would recommend it highly," she said.

Service fit for a king

Evelyn Blumenthal, a Royal Free Charity volunteer since 2018, was awarded a British Empire Medal for her exceptional service to hospital volunteering and dementia care.

After retiring from hospice work, Evelyn (below) dedicated over more than 2,000 hours leading dementia support and training volunteers to care for vulnerable patients. During the COVID-19 pandemic, she provided vital emotional support through the charity's virtual check-in and chat programme. Evelyn also contributes ethical insights to the hospital's biobank research.



Dancing again

After breast cancer treatment left her with painful lymphoedema, Margherita Serpagli (below) feared she'd never dance again. Six charity-funded lymphatic drainage sessions restored her movement — and her joy on the dance floor. "The therapists are so important to the whole hospital system," she said.



Faster answers and treatment

Early in the year the charity was delighted to enable the RFL to receive the UK's first Siemens Quadra PET-CT scanner. This revolutionary machine, up to 35 times more sensitive than standard NHS equipment, means patients can now experience faster, more accurate scans, at a much lower radiation dose. Since the scanner become operational:

- scanning time has lowered from 20 minutes to just 10
- the typical turnaround for scans, previously 13–14 days, is now just eight





Kim Lee ran the 2024 London Marathon for us to say thank you for the treatment his mother received at the Royal Free and Barnet hospitals.

Braving new heights for others

In February 2025, the Royal Free Charity launched our first abseil, inviting supporters to brave the heights of the 70-foot Pears Building over two dates in May in aid of our vital work. This marked a new chapter in our fundraising – bringing together colleagues, NHS and charity staff, patients and members of our community under the expert oversight of Royal Marines instructors.

Supporters were encouraged to raise sponsorship in aid of the charity and 116 brave participants went on to raise almost £60,000 for our work supporting patients and NHS staff.

Marsden's legacy to health philanthropy



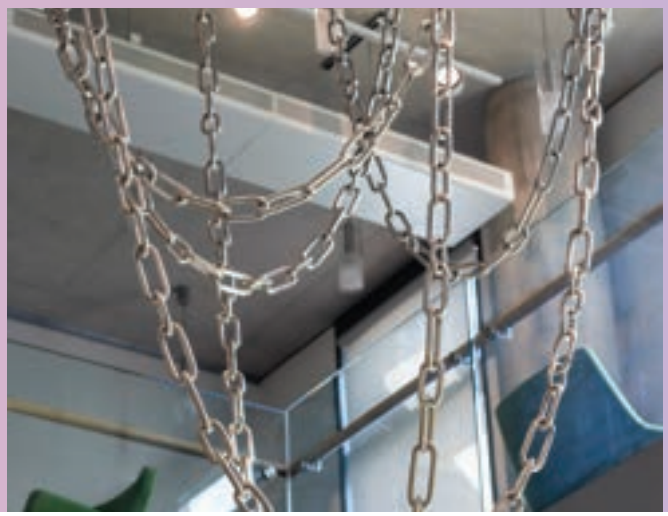
The role of philanthropy in healthcare was the cornerstone of the 2024 Marsden Lecture, delivered by Paul Ramsbottom OBE, chief executive of the Wolfson Foundation. Paul highlighted the enduring legacy of the founder of the Royal Free Hospital, William Marsden, explored modern challenges to gift giving and paid tribute to the transformative role of philanthropy in driving innovation in health services and research.

Patient-centred research

A group of patients talking about how their experiences have influenced research into diseases was the highlight of our 2024 neighbourhood event at the Pears Building in Hampstead.

Each year we invite local residents, scientists and RFL clinicians to come and hear about the work of the UCL Institute of Immunity and Transplantation, housed in the building, and the close links between research and treatments for patients.

Those who attended also saw a film about the stunning sculpture which hangs over the Mileto Caffe, open to all.



TRANSFORMING CANCER CARE

The RFL runs one of the busiest cancer services in the NHS, receiving around 50,000 referrals a year. And the need is growing fast – experts predict a rise of more than 40% in people living with cancer in the next five years.

The charity's vision is bold: to make the RFL a centre of world class cancer treatment and outstanding patient experience. In a new cancer centre, we will harness the power of innovation to deliver truly personalised care, give clinicians and researchers the tools to turn pioneering ideas into reality and offer the best wraparound support for every patient. It will stand as a national beacon for both discovery and compassion.

But we're not waiting for the future to arrive – thanks to our supporters, we're also changing lives right now.

An NHS first

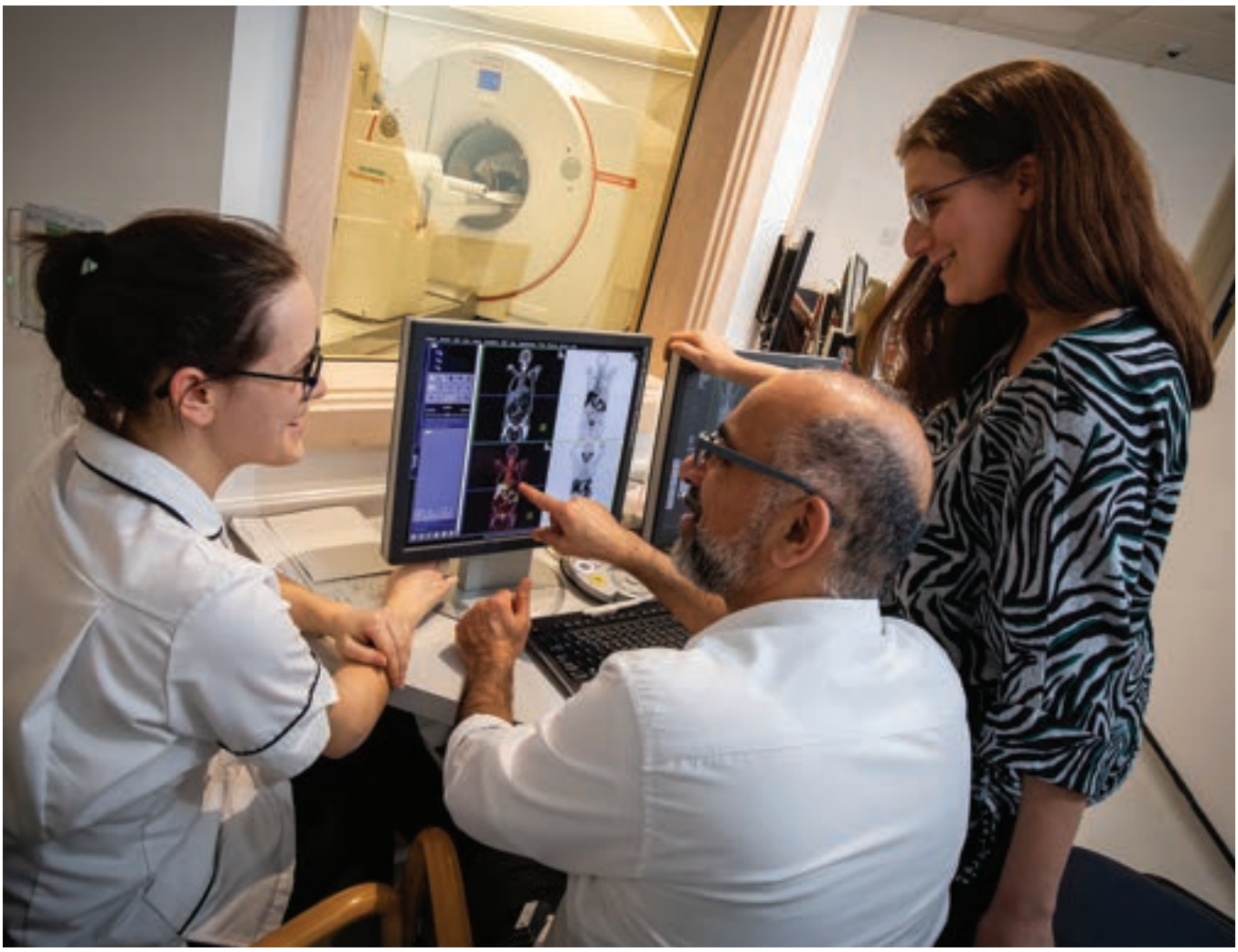
In March 2024, the Royal Free Hospital became the first NHS site to install the revolutionary Siemens Quadra PET-CT scanner – made possible by the generosity of Royal Free Charity supporters. Up to 30 times more powerful than standard scanners, the Quadra captures a three-dimensional image of the whole body in a single scan. Its remarkable sensitivity slashes scan times and radiation exposure, leading to faster, safer diagnosis and earlier treatment.

And with its lower radiation levels, the Quadra can scan those previously excluded from such imaging – including pregnant women.

In September 2024, the Rt Hon Wes Streeting MP, the secretary of state for health and social care, praised the scanner as the kind of innovation the NHS needs: "Patients are seen days, not weeks after being referred, cutting delays in diagnosis that can be the difference between life and death."



The Quadra's remarkable sensitivity slashes scan times and radiation exposure, leading to faster, safer diagnosis and earlier treatment.





Robotic surgery and a faster recovery for Eliese

When 70-year-old Eliese Gray went into hospital with pneumonia, scans revealed a more serious problem – kidney cancer. "With kidney cancer you don't get a lot of symptoms, so I wouldn't have known I had it without catching pneumonia," she said.

Her surgery was performed using a new robot funded by our supporters. Although naturally anxious, Eliese was also fascinated by the technology she had seen in documentaries. Both she and her surgeon, Abhishek Reekhaye, were astonished at how quickly she bounced back – one of the key benefits of robotic surgery.

"The consultant came round the day after the operation and saw I was sitting up in the chair. He was surprised and thought that was really good.

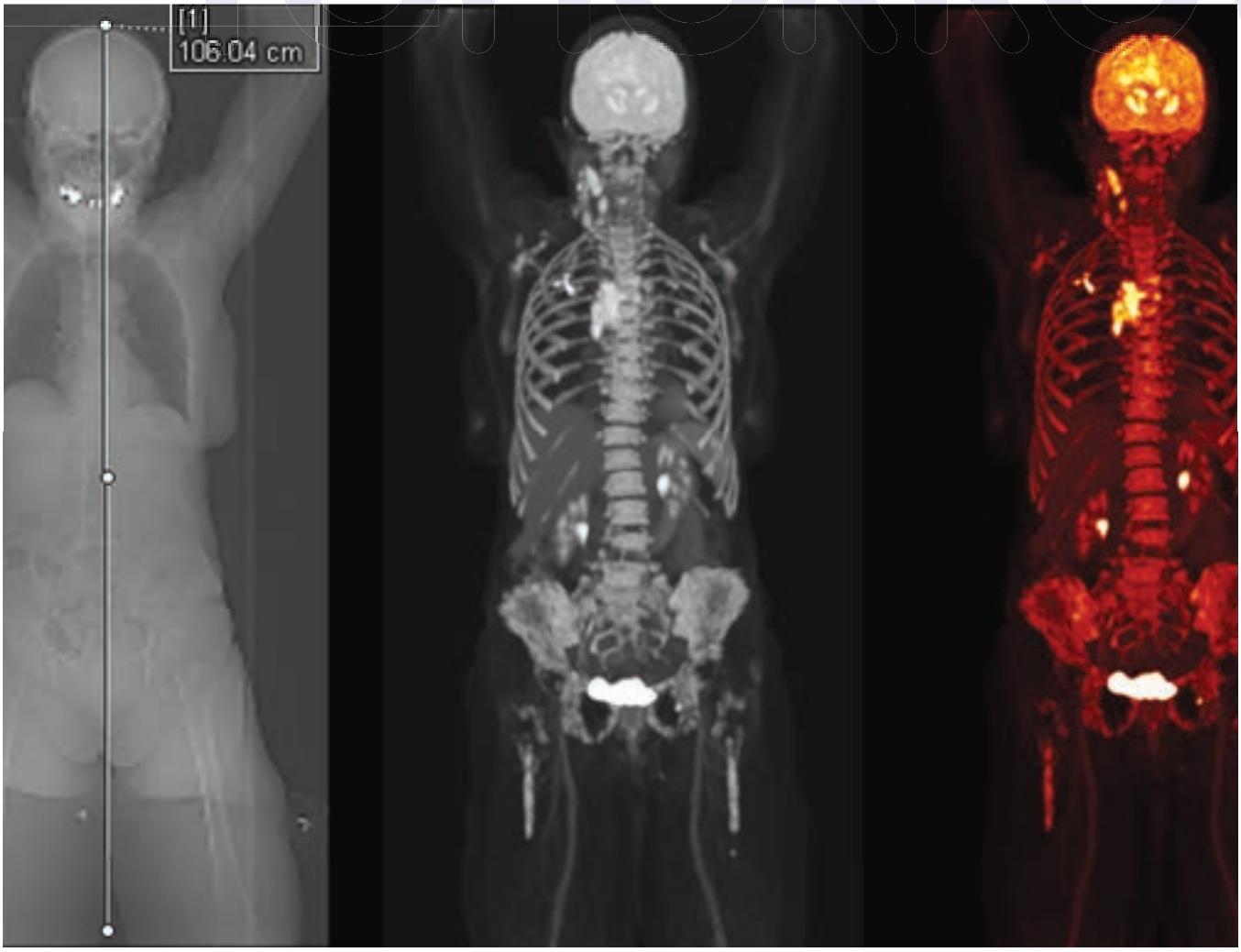
"I was just two days in hospital after the operation and on the first day home I was walking up and down the stairs and walking around a bit. The more I walked around the better I felt."

Eliese added: "If someone were thinking of having robotic surgery I would recommend it highly. It's definitely less invasive and the recovery time is much shorter."

'If someone were thinking of having robotic surgery I would recommend it highly. It's definitely less invasive and the recovery time is much shorter.'

More ways we helped cancer patients this year

- A £350,000 grant is boosting cancer screening among people with learning disabilities in Camden and Islington. The programme supports patients through appointments, trains caregivers, builds peer support networks and raises awareness of human papillomavirus vaccination to prevent certain cancers.
- Surgical magnification technology has been introduced at Barnet and Chase Farm hospitals, thanks to a £10,000 grant. This will mean more precise removal of cancerous skin lesions, reduced hospital stays and faster recovery times.
- In partnership with the North Central London Cancer Alliance, we granted £230,000 for the development of a cancer champion network across north central London. The aim is to reduce cancer inequalities through increasing awareness and understanding of early cancer symptoms.



FOR PATIENTS AND STAFF

CARING TODAY CHANGING TOMORROW

The Royal Free Charity makes a daily difference to patients – and to the NHS staff who care for them

We provide...

- welfare and benefits advice
- complementary therapies to relieve symptoms and stress
- specialist training and development
- companionship and practical help from our incredible volunteers.

In the past year...

- our complementary therapists delivered 13,150 treatments to patients with a range of conditions
- our support hub managed 493 new enquiries and helped nearly 300 patients secure benefits worth almost £660,000
- nearly 600 volunteers gave 52,111 hours of their time, supporting 277,702 patients and visitors and 34,930 staff. We have 25% more volunteers than the previous year.

Our goal is simple: to ensure every patient feels cared for, not just treated.

Changing attitudes

People living with HIV are benefiting from improved care, thanks to training funded by us for NHS staff. The sessions, developed by Dr Linda Vaccari, address HIV awareness, stigma reduction and use of respectful language. Dr Vaccari said, "HIV is now a chronic infection that is very manageable. We should reduce stigma by increasing knowledge and empowerment."

Post-training surveys showed significant gains in staff knowledge and confidence. Dr Vaccari added, "It was really amazing that the charity supported this work...ultimately benefiting patients."





Dancing again, thanks to our supporters

After breast cancer treatment in 2018, Margherita Serpagli developed lymphoedema – painful swelling of her arm that restricted movement. Dancing, one of her great joys, was impossible.

Six sessions of manual lymphatic drainage (MLD), funded and delivered by the Royal Free Charity, changed everything. While charity therapists worked to restore movement, volunteers were also on hand throughout her visits, ensuring she felt cared for beyond the treatment room.

"You relax the minute you lie down," said Margherita. "The therapists are so important to the whole hospital system."

MLD can be life changing, but the NHS struggles to deliver it to all in need. Our charity service meant Margherita could get help quickly – and return to the dance floor.

'You don't know how much of a difference you're making'

Diagnosed with ulcerative colitis at 13, Bhavisha has been a Royal Free Hospital patient for 12 years. After emergency surgery and a long hospital stay, she was supported by three charity-funded services.

Volunteers brought comfort, conversation and refreshments — small moments of normality during a difficult time. A complementary therapist offered a massage that eased her pain and lifted her spirits. Later, she joined our inflammatory bowel disease support group – a safe space to share experiences and learn from others.

"For over 30 years I've been suffering and didn't know some of the things I've learned in the group," said Bhavisha. "If you support the charity, you don't know how much of a difference you're making. On the other side, receiving the support, you can't describe it."



Rozalia, a charity therapist, delivering training to ease patients' lymphodema symptoms.



The virtual tour complements our weekly in-person guided tours by volunteers at the Royal Free Hospital.



Art for health's sake

We have created a virtual guided tour, offering a fresh way to experience highlights from our extensive art collection. Narrated by broadcaster and journalist Andrew Marr, who has donated one of his paintings to the collection, the online tour allows patients, staff and the public to explore the artworks at their own pace, whether from home or a hospital bed. Mr Marr provides personal reflections and insights into each piece, bringing the collection to life.

The virtual tour complements our weekly in-person guided tours by volunteers at the Royal Free Hospital. These physical tours not only introduce patients to remarkable works by artists such as Noelle Sandwith, Maggie Hambling and Ed Grey, but also encourage gentle physical activity, aiding rehabilitation and recovery. Both tours help ensure that art is accessible to everyone, offering inspiration and moments of reflection.

No one left behind

Staff across our hospitals are benefiting from a wide-ranging programme of wellbeing and inclusivity. The charity-funded freedom from racism programme offers anti-racism training to help staff challenge both overt and subtle acts of racism, making our hospitals better places for everyone.

More than 400 staff attended an introductory course, while over 130 joined a four-day course involving reflection, discussion and activities. Participants learned about practical ways to advocate for racial equality, creating a more inclusive, empowered workforce.

WELCOME NORTH MID!

For patients, the merger with North Mid will mean faster access to specialist care, shorter waits and more opportunities for research and innovation. The Royal Free Charity and North Mid Charity joined forces several months before the trusts' merger, allowing early work on plans to improve the patient experience and boosts support for staff.

In 2026, we will welcome North Mid volunteers into our volunteering family, making a difference to patients during a stay on the wards and offering extra support for both patients and staff.

Thanks to the generosity of our supporters, we've been able to hit the ground running at North Mid with a number of exciting and impactful projects:

"Staff felt listened to. They felt better when working with patients." These are the words of Rhian Chitambo (right), learning and engagement lead at North Mid, following her charity-funded training to support colleagues after traumatic or otherwise challenging situations at work. The training helps teams



'Staff felt listened to. They felt better when working with patients.'

Rhian Chitambo



The outdoor gym at North Mid

process difficult experiences and reduce the risk of long-term effects.

Communications box

North Mid now has a communications box to help staff connect with patients in the emergency department. It includes a whiteboard, magnifying sheets, a portable hearing loop and visual aids, supporting, among others, people who don't speak English, neurodivergent people and patients with learning disabilities. These tools reduce anxiety and make patients more likely to seek care when needed.

Staying close

Relatives and carers of patients at North Mid can now stay with their loved ones if they require close support overnight or are receiving end-of-life care.

Thanks to funding from the Royal Free Charity, 27 portable beds are available for use in wards across the hospital. They are designed for convenience and comfort, ensuring family members can rest without compromising clinical care.

Wellbeing support for staff

One of the first projects to be delivered following the merger was the charity's refurbishment of an outdoor wellbeing and fitness area (above) within the hospital. It includes a gym with a boxing bag, chin-up bars and a table tennis table, as well as other equipment. And the space can be used for a range of activities when the weather allows, including yoga and Zumba sessions funded by the charity.



FOR RESEARCHERS

From investing in the latest equipment to funding multimillion-pound infrastructure like the Pears Building, we create the strong foundations researchers need to secure national and international funding.



Turning generosity into impact

Highlights include £2m for a surgical robot, £230,000 to train "cancer champions" tackling inequalities in screening and early diagnosis and £360,000 for a new education and training faculty promoting preventive health across our communities. Smaller but equally meaningful grants ranged from reusable theatre hats and refurbished counselling rooms to creative writing sessions for cancer patients.

The charity was delighted to gain full membership of the Association of Medical Research Charities – a hallmark of quality and governance – and we launched our first five-year research strategy. Involving people with lived experience in grant reviews is now standard, ensuring funds go where they matter most.

Making every contact count

A £360,000 charity grant has helped to create a new population health faculty serving our four hospitals. The "making every contact count" initiative aims to reduces cancer and cardiovascular disease among north London residents by using patient-staff interactions to promote healthier choices. Emphasising prevention over treatment, it aims to reduce health inequalities and save lives, particularly in deprived communities.

£10m funding
56 different
research projects

- **In hope for a future cure**
  A gift in his will for research is Robin Das's tribute to his daughters, Ratna and Heera, who both died in their 30s from chronic kidney disorders at the Royal Free Hospital. Grateful for their care, Robin and his wife, Tripti, hope his legacy will advance kidney research and inspire others to support future generations.

- **Amyloidosis research**
  Community events, including a golf day fundraiser, raised thousands to support research into amyloidosis, a rare but serious disease where early phase studies hold the key to breakthroughs.

- **Honouring Pradip**
  The Patel family raised over £26,000 in memory of Pradip, whose kidney transplant rejection inspired them to fund research into preventing graft failure. Their gift is enabling scientists at the UCL Institute of Immunity and Transplantation in the Pears Building to explore new ways to harness the immune system and improve transplant outcomes.

- **Tackling lung scarring**
  Charity-funded research is investigating potential new treatments for lung fibrosis, offering hope for people with currently limited options.

- **Test gives early warning**
  The Ian Charleson Day Centre now has a simple digital tool to check if people with HIV are getting weaker, thanks to the charity. It works by timing a short walk to see who might fall or become frail. Now everyone over 50 is tested regularly and those who are flagged get personal care plans. The tool's popularity has led to the clinic doubling its clinics and patients missing far fewer appointments.

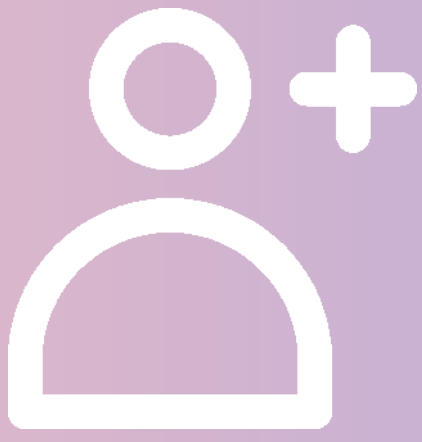


Robin and Tripti Das with their daughters, Ratna and Heera



The Patel family

Behind every story of a patient helped, a life saved or an NHS colleague supported are the people, processes and assets working tirelessly to make it possible. This year, that “engine room” of our charity has been running at full power, finding new ways to fund our work, make every pound count and ensure our hospitals have what they need to deliver outstanding care.



HOW WE DID IT

Raising the funds

In a challenging economic climate, we broadened our fundraising approach and deepened connections with our community. Our first face-to-face fundraising campaign secured more than 550 new regular supporters, each giving an average of £10.40 a month.

Across our hospitals, charity staff worked with local groups – from golf clubs to care homes – generating £15,000 through stalls alone. Challenge events proved more popular than ever, raising almost £57,000, while our first "thankathon" – calling every active donor during the NHS's 76th birthday – not only strengthened relationships but also raised extra funds.

We listened closely to supporters too, with more than 700 people sharing why they give and how they want us to keep in touch. And we kept our ambitions high – launching a £2.2m appeal for a second surgical robot, alongside major improvements to NHS staff facilities, including a sky garden for intensive care teams and a refurbished restaurant at the Royal Free Hospital.

Supporting our people

The charity has made significant strides in its people strategy this year. A successful staff transfer was completed in May 2024, while recruitment remained a key focus – 30 campaigns were launched between April 2024 and March 2025, filling 19 roles, mainly in fundraising and finance. A new, streamlined recruitment website enhanced the candidate experience.

We achieved reaccreditation as a mindful employer and progressed to Level 2 of the disability confident employer programme, both national initiatives, reinforcing our commitment to staff wellbeing.

Employee engagement remained strong with 129 nominations in the second annual award event which celebrates success and an 87% participation rate in the staff survey. Our new CEO-led lunches for starters encouraged open dialogue, while equality, diversity and inclusion initiatives promoted awareness through events focusing on Diwali, Black History Month and neurodiversity.



Our gardening volunteers have transformed the area outside the Royal Free Hospital

Apprenticeships supported career development and management training strengthened leadership capability. A refreshed performance review process, combined with succession planning, is shaping future growth and development.

Overall, the charity continues to invest in its people, culture and wellbeing to build a resilient, inclusive workforce.

Protecting the environment

We know our supporters expect us to act responsibly on sustainability – and we're committed to reducing our carbon footprint. Over the past 18 months we've fully divested our investments to fossil fuel producers, switched to 100% renewable electricity across all our buildings, redesigned our website to cut its carbon output by 70%, increased our use of recycled materials and embedded sustainability criteria in our grant-making. The Pears Building achieved a BREEAM "Excellent" rating testifying to its sustainability, but we're just as focused on how we work within it to reduce our footprint.

Communicating our impact

Our communications shifted from reactive updates to proactive storytelling, designed to engage, inform and inspire. The launch of our new, accessible website improved supporter journeys and user experience, while moving away from X, formerly Twitter, and investing in Bluesky has helped us grow a more relevant, engaged social media audience.

From securing major gifts to managing complex grants, from supporting staff wellbeing to embedding sustainability in every decision, the work behind the scenes this year has been about one thing: making sure the generosity of our supporters translates into the greatest possible impact for patients, staff and our wider community.

We plan to keep building the partnerships, systems and skills that turn generosity into lasting change. By innovating, listening and acting sustainably, we'll strengthen our impact – ensuring patients, staff and communities continue to benefit from world-class care, pioneering research and healthier futures for years to come.

By innovating, listening and acting sustainably, we'll strengthen our impact – ensuring patients, staff, and communities continue to benefit from world-class care, pioneering research, and healthier futures for years to come.

LOOKING AHEAD TO 2025-26

We see the year ahead as an exciting time of change, driven by the launch of our innovative cancer centre campaign and the expansion of hospital support through North Mid. Alongside these advances, we remain committed to our daily work, delivering essential services, grants and cutting-edge equipment that directly support patients and staff. This balance ensures we continue to innovate while providing practical, compassionate care every day.

Next year's milestone

With North Mid joining the Royal Free London group in January 2025, we now stand alongside four hospitals, each with its own character and community, yet united by a shared vision: healthier lives, exceptional care and a future where no one is left behind.

Our ambitions are bold

The new cancer centre we are working towards will set new standards for care and outcomes, while our growing investment in prevention will help stop illness before it starts. These big goals will sit alongside the everyday support we provide on wards, in clinics and in countless other spaces where patients, staff and families need us most.

Partnerships will guide us

By working closely with our NHS colleagues, we'll make sure every pound, every project and every service is directed where it will make the greatest difference – whether that's pioneering research, new patient services or facilities that boost staff wellbeing.

We will:

- shape the detailed plans for a world-class cancer centre that will transform care for people across north London.
- grow our fundraising income, with a focus on flexible funds that can support grants and services across all our hospitals.
- continue to invest in research, building on our status as a full member of the Association of Medical Research Charities.
- develop new services to support patients and staff, from expanded advice and wellbeing programmes to digital innovations.
- strengthen our community connections, giving local people more ways to support their hospitals.
- champion better population health, funding projects that improve lives beyond hospital walls.
- raise the profile of NHS philanthropy, using the media and policy engagement to make the case for greater donor incentives—building on our work this year with articles, meetings and conversations with decision-makers.
- keep sustainability as a priority, from greener procurement to low-carbon technology, reflecting our responsibility to protect the environment for future generations.

With North Mid now part of our charity family, our reach is greater than ever – and so is our responsibility. Together with our supporters, partners and NHS colleagues, we will make 2025-2026 a year of progress, innovation and hope for the communities we serve.

There is a wealth of clinical evidence that petting a dog for even a few minutes can significantly reduce stress levels and our patients and staff give us plenty of positive feedback when they come into contact with our therapy pets.







'Hospital staff often work long shifts and a visit from the therapy dogs during their break makes such a difference to their day.'





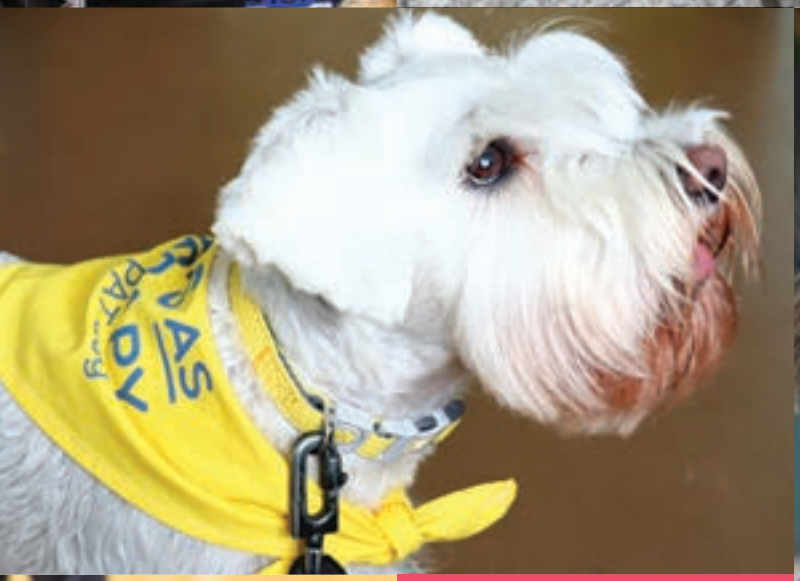
'The hospital's outpatients have fed back to us regarding how much a therapy dog visit helps them during what can be an anxious visit to the hospital.'







'Patients in the recovery wards really enjoy a visit from the therapy dogs, especially those who have their own pets at home, who they miss.'







'Some patients' relatives aren't able to visit them in hospital if they live far away, and a visit from a pet volunteer can break up their day and put a smile on their face.'

TRUSTEES' REPORT





FINANCIAL COMMENTARY

Alex Jarvis, director of finance

The charity's core operating performance was positive this year, supported by increased unrestricted fundraising income and strong performance in treasury management. We are beginning to see the benefits of our efforts to strengthen fundraising and property management, alongside a programme of efficiency savings.

We faced challenges toward the end of the financial year, particularly from the impact of US tariffs on our market investments, and some issues with our properties. As a result, our unrestricted general fund decreased. We are confident that these challenges are temporary and that our long-term financial outlook is positive. Our investments have already begun to recover at the time of writing.

This report provides further detail on our income, expenditure, and assets over the year.

Charitable expenditure

Although our statutory accounts show charitable expenditure of £12.6m, this reflects a rebate of £1.2m following our resolution of a VAT case with HM Revenue & Customs (HMRC) regarding our previous purchase of a PET-CT scanner, the first of its kind in the NHS. This rebate enables us to deliver even more for our beneficiaries but artificially reduces our reportable expenditure. Excluding the effect of this rebate, our charitable expenditure would be even higher at £13.8m. It includes our patient-facing volunteering, complementary therapy and support hub services, improvements to the patient and staff experience across our hospital sites and operating our buildings. There is more information about our services earlier in this report.

Voluntary income

We raised £4m of voluntary income, including donations, grants and legacies, of which £0.9m was unrestricted. We have invested in fundraising to support the services we provide directly – our core operations – including grants, sector-leading volunteering, complementary therapy and support hub services. These investments began to pay dividends during the 2024-25 financial year and we expect that their true value will become even clearer during 2025-26.

Properties

We use our properties to deliver social impact while generating income for the charity.
The multi-award-winning Pears Building, in Hampstead, houses UCL's Institute of Immunology and Transplantation, patient accommodation, the charity's offices and the Mileto café, a social hub for the building and the local community.
Occupancy of our patient accommodation remains strong at 74%; during the week we are at capacity and we continue to look for ways to optimise our use of the facility at weekends.

During the year, negotiations with our tenants led to the charity needing to repay overpaid service charges from previous years; as a result, RFC Enterprises Ltd, our wholly-owned subsidiary which manages the building for us, made a loss of £594,000. However, excluding this provision, the

The charity spent £14.1m during the year on grants and directly-provided services for patients and staff.

subsidiary would have made a profit of £85,000, so we are confident that this represents a one-off loss and that the subsidiary remains a viable profit-making asset in the medium term.

Graseby House provides NHS office space and short-term, affordable accommodation for Barnet Hospital medical staff. Demand for our 63 residential units remains high, with occupancy rates of over 99%. The building generated net income of around £450,000 for the charity. An updated independent valuation reduced the building's value by £3.1m to £10.7m, largely due to increased interest rates since the 2021 valuation. At present, there are no plans to crystallise these losses by selling the building, although in future we may choose to do so if our strategic position changes.

The Armoury on Pond Street, leased to the Jubilee Hall Trust, a charity with objectives aligned to the charity's, made a net income of £91,000 for the charity this year. The property is valued at £2.5m.

The Rec Club The charity's other fully-owned subsidiary, the RFC Recreation Club Ltd ("Rec Club"), operates an affordable fitness facility for hospital staff and the local community. In December 2024 a fire damaged part of the roof and that of the neighbouring property. Works are underway to repair this damage. Despite some business disruption, the Rec Club generated a profit of £74,000 for the charity.

Investments
Our investment portfolio is held with Cazenove

Capital in a Sustainable Multi Asset Fund. This fund focuses on diversified ethical and sustainable investment products with an appropriate balance of yield and risk. The fund targets growth of the consumer price index (CPI) + 4% (of which the charity takes 4% as income). With CPI at 2.6% for the 12 months to March 2025, this makes for a total target of 6.6%. Against this, our investments provided an overall return of 1.2%. This is largely due to the impact of US tariffs on the value of our investment holdings at the end of the financial year. Our investments have since reversed these losses.

Having reviewed the performance of our investment managers, we remain confident that their approach is right for us. Trustees take a long-term view of our investment holdings and we are confident that the quality-driven investment strategy underpinning our investment fund will support a sustainable recovery.

At 31 March 2025 we held £15.6m in the Sustainable Multi Asset Fund, £4m in next-day cash deposits managed by Cazenove Capital and £22m in fixed term cash deposits managed by Handelsbanken. Over the year, we generated income of £572,000 on our investments and £1.4m on cash deposits, which supported our charitable activities.

Processes

During the year, we transitioned to our new finance system, which enabled us to manage our finances in a more efficient and accurate way. Despite substantial progress, there remain additional areas to improve in terms of streamlining our processes and ways of working to respond to increasing demand for our grants and services.

Reserves

The charity holds three main categories of reserves:

- **Restricted funds** are made up of gifts, donations and grants with strict spending conditions and covenants attached, as well as funds inherited from other charitable organisations through merger with the charity. Restricted funds at the year-end were £30m (2023-24: £28m).
- **Unrestricted, designated funds** are donations or legacies which come with an expression of wish from the donor, but no binding restriction, to benefit specific activities of a department in one or more of our four hospitals. Unrestricted, designated funds at the year-end were £11.3m (2023-24: £13.0m).
- **Unrestricted, general funds** carry no stipulation from the donor but must be spent in line with the charity's objects, which is the legal responsibility of the trustees. Unrestricted, general funds at the year-end were £68.7m (2023-24: £67.6m).

Reserves targets

Trustees are required to ensure that we hold sufficient reserves for the charity to meet its financial commitments and respond to unforeseen circumstances. To do this, trustees have established three reserve targets, based on their evaluation of a series of challenge scenarios relating to expenditure and income.

Short-term liquidity reserve target
To ensure sufficient ready cash to meet our immediate needs, for 2024-25 trustees have set a minimum balance of cash to be held in instant-access cash facilities at £2m.

Medium-term 'free reserves' target
To address potential medium-term financial challenges, for 2024-25 the charity has a target level of 'free reserves' at £1.0m. In line with regulatory requirements, the current level of the strategic reserve is calculated based on general funds, adjusted for fixed assets excluding pure investment properties.

Long-term strategic reserve target
We recognise that some challenges faced by the charity may be longer-lasting and require a more strategic repositioning of the charity's operations. To address these, trustees have agreed that the charity would deploy a long-term strategic reserve. For 2024-25, the target level of this strategic reserve is £2.8m. The strategic reserve is underpinned by our mixed-motive investment property, Graseby House, which could be sold if required by the strategic position. This reserve is therefore calculated as our 'free reserves' plus the value of this property.

Performance against reserves targets
All reserves targets and our performance against them are regularly reviewed by trustees.

We are exceeding our short-term liquidity target and our long-term strategic reserve target, which gives us confidence in both the charity's cash position and our ability to respond to systemic or strategic risks which might arise in future. However, we are falling short on our medium-term free reserves target. Although we have a high value of unrestricted reserves, once the value of our properties is deducted, we have negative free reserves. We do not think that this measure of free reserves accurately reflects the financial resilience of the charity, which is why we examine short-term liquidity and our long-term strategic asset base in assessing our resilience.

Purpose	Target level	31 March 2025
Short-term liquidity reserves	£2m	£5m
Medium term 'free reserves'	£1m	Negative £4.6m
Long-term strategic reserves	£2.8m	£6.1m

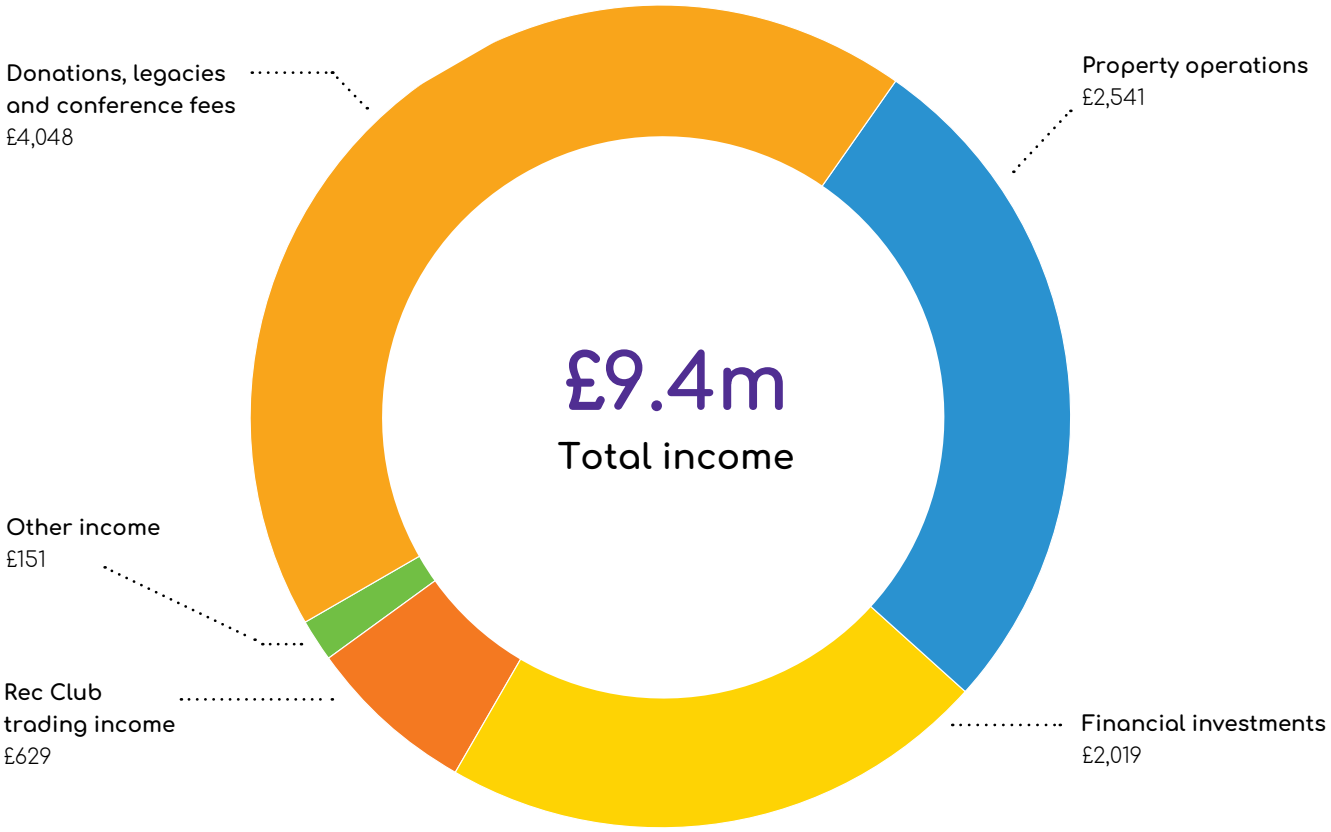
During the year, our free reserves deteriorated to negative £4.6m (31 March 24: negative £3.1m). This deterioration is due to the impact of US tariffs on our investment holdings in the run-up to the end of the financial year, as well as financial adjustments relating to buildings income (see above). Nevertheless, we are on track to achieve our medium-term free reserves target within four years. At the time of writing, our investments have already recovered their losses and we have a robust financial plan in place to improve our free reserves position with a combination of investment growth and income, increased unrestricted fundraising and savings on operational costs.





OUR INCOME

Breakdown of total income (£'000)



Income for the year was £9.4m. Income was derived from voluntary donations, properties, financial investments, operation of the Rec Club and other sources.

Donations, legacies and conference fees
Voluntary gifts and donations received by the charity from individuals, corporations, charities and charitable trusts and foundations. This includes speaking and training fees donated to the charity by NHS staff.

Property operations
Income generated by our properties.

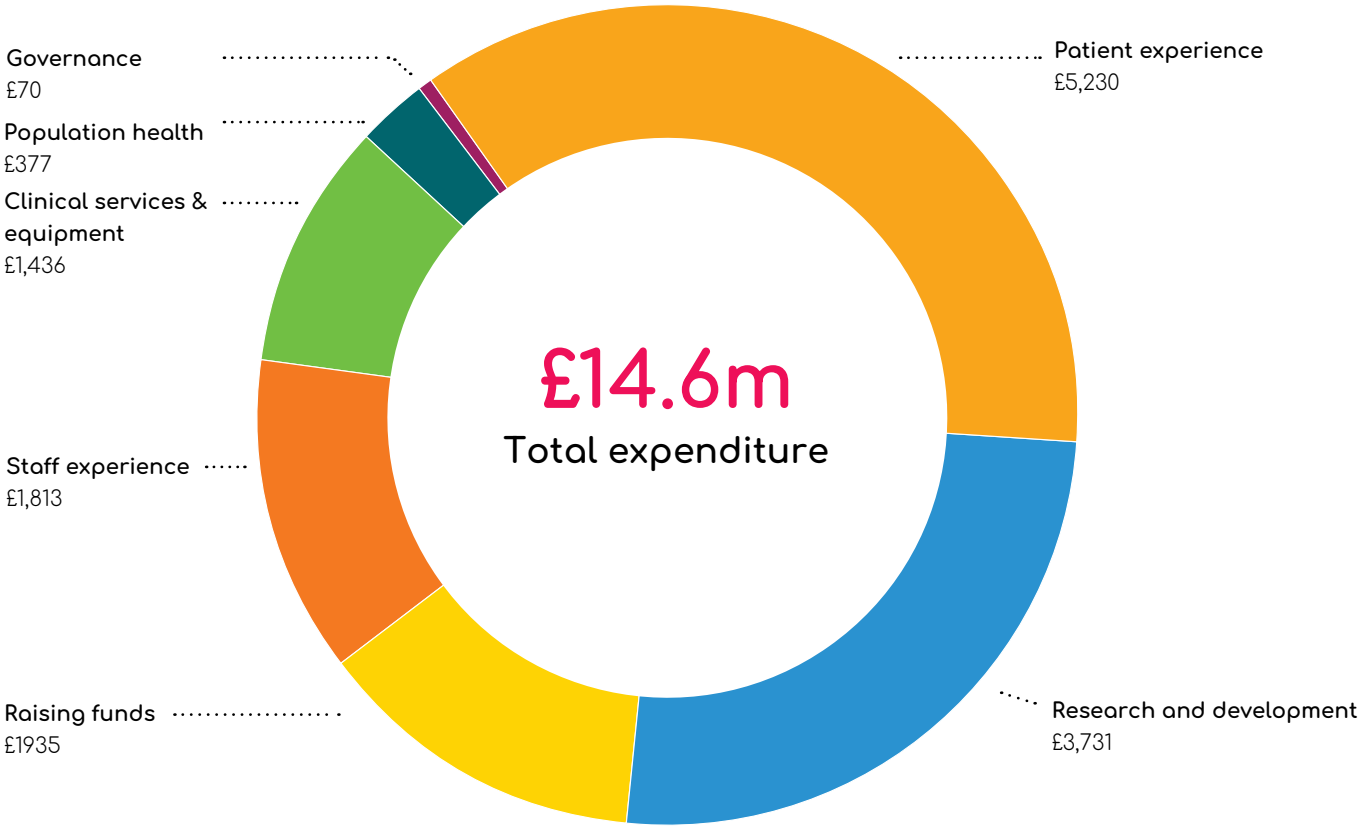
Rec Club trading income
Income generated by the Rec Club which provides health and wellbeing facilities to hospit al staff and members of the local community.

Financial investments
Income and capital growth on our financial investments and cash deposits.

Other income
Income relating to other activities and technical adjustments.

OUR EXPENDITURE

Breakdown of total expenditure (£'000)



Expenditure for the year was £14.6m split across the five key areas of our work: patient experience, staff experience, research and development, clinical services and equipment and population health, as well as raising funds (through donations and investments) and governance.

Patient experience
The cost of grants and services to improve patient welfare and facilities, including our volunteer, support hub and complementary therapy services.

Research and development
Grants for medical research into new and transformative medical treatments across a wide range of specialities, including researcher salaries, research equipment and materials and other associated research costs.

Staff experience
Expenditure to improve the welfare of NHS staff and to provide them with opportunities for professional training and development in addition to those funded by the NHS.

Clinical services and equipment
Expenditure on new, improved and additional treatment and diagnostic equipment to improve patient care.

Population health
Expenditure that uses data analysis to target specific population groups, address inequalities, prevent health issues and identify problems earlier.

Raising funds
The cost of generating our income, including investment management fees, fundraising staff, events costs and other related costs.

Governance
The regulatory, audit and assurance costs which ensure that the charity's funds are spent and reported in an appropriate, compliant and efficient way.

Risks and risk management

The trustees recognise their duty to anticipate, manage and mitigate the risks to which the charity's activities could be exposed. They acknowledge that risk is inherent in all activities and that its management is crucial to achieving the charity's objects. The trustees take a systematic approach to managing risk, with the executive team regularly monitoring and reporting risks to the board as well as prioritising actions. Risks are rated by multiplying a score for the likelihood of a risk by a score for its severity on a scale from 1-25. Scores before and after mitigation are calculated using a risk matrix. Risk areas with a pre-mitigation score of eight or above are reported to the trustees through the committee and board governance structure.

The board considers the following as the key risks for the organisation...

1

Fundraising: risk that the charity fails to hit its fundraised income targets

Roughly half of the charity's annual income is thanks to the generous support of our donors, large and small. To drive growth in voluntary income, the charity invested in increased fundraising capacity and improved fundraising infrastructure during the year. In common with with the entire charity sector, difficulties for voluntary income include UK and global economic pressures on donors, a very challenging recruitment market for fundraisers and political uncertainty. The board and the executive team continue to closely manage and monitor fundraising performance through in-year reporting against targets.

2

Finance: risk that the charity is unable to generate sustainable unrestricted surpluses

The charity relies on unrestricted income from fundraising, investments and property to fund much of our mission and operational costs. Underperformance in any of these areas, for example due to market downturns or the difficult fundraising landscape mentioned above, necessitates cost savings and can increase pressure on our reserves.

Our new finance system and investment in finance personnel and processes have improved visibility of our unrestricted position and our ability to respond to budget variances. While market investments were adversely affected by the impact of US tariffs at the year-end, they had more than recovered their losses halfway through the subsequent financial year. The charity has improved its treasury management to maximise returns from our large cash balances. We continue to work closely with our property contractors to reduce costs and increase income across our property portfolio. Financial planning continues to place an emphasis on generating more unrestricted income and cost savings exercises have led to expenditure reductions across all areas of the business.

3

People: risk that the charity is unable to recruit or retain talented staff

We have been working towards becoming an employer of choice for some time and continue to prioritise hiring and retaining the best people to help us achieve our mission. We operate in a highly competitive employment market and need to keep remuneration, benefits and development opportunities for staff under constant review. Our staff survey indicates that we outperform our peers on virtually every measure of staff engagement and satisfaction, but we are not complacent and continue to improve our offer to staff wherever we can.

Statement of trustees' responsibilities

The trustees (who are also directors of the Royal Free Charity for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Company law requires the trustees to prepare financial statements for each financial period that give a true and fair view of the state of affairs of the company and of the incoming resources and application of resources, including the income and expenditure of the company for that period. In preparing those financial statements, the trustees are required to:

(a) select suitable accounting policies and apply them consistently

(b) comply with applicable accounting standards, including FRS 102, subject to any material departures disclosed and explained in the financial statements

(c) state whether a statement of recommended practice applies and has been followed, subject to any material departures which are explained in the financial statements

(d) make judgements and estimates that are reasonable and prudent

(e) prepare the financial statements on a going-concern basis unless it is inappropriate to presume that the company will continue in business.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the 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 charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

As far as the trustees are aware:

(a) there is no relevant audit information of which the company's auditor is unaware

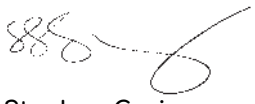
and

(b) the trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.
The trustees' annual report is approved by the trustees of the charity. The strategic report, which forms part of the annual report, is approved by the trustees in their capacity as directors in company law of the charity.

By order of the trustees



Judy Dewinter
Chair of Trustees



Stephen Craig
Trustee and Chair of the Finance, Property and Investments Committee

Date: 11 December 2025

Structure, governance and management

Legal structure

On 1 April 2016, the Royal Free Charity reconstituted as an independent charity (no 1165672), solely regulated by the Charity Commission and no longer subject to NHS legislation. This status establishes the charity's independence from the Department of Health and, by virtue of becoming a company limited by guarantee (no 09987907), limits the trustees' liability. The charity operates under a Charity Commission scheme dated 1 April 2016 and its objects, as stated in its articles of association, encompass not only the support of patients of the RFL, but also and more generally the promotion of health and medical research, particularly within the catchment area of the RFL.

Trustees

Following the reconstitution of the charity, new trustees are appointed by the board after open competition. One trustee who was previously a trustee of the former NHS charity is now a trustee of the incorporated charity (Russell Brooks); in addition, the RFL has the right to appoint and remove one trustee. During the year Dr Gillian Smith, group chief medical director at the RFL, fulfilled this role. The chair of trustees aims for new and existing trustees to be fully briefed on the key issues facing the charity, including Charity Commission information on trustee responsibilities, aspects of charity law pertinent to the charity and timely copies of reports, accounts and other key documents. Board members declare all relevant interests in other bodies, especially bodies closely connected with the RFL. The trustees and their four sub-committees meet quarterly. The committees are: people and governance; finance, property and investments (supported by an investment sub-committee); grants and services; and fundraising, campaigns and communications committees.

Powers of investment

The charity's powers of investment are principally derived from its articles of association and the Companies Act 2006. In exercising these powers, the trustees must act in accordance with their duties as charity trustees and as company directors as set out in the Charities Act 2011 and the Companies Act 2006. They must also act in accordance with the Trustee Act 2000. These powers of investment are wide, allowing the trustees to invest in such stocks, funds, shares, equities or other investments as they see fit.

Remuneration

The remuneration of senior staff is agreed by the trustees, following a comparison of their posts with similar positions in the charity sector.

Public benefit statement

The Royal Free Charity's purpose is to support the RFL's four hospitals – Barnet Hospital, Chase Farm Hospital, the Royal Free Hospital and North Middlesex University Hospital (which joined the group in 2025), as well as many satellite sites across north London. The trustees, in making decisions about our mission, have had due regard to the Charity Commission's public benefit guidance when exercising any powers or duties to which the guidance is relevant.

We focus our support on three groups:

- **Patients and their families**, whether local or from further away, needing to use the trust's specialist services. We enhance the experience of patients throughout their hospital journey, through the services we provide directly and the projects and equipment we fund on the wards.
- **The staff of the hospitals and satellite sites**, so they can deliver the best possible healthcare.
- **Researchers** working in the hospitals and partner institutes, helping them to have not only local impact but also the potential to improve healthcare nationally and globally.

The public benefits that flow from our support for these three groups:

1. Patients
Evidence shows that improving the experience of patients leads to better patient safety and clinical outcomes and a better quality of life, particularly for patients facing a poor prognosis; improves patient involvement in, and understanding of, their care; leads to fewer demands for unnecessary treatment; and can expose important system challenges, leading to improvement of care for all.

2. NHS staff
Evidence shows that improving the experience of NHS staff leads to better retention of staff, crucial at a time of chronic staff shortages in the NHS; relieves long-term anxiety caused by work stresses; makes staff feel better prepared for the future; and improves patient outcomes and satisfaction. In addition, improvements to the working environment and the specialist equipment staff use encourage a more holistic approach to treatment, health and wellbeing and improve morale.

3. Researchers
Healthcare research can provide important information about different forms of treatment and outcomes, disease risk factors and trends, public health interventions and healthcare costs, among many other benefits to the public. Our charity primarily supports two aspects of research – clinical trials and translational research. This takes laboratory discoveries and turns them into treatments and interventions that directly benefit human health. The charity led the funding and construction of the Pears Building, a new home for the UCL Institute of Immunity and Transplantation and supplied seed funding for the RFL's clinical research facility which in 2022 secured state funding worth £5m.

No harm arose from our work. Our beneficiaries were patients, NHS staff, the general public and locally-based community and voluntary organisations. No private benefit arose from these purposes.

Reference and administrative detail

Financial statements
The audited consolidated financial statements comply with the Statement of Recommended Practice 'Accounting and Reporting by Charities' FRS 102 including Update Bulletin 2, the Charities Act 2011 and the Companies Act 2006.

Charity status
The charity is a company limited by guarantee. Its members are the trustees of the charity, of whom there may be a maximum of 14. Each member guarantees to contribute up to one pound sterling (£1) to the charity's debts, liabilities and costs in the event of the charity being wound up and for one year after ceasing to be a member.

Charity objects
(a) further any charitable purpose or purposes relating to the general or any specific purposes of the foundation trust or the purposes of the health service
(b) promote, protect, preserve and advance all or any aspects of the health and welfare of the public, particularly within the catchment area of the foundation trust
(c) advance and promote knowledge and education in medicine, including by engaging in and supporting medical research.

Governing document
The Royal Free Charity is governed by its articles of association dated 4 February 2016, reviewed and updated in January 2023.

Company number
09987907 in England and Wales

Charity number
1165672 in England and Wales

Registered office
Royal Free Charity
Pears Building
London
NW3 2PP

Independent auditor's report to the members of the Royal Free Charity

Opinion

We have audited the financial statements of the Royal Free Charity for the year-ended 31 March 2025 which comprise the consolidated statement of financial activities, the comparative statement of financial activity, the consolidated and company balance sheets, the consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 the parent charitable company's affairs as at 31 March 2025 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice guidelines (UKGAAP);
- 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 and charitable company, in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and charitable company's ability to continue as a going concern for a period of at least 12 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 contained within the annual report. The other information comprises the information included in the annual report, 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.

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 this gives rise to a material misstatement in the financial statements themselves. 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 our audit:

- the information given in the strategic report and the

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

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the group and charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' 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 company, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees
As explained more fully in the trustees' responsibilities statement set out on page 48, the trustees 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 and charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group and charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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.

Extent to which the audit was considered capable of detecting irregularities, including fraud
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, including financial reporting legislation and the Charities SORP (FRS 102), and tax regulations. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be necessary to the group's ability to operate or to avoid a material penalty. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

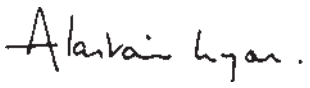
We also considered the opportunities and incentives that may exist within the group for fraud. We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be management override of controls. Our audit procedures to respond to this risk included enquiries of management, and the Finance Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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.



Alastair Lyon
(Senior Statutory Auditor)

For and on behalf of
Crowe U.K. LLP
Statutory Auditor
R+ Building
2 Blagrave Street
Reading RG1 1AZ

Date: 22 December 2025

Consolidated statement of financial activities

	Note	Year ended 31 March 2025 Unrestricted funds £000	Restricted funds £000	Total 2024/25 £000	Year ended 31 March 2024 Unrestricted funds £000	Restricted funds £000	Total 2023/24 £000
Income and endowments from:							
Donations and legacies	2	2,511	1,537	4,048	2,514	5,573	8,087
Charitable activities		33	0	33	59		59
Trading activities							
Property operations		908		908	838		838
		629		629	538		538
		1,633		1,633	2,645		2,645
Investments	8.4	1,919	100	2,019	1,990	51	2,041
Other		7	6	13	2		2
Events		6	-	6	282	9	291
Other income		98		98	315		315
Total income		**7,745**	**1,644**	**9,389**	**9,184**	**5,633**	**14,817**
Expenditure on:							
Raising funds							
Fundraising expenditure		1,906		1,906	1,380		1,380
Trading expenditure		70		70	132		132
Investment/ property management		29		29	34		34
Charitable activities	3	10,024	2,543	12,567	11,337	2,780	14,117
Total expenditure		**12,029**	**2,543**	**14,572**	**12,883**	**2,780**	**15,663**
Net gains/(losses) on investments	8.6	(3,480)	(69)	(3,549)	1,906	212	2,118
Net income / (expenditure)		**(7,764)**	**(968)**	**(8,733)**	**(1,792)**	**3,065**	**1,273**
Transfers between funds	11	929	(929)	-	977	(977)	-
Gains on tangible fixed assets		70	-	70	-	-	-
Net movement in funds		**(6,766)**	**(1,897)**	**(8,663)**	**(815)**	**2,088**	**1,273**
Reconciliation of funds:							
Total funds brought forward		79,813	30,040	109,852	80,628	27,952	108,581
Total funds carried forward		**73,048**	**28,143**	**101,187**	**79,813**	**30,040**	**109,852**

The notes on pages 46-58 form part of these accounts

Consolidated charity balance sheet

	Note	Group March 2025 £000	Charity March 2025 £000	Group March 2024 £000	Charity March 2024 £000
Intangible assets		142	125	119	99
Fixed assets					
Tangible assets	6	30,315	30,195	30,825	30,709
Investments	8	21,940	22,080	22,663	22,802
Social investments	8	37,636	37,636	41,872	41,872
Total fixed assets		**89,890**	**89,910**	**94,790**	**94,814**
Current assets					
Debtors	9	2,523	2,347	3,574	3,678
Cash at bank and in hand		23,019	22,738	26,389	25,668
Total current assets		**25,542**	**25,085**	**29,963**	**29,345**
Creditors falling due within one year	10.1	(14,388)	(13,099)	(15,020)	(14,259)
Net current assets		**11,154**	**11,986**	**14,943**	**15,086**
Creditors falling due after more than one year		-	-	-	-
Profit and loss reserves					
Total net assets		**101,187**	**102,022**	**109,852**	**109,999**
Income funds					
Unrestricted	11.1	73,044	73,879	79,811	79,958
Restricted	11.2	28,143	28,143	30,040	30,040
Total funds		**101,187**	**102,022**	**109,852**	**109,999**

As permitted by section 408 of the Companies Act 2006, the parent charity's gross income and results have not been included in the financial statements.



Judy Dewinter
Chair

Date: 11 December 2025



Stephen Craig
Trustee

The notes on pages 46-58 form part of these accounts

Company registration no: 09987907

Consolidated cash flow statement

Cash inflow/(outflow) from operating activities	2024/25 £000	2023/24 £000
Net cash provided by/(used in) operating activities	**(5,510)**	**8,056**
Cash flows from investing activities		
Investment income and interest received	2,019	2,041
Proceeds from disposal of fixed asset investments	1,832	17,751
Acquisition of fixed asset investments	(1,575)	(16,967)
Acquisition of tangible fixed assets by charity	(93)	(31)
Acquisiton by subsidiary companies of:		
tangible fixed assets	(20)	(113)
intangible assets	(23)	(119)
Net cash flow from investing activities	**2,140**	**2,562**
Cash flow from financing activities		
Repayment of loan	-	-
(Decrease)/increase in cash and cash equivalents	**(3,370)**	**10,618**
Cash and cash equivalents at beginning of period	26,389	15,771
Cash and cash equivalents at end of period	**23,019**	**26,389**

Reconciliation of net income to cash flow from operating activities	2024/25 £000	2023/24 £000
Net income/(expenditure) including endowments	**(8,733)**	**1,269**
Adjustments for:		
Depreciation and amortisation charges	1,276	1,255
Net (gains)/losses on investments	3,549	(1,143)
Investment income	(2,019)	(2,041)
Revaluation of tangible fixed assets	0	(1,074)
(Increase)/decrease in debtors	1,050	16,334
Increase/(decrease) in creditors	(633)	(6,544)
Net cash provided by/(used in) operating activities	**(5,510)**	**8,056**

Analysis of net cash	1 April 2024 £000	Cashflows £000	31 March 2025 £000
Short-term deposits	-	-	-
Cash at bank and in hand	26,389	(3,370)	23,019
	26,389	**(3,370)**	**23,019**

The notes on pages 46-58 form part of these accounts

Notes to the accounts for the year ended 31 March 2025

1 Accounting policies

Basis of preparation

These financial statements are prepared on a going-concern basis, under the historical cost convention, as modified by the revaluation of investments being measured at fair value via income and expenditure within the statement of financial activities. They are prepared in accordance with the financial reporting standard applicable in the UK (FRS 102). The charity is a public benefit group for the purposes of FRS 102, therefore it also prepared its financial statements in accordance with the statement of recommended practice (SORP) applicable to charities preparing their accounts in accordance with the financial reporting standard applicable in the UK (FRS 102 Charities SORP), the Companies Act 2006 and the Charities Act 2011.

They are prepared in GBP sterling, which is the charity's functional currency. Monetary amounts in the financial statements are rounded to the nearest one thousand pounds.

Going concern

The trustees assessed the suitability of the use of the going-concern basis and considered possible events due to conditions, including impact of rising inflation and cost of living, and falling interest rates, that might significantly affect the charity's ability to continue as a going concern. In making this assessment, for a period of at least a year from the date of approval of the financial statements, they considered the charity's financial plans, forecasts and projections and noted the pressures on donation, legacy and investment income. After making enquiries and considering the available cash balances and funds within the investment portfolio, the trustees believe that the charity has adequate resources to continue to operate and deliver on its objectives for the foreseeable future. It therefore adopts the 'going-concern basis' in preparing its financial statements.

Estimates and judgements

Works of art are valued in the balance sheet at £430,950 (2023/24: £361,000), a figure which the trustees believe fairly reflects their value.

Investment properties are valued in the balance sheet at £2,475,000 (2023/24: £2,475,000), a figure which the trustees believe fairly reflects their value. Mixed-motive investment represents a property valued in the balance sheet at £10,700,000 (2023/24: £13,783,116), a figure which the trustees believe fairly reflects its value. See the accounting policy for investment properties, which explains how the valuation has been arrived at.

Financial instruments

The charity has applied the provisions of Section 11 "Basic Financial Instruments" of FRS 102 to all its financial instruments. They are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to offset the recognised amounts, and an intention to settle on a net basis, or to realise the assets and settle the liability simultaneously.

Apart from prepayments, deferred income and balances with HMRC under statute, all other debtor and creditor balances, as shown in notes 9 and 10, are considered to be basic financial instruments under FRS 102.

Consolidation

These financial statements consolidate on a line-by-line basis the financial statements of the company (the Royal Free Charity) and its subsidiaries RFC Developments Ltd, RFC Enterprises Ltd, RFC Recreation Club Ltd and RFC Overage Ltd.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits at call with banks and other short-term liquid investments with original maturities of three months or less.

Fund structure

Restricted funds are funds for which a legal restriction exists over their use, as determined by the donor. This could be a restriction to a particular department of the hospital, such as cardiac or renal, or to a particular sphere of activity, for example research or equipment.

General funds may be used at the trustees' discretion for any general purpose of the charity.

Income

All income is included in full in the statement of financial activities as soon as the following

three factors can be met:
(a) entitlement – arises when a particular resource is receivable or the charity's right becomes legally enforceable.

(b) probability – when it is probable that the incoming resources will be received.

(c) measurement – when the monetary value of the incoming resources can be measured with sufficient reliability.

Government grants
Grants relating to revenue are recognised in income on a systematic basis over the periods in which the charity recognises the associated costs for which the grant is intended to compensate.

Gifts in kind
Gifts in kind are recognised as income and expenditure in the year the gifts are received by the charity. The amount at which gifts in kind are recognised is either value of the cost to the donor or the fair value determined by the charity. The gifts are then directed to the relevant hospital department or ward. Total value of gifts in kind for 2024/25 was £nil (2023/24: £nil).

Expenditure
Liabilities are recognised as expenditure if the charity has a legal or constructive obligation that commits it to the expenditure, or if there is a constructive obligation to make a transfer of value to a third party.
Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the particular category.

Governance costs comprise the costs of complying with statutory requirements.

Allocation of overhead and support costs
Overhead costs have been divided into the categories shown in note 4, and apportioned between those categories (raising funds and charitable expenditure), on the basis of their relevance to each category. In 2024/25, as in 2023/24, a direct charge was made to restricted and designated funds in recognition of the overhead and support costs relating to those funds.
The salaries of the charity's staff are apportioned individually across these expense categories, reflecting the time spent by each individual on the relevant activities.

Grants
Grants are accrued in full when there is a binding commitment by the charity to transfer the amounts involved to a third party.

VAT and partial exemption
The charity is in a VAT group with its subsidiary RFC Enterprises Ltd. It is entitled to recover part of the net VAT incurred as a cost. The recovered proportion is small and changes from one accounting period to another, subject to the VAT status of income generated. The irrecoverable element of VAT is expensed through the statement of financial activities as a charge. Where the VAT is in relation to an asset, the irrecoverable VAT is capitalised along with the net amount of the asset cost.

Investments
Investments are shown in the balance sheet at market value.

The investment property was valued in 2024/25 by Nick Sullivan Chartered Surveyors, and this valuation is reflected in these accounts. The mixed-motive investment property was valued in 2020/21 by Montagu Evans, chartered surveyors. The trustees are satisfied that these valuations reflect the properties' fair value.

Social investments
Programme-related investments relate to parts of the Pears Building leased to third parties that are used to help to fulfil the charity's charitable objectives. The programme-related investments are held at cost.

Mixed-motive investments (MMI) relate to a property used to help to fulfil the charity's charitable objectives as well as generating investment return.

Tangible fixed assets
Tangible fixed assets are stated at cost less depreciation. Depreciation is calculated to write off the cost less estimated residual value of each asset over its expected useful life (see table on page 48).

At the end of each reporting period, the residual values and useful lives of assets are reviewed and adjusted if necessary. In addition, if events or changes in circumstances indicate that the carrying value may

not be recoverable, then the carrying values are reviewed for impairment.

Properties held as pure investment or MMI, or properties including parts MMI, are not to be depreciated. The Armoury (pure investment property) and Graseby House (MMI) will not be depreciated. The Pears Building is amortised over its lease period and the charge to the statement of financial activities is classed as charitable expenditure.

Intangible assets
The Royal Free Charity's intangible asset comprises a website developed to facilitate donor engagement and donations, as well as to support its activities and provide information to stakeholders. The website is recognised as an intangible asset in accordance with the relevant accounting standards and the charity's accounting policy (see table opposite).

Recognition and measurement
The website is initially recognised at cost, which includes all directly attributable costs incurred during its development. These costs include design, programming and content creation expenditures but exclude administrative or general maintenance expenses.

Amortisation
The website is amortised on a straight-line basis over its estimated useful life of 5 years. This is comparable to the approach taken in depreciating software held as a fixed asset. Amortisation began when the website was available for use. The amortisation expense is charged to the statement of financial activities within the expenditure category most relevant to its use.

Impairment
The website is reviewed by management annually for impairment or whenever there is an indication that the carrying value may not be recoverable. Any impairment loss is recognised immediately in the statement of financial activities.

Revaluation and disposals
The charity does not adopt a revaluation model for its intangible assets. Therefore, the website is carried at cost less accumulated amortisation and impairment losses.

Disposals of the website, or parts of it, are accounted for by

Asset type	Capitalisation threshold	Depreciation
Building - leasehold	£10,000	Lease period (eg Pears Building 50 years)
Building - freehold	£10,000	100 years (freehold)
Computer equipment	£2,500 individually or exceeding £5,000 in aggregate	3 years
Computer systems development	£25,000 in aggregate	5 years
Software (purchased or developed)	£25,000	5 years or expected life, if shorter
Computer development	£2,500 individually or exceeding £5,000 in aggregate	5 years
Recreation equipment	£1,000 individually or exceeding £1,000 in aggregate	5 years
Shop EPOS system	£5,000	5 years
Shop fit-outs	£5,000	Lease term
Furniture and fittings	£2,500 individually or exceeding £5,000 in aggregate	5 years
Asset under construction	Cost	Not depreciated
Works of art	Market value	Not depreciated

derecognising the carrying value and recognising any gain or loss on disposal in the statement of financial activities.

Leasehold – Pears Building
The Pears Building is classified as social investment for all areas occupied by (and shared with) other entities, which are UCL, the charity, the NHS trust and RFLPS.

Freehold property
Freehold property and part of a freehold property that is in operational use and not a pure investment nor mixed-motive investment would be depreciated over 100 years.

Realised gains and losses
Gains and losses are reported in the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sale proceeds and opening market values (or date of purchase if later). Unrealised gains and losses are calculated as the difference between market value at the year end and opening market value (or date of purchase if later).

Pooling scheme
A pooling scheme for all funds held under the auspices of the Royal Free Charity is contained within a Charity Commission scheme dated 1 April 2016. It covers all funds formerly held by the Special Trustees for The Royal Free Hospital, the Royal Free Hampstead Charities, the Dresden Assistance Fund for the Royal Free Hospital and the Kitty Cookson Memorial Fund. It does not distinguish between the different types of funds (unrestricted, designated, restricted), which are pooled together.

Pension costs
Staff who were formerly employed by the Royal Free Hampstead NHS Trust (the predecessor of the Royal Free London NHS Foundation Trust) participate in the NHS Pension Scheme. Some current staff remain in that pension scheme, but new employees participate in personal pension schemes to which the employer's contribution matches that of the employee up to a maximum of 9%. Staff of the charity's trading subsidiary, RFC Recreation Club Ltd, also participate in personal pension schemes. The NHS Pension Scheme is a multi-employer defined benefit scheme but under SORP 28.11, this is accounted for in these financial statements as if it was a defined contribution scheme.

Operating lease
Rentals paid under operating leases are charged to the statement of financial activities or the profit and loss account (depending on the relevant legal entity), evenly over the period of the lease.

Intangible assets	
Cost	£168,858
Accumulated Amortisation (or impairment)	£27,099
Net book value as at 31 March 2025	**£141,759**

2 Donations and legacies income

	Unrestricted funds £000	Restricted funds £000	Total 2024/25 £000	Unrestricted funds £000	Restricted funds £000	Total 2023/24 £000
Donations	2,143	1,417	3,560	1,677	5,078	6,755
Legacies	368	120	488	838	495	1,332
Total	**2,511**	**1,537**	**4,048**	**2,514**	**5,573**	**8,087**

2.1 Contingent assets (pipeline legacies income)

The charity has been notified of 13 legacies which have not been included within the financial statements, as some or all the criteria for recognition have not been satisfied. Of these, 31% are pecuniary legacies which have an average value of £7,600 and the remaining 69% are residuary and residuary (reversionary bequest) which have an average value of £61,000. The charity does not have any indication of when these monies are expected to be received.

3 Charitable expenditure

	Grants expenditure £000	Activities undertaken directly £000	Social investment costs £000	Support costs £000	Total 2024/25 £000	Grant expenditure £000	Activities undertaken directly £000	Social investment costs £000	Support costs £000	Total 2023/24 £000
Patient experience	257	3,258	758	938	5,211	810	2,851	747	740	5,148
Staff experience	560	796	-	456	1,812	258	1,194	-	319	1,771
Research and development	598	1,861	485	788	3,732	114	4,117	478	1,066	5,775
Clinical services and equipment	926	91	-	419	1,436	-	1,104	-	319	1,424
Population health	267	-	-	110	377					
Total	**2,608**	**6,006**	**1,243**	**2,711**	**12,567**	**1,182**	**9,266**	**1,225**	**2,444**	**14,117**

All grants were made to institutions. There were no grants to individuals.

4 Analysis of support costs by activity

	Governance £000	Raising funds £000	Charitable activities £000	Total 2024/25 £000	Governance £000	Raising funds £000	Charitable activities £000	Total 2023/24 £000
Salaries	-	1,242	1,952	3,194	-	1,047	1,837	2,884
Investment management	-	29	4	33	-	34	-	34
Statutory auditor's renumeration	66	-	-	66	131	-	-	131
Legal and other professional fees	4	205	365	574	-	89	161	250
Event costs	-	12	4	16	-	121	-	121
Publicity materials	-	313	45	358	-	3	25	28
Others	-	133	341	474	1	120	422	543
Total support costs	**70**	**1,934**	**2,711**	**4,715**	**132**	**1,414**	**2,445**	**3,991**
Governance costs reallocated					(132)		132	
Total support costs	**70**	**1,934**	**2,711**	**4,715**	**-**	**1,414**	**2,577**	**3,991**

4.1 Grant-funded activities

	£000	No. awarded
Royal Free London NHS Foundation Trust	2,838	28
University College London	315	14
London Borough of Barnet	230	1
Rani Rawji Studentship Committee	9	1
Total	**3,392**	**44**

4.2 Analysis of staff costs

	Charity	Subsidiary	Total 2024/25	Charity	Subsidiary	Total 2023/24
	£000	£000	£000	£000	£000	£000
Salaries and wages	3,472	244	3,716	3,156	223	3,379
Social security costs	369	19	388	340	19	359
Other pension costs	262	6	268	169	9	178
Total	**4,103**	**269**	**4,372**	**3,665**	**251**	**3,916**

No employee of any subsidiary company received emoluments exceeding £60,000.

		2024/25	2023/24
The number of such employees of the charity were:	£60,001-£70,000	4	8
	£70,001-£80,000	2	-
	£80,001-£90,000	1	1
	£90,001-£100,000	2	2
	£100,001-£110,000	-	1
	£110,001-£120,000	2	-
	£120,001-£130,000	1	1
	£130,001-£140,000	-	1
		£000	£000
Pension contributions were made for these employees as follows:	£60,001-£70,000	24	28
	£70,001-£80,000	3	-
	£80,001-£90,000	7	4
	£90,001-£100,000	11	11
	£100,001-£110,000	-	4
	£110,001-£120,000	41	11
	£120,001-£130,000	2	-
	£130,001-£140,000	-	8

There was an average monthly number of 75 staff in 2024/25 (2023/24: 75). RFC Recreation Club Ltd had an average number of 10 staff (2023/24: 11), and RFC Developments Ltd did not employ any staff.

The key management personnel during the year were Jon Spiers, chief executive; Robin Meltzer, deputy chief executive and director of engagement and communications; Laura James, director of services and innovation; Alex Jarvis, director of finance; Sharron Grant, director of HR and OD; Alison Kira, director of grants and impact; Russell Delew, director of fundraising and campaigns.

The total salary cost of the key management personnel (including social security and employer pension costs) was £864,783 (2023/24: £1,024,114).

During the year, the charity made total termination payments of £109,942 (2023/24: £19,116).

5 Analysis of net assets between funds

Group	Unrestricted funds £000	Restricted funds £000	Total 2024/25 £000	Unrestricted funds £000	Restricted funds £000	Total 2023/24 £000
Fixed assets/ intangible assets	30,456	-	30,456	30,944	-	30,944
Investments	55,571	4,005	59,576	61,586	2,379	63,965
Current assets	1,404	24,138	25,542	2,301	27,662	29,963
Liabilities	(14,388)	-	(14,388)	(15,020)	-	(15,020)
	73,044	**28,143**	**101,187**	**79,811**	**30,041**	**109,852**

Charity	Unrestricted funds £000	Restricted funds £000	Total 2024/25 £000	Unrestricted Funds £000	Restricted Funds £000	Total 2023/24 £000
Tangible fixed assets	30,321	-	30,321	30,808	-	30,807
Investments	55,710	4,005	59,715	61,725	2,379	64,104
Current assets	947	24,138	25,085	1,684	27,662	29,345
Short-term liabilities	(13,099)	-	(13,099)	(14,259)	-	(14,259)
	73,879	**28,143**	**102,022**	**79,957**	**30,041**	**109,998**

6.1 Fixed assets – group

Cost	Recreational equipment £000	Furniture and fixtures £000	Artworks £000	Computer equipment £000	Properties £000	Total £000
Brought forward at 1 April 2024	213	81	361	69	31,581	32,306
Additions	20	92	-	-	-	113
Revaluation	-	-	70	-	-	70
Transfer	-	-	-	-	-	-
Carried forward at 31 March 2025	**233**	**173**	**431**	**69**	**31,581**	**32,487**
Accumulated depreciation						
Brought forward at 1 April 2024	98	31	-	36	1,313	1,479
Charge for the year	16	20	-	13	643	692
Carried forward at 31 March 2025	**114**	**52**	**-**	**49**	**1,957**	**2,171**
Net book value at 1 April 2024	115	49	361	33	30,268	30,828
Net book value at 31 March 2025	**119**	**121**	**431**	**20**	**29,624**	**30,315**

6.2 Fixed assets – charity

Cost	£000	Furniture and fixtures £000	Artworks £000	Computer equipment £000	Properties £000	Total £000
Brought forward at 1 April 2024		81	361	69	31,581	32,092
Additions	-	92	-	-	-	92
Revaluation	-	-	70	-	-	70
Carried forward at 31 March 2025	**-**	**173**	**431**	**69**	**31,581**	**32,254**
Accumulated depreciation						
Brought forward at 1 April 2024		31	-	36	1,313	1,381
Charge for the year		20		13	643	676
Carried forward at 31 March 2025	**-**	**52**	**-**	**49**	**1,957**	**2,057**
Net book value at 1 April 2024	-	50	361	33	30,267	30,711
Net book value at 31 March 2025	**-**	**121**	**431**	**20**	**29,624**	**30,196**

6.3 Intangible fixed assets – group

Cost	RFC Charity £000	RFC Recreation Club £000	Total £000
At 1 April 2024	99	21	120
Additions	49	-	49
Carried forward at 31 March 2025	**148**	**21**	**169**
Depreciation and impairment			
At 1 April 2024	-	1	1
Amortisation charge for the year	22	4	26
Carried forward at 31 March 2025	**22**	**5**	**27**
Carrying amount at 31 March 2024	99	21	119
Carrying amount at 31 March 2025	125	16	142

7 Subsidiary companies

Details of the charity's subsidiary undertakings are set out below. All the subsidiary undertakings are incorporated in England and Wales and operate in the United Kingdom.

Company	Shares held Class	Shares held %	Principal activity
RFC Recreation Club Ltd	Ordinary	100	Provision of recreational services
RFC Developments Ltd	Ordinary	100	Design, construction and building services
RFC Enterprises Ltd	Ordinary	100	Management of Pears Building
RFC Properties Ltd	Ordinary	100	Company dormant and not yet trading
RFC Overage Ltd (previously called: RFC Properties (CF Holdings) Ltd)	Ordinary	100	Management of intangible assets from disposal of a property

The results of the subsidiaries, and their assets and liabilities, are as follows:

	Year ended 31 March 2025				Year ended 31 March 2024			
	RFC Overage Ltd £000	RFC Enterprises Ltd £000	RFC Recreation Club Ltd £000	RFC Developments Ltd £000	RFC Overage Ltd £000	RFC Enterprises Ltd £000	RFC Recreation Club Ltd £000	RFC Developments Ltd
Turnover	-	1,633	629	-	-	2,645	538	2
Expenditure	-	(2,321)	(555)	-	-	(2,055)	(473)	(1)
Result for the year	**-**	**(687)**	**75**	**-**	**-**	**590**	**65**	**2**
Total assets	50	863	439	6	50	2,074	317	5
Total liabilities	(52)	(1,567)	(286)	(6)	(52)	(2,183)	(164)	(6)
Net funds at the end of the year	**(2)**	**(704)**	**153**	**-**	**(2)**	**(109)**	**153**	**(1)**

The charity's other subsidiary companies did not trade during 2024/25.

8 Analysis of investment portfolio

	Group 2024/25 £000	Charity 2024/25 £000	Group 2023/24 £000	Charity 2023/24 £000
Market value as at 1 April	63,966	64,104	63,101	63,240
Less: disposals at carrying value	(2,415)	(2,415)	(18,335)	(18,335))
Add: acquisitions at cost	1,575	1,575	17,081	17,081
Transfer from fixed assets (note 6)		-	-	-
Net gain/(loss) on revaluation	(3,549)	(3,549)	2,118	2,118
Market value as at 31 March	**59,577**	**59,715**	**63,966**	**64,104**

8.1 Investments – market value at 31 March

	Held in UK £000	Held overseas £000	2024/25 Total £000	Held in UK £000	Held overseas £000	2023/24 Total £000
Investment properties	2,475	-	2,475	2,475	-	2,475
Investments portfolio						
Investments listed on London Stock Exchange		39	39	-	39	39
Investments in common investment funds	19,407		19,407	20,042	-	20,042
Cash held within the investment portfolio	19		19	106	-	106
	19,425	**39**	**19,464**	**20,148**	**39**	**20,187**
Social Investments						
Mixed-motive investment (see note 8.2)	10,700	-	10,700	13,783	-	13,783
Programme-related investment (see note 8.3)	26,936		26,936	27,519	-	27,519
	37,636	**-**	**37,636**	**41,302**	**-**	**41,302**
Total investments – group	**59,536**	**39**	**59,575**	**63,925**	**39**	**63,964**
Investments in subsidiary companies	139	-	139	139	-	139
Total investments – charity	**59,675**	**39**	**59,715**	**64,065**	**39**	**64,104**

8.2 Mixed-motive investment

	Group 2024/25 £000	Charity 2024/25 £000	Group 2023/24 £000	Charity 2023/24 £000
Market value as at 1 April	13,783	13,783	13,783	13,783
Add: acquisitions at cost	-	-	-	-
Less: loss on revaluation	(3,083)	(3,083)	-	-
Market value as at 31 March	**10,700**	**10,700**	**13,783**	**13,783**

Mixed-motive investments relate to a property used to help to fulfil the charity's charitable objectives as well as generating investment income. A Red Book valuation of that property, using a sector specific valuation toolkit (PodPlan), was performed during the 2024/25 financial year and resulted in a value of £10.7m.

8.3 Programme-related investments

	Group 2024/25 £000	Charity 2024/25 £000	Group 2023/24 £000	Charity 2023/24 £000
Market value as at 1 April	27,519	27,519	28,102	28,102
Amortisation for the year	(584)	(584)	(583)	(583)
Market value as at 31 March	**26,936**	**26,936**	**27,519**	**27,519**

Programme-related investments relate to the Pears Building, leased to third parties that are used to help to fulfil the charity's charitable objectives.

8.4 Analysis of investment income

	Held in UK £000	Held overseas £000	2024/25 Total £000	Held In UK £000	Held overseas £000	2023/24 Total £000
Investment properties	(11)	-	(11)	88	-	88
Mixed motive investment	10	-	10	57	-	57
Investments in common investment funds	871	-	871	697	-	697
Bank deposit interest	1,148	-	1,148	1,198	-	1,198
Total investment income	**2,019**	**-**	**2,019**	**2,040**	**-**	**2,040**

8.5 Details of material investment holdings

At the end of the financial year, the charity has one investment manager, Cazenove.
Investments exceeding 5% of the respective manager's portfolio are:

		Value 2025 £000	Value 2024 £000
Cazenove	Sustainable Multi-Asset Fund	15,402	15,942
	J P Morgan	4,005	4,207
Total		**19,407**	**20,149**

8.6 Gains/losses on investments

The 2024/25 net loss of £397,000 relates to the realised/unrealised loss on investment in common investment funds.

9 Analysis of debtors

	Group 2025 £000	Charity 2025 £000	Group 2024 £000	Charity 2024 £000
Prepayments	133	97	44	38
Due from subsidiary undertakings:				
RFC Developments Ltd	-	-	-	-
RFC Recreation Club Ltd	-	174	-	19
RFC Enterprises Ltd	-	397	-	457
RFC Overage Ltd	-	52	-	52
Other debtors	2,391	1,628	3,530	3,111
Total debtors	**2,523**	**2,347**	**3,574**	**3,678**

10 Analysis of creditors

10.1 Creditors falling due within one year

	Group 2025 £000	Charity 2025 £000	Group 2024 £000	Charity 2024 £000
Grant and other accruals	12,196	11,134	14,118	10,244
Trade creditors	1,466	1,222	658	2,198
Due to subsidiary undertaking - RFC Rec Club	-	51	-	-
Due to subsidiary undertaking - RFC Enterprises Ltd	-	-	-	
Intercompany with RFC Enterprises Ltd	-	-	-	1,571
Other creditors	726	692	245	245
Total creditors falling due within one year	**14,388**	**13,099**	**15,021**	**14,258**

11 Analysis of material funds

11.1 Unrestricted funds

Designated funds (2024/25)	Opening balance £000	Income £000	Expenditure £000	Restricted transfers £000	Gains (loss) £000	Closing balance £000
Friends' Fund – transferred from the formerly separate charity, Friends of the Royal Free Hospital departmental funds*	16	2	-	(19)	-	-
Clinical biochemistry	450	8	(192)	(10)	-	256
HIV/AIDS	1,327	-	(37)	(32)	-	1,258
Inflammation services: amyloidosis	901	370	(79)	(28)	-	1,166
Haematology: training, research and patient welfare	629	92	(224)	(13)	-	483
Simulation centre	258	17	(4)	(7)	-	264
Nuclear medicine	428	45	(72)	(10)	-	391
RFC medical equipment fund	320	-	-	-	-	320
HPB fund	150	(2)	(23)	139	-	264
Meena Raja Kidney Cancer Foundation	82	301	(79)	(7)	-	298
North Middlesex University Hospital	-	215	(123)	0	(1)	92
Others	6,751	581	(1,229)	(491)	-	5,612
Total designated funds	11,313					10,404
Other general funds (undesignated)	68,501	6,277	(10,059)	1,406	(3,480)	62,644
Total unrestricted funds	**79,813**					**73,048**

*These funds derive from donations and legacies made by grateful patients and their relatives over many years and are under the day-to-day control of fundholders in specific areas of the Royal Free London NHS Foundation Trust (cardiac, renal, etc) for use on appropriate projects as they arise.

11.2 Restricted funds

Restricted funds 2024/2025	Opening balance £000	Income £000	Expenditure £000	Restricted transfers £000	Gains (loss) £000	Closing balance £000
Trust infrastructure fund	11,880	-	-	-	-	11,880
RFL fund	8,119	(1)	6 70	(290)		8,498
Patient experience funds	-	-	-	-		-
Staff experience funds	-	1	-	-	-	1
Restricted grants	559	764	(935)	(498)	-	(110)
NAC capital fund	6,207	-	(57)	(154)	-	5,996
Peter Costin Memorial	544	-	(11)	-	-	533
St Peter's Trust	168	9	(199)	-	-	(22)
Kitty Cookson Memorial	-	-	109	(2)	-	107
J F Moorhead	2,289	100	(44)	-	(69)	2,277
Dr Janet Owens Fellowship	275	-	(28)	(6)	-	241
North Middlesex University Hospital	-	368	(44)	(7)	-	318
Surgical robot	-	397	(2,011)	-	-	(1,614)
Other	-	5	10	27	-	40
Total restricted funds	**30,041**	**1,644**	**(2,539)**	**(929)**	**(69)**	**28,143**

Restricted grants consist of individual funds, which are kept under one fund.
The funds are distributed as per the contractual terms and conditions.

11.2 Restricted funds (continued)

Restricted funds (2023/2024)	Opening balance £000	Income £000	Expenditure £000	Restricted transfers £000	Gains (loss) £000	Closing balance £000
Trust infrastructure fund	12,000	-	-	(120)	-	11,880
RFL fund	8,610	1,170	(1,048)	(613)	-	8,119
Patient experience funds	-	-	-	-		-
Staff experience funds	-	-	-	-	-	-
Restricted grants	545	434	(187)	(234)	-	559
NAC capital fund	3,486	3,944	(1,224)	-	-	6,207
Peter Costin Memorial	572	-	(18)	(10)	-	544
St Peter's Trust	222	33	(88)	-	-	168
Kitty Cookson Memorial	109	-	(109)	-	-	-
J F Moorhead	2,058	263	(32)	-	-	2,289
Dr Janet Owens Fellowship	350	-	(75)	-	-	275
Total restricted funds	**27,953**	**5,845**	**(2,780)**	**(977)**	**-**	**30,041**

Restricted grants consist of individual funds, which are kept under one fund.
The funds are distributed as per the contractual terms and conditions.

11.3 Details of the restricted funds

Trust infrastructure fund	To fund clinical infrastructure improvements
RFL fund	To fund various projects and contribute to development of cancer centre
Patient experience funds	To fund enhancement of experience of NHS patients
Staff experience funds	To fund enhancement of experience of NHS staff
Restricted grants	To fund individual projects as described in the contracts
NAC capital fund	To support amyloidosis research
Peter Costin Memorial	To provide bursaries to medical students
St Peter's Trust	To support kidney, bladder and prostate research
Kitty Cookson Memorial	To support an oncology fellowship
J F Moorhead	To support renal research
Dr Janet Owens Fellowship	To support research into Parkinson's disease
North Middlesex University Hospital	To fund individual projects at North Mid
Surgical robot	To fund the purchase of a new surgical robot at RFH

12 Contingent liabilities

There were no contingent liabilities at either 31 March 2025 or 31 March 2024.

13 Trustees and connected persons transactions

No trustee or member of the key management staff, or person related to them, undertook any material transactions with the charity in either 2024/25 or 2023/24.

Judy Dewinter (trustee) was reimbursed expenses of £717 (£562 in 2023/24).

Trustees of the charity (and their families) made donations to the charity totalling £7,519.69 (£373,395 in 2023/24).
Indemnity cover is provided for the trustees by the charity.

The charity provides the majority of its grants by number and value to the trust (see Note 3).

14 Related party interests

RFL employees who are also trustees of the charity: Julie Hamilton, group chief nurse; Peter Landstrom, group chief executive; Akta Raja, non-executive director (to September 2024); Dr Gillian Smith, group chief medical officer.

The charity has five subsidiary companies, in all of which it is sole shareholder, as follows:.

RFC Recreation Club Ltd (company no 7686541):
Company directors and employees of the charity: Laura James, director of services and innovation; Alison Kira, director of grants and impact; Mark Tanton, head of property and operations (to July 2025); David Bulbeck, finance business partner (appointed 4 October 2024), are employed by the charity and are also company directors. Company director and charity trustee: Melanie Sherwood.

In 2024/25, RFC Recreation Club Ltd was recharged by the charity £268,071 in respect of staff salaries (2023/24: £250,850).

The company made a gift aid distribution to the charity of £74,504.60 (2023/24: £65,473.40).

The company owed £99,374 in invoices to the charity (2023/24: £20,624)

The charity paid the company £nil (2023/24: £nil) in respect of the use of facilities. None of this was outstanding at 31 March 2025.

The intercompany balance at year end owed by the charity was £51,003.69 (2023/24: £19,444.53).

RFC Developments Ltd (company no 8729267):
Company director and employee of the charity: Jon Spiers, chief executive. Company director and trustee: Judy Dewinter.

Provision of administrative services by the charity to RFC Developments Ltd - RFC Developments Ltd was charged £nil (2023/24: £nil).

During the year RFC Developments Ltd made a gift aid distribution of £78.46 to the charity (2023/24: £nil).

RFC Enterprises Ltd (company no 8729268):
Company director and charity trustee: Judy Dewinter. Company director and employee of the charity: Jon Spiers, chief executive.

In 2024/25, the transactions between RFC Enterprises Ltd and the charity were:

The charity recharged to RFC Enterprises Ltd total costs, net of VAT, of £1,058,525 (2023/24: £543,458) in respect of Pears Building expenditure paid on the company's behalf. At the year-end £397,335 (2023/24: £nil) was owed to the charity by RFC Enterprises Ltd.

RFC Enterprises Ltd charged the charity £88,950 (2023/24: £1,555,288) in respect of services provided at the Pears Building.

At the year-end the charity owed £nil (2023/24: £1,571,031) to RFC Enterprises Ltd.

During the year RFC Enterprises Ltd made a gift aid distribution of £nil to the charity (2023/24: £589,465).

RFC Properties Ltd (company no 10609331):
There were no transactions between the charity and the subsidiary during 2024/25 (2023/24: none).

There were no outstanding balances from either party at 31 March 2025 (31 March 2024: none).

RFC Overage Ltd (company no 10699295):
Company director and charity employee: Jon Spiers, chief executive. Company director and trustee: Judy Dewinter (from July 2025).

The charity loan balance of £50,000 to the subsidiary remains in 2024/25 (2023/24: £50,000). The subsidiary owes £50,000 to the charity for the rights of a sold property (2023/24: £50,000).

There were outstanding balances between both parties for £51,620 at 31 March 2025 (31 March 2024: £51,620).

15 Members' liability

The charitable company is limited by guarantee, not having a share capital and consequently the liability of members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the charitable company on winding up, such amounts as may be required not exceeding £1.



Our trustees

Judy Dewinter
Chair of Trustees
Akta Raja (resigned 30 September 2024)
Vice-Chair of Trustees to 30 September 2024
Simon Lyons
Vice-Chair of Trustees from 1 October 2024
Russell Brooks
Stephen Craig (appointed 10 June 2025)
Julie Hamilton
Valerie Jolliffe
Peter Landstrom
Avani Mehta (appointed 12 March 2024, resigned 12 March 2025)
Katie Morrison
Alison Munday (appointed 1 April 2025)
Nnenna Osuji (appointed 21 May 2024, resigned 28 January 2025)
Melanie Sherwood
Gillian Smith

Senior leadership team

Jon Spiers
Chief Executive
Robin Meltzer
Deputy Chief Executive, Director of Engagement and Communications
David Cheesman
Interim Director of Strategy (contract ended 9 May 2024)
Russell Delew
Director of Fundraising and Campaigns (previously Director of Campaigns, appointed interim Director of Fundraising and Campaigns 1 August 2024, appointed Director of Fundraising and Campaigns 1 January 2025)
Sharron Grant
Director of People and Culture
Alex Jarvis
Director of Finance and Company Secretary
Laura James
Director of Services and Innovation (previously Assistant Director of Innovation, appointed in current role 30 August 2024)
Alison Kira
Director of Grants and Impact
Paul Stein
Executive Director of Fundraising (resigned 31 July 2024)
Jenny Todd
Assistant Director of Services (resigned 29 August 2024)

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THANK YOU

On behalf of the staff and patients of the Royal Free London NHS Foundation Trust and everyone at the Royal Free Charity, we offer our heartfelt thanks to all our supporters, including those who choose to give anonymously. Our generous network has raised funds, increased awareness of our charity and enabled us to respond flexibly to the evolving needs of our hospitals, patients and staff during the past year.

The Apax Foundation
Mark Astaire
The Roy Bard Charitable Foundation
Claire and Robert Beecham
Blandford Capital
The Bloom Foundation
The Bluston Charitable Settlement, in honour of Lily and David Bluston
Michael Bond
Bottoms Up bowel cancer charity
The Manny and Brigitta Davidson Charitable Foundation
Judy and Paul Dewinter
Sally and Steven Dyson
Antonia and Charles Filmer, and all those who supported the Miranda Filmer Fund
Jill and Norman Franklin Trust, in honour of Norman Franklin.
The Robert Gavron Charitable Trust, in honour of Nicky Gavron
Gould Charitable Trust
The Grace Trust
Hampstead Garden Suburb Residents Association
Philip W Hinchliff
R S Hoffman
Neil Hyman
Integrated Design Limited
Kusuma Trust
Ladies Kidney Research Darts League
Family and friends of Ian Lauderdale
Family and friends of Jeanie McAfee Jones
Michael McHale
Clive and Pauline Mishon
Mosselson Charitable Trust
Logan and Abi Naidu
Peter Oppenheimer and Joanna Myers, Goldman Sachs Gives
Pears Foundation
Elizabeth and Daniel Peltz
The Pink Ribbon Foundation
Sarit Raja-Shah
Vladislav Rodimov
The Cecil Rosen Foundation
The Basil Samuel Charitable Trust
Friends and family of Lisa Shannon
Paul Symes
Ruth and Noam Tamir and the Tamir-Sternberg Foundation
Neethi and Sundeep Vyas
Susie and Ben Whitmore
The Charles Wolfson Charitable Trust

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Kenneth Frederick Feakins
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Nicole Homa
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Philippe G Phillippides
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Charity no. 1165672
Company registration no. 09987907

THE ROYAL FREE CHARITY

England & Wales - Charity number 1165672

Accounts



ANNUAL REPORT + ACCOUNTS 2023–2024

EVERY. MOMENT. MATTERS.

ROYAL FREE CHARITY

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MESSAGE FROM THE CHAIR



Welcome to our annual report, giving us the opportunity to look back on the past year and show where we're heading. You will notice a sense of urgency in this year's report. That's because we know that the hospitals of the Royal Free London NHS Foundation Trust (RFL) need our help more than ever. And if we are to ensure that the generosity of our supporters has the maximum impact in our four hospitals* and many satellite sites, we need to move fast.

This is particularly true when it comes to the treatment and care of people needing cancer treatment, whose numbers have grown sharply and are set to increase even more significantly over the next few years.

This is why we have embarked on the biggest fundraising appeal in our history to create a dedicated cancer centre for north London.

We also know that the cost of living crisis has led many more patients, already coping with serious illness, to seek our help with sourcing welfare benefits and managing housing issues. We are also acutely aware that our NHS colleagues have come to rely on not only the grants we give them for equipment, the refurbishment of rest areas and research into treatments, but also our affordable accommodation, massage therapy and the hard work and dedication of our volunteers working across all our hospitals.

We see ourselves as a solution provider for patients, carers and staff of the RFL, as well as the wider population across north London, and we do this by funding, influencing, partnering and collaborating.

We also help provide solutions for the future by seeking to influence still more widely – for example around the role that philanthropy can play alongside the NHS – be they local or national policy makers or philanthropists themselves.

Of course, we can do none of this without our supporters: those who make donations, organise fundraising events, leave us a gift in their wills or give their precious time as volunteers in our hospitals, and for this we are extremely grateful.

I would also like to acknowledge and thank our trustees, who give their time, and the charity's staff. Together, we are making every moment matter.

Thank you.



Judy Dewinter, chair

*On 1 January 2025, North Middlesex University Trust Hospital joined the RFL.

HIGHLIGHTS OF OUR YEAR



New cancer scanner is UK first

Cancer patients at the Royal Free London are the first in the UK to benefit from a revolutionary new scanner delivering more accurate and faster diagnoses.

The £8 million positron emission tomography (PET) scanner, funded by the Royal Free Charity, is 30 times more powerful than standard machines and will allow scans of the whole body to be completed in a fraction of the time they do currently and with less radiation. See page 8

'Crucial' role for RFL in cancer

The RFL has a crucial role to play in the global response to the challenges of treating and curing cancer, according to the former head of the NHS in London.

Sir David Sloman, who gave the 2023 Marsden Lecture in honour of the founder of the Royal Free Hospital, said the RFL was one of the biggest cancer care providers in the UK and a major contributor to global research – essential to treating and curing cancer in the future.

Pictured: Jon Spiers, chief executive, Royal Free Charity, Sir David Sloman and Judy Dewinter, chair of trustees, Royal Free Charity





Study points to amyloidosis breakthrough

A new study, funded by the Royal Free Charity, has provided the first evidence that cardiac amyloidosis can be reversed.

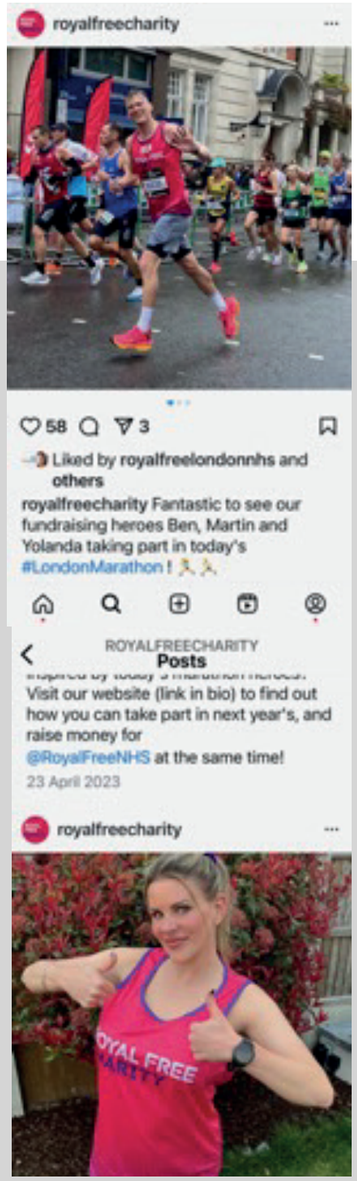
Three men who had heart failure caused by the build-up of sticky, toxic proteins are now free of symptoms after their condition spontaneously reversed in an unprecedented case described by a team at UCL and the Royal Free Hospital. See page 25

Mileto milestone

Our new authentic Italian café, which opened in the main reception area of the Pears Building, next to the Royal Free Hospital, is proving popular with locals, hospital staff and users of the building.

Mileto Caffé is run by Federica Federico who learned her trade in her family's café in Rome. Federica uses speciality coffee, sourced ethically from her network of suppliers around the world.

Nearly £52,000 was the amazing sum raised by our intrepid 2023 London Marathon runners.





HIGHLIGHTS OF OUR YEAR



Seeking cures and new treatments

Our nearest neighbours again took up our invitation to hear more about the scientific research at the UCL Institute of Immunity and Transplantation which occupies most of the Pears Building.

About 40 people heard the latest on research into a cure for type 1 diabetes from Professor Lucy Walker. She said that the current 8.4 million people worldwide living with the disease was expected to increase to 13-17 million by 2034. The reality of living with the disease was described by a patient, Kirsty, in conversation with Dr Sarah Ali, her Royal Free Hospital consultant.

TV star honours NHS staff and volunteers

Bradley Walsh, actor and TV presenter (far left), was the guest compere for the annual Royal Free London staff awards, where he spoke of his admiration and gratitude for the NHS.

Presenting the group volunteer of the year award to the winning team, Jon Spiers, our chief executive, (far right) said: "Our volunteers conduct peer-to-peer patient conversations across services, to ensure that not only do we hear a balanced view of feedback, but also that staff at Barnet Hospital can be responsive to any issues as they arise."

The charity is proud to sponsor the awards, which ensure that outstanding contributions by staff and volunteers are recognised and celebrated.





Architectural awards for the Pears Building

The Pears Building, which houses UCL's Institute of Immunity and Transplantation, patient accommodation and the charity offices, won two prestigious accolades.

It was highly commended at the Civic Trust Awards, which celebrate excellence in sustainable and accessible architecture that makes a positive civic contribution.

The Royal Institute of British Architects also made it a London Award winner for 2023, praising the way it improved the area, its "impeccably designed" laboratories and diverse breakout spaces designed to facilitate ad hoc communications.

Radio therapists

Three volunteers won lifetime achievement awards from Enfield Council for their work broadcasting to Chase Farm, the Royal Free and North Middlesex University (the North Mid) hospitals.

Joe Forster (left) , Tom Delaney (centre) and Colin Dye have more than 100 years of voluntary service between them.

"Being recognised for doing something I have always enjoyed is an incredible feeling," said Colin, a volunteer for 54 years.

Joe, broadcasting for 44 years, said: "I told my children about the award. They were proud of me for something I'd achieved."



Art and about

A guided tour of the charity's art collection at the Royal Free Hospital was launched for patients.

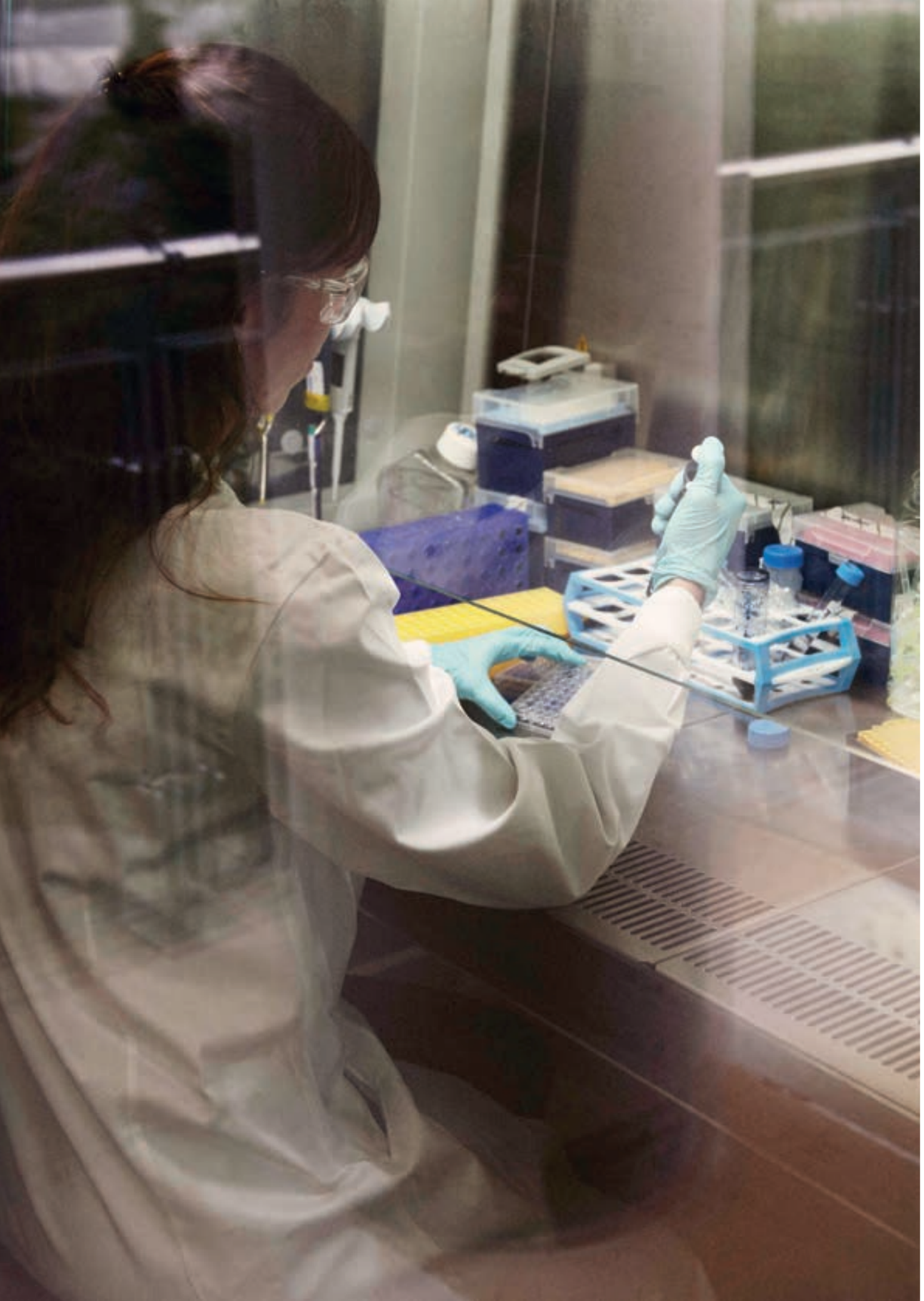
Three volunteers, Karina, Lynn and Joanna, deliver the "Art as Medicine" tour, guiding patients through a selection of artwork on the seventh floor of the hospital in the hope of accelerating patients' recovery with physical and mental stimulation.

Adil Hameed (above) was one of the first patients to take part in the tour with volunteer Lynn.



PHOTO: SIMON O'CONNOR

'We do what we do for the love of it, we don't expect to get any awards for doing it'
Tom, show host for 33 years



MESSAGE FROM THE CHIEF EXECUTIVE



As one of the nation's leading NHS charities, we work tirelessly to support patients, families and NHS staff across north London. This report offers just a snapshot of the many innovative ways we helped your local hospitals go further, faster, for all, this year. From our sector-leading direct services to major new grants, thanks to your support, we're able to help patients from their first days of life to their final years.

But our crucial work isn't just limited to what goes on each day in our four hospitals and many satellite sites. We all know that preventing ill health and supporting people to live longer, happier and healthier lives is critical in ensuring the NHS can cope with the demands of tomorrow. That's why we're proud to be investing in vital public health projects in your communities.

This year saw the culmination of our COVID recovery programme in some of north London's most deprived communities, working with other grassroots charities to deliver much-needed interventions to support the mental health of young Black men, to tackle digital exclusion which prevents many of us accessing healthcare online and supporting people with long COVID in marginalised communities.

We made large-scale new investments this year to improve access to cancer screening for local people with learning disabilities and to pump-prime an exciting new project to train our NHS colleagues in promoting healthy living advice in every interaction with their patients. We also invested further in the facilities of our much-loved Recreation Club in Hampstead which offers affordable health and fitness facilities to local residents, schools and patients.

The Royal Free Charity is now actively working to tackle the cancer challenge across prevention, screening, diagnostics, surgery, patient care and research. It's only by taking this joined-up approach across the whole cancer pathway that we will support the Royal Free London as they tackle the rising tide of cancer cases. A new surgical robot campaign and our plans to build a new cancer centre for north London lie at the heart of our response and we're incredibly grateful to the supporters who have already joined us on this journey.



Jon Spiers, chief executive

EVERY MOMENT MATTERS FOR CANCER PATIENTS

The RFL is one of the busiest cancer centres in London and one of the largest providers of cancer care in the UK. An explosion in the number of cancer cases in the coming decade is predicted by experts worldwide. Working in partnership with the world-leading university UCL, and championed by our supporters, we are committed to helping the RFL rise to this challenge.

At the centre of the strategy will be the co-location of treatment and research in a new RFL cancer centre, funded by a major campaign over the next four years.

Focused on advancing – and aligning – innovation, treatment and care, the centre will:

- diagnose cancers sooner with innovative approaches to early detection
- improve patient outcomes by accelerating the development of novel treatments
- enhance patients' hospital experience through smoother and more efficient care
- foster collaboration between clinicians, researchers and patients in a new centre designed for medical advances.

As well as laying the foundations for the centre, over the past year we have supported cancer patients in several practical ways.

Charity funds NHS first
We made a crucial donation that enabled the RFL to buy a revolutionary scanner delivering more accurate and faster diagnoses – the first of its kind in the NHS.

The Quadra positron emission tomography scanner is 30 times more powerful than standard machines, allowing scans of the whole body to be completed much faster. And because it's more sensitive, it uses less radiation, which is safer for patients.

- 50,000 - number of cancer service referrals at the Royal Free London each year
- 600% - increase in speed of scanning from 30 to five minutes





Cancer research legacy



Miranda Filmer

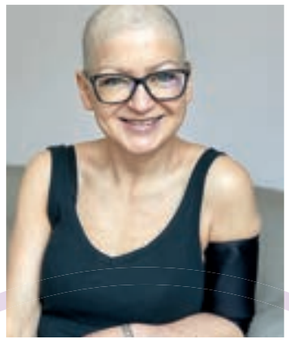
A new research laboratory at the Royal Free Hospital, set up to improve treatment for patients with a rare and sometimes aggressive type of cancer, is to be named after a young woman whose inspiration has raised nearly £500,000.

Miranda Filmer died aged 30 of neuroendocrine cancer in 2022 and soon after her family set up a research fund for neuroendocrine tumours.

This is now supporting groundbreaking research into why some cancer cells are more aggressive, why they change structure and how they respond to treatment. The aim is to increase understanding of which treatments work better on which patients.

Miranda's legacy has led to a huge fundraising drive for neuroendocrine cancer research.

...and another NHS cancer first



Wendy, our first microblading patient

The Royal Free London has become the first NHS trust to offer an in-house eyebrow microblading service to patients treated for cancer, thanks to funding from the Royal Free Charity.

Patients attending the Royal Free Hospital's breast clinic for chemotherapy can now be referred to the charity for microblading to help with the effects of eyebrow hair loss. Microblading, a semi-permanent technique, uses pigment to create a hair-like appearance on the skin which can last up to three years.

Robyn Althasen, the therapist, offers the treatment either in the charity's on-site complementary therapy rooms or at her clinic in Harley Street.

Wendy, from Muswell Hill, was the first patient to receive the service. She said she had heard of microblading but hadn't considered it before learning that she would probably lose her eyebrows during chemotherapy.

"I think going through cancer treatment is such a challenge to anyone's sense of identity that anything that can be done to retain something akin to 'normality' is good to try. I'm really glad I had the microblading done before chemo, and really grateful for the support from the Royal Free London breast cancer nursing team and the Royal Free Charity. "

The donor

'I could see how busy the staff were, was very grateful to them and I wanted to help. That's why I now volunteer on the wards.'

Funding projects

- The Royal Free Charity is funding London's first one-stop NHS lung cancer diagnostic service, based at the Royal Free Hospital, thanks to the support of local residents and community groups.
- Charity funds are also expanding a digital mammography service to Barnet Hospital so that people with suspected breast cancer can have a quicker and more accurate diagnosis.
- A project funded by the Royal Free Charity is set to make it easier for people with learning disabilities in Camden and Islington to access cancer screening. The £350,000 grant will help tackle the barriers that often prevent or deter people with learning disabilities from getting important health checks that can detect cancer at an early stage.
- A grant worth nearly £10,000 has funded surgical magnification technology at Barnet and Chase Farm hospitals which will result in more precise removal of cancerous skin lesions, leading to reduced hospital stays and faster recovery times.



EVERY MOMENT MATTERS FOR PATIENTS AND NHS STAFF

Our volunteers, massage therapists, welfare benefit advisers and pet therapy dogs and their owners are constantly on hand in our hospitals, helping patients find their way, easing the stresses of treatment and providing expert help with money and housing worries.

Many have been trained to provide support to patients with particular needs and these roles are unique to our charity. They include volunteers with particular digital skills which reduce missed appointments and help ease staff stress, companions for dementia patients, artists, musicians and massage therapists who have had training in treating particular conditions.

Volunteers keep patients moving

One of our newer volunteer roles is part of a programme to encourage patients on our wards, particularly older people, to be as mobile as possible during their stay.

A 10-day stay in hospital can cause an elderly person to age 10 years in lost muscle tone, increased fatigue, low self-esteem and loss of confidence. They are also more likely to fall and to develop pressure sores.

But during the year we drew up plans for our charity volunteers to join a hospital project called MOVE at the Royal Free Hospital.

Currently, on average 36% of patients are in bed for lunch, even though most don't need to be. The project will aim for 75% of patients to be out of bed at lunchtime during the first year of the project.

There are also plans to create activities and communal meal sessions.

Our volunteers service this year

- 503 volunteers gave 39,372 hours
- 17 therapy dogs have had more than 10,000 interactions with hospital staff, patients and visitors
- 1,357 dementia patients were visited by volunteers
- Nearly 118,000 visitors were helped by enquiry desk and meet-and-greet volunteers
- 45,091 patients and 11,631 staff were helped by ward volunteers

Our volunteers around the trust

Just a few of the ways our volunteers helped patients and NHS staff during the year:

Barnet Hospital

- Helped patients with mobility and bedside exercise
- Worked with the Laughter Specialists Charitable Trust to engage patients, including children and those living with dementia, in fun and stimulating activities





The hospital clinician

'As a clinician, knowing I can refer to the support hub to help with social issues really has helped. Patients value having a case worker and a named person they can speak to and getting the appropriate help, guidance and support.'



- Recruited asylum seekers in partnership with Barnet Council to help them integrate into the workplace and society

Chase Farm and Finchley Memorial hospitals

- Helped patients use virtual reality headsets to reduce the stress of cancer treatment

Royal Free Hospital

- Returned to the A&E department to provide support to patients for the first time since the pandemic
- Provided support to kidney patients and their families by pairing the patient/carer with a person who has first-hand experience of kidney disease.
- Supported young people with learning disabilities to become volunteers and develop life skills.

Support hub hailed in mayor's report

The charity's unique in-hospital support hub helps some of our most vulnerable patients. This year we helped 460 people struggling to make ends meet and in unstable housing situations.

During the year, the service supported several people with benefit applications and appeals which led to awards totalling more than £800,000 for vulnerable patients. We supported almost 100 people with housing, including preventing several from becoming homeless, and supported 39 NHS staff.

In a survey of hub users, 80% said they felt less stressed about their finances, 78% said their wellbeing improved and 88% said they found talking about their challenges was therapeutic.

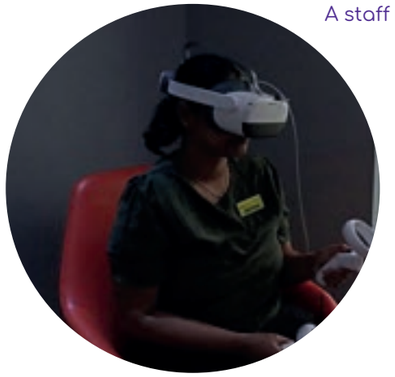
Our service was highlighted in a report, funded by the Mayor of London, which called for a more collaborative approach across the health and care systems.

Liz Fowler, who manages the support hub, said: "Most patients were referred by a hospital clinician who had concerns about the impact on their health of their living conditions and financial situation.

"Patients dealing with life-threatening or life-changing conditions have enough challenges without the added complexity of the UK's housing system or a bureaucratic struggle to access benefits to which they are entitled."

See the full report on the Bromley By Bow Centre website: https://www.bbbc.org.uk/

The hub also hosts a support group for patients who have required an amputation as part of their treatment and during the year made plans



A staff member at Barnet Hospital enjoys some virtual quiet time in the Oasis

to develop a new group for patients with inflammatory bowel disease.

Hands-on help for the patients

Our much-loved complementary therapy team had another very busy year working alongside our NHS colleagues directly delivering a range of therapies to patients. The small team of part-time therapists delivered 13,420 treatments across the three hospitals which formed the trust during the year, giving care on wards and in the team's specialist treatment rooms. Some of the therapies offered, such as acupuncture and specialist massage of scar tissue, are thought to be unique among charities in NHS hospitals.

A highlight was the opening of the Oasis staff wellbeing space at Barnet Hospital, following an extensive refurbishment project funded by the charity. The Oasis has facilities for clinical massage sessions - delivered by our complementary therapy team - and therapy sessions using virtual reality headsets to reduce stress and anxiety. There's also a safe space for referrals to the trust's emotional and mental wellbeing support services.

Deborah Sanders, chief executive of Barnet Hospital, said: "Thanks to the support of the Royal Free Charity, our staff have dedicated services and technology that focus on their physical, emotional and mental wellbeing and, crucially, in a bespoke space that was designed to be an oasis of calm and serenity."

Providing grants

As well as providing services ourselves such as volunteers, therapists and welfare advisers, our generous supporters enable us to make grants to enable RFL staff to do more than NHS funding can alone.

During the year we committed funds to these areas as follows:

Research and innovation	£3.4m
Clinical services	£773,000
Patient experience	£1.2m
NHS staff experience	£970,900
Total	£6.4m

We are also exploring the difference our funding can make to the health of the communities served by our hospitals.



Members of the gardening volunteer team on the Pears Building terraces



Among the grants we awarded were:

£8000 for an education strategy for children and young adults with asthma

£360,000 for the Faculty of Population Health, which aims to improve patient health by helping patients make healthier choices

£35,700 for improvements to cancer care gained from patient insights

£55,000 to refurbish the staff room in the emergency department

£8,560 for training to improve HIV knowledge and reduce stigmatising attitudes in healthcare workers

£9,780 to improve magnification for skin cancer surgery

£352,172 to improve access to cancer screening for people with learning disabilities in Camden and Islington

Nurturing our surroundings

Year two of a three-year plan to revitalise the planting saw our gardening volunteers carrying a lorryload of compost in wheelbarrows and trugs to the Pears Building terraces. Colourful perennials were planted among the ornamental grasses, including yellow rudbeckias, orange heleniums, purple echinaceas, asters, verbena bonariensis, pink penstemons and scabious.

Outside the Rec Club, tall wooden fencing was removed to reveal the lovely trunks of the birch and rowan trees and flowering shrubs were planted around the edges. More than 10 years' worth of rubbish was picked out of the soil. In the gardens in front of the Royal Free Hospital, gaps were filled with flowering shrubs and perennials, using a mixture of evergreens and deciduous plants.

Every Saturday, the volunteers maintain these areas, doing all the pruning, weeding, deadheading, soil improvement, litter picking and autumn leaf collecting, as well as redesigning and replanting where plants have outgrown their space.

The hospital clinician

'I am so thankful to you and your staff team who provide such a valuable service to patients who otherwise would not know how to navigate some very difficult processes.'

EVERY MOMENT MATTERS FOR RESEARCHERS

How does research help patients?

Evidence shows that patients treated at hospitals which undertake research have more confidence in staff, lower death rates and better cancer survival rates – even if the patient isn't directly taking part in a study.

Participation in a clinical trial can bring:

- access to new treatments
- more information about the patient's condition
- closer monitoring, which itself can improve outcomes
- help for future patients

Over the past four years, the charity has significantly increased support and funding for clinical research and now contributes to key stages of the research cycle.

- The creation of the Pears Building, the new home of the UCL Institute of Immunity and Transplantation, next door to the Royal Free Hospital, has made it easier for researchers to collaborate with clinicians and patients over the design of research.

- With funding from the charity, the RFL established the Faculty of Population Health which aims to use evidence to improve the quality of clinical care through embedding secondary prevention throughout the healthcare system.

The researcher

'Gene editing is revolutionising many medical treatments. With the charity's funding we've been able to erase a mutation that causes diseases of the immune system – and a lifelong cure for these patients is now closer to reality'



Gifts in wills help us to make a difference to patients, staff and research. If you are considering supporting us with a gift in your will, visit www.royalfreecharity.org to find out more.

● And we have continued our journey towards full membership of the Association of Medical Research Charities, which will provide reassurance to donors of our high standards of transparency, accountability and responsible and ethical research.

We awarded our first research scholarships to healthcare professionals to enable them to start developing their research careers. One study will look at the parent experience of a child being treated for clubfoot; another will study the need for a pregnancy loss support clinic.

We awarded a grant to develop colouring and comic books for children coming to our eye clinic to explain what will happen, reassure them and make attending less daunting. Other hospital trusts have expressed an interest in developing the idea.

"Coming into hospital is scary even for adults but particularly for kids. A large part of that is a fear of the unknown, " said consultant ophthalmologist Saurabh Jain. "We designed this leaflet to make the journey a little bit easier."

He added: "It takes us on a journey with a patient, who is about to have an eye operation at the hospital, describing the various steps involved, demystifying the process and hopefully making it a bit easier for the patient."

Item	2023/24
Total research spend	£1.69m
Total awarded in research grants	£702K
Total invested in cancer research	£614K
Number of active grants	122 (41 research)
PhD students funded (all time)	42
Research grant applications received	36
Research grants awarded	12
Success rate (research)	28%

The fundraiser

'I decided to fundraise for the Royal Free Charity to show gratitude for the help and support my husband and I received from medical teams at the Royal Free Hospital, after his diagnosis with liver cancer and subsequent liver transplant.'





The consultant

'Coming into hospital is scary even for adults but particularly for kids. We designed this leaflet to make the journey a little bit easier.'

Long-term legacy

A gift in the will of a grateful patient led to the opening of a research centre at the Royal Free Hospital where discoveries made in laboratories are tested in patients for safety and effectiveness.

Family and friends of the late Laurence Isaacson CBE, entrepreneur and restaurateur, visited the hospital's clinical research facility (CRF), where a plaque was unveiled in honour of his £315,000 gift.

Simon Lomas, the executor of Mr Isaacson's will, said: "It was enlightening to visit and exactly how Laurence would have wanted his legacy to be used. I am grateful to all at the Royal Free that have helped use the money so wisely."



L-R: Nia Voase, CRF manager; Professor Tim Meyer, CRF director; Natasha Isaacson, niece of Laurence Isaacson and Simon Lomas, family friend and executor of Mr Isaacson's will

Study gives hope to amyloidosis patients

A charity-funded study has provided the first evidence that cardiac amyloidosis can be reversed.

Three men who had heart failure caused by the build-up of sticky, toxic proteins are now free of symptoms after their condition spontaneously reversed in an unprecedented case described by a team at UCL and the Royal Free Hospital, which houses the National Amyloidosis Centre.

The condition, a form of amyloidosis affecting the heart, is progressive and has until now been seen as irreversible, with half of patients dying within four years of diagnosis. Professor Marianna Fontana, lead author of the paper, said: "We have seen for the first time that the heart can get better with this disease.

That has not been known until now and it raises the bar for what might be possible with new treatments."

HOW WE DID IT

Getting the funds in...

Introducing a UK-first revolutionary scanner
Philanthropists, charitable trusts, and legacy donors collectively gave £1.5m to enable the Royal Free Hospital to become the first in the UK to bring the benefits of a Quadra PET-CT scanner to patients. Since March 2024, patients have had access to faster, more accurate scans at significantly reduced radiation risk. See page 8.

Celebrating your commitment
We launched our first patron programme to recognise the tremendous impact of those giving £3,000 or more annually. Designed to celebrate the many ways that their giving improves the hospital community, patrons have access to special updates, events and public recognition in our hospitals.

Ba an ambassador
Our new volunteer ambassador programme welcomes engaged and motivated fundraisers. They support us by promoting our appeals, introducing us to their networks and attending events as representatives of the Royal Free Charity.

Learn more about either of these programmes: fundraising@royalfreecharity.org or 020 7317 7772

The fundraiser

'The Royal Free Charity provided specialist care for our aunt through the National Amyloidosis Centre. We are truly indebted to them. It would be amazing to achieve my fundraising goal and give back to the Royal Free Charity. We are on track to beat our target.'





Kay, one of our volunteers, who lives with an amputation, visits patients very soon after they have had similar surgery. She can share her experience and talk about what she found helped her in the early days.

Challenging activities

Our dedicated supporters tackled a range of challenge events to raise money for their local hospitals, including our brand-new A&E Shift Challenge, which raised over £25,400. Supporters walked, cycled or ran 10km or 10,000 steps every week, simulating the distance some A&E staff members cover during their busiest shifts.

Funds raised by this and our wider winter appeal, which reached almost £122,000, are being used to support critical investments in A&E, including improved seating, signage and communication in patient waiting areas, and resources for those with additional support needs, such as autistic people and those with acute mental health concerns, or dementia.

The importance and value of legacy gifts

Legacy gifts provide a crucial, sustainable source of income, helping us to plan confidently for the future. We currently receive around £1 million each year, enabling us to fund new projects, support our services and make a lasting difference in the communities we serve.

You can find out more about leaving us a donation in your will by searching for "gifts in wills" on our website: www.royalfreecharity.org.

The dementia support volunteer

'Being in hospital can be very frightening for patients with dementia. I think without the volunteers, they would close down completely, Volunteering is about time and care.'

...passing the funds on

We give grants to support four areas:

- Supporting the patient experience
- NHS staff
- clinical services
- research

More details on pages 18-21.

We are also evaluating the difference our funding can make to the health of the communities served by the trust.

To support our grant process, developments during the year included:

- awarding our first research scholarships for healthcare professionals to start careers in research, one for a study on parents' experience of children being treated for clubfoot, the second looking at the effectiveness and need for a pregnancy loss support clinic.
- involving in our application reviews people with first-hand experience of the subject we are considering funding to ensure that we're funding work that is directly relevant to our beneficiaries.
- work towards full membership of the Association of Medical Research Charities.

- helping the RFL to set up the RFL Faculty of Population Health which aims to improve access to healthcare and reduce health inequalities by identifying the causes of ill health and the populations most affected.

Supporting the charity's staff

The focus of our staff much of the time is, rightly, the welfare of NHS staff. But support for our own staff is vital too and that's where our human resources team plays a big part.

Key projects during the year were:

- helping staff develop the charity's values: respect, innovation, partnership, dedication and energy
- recognising outstanding work with our new staff awards
- gaining colleagues' views on working for the charity
- investing in training
- developing our apprenticeship programme

Finding out how our staff feel about working for us is absolutely key to our ability to identify areas for improvement. We were delighted that 85% of our staff took part in the 2023 staff survey.

Three members of staff were placed in apprenticeships and we recruited our first apprentice to a business administration course.

We created an equality, diversity and inclusion (EDI) board which comprises staff across different teams, levels and backgrounds. It meets quarterly to plan, strategise and oversee the implementation of initiatives that promote inclusivity across the charity.

In addition to ensuring that all staff receive the proper training, the board is also responsible for reviewing our policies, developing new programmes and fostering partnerships with external organisations. The goal is to ensure that we consistently meet the needs and expectations of our customers, supporters, colleagues and partners, while also monitoring progress and addressing any gaps in our EDI practices.

Recent initiatives include anti-racism training for senior leaders, LGBTQ training for staff, investing in accessibility initiatives in our Rec Club and setting up an internal menopause group.

Telling our stories

The engagement and communications team is constantly looking for new ways to reach the people who would like to support the work of the charity and this year we nearly

The hospital worker

'Chase Farm hospital is very grateful to the volunteers for their willingness to give time, energy and talent to support our staff and patients. You are all truly part of the team.'

Robin's story



Right to left: Robin and Tripti Das, Catherine Sykes, Royal Free Charity, pictured with Raymond and Benny from the renal unit.

"I want to keep my daughters' names alive and I want to thank the NHS staff who cared for them so well. It's time to give something back," said Robin Das, father of Ratna and Heera, who died following complications with the autoimmune disease they both had. Ratna and Heera, who both had kidney transplants at the Royal Free Hospital, died in their 30s.

Robin and his wife, Tripti, donated a state-of-the-art massage chair to staff at the centre. The chair boasts several types of full body massages, all perfect for a moment of relaxation before finishing a busy shift.

Robin said: "I'm forever grateful to everyone who has been involved with the care that my two daughters received over the years, especially those who are still here caring for people today. They still remember Ratna and Heera.

"Being able to give something that will benefit the staff here, to be able to treat them to something that helps is important for me, especially after the compassion and treatment we received.

If you can afford to give even a small gesture of appreciation, then why not? They deserve it!"

The volunteer

'Everyone should volunteer: you get so much more out of it than you put in.'

tripled the number of people signing up to receive our communications from 22,000 to more than 65,000. Initiatives included promoting an easy way to sign up via our hospitals' wifi system and a social media campaign through Facebook and Google Ads to support our Winter Appeal.

We partnered with a new provider, DotDigital, for our email marketing activity. This choice has allowed us to better segment our audiences and provide personalised welcome journeys for new supporters. This ensures they feel appreciated and valued from the moment they join our community.

We also commissioned William Joseph, a leading provider of accessible digital services and a Certified B Corp organisation (which indicates high social and environmental performance) to deliver our new website.

This investment will mean better integration of data and finance systems, improved data security, better site performance and reduced carbon production.

Our annual event for local people to come and hear about the work of the scientists working in the Pears Building was once again well attended and we continued to spread the word about our authentic Italian offer at our Mileto Caffe, open to all.

Protecting the environment

Our head office is in the Pears Building, awarded a rating of "excellent" under the BREEAM scheme, which provides assurance around its energy efficiency and sustainability. But it is just as important that the way we work within it helps to protect the environment.

Among the things we did to improve our sustainability, we:

- disinvested in fossil fuels across our investment portfolio
- changed to a sustainable energy supplier
- began a programme of installing more efficient lighting
- launched a new website with a lower carbon footprint
- increased our use of recycled materials
- reduced our reliance on paper

Plans for next year include:

- redesigning our office space for better efficiency
- improving our recycling processes
- introducing a cycle-to-work loan scheme

A volunteer with a therapy dog visits patients.

LOOKING AHEAD TO 2024-25

Our ambitions for our new cancer centre and our work with our local population to prevent illness will complement our daily support in the wards, clinics and other areas of what will soon be our four hospitals.*

Key to all our ambitions, whether for each day or for the future, will be the continued development of our close relationships with our NHS colleagues so that we ensure that we are offering support exactly where they need it.

Next year we will:

- work with our NHS colleagues on the detailed plans for a world class cancer centre that will improve outcomes and the experience of care for cancer patients across north London
- increase our fundraising income, particularly focusing on funds to support our grants and services across our hospitals rather than reserved for particular areas
- continue to invest in research
- continue to develop new services which we offer directly to patients and NHS colleagues, particularly at the North Mid
- build on our recent success in engaging local people to give them new ways to show their support for their hospitals
- devise ways to directly support measures designed to improve the health of the population beyond the walls of our hospitals

*On 1 January 2025, North Middlesex University Trust Hospital joined the RFL.

TRUSTEES' REPORT

FINANCIAL COMMENTARY

Alex Jarvis, director of finance, property and operations

This year the charity faced the same economic challenges as the country. Our financial position continued to improve, but demand for our grants and services remained high.

The charity spent £14.1m million during the year on grants and directly-provided services for patients and staff.

Voluntary income
Fundraising has remained a challenge in the context of wider economic hardship and other global crises competing for donors' funds. But funds raised have increased our voluntary income to £8.6m, of which £1.1m was unrestricted. We are allowed to use these funds for the greatest possible benefit for all, rather than limiting them to specific groups. We will continue to prioritise our fundraising to support our core operations, including sector-leading volunteering, complementary therapy and support hub services provided directly by the charity.

Grants income
Last year, the charity received a grant from the Royal Free London NHS Foundation Trust (RFL) to spend on long-term priorities for patients, staff and researchers. This one-off grant was not repeated this year, so our total income has reduced.

Properties
All three of our properties are now generating a net income for the charity, supporting our work at our four hospitals.

The Pears Building, in Hampstead, houses UCL's Institute of Immunology and Transplantation, patient accommodation, the charity's offices and the Mileto café, a social hub for the building and the local community.

Occupancy of our patient accommodation is more than 70% overall, with demand during the week at capacity and improving at the weekends.

As a result, RFC Enterprises Ltd, our wholly-owned subsidiary which manages the building for us, made a profit for the charity of £589,000 for the year.

Graseby House provides office space and short-term, affordable accommodation for Barnet Hospital staff. Demand for our 63 residential units remains high, with occupancy rates of over 99%. The building generated a net income of around £917,000 for the benefit of the charity.

The Armoury on Pond Street, leased to the Jubilee Hall Trust, a charity with objectives aligned to the charity's, made a net income of £69,000 for the charity this year. It was independently valued at £2.5m on 31 March 2024, up from £1.4m a year earlier.

The charity spent £14.1m million during the year on grants and directly-provided services for patients and staff.

The lease was renegotiated on a full repairing basis and renewed for 10 years from March 2023.

The charity's other fully-owned subsidiary, the RFC Recreation Club Ltd ("Rec Club") operates an affordable fitness facility for hospital staff and the local community. It generated a profit of £65,000 for the charity. Following refurbishment of the changing facilities, further renovation works are planned for 24/25, with a focus on the building's structure, heating and electrics, funded by the North Central London Integrated Care Board.

Investments
We consolidated our investment portfolio with a single provider, Cazenove, allowing us to focus on ethical and sustainable investment products with an appropriate balance of yield and risk.

Our financial investment holdings totalled £20.2m at 31 March 2024. We also generated income of £697,000 on our investments and £1.2m on cash deposits, taking advantage of high interest rates on our cash balances, which are temporarily high due to receipt of a number of substantial grants.

Processes
During year, we took the first steps towards the implementation of a new finance system which will enable stronger financial management and more efficient operations. There is extensive further work to be done on streamlining our processes and ways of working in order to respond to the increased scale of the demand for our grants and services.

Recruitment and retention
Like the rest of the charity sector, we have staff recruitment and retention issues. We continue to prioritise making the charity a rewarding place to work, as the commitment and engagement of our staff is central to the delivery of our essential work.

Reserves
The charity's reserves provide funding for financial commitments and a contingency against unforeseen circumstances. The trustees review the reserves levels regularly to ensure the charity has adequate funds. The charity holds three main categories of reserves:

- **Restricted funds** are made up of gifts, donations and grants with strict spending conditions and covenants attached, as well as funds inherited from other charitable organisations through merger with the charity. Restricted funds at the year-end were £30.0m (2022/23: £28.0m).

- **Unrestricted, designated funds** are donations or legacies which come with an expression of wish from the donor, but no binding restriction, to benefit specific activities of a department in any of our three hospitals. Unrestricted, designated funds at the year-end were £11.3m (2022/23: £13.0m).

- **Unrestricted, general funds** carry no stipulation or request from the donor but must be spent in line with the charity's objects, which is the legal responsibility of the trustees. Unrestricted, general funds at the year-end were £68.7m (2022/23: £67.6m).

Target and minimum levels of unrestricted free reserves have been established to ensure the charity has adequate funds to operate, allowing for unexpected events. In line with accounting standards for the sector, free reserves are calculated based on general funds, adjusted for fixed assets excluding pure investment properties, and are compared against the minimum reserves requirement stipulated by the policy.

The free reserves at the year-end were negative £3.1m (2022/23: negative £5.2m). This improvement in the free reserves position is attributed to movements in the charity's investment holdings,

We will continue to prioritise our fundraising to support our core operations, including sector-leading volunteering, complementary therapy and support hub services provided directly by the charity.

the revaluation of an investment property, transfers between funds and our income and expenditure for the year. The charity has had negative free reserves since 2020, primarily driven by three separate challenges posed by the pandemic:

1. Very challenging financial investment performance as a result not only of the pandemic but also the war in Ukraine.
2. The immense impact on the NHS and the consequential need for the charity to increase our support for our beneficiaries.
3. Additional capital required to complete the Pears Building following unavoidable cost overruns.

This position of negative free reserves does not pose liquidity or solvency issues due to our comfortable cash balances.

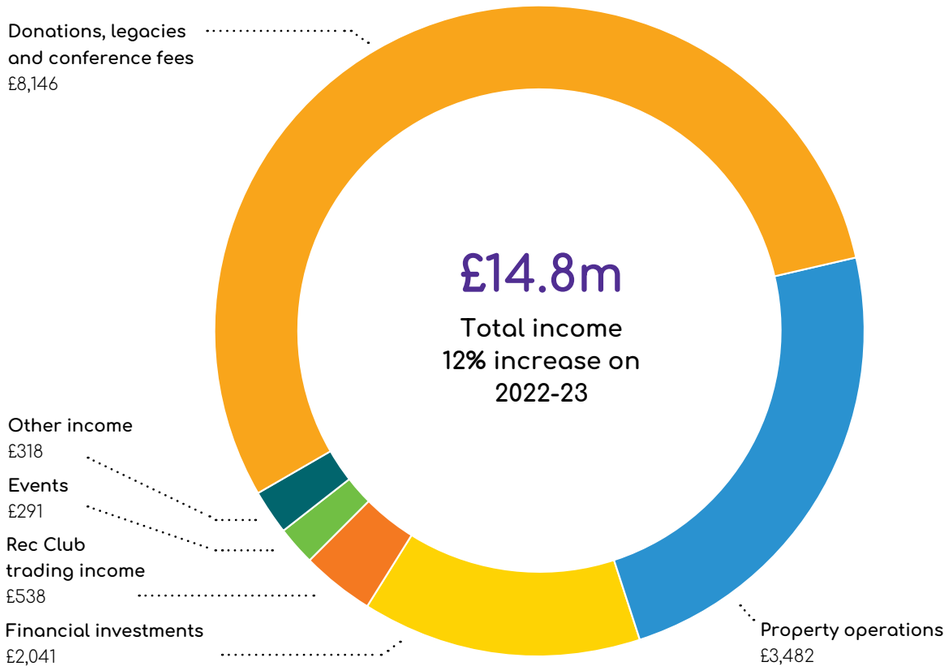
The trustees have considered a target level of reserves would be six months of net operating costs and a minimum level of reserves would be four months of net operating costs. Based on 2022/23 net operating costs of £5.1m, this equates to £2.6m and £1.7m respectively.

We are on track to achieve compliance with this policy within five years, through a combination of investment growth and income, increased unrestricted fundraising and savings on operational costs.


ROYAL FREE
CHARITY
COMPLEMENTARY
THERAPY TEAM

OUR INCOME

Breakdown of total income (£'000)



Income for the year totalled £14.8m. This was split across fundraised income (donations, legacies and conference fees), events income, property operations, income from the Rec Club, income and capital growth on our financial investments and other income.

Donations, legacies and conference fees
Voluntary gifts and donations received by the charity from individuals, corporations, charities and charitable trusts and foundations. This includes speaking and training fees donated to the charity by NHS staff.

Events
Income received in connection with events such as the London Marathon and the Vitality London Half Marathon.

Property operations
Income generated by our properties.

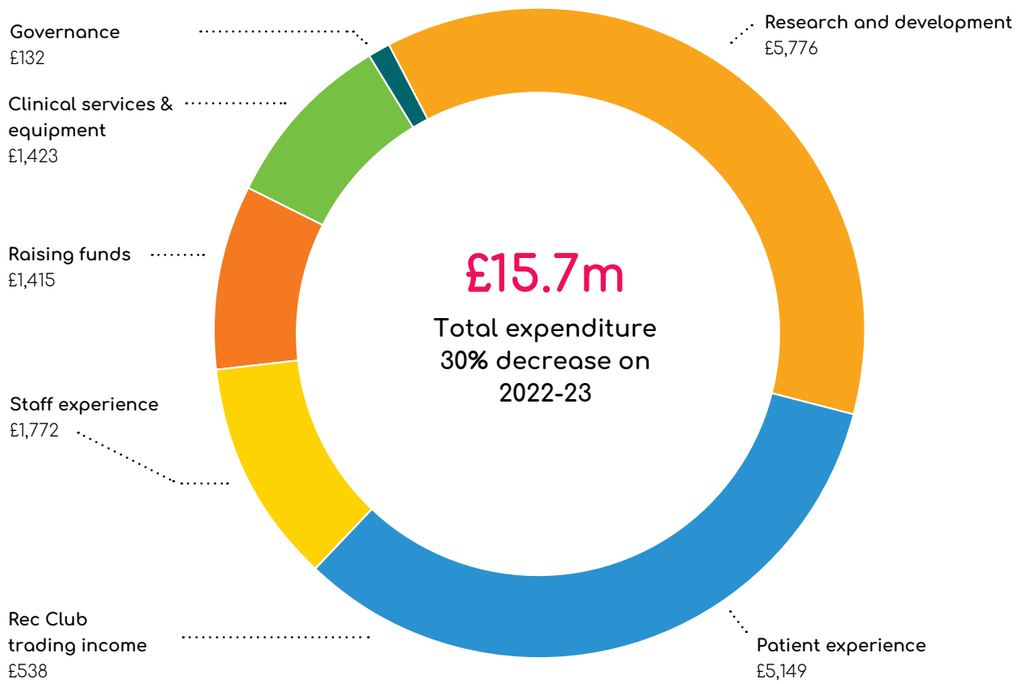
Rec Club trading income
Income generated by the Rec Club, which provides health and wellbeing facilities to hospital staff and members of the local community.

Financial investments
Income and capital growth on our financial investments and cash deposits.

Other income
This income relates principally to technical adjustments to income previously recognised.

OUR EXPENDITURE

Breakdown of total expenditure (£'000)



Expenditure for the year was £15.7m. Expenditure was split across the four key areas of our work: patient experience, staff experience, research and development and clinical services and equipment, as well as raising funds (both through donations and our investments) and governance.

Patient experience
(previously 'Patient welfare and facilities')
The cost to provide grants and services to improve patient welfare and facilities, including our volunteer services, our support hub service and our complementary therapy services.

Research and development
Grants for medical research into new and transformative medical treatments across a wide range of specialities, including researcher salaries, research equipment and materials and other associated research costs.

Staff experience
(previously 'staff training and development')
Expenditure to improve the welfare of NHS staff and to provide them with opportunities for professional training and development further to that funded by the NHS.

Clinical services and equipment
(previously 'medical equipment')
Expenditure on new, improved and additional treatment and diagnostic equipment to improve patient care.

Raising funds
The cost of generating our income, including investment management fees, fundraising staff, events costs and other related costs.

Governance
The regulatory, audit and assurance costs which ensure that the charity's funds are spent and reported in an appropriate, compliant and efficient way.

Risks and risk management

The trustees recognise their duty to anticipate, manage and mitigate the risks to which the charity's activities could be exposed. They acknowledge that risk is inherent in all activities and that its management is crucial to achieving the charity's objects. The trustees take a systematic approach to managing risk, with the executive team regularly monitoring and reporting risks to the board as well as prioritising actions. Risks are rated by multiplying a score for the likelihood of a risk by a score for its severity on a scale from 1-25. Scores before and after mitigation are calculated using a risk matrix. Risk areas with a pre-mitigation score of eight or above are reported to the trustees through the committee and board governance structure.

The board considers the following as the key risks for the organisation...

1

Fundraising: Impact on donors of economic downturn means the fundraising function fails to meet its financial targets and deliver satisfactory returns.

The trustees agreed to increase fundraising capacity and improve fundraising infrastructure during the year. The war in Ukraine, the cost-of-living crisis, recruitment of staff and major economic pressures have posed challenges for voluntary income fundraising. The board and the executive team continued to closely manage and monitor fundraising performance through in-year reporting against targets.

2

Finance resourcing and systems, leading to potential risk around internal controls

The trustees agreed to invest in a new finance system to replace an inflexible and outdated previous system, which came into use in 2024. Finance processes have been reviewed and streamlined to make them more robust and additional qualified staff have joined the finance team to increase capacity and capability. Control items identified in the prior year's audit have been resolved. Cyber security risks have been assessed and trustees are satisfied with the charity's position.

3

Negative unrestricted ("free") reserves

The trustee board has focused on eliminating the charity's 'negative' free reserves position and the financial strategy is aimed at ensuring a surplus on the operational income and expenditure account in future. At worst, this risk would mean the charity was unable to meet current financial commitments and to support the RFL with future needs. This could lead to the trust's disillusionment with the charity and affect our reputation with donors, leading to a drop in income.

Free reserves are a key metric regularly reported to the board and the finance, property and investments committee and have also been the main driver for the financial strategy. In addition to a number of policy reviews such as asset classification, the levy applied to certain funds for administrative and management fees, a review of historical restricted funds and use of the charity's asset holdings to generate additional unrestricted income, the charity has reviewed its investment strategy and implemented the recommendations during 2023/24. Furthermore, a review of the cost base has been undertaken as part of financial planning. This exercise provided substantial savings, directly contributing to improving the free reserves position.

The trustees fully support the inclusion of freehold properties as part of free reserves, as long as operationally the charity delivers a balanced income and expenditure performance. Financial planning continues to place an emphasis on generating more unrestricted and budget-relieving income.

Trustees are confident that the charity's unencumbered property holdings fully negate the negative free reserves position at the end of the financial year and the measures in place for mitigating risks provide confidence in the charity's future operations.

Statement of trustees' responsibilities

The trustees (who are also directors of the Royal Free Charity for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial period that give a true and fair view of the state of affairs of the company and of the incoming resources and application of resources, including the income and expenditure of the company for that period. In preparing those financial statements, the trustees are required to:

(a) select suitable accounting policies and apply them consistently;
(b) comply with applicable accounting standards, including FRS 102, subject to any material departures disclosed and explained in the financial statements;
c) state whether a statement of recommended practice applies and has been followed, subject to any material departures which are explained in the financial statements;
(d) make judgements and estimates that are reasonable and prudent;
(e) prepare the financial statements on a going-concern basis unless it is inappropriate to presume that the company will continue in business.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. Insofar as the trustees are aware:

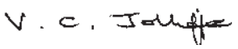
(a) there is no relevant audit information of which the company's auditor is unaware; and
(b) the trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees' annual report is approved by the trustees of the charity. The strategic report, which forms part of the annual report, is approved by the trustees in their capacity as directors in company law of the charity.

By order of the trustees



Judy Dewinter
Chair of Trustees



Valerie Jolliffe
Trustee and Chair of the Finance, Property and Investments Committee

Date: 29 January 2025

Structure, governance and management

Legal structure
On 1 April 2016, the Royal Free Charity reconstituted as an independent charity (no. 1165672), solely regulated by the Charity Commission and no longer subject to NHS legislation. This status establishes the charity's independence from the Department of Health and, by virtue of becoming a company limited by guarantee (no 09987907), limits the trustees' liability. The charity operates under a Charity Commission scheme dated 1 April 2016 and its objects, as stated in its articles of association, encompass not only the support of patients of the RFL, but also and more generally the promotion of health and medical research, particularly within the catchment area of the foundation trust.

Trustees
Following the reconstitution of the charity, new trustees are appointed by the trustee board after open competition. One trustee who was previously a trustee of the former NHS charity is now a trustee of the incorporated charity (Russell Brooks); in addition, the RFL has the right to appoint and remove one trustee. During the year Dr Gillian Smith, group chief medical director at the RFL, fulfilled this role. The chair of trustees aims for new and existing trustees to be fully briefed on the key issues facing the Royal Free Charity, including Charity Commission information on trustee responsibilities, aspects of charity law pertinent to the Royal Free Charity and timely copies of reports, accounts and other key documents. Board members declare all relevant interests in other bodies, especially bodies closely connected with the RFL. The trustees and their four sub-committees – people and governance; finance, property and investments (supported by an investments sub-committee); grants and services; and fundraising, campaigns and communications committees – meet quarterly.

Powers of investment
The charity's powers of investment are principally derived from its articles of association and the Companies Act 2006. In exercising these powers, the trustees must act in accordance with their duties as charity trustees and as company directors as set out in the Charities Act 2011 and the Companies Act 2006. They must also act in accordance with the Trustee Act 2000. These powers of investment are wide, allowing the trustees to invest in such stocks, funds, shares, equities or other investments as they see fit.

Remuneration
The remuneration of senior staff is agreed by the trustees, following a comparison of their posts with similar positions in the charity sector.

Public benefit statement

The Royal Free Charity's purpose is to support the Royal Free London NHS Foundation Trust's three hospitals - Barnet Hospital, Chase Farm Hospital and the Royal Free Hospital (with North Middlesex Hospital joining the group in 2025) – as well as many satellite sites across north London. We focus our support on three groups:

- **Patients and their families**, Patients and their families, whether local or from further away, needing to use the trust's specialist services. We enhance the experience of patients throughout their hospital journey, through the services we provide directly and the projects and equipment we fund on the wards.
- **The staff of the three hospitals and many satellite sites**, so they can deliver the best possible healthcare.
- **Researchers** Researchers working in the hospitals and partner institutes, helping them have not only local impact but also the potential to improve healthcare nationally and globally.

The public benefits that flow from our support for these three groups:

1. Patients
Evidence shows that improving the experience of patients leads to better patient safety and clinical outcomes and a better quality of life, particularly for patients facing a poor prognosis; improves patient involvement in, and understanding of, their care; leads to fewer demands for unnecessary treatment; and can expose important system challenges, leading to improvement of care for all.

2. NHS staff
Evidence shows that improving the experience of NHS staff leads to better retention of staff, crucial at a time of chronic staff shortages in the NHS; relieves long-term anxiety caused by work stresses; makes staff feel better prepared for the future; and improves patient outcomes and satisfaction. In addition, improvements to the working environment and the specialist equipment staff use encourage a more holistic approach to treatment, health and wellbeing, and improve morale.

3. Researchers
Healthcare research can provide important information about different forms of treatment and outcomes, disease risk factors and trends, public health interventions and healthcare costs, among many other benefits to the public. The Royal Free Charity funds primarily support two aspects of research – clinical trials and translational research. This takes laboratory discoveries and turns them into treatments and interventions that directly benefit human health. The charity led the funding and construction of the Pears Building, a new home for the UCL Institute of Immunity and Transplantation, and supplied seed funding for the trust's clinical research facility which in 2022 secured state funding worth £5m.

No harm arose from our work. Our beneficiaries were patients, NHS staff, the general public and locally based community and voluntary organisations. No private benefit arose from these purposes.

Reference and administrative detail

Financial statements
The audited consolidated financial statements comply with the Statement of Recommended Practice 'Accounting and Reporting by Charities' FRS 102 including Update Bulletin 2, the Charities Act 2011 and the Companies Act 2006.

Charity status
The charity is a company limited by guarantee. Its members are the trustees of the charity, of whom there may be a maximum of 14. Each member guarantees to contribute up to one pound sterling (£1) to the charity's debts, liabilities and costs in the event of the charity being wound up and for one year after ceasing to be a member.

Governing document
The Royal Free Charity is governed by its articles of association dated 4 February 2016, reviewed and updated in January 2023.

Company number
09987907 in England and Wales

Charity number
1165672 in England and Wales

Registered office
Royal Free Charity
Pears Building
London
NW3 2PP

Charity objects
(a) further any charitable purpose or purposes relating to the general or any specific purposes of the foundation trust or the purposes of the health service
(b) promote, protect, preserve and advance all or any aspects of the health and welfare of the public, particularly within the catchment area of the foundation trust
(c) advance and promote knowledge and education in medicine, including by engaging in and supporting medical research.

Independent auditor's report to the members of the Royal Free Charity

Opinion
We have audited the financial statements of the Royal Free Charity for the year-ended 31 March 2024 which comprise the consolidated statement of financial activities, the comparative statement of financial activity, the consolidated and company balance sheets, the consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 the parent charitable company's affairs as at 31 March 2024 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice guidelines (UKGAAP);
- 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 and charitable company, in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion

Conclusions relating to going concern
In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and charitable company's ability to continue as a going concern for a period of at least 12 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 contained within the annual report. The other information comprises the information included in the annual report, 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.

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 this gives rise to a material misstatement in the financial statements themselves. 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 our audit:

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

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the group and charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' 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 company, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees
As explained more fully in the trustees' responsibilities statement set out on page 48, the trustees 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 and charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group and charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in 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.

We obtained an understanding of the legal and regulatory frameworks within which the group and charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements.
The laws and regulations we considered in this context were the Companies Act 2006 and taxation legislation.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be income recognition with respect to events and legacies, ensuring recharges have been applied appropriately; the Pears Building being accounted

for appropriately; and the override of controls by management. Our audit procedures to respond to these risks included testing of income on a sample basis, recalculation of recharges on a sample basis, review of Pears Building accounting and enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals and reviewing accounting estimates for biases.

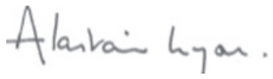
Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

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



Alastair Lyon
(Senior Statutory Auditor)

For and on behalf of
Crowe U.K. LLP
Statutory Auditor
R+ Building
2 Blagrave Street
Reading RG1 1AZ

Date: 29 January 2025

Consolidated statement of financial activities

	Note	Year ended 31 March 2024 Unrestricted funds £000	Restricted funds £000	Total 2023/24 £000	Year ended 31 March 2023 Unrestricted funds £000	Restricted funds £000	Total 2022/23 £000
Income and endowments from:							
Donations and legacies	2	2514	5,573	8,087	3,349	16,056	19,406
Charitable activities		59		59	101	-	101
Trading activities							
Property operations		838		838	1,889	-	1,889
Other trading operations		538		538	443	-	443
Other		2,645		2,645	925		925
Investments	8.4	1,990	51	2,041	1,857	32	1,889
Other		2		2			
Events		282	9	291	261	1	262
Other income		315		315	175	-	175
Total income		**9,184**	**5,633**	**14,817**	**9,001**	**16,089**	**25,090**
Expenditure on:							
Raising funds							
Fundraising expenditure		1,380		1,380	2,416	-	2,416
Trading expenditure		132		132	395	-	395
Investment/ property management		34		34	2,868	-	2,868
Charitable activities	3	11,337	2,780	14,117	8,168	8,525	16,693
Total expenditure		**12,883**	**2,780**	**15,663**	**13,847**	**8,525**	**22,371**
Net gains/(losses) on investments	8.6	1,906	212	2,118	(738)	(51)	(789)
Net income / (expenditure)		**(1,792)**	**3,065**	**1,273**	**(5,584)**	**7,513**	**1,929**
Transfers between funds	11	977	(977)	-	(574)	574	-
Gains on tangible fixed assets		-	-	-	-	-	-
Net movement in funds		**(815)**	**2,088**	**1,273**	**(6,157)**	**8,086**	**1,929**
Reconciliation of funds:							
Total funds brought forward		80,628	27,952	108,581	86,786	19,866	106,653
Total funds carried forward		**79,813**	**30,040**	**109,852**	**80,628**	**27,952**	**108,583**

The notes on pages 58-70 form part of these accounts

Consolidated charity balance sheet

	Note	Group March 2024 £000	Charity March 2024 £000	Group March 2023 £000	Charity March 2023 £000
Intangible assets		119	99		
Fixed assets					
Tangible assets	6	30,825	30,709	31,367	31,359
Investments	8	22,663	22,802	21,229	21,368
Social investments	8	41,302	41,302	41,872	41,872
Total fixed assets		**94,790**	**94,814**	**94,468**	**94,599**
Current assets					
Debtors	9	3,574	3,678	19,908	20,764
Cash at bank and in hand		26,389	25,668	15,771	15,550
Total current assets		**29,963**	**29,345**	**35,679**	**36,314**
Creditors falling due within one year	10.1	(15,020)	(14,259)	(21,566)	(21,890)
Net current assets		**14,943**	**15,086**	**14,112**	**14,424**
Creditors falling due after more than one year		-	-	-	-
Profit and loss reserves					
Total net assets		**109,852**	**109,999**	**108,582**	**109,023**
Income funds					
Unrestricted	11.1	79,811	79,958	80,628	81,069
Restricted	11.2	30,040	30,040	27,953	27,953
Total funds		**109,852**	**109,999**	**108,582**	**109,023**

As permitted by section 408 of the Companies Act 2006, the parent charity's gross income and results have not been included in the financial statements.

Judy Dewinter
Chair of Trustees

Date: 29 January 2025

Valerie Jolliffe
Trustee and Chair of the Finance, Property and Investment Committee

Company registration no: 09987907

The notes on pages 58-70 form part of these accounts.

Consolidated cash flow statement

Cash inflow/(outflow) from operating activities	**2023/24 £000**	**2022/23 £000**
Net cash provided by/(used in) operating activities	**8,056**	**(6,527)**
Cash flows from investing activities		
Investment income and interest received	2,041	1,889
Proceeds from disposal of fixed asset investments	17,751	6,548
Acquisition of fixed asset investments	(16,967)	(11,603)
Acquisition of tangible fixed assets by charity	(31)	(1,042)
Acquisiton by subsidiary companies of:		
Tangible fixed assets	(113)	(10)
Intangible assets	(119)	0
Net cash flow from investing activities	**2,562**	**(4,218)**
Cash flow from financing activities		
Repayment of loan	-	-
Increase/(decrease) in cash and cash equivalents	**10,618**	**(10,745)**
Cash and cash equivalents at beginning of period	15,771	26,516
Cash and cash equivalents at end of period	**26,389**	**15,771**

Reconciliation of net income to cash flow from operating activities

	2023/24 £000	2022/23 £000
Net income/(expenditure) including endowments	**1,269**	**1,929**
Adjustments for:		
Depreciation and amortisation charges	1,255	1,265
Net (gains)/losses on investments	(1,143)	789
Investment income	(2,041)	(1,889)
Revaluation of tangible fixed assets	(1,074)	0
(Increase)/decrease in debtors	16,334	(15,020)
Increase/(decrease) in creditors	(6,544)	6,399
Net cash provided by/(used in) operating activities	**8,056**	**(6,527)**

Analysis of net cash

	01 April 2023 £000	Cashflows £000	31 March 2024 £000
Short-term deposits	-	-	-
Cash at bank and in hand	15,771	10,618	26,389
	15,771	**10,618**	**26,389**

The notes on pages 58-70 form part of these accounts

1 Accounting policies

Basis of preparation

These financial statements are prepared on a going-concern basis, under the historical cost convention, as modified by the revaluation of investments being measured at fair value via income and expenditure within the statement of financial activities.

They are prepared in accordance with the financial reporting standard applicable in the UK (FRS 102). The charity is a public benefit group for the purposes of FRS 102, therefore it also prepared its financial statements in accordance with the statement of recommended practice (SORP) applicable to charities preparing their accounts in accordance with the financial reporting standard applicable in the UK (FRS 102 Charities SORP), the Companies Act 2006 and the Charities Act 2011.

They are prepared in GBP sterling, which is the charity's functional currency. Monetary amounts in the financial statements are rounded to the nearest one thousand pounds.

Going concern

The trustees assessed the suitability of the use of the going-concern basis and considered possible events due to conditions, including impact of rising inflation, interest rates and cost of living, that might significantly affect the charity's ability to continue as a going concern. In making this assessment, for a period of at least a year from the date of approval of the financial statements, they considered the charity's financial plans, forecasts and projections and noted the pressures on donation, legacy and investment income. After making enquiries and considering the available cash balances and funds within the investment portfolio, the trustees believe that the charity has adequate resources to continue to operate and deliver on its objectives for the foreseeable future. It therefore adopts the 'going-concern basis' in preparing its financial statements.

Estimates and judgements

Works of art are valued in the balance sheet at £361,000 (2022/23: £361,000), a figure which the trustees believe fairly reflects their value.

Investment properties are valued in the balance sheet at £2,475,000 (2022/23: £1,401,000), a figure which the trustees believe fairly reflects their value. Mixed-motive investment (MMI) represents a property valued in the balance sheet at £13,783,116 (2022/23: £13,770,000), a figure which the trustees believe fairly reflects its value. See the accounting policy for investment properties, which explains how the valuation has been arrived at.

Financial instruments

The charity has applied the provisions of Section 11 "Basic Financial Instruments" of FRS 102 to all its financial instruments. They are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to offset the recognised amounts, and an intention to settle on a net basis, or to realise the assets and settle the liability simultaneously.

Apart from prepayments, deferred income and balances with HM Revenue & Customs under statute, all other debtor and creditor balances, as shown in notes 9 and 10, are considered to be basic financial instruments under FRS 102.

Consolidation

These financial statements consolidate on a line-by-line basis the financial statements of the company (the Royal Free Charity) and its subsidiaries RFC Developments Ltd, RFC Enterprises Ltd, RFC Recreation Club Ltd and RFC Overage Ltd.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits at call with banks and other short-term liquid investments with original maturities of three months or less.

Fund structure

Restricted funds are funds for which a legal restriction exists over their use, as determined by the donor. This could be a restriction to a particular department of the hospital, such as cardiac or renal, or to a particular sphere of activity, for example research or equipment.

General funds may be used at the trustees' discretion for any general purpose of the charity.

Income

All income is included in full in the statement of financial activities as soon as the following three factors can be met:
(a) entitlement - arises when a particular resource is receivable or the charity's right becomes legally enforceable.
(b) probability - when it is probable that the incoming resources will be received.
(c) measurement - when the monetary value of the incoming resources can be measured with sufficient reliability.

Government grants

Grants relating to revenue are recognised in income on a systematic basis over the periods in which the charity recognises the associated costs for which the grant is intended to compensate.

Gifts in kind

Gifts in kind are recognised as income and expenditure in the year the gifts are received by the charity. The amount at which gifts in kind are recognised is either value of the cost to the donor or the fair value determined by the charity. The gifts are then directed to the relevant hospital department or ward. Total value of gifts in kind for 2023/24 was £nil (2022/23: £nil).

Expenditure

Liabilities are recognised as expenditure if the charity has a legal or constructive obligation that commits it to the expenditure, or if there is a constructive obligation to make a transfer of value to a third party.

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the particular category.

Governance costs comprise the costs of complying with statutory requirements.

Allocation of overhead and support costs

Overhead costs have been divided into the categories shown in note 4, and apportioned between those categories (raising funds and charitable expenditure), on the basis of their relevance to each category. In 2023/24, as in 2022/23, a direct charge was made to restricted and designated funds in recognition of the overhead and support costs relating to those funds. The salaries of the charity's staff are apportioned individually across these expense categories, reflecting the time spent by each individual on the relevant activities.

Grants

Grants are accrued in full when there is a binding commitment by the charity to transfer the amounts involved to a third party.

VAT and partial exemption

The charity is in a VAT group with its subsidiary RFC Enterprises Ltd. It is entitled to recover part of the net VAT incurred as a cost. The recovered proportion is small and changes from one accounting period to another, subject to the VAT status of income generated. The irrecoverable element of VAT is expensed through the statement of financial activities as a charge. Where the VAT is in relation to an asset, the irrecoverable VAT is capitalised along with the net amount of the asset cost.

Investments

Investments are shown in the balance sheet at market value. The investment property was valued in 2024/25 by Cluttons, chartered surveyors, and this valuation is reflected in these accounts. The MMI property was valued in 2020/21 by Montagu Evans, chartered surveyors. The trustees are satisfied that these valuations reflect the properties' fair value.

Social investments

Programme-related investments relate to parts of the Pears Building leased to third parties that are used to help to fulfil the charity's charitable objectives. The programme-related investments are held at cost.

MMIs relate to a property used to help to fulfil the charity's charitable objectives as well as generating investment return.

Tangible fixed assets

Tangible fixed assets are stated at cost, less depreciation. Depreciation is calculated to write off the cost, less estimated residual value of each asset over its expected useful life (as per table below).

At the end of each reporting period, the residual values and useful lives of assets are reviewed and adjusted if necessary. In addition, if events or changes in circumstances indicate

that the carrying value may not be recoverable, then the carrying values are reviewed for impairment.

Properties held as pure investment or MMI, or properties including parts MMI, are not to be depreciated. The Armoury (pure investment property) and Graseby House (MMI) will not be depreciated. The Pears Building is amortised over its lease period and the charge to the statement of financial activities is classed as charitable expenditure.

Intangible assets
The Royal Free Charity's intangible asset comprises a website developed to facilitate donor engagement and donations, as well as to support its activities and provide information to stakeholders.

The website is recognised as an intangible asset in accordance with the relevant accounting standards and the charity's accounting policy.

Recognition and measurement
The website is initially recognised at cost, which includes all directly attributable costs incurred during its development. These costs include design, programming and content creation expenditures but exclude administrative or general maintenance expenses.

Amortisation
The website is amortised on a straight-line basis over its estimated useful life of five years. This is comparable to the approach taken in depreciating software held as a fixed asset. Amortisation will begin when the website is available for use.

The amortisation expense will be charged to the statement of financial activities within the expenditure category most relevant to its use.

Impairment
The website will be reviewed by management annually for impairment or whenever there is an indication that the carrying value may not be recoverable. Any impairment loss is recognised immediately in the statement of financial activities.

Revaluation and disposals
The charity does not adopt a revaluation model for its intangible assets. Therefore, the website is carried at cost, less accumulated amortisation and impairment losses.

Disposals of the website, or parts of it, are accounted for by derecognising the carrying value and recognising any gain or loss on disposal in the statement of financial activities.

Asset type	Capitalisation threshold	Depreciation
Building - leasehold	£10,000	Lease period (eg Pears Building 50 years)
Building - freehold	£10,000	100 years (freehold)
Computer equipment	£2,500 individually or exceeding £5,000 in aggregate	3 years
Computer systems development	£25,000 in aggregate	5 years
Software (purchased or developed)	£25,000	5 years or expected life, if shorter
Computer development	£2,500 individually or exceeding £5,000 in aggregate	5 years
Recreation equipment	£1,000 individually or exceeding £1,000 in aggregate	5 years
Shop EPOS system	£5,000	5 years
Shop fit-outs	£5,000	Lease term
Furniture and fittings	£2,500 individually or exceeding £5,000 in aggregate	5 years
Asset under construction	Cost	Not depreciated
Works of art	Market value	Not depreciated

Notes to the accounts for the year ended 31 March 2024 (continued)

Leasehold – Pears Building
The Pears Building is classified as social investment for all areas occupied by (and shared with) other entities, which are UCL, the charity, the NHS trust and RFLPS.

Freehold property
Freehold property and part of a freehold property that is in operational use and not a pure investment nor MMI would be depreciated over 100 years.

Realised gains and losses
Gains and losses are reported in the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sale proceeds and opening market values (or date of purchase if later). Unrealised gains and losses are calculated as the difference between market value at the year end and opening market value (or date of purchase if later).

Pooling scheme
A pooling scheme for all funds held under the auspices of the Royal Free Charity is contained within a Charity Commission Scheme dated 1 April 2016. It covers all funds formerly held by the Special Trustees for The Royal Free Hospital, the Royal Free Hampstead Charities, the Dresden Assistance Fund for the Royal Free Hospital and the Kitty Cookson Memorial Fund. It does not distinguish between the different types of funds (unrestricted, designated, restricted), which are pooled together.

Pension costs
Staff who were formerly employed by the Royal Free Hampstead NHS Trust (the predecessor of the Royal Free London NHS Foundation Trust) participate in the NHS Pension Scheme. Some current staff remain in that pension scheme, but new employees participate in personal pension schemes to which the employer's contribution matches that of the employee up to a maximum of 9%. Staff of the charity's trading subsidiary, RFC Recreation Club Ltd, also participate in personal pension schemes. The NHS Pension Scheme is a multi-employer defined benefit scheme but under SORP 28.11, this is accounted for in these financial statements as if it was a defined contribution scheme.

Operating lease
Rentals paid under operating leases are charged to the statement of financial activities or the profit and loss account (depending on the relevant legal entity), evenly over the period of the lease.

Intangible assets	
Cost	£120,189
Accumulated Amortisation (or impairment)	£708
Net Book Value as at 31st March 2024	**£119,481**

2 Donations and legacies income

	Unrestricted funds £000	Restricted funds £000	Total 2023/24 £000	Unrestricted funds £000	Restricted funds £000	Total 2022/23 £000
Donations – capital appeal	0	0	0	0	0	0
Donations	1,677	5,078	6,755	2,342	15,871	18,213
Legacies	838	495	1,332	1,007	186	1,193
Total	**2,515**	**5,573**	**8,087**	**3,349**	**16,056**	**19,406**

3 Charitable expenditure

	Grants expenditure	Activities undertaken directly	Social investment costs	Support costs	Total 2023/24	Grant expenditure	Activities undertaken directly	Social investment costs	Support costs	Total 2022/23
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Patient welfare and facilities	810	2851	747	741	5,149	198	863	606	609	2,275
Staff training and development	258	1194	0	320	1,772	111	392		363	866
Research	114	4117	478	1067	5,776	992	4,539	494	920	6,945
Medical equipment	0	1104	0	319	1,423	6,006	532		68	6,607
Total	**1,182**	**9,266**	**1,225**	**2,444**	**14,117**	**7,308**	**6,326**	**1,100**	**1,960**	**16,693**

All grants were made to institutions. There were no grants to individuals.

4 Analysis of support costs by activity

	Governance	Raising funds	Charitable activities	Total 2023/24	Governance	Raising funds	Charitable activities	Total 2022/23
	£000	£000	£000	£000	£000	£000	£000	£000
Salaries – charity	0	1,047	1,837	2,884	20	1,668	701	2,389
Salaries – trading subsidiary	0	0	0	0	0	234	0	234
Investment/ property manangement	0	34	0	34	0	2,868	81	2,949
Other trading subsidiary costs	0	0	0	0	0	161	0	161
Charity trading costs	0	0	0	0	0	0	0	0
Statutory auditor's remuneration	131	0	0	131	39	0	0	39
Legal and other professional fees	0	89	161	250	7	135	20	163
Event and marketing costs	0	121	0	121	0	74	4	78
Consultancy/recruitment services	0	0	0	0	0	34	30	64
Publicity materials	0	3	25	28	0	238	0	238
Capital appeal costs	0	0	0	0	0	37	24	61
Others	1	120	422	543	3	231	1,030	1,264
Total support costs	**132**	**1,414**	**2,445**	**3,991**	**70**	**5,679**	**1,890**	**7,639**
Governance costs reallocated	(132)		132		(70)		70	
Total support costs	**0**	**1,414**	**2,577**	**3,991**	**(0)**	**5,679**	**1,960**	**7,639**

4.1 Analysis of staff costs

	Charity	Subsidiary	Total 2023/24	Charity	Subsidiary	Total 2022/23
	£000	£000	£000	£000	£000	£000
Salaries and wages	3156	223	3379	2,600	203	2,803
Social security costs	340	19	359	285	18	303
Other pension costs	169	9	178	135	13	148
Total	**3665**	**251**	**3916**	**3,020**	**234**	**3,254**

No employee of any subsidiary company received emoluments exceeding £60,000.

		2023/24	2022/23
The number of such employees of the charity were:	£60,001-£70,000	8	8
	£70,001-£80,000	-	-
	£80,001-£90,000	1	2
	£90,001-£100,000	2	-
	£100,001-£110,000	1	2
	£110,001-£120,000	-	1
	£120,001-£130,000	1	-
	£130,001-£140,000	1	-
		£000	£000
Pension contributions were made for these employees as follows:	£60,001-£70,000	28	27
	£70,001-£80,000	-	-
	£80,001-£90,000	4	7
	£90,001-£100,000	11	-
	£100,001-£110,000	4	13
	£110,001-£120,000	11	11
	£120,001-£130,000	-	-
	£130,001-£140,000	8	-

There was an average monthly number of 75 staff in 2023/24 (2022/23: 70). RFC Recreation Club Ltd had an average number of 11 staff (2022/23: 8), and RFC Developments Ltd did not employ any staff.

The key management personnel during the year were Jon Spiers, chief executive; Robin Meltzer, deputy chief executive and director of engagement and communications; David Cheesman, interim director of strategy from 9 May 2023; Yusuf Firat, director of finance, property and operations until 29 February 2024; Laura James, assistant director of innovation; Alex Jarvis, director of finance from 1 March 2024; Sharron Grant, director of HR and OD; Alison Kira, director of grants and services; Paul Stein, executive director of income generation; and Jenny Todd, assistant director of services.

The total salary cost of the key management personnel (including social security and employer pension costs) was £1,024,114 (2022/23: £747,651).
During the year, the charity made total termination payments of £19,116 (2022/23: £40,126)

5 Analysis of net assets between funds

Group	Unrestricted funds £000	Restricted funds £000	Total 2023/24 £000	Unrestricted funds £000	Restricted funds £000	Total 2022/23 £000
Fixed assets/ intangible assets	30,944	-	30,944	31,367	-	31,367
Investments	61,586	2,379	63,965	61,035	2,066	63,101
Current assets	2,301	27,662	29,963	9,792	25,887	35,679
Liabilities	(15,020)	-	(15,020)	(21,566)	-	(21,566)
Long-term liabilities	-	-	-	-	-	-
	79,811	**30,041**	**109,852**	**80,628**	**27,953**	**108,581**

Charity	Unrestricted Funds £000	Restricted Funds £000	Total 2023/24 £000	Unrestricted Funds £000	Restricted Funds £000	Total 2022/23 £000
Tangible fixed assets	30,808	-	30,808	31,359	0	31,358
Investments	61,725	2,379	64,104	61,174	2,066	63,240
Current assets	1,684	27,662	29,345	10,427	25,887	36,314
Short-term liabilities	(14,259)	-	(14,259)	(21,890)	-	(21,890)
Long-term liabilities	-	-	-	-	-	-
	79,957	**30,041**	**109,998**	**81,070**	**27,953**	**109,022**

6.1 Fixed assets - group

Cost	Recreational equipment £000	Furniture & fixtures £000	Artworks £000	Asset under construction £000	Computer equipment £000	Properties £000	Total £000
Brought forward at 1 April 2023	101	55	361	-	65	31,594	32,176
Additions	113	26	-		4		143
Revaluation	-	-	-	-	-	-	-
Transfer	-	-	-	-	-	(13)	(13)
Carried forward at 31 March 2024	**213**	**81**	**361**	**-**	**69**	**31,581**	**32,306**
Accumulated depreciation							
Brought forward at 1 April 2023	91	21	-	-	24	672	808
Charge for the year	7	10	-	-	13	641	671
Carried forward at 31 March 2024	**98**	**31**	**-**	**-**	**37**	**1,313**	**1,480**
Net book value at 1 April 2023	10	33	361	-	41	30,922	31,368
Net book value at 31 March 2024	**115**	**49**	**361**	**-**	**32**	**30,268**	**30,827**

6.2 Fixed assets - charity

Cost	£000	Furniture & fixtures £000	Artworks £000	Asset under construction £000	Computer equipment £000	Properties £000	Total £000
Brought forward at 1 April 2023		55	361	13	65	31,581	32,075
Additions		26			4		30
Transfer to programme - related investments (note 8)				(13)			(13)
Carried forward at 31 March 2024	**-**	**81**	**361**	**-**	**69**	**31,581**	**32,092**
Accumulated depreciation							
Brought forward at 1 April 2023		21	-	-	23	672	716
Charge for the year		10			13	641	664
Carried forward at 31 March 2024	**-**	**31**	**-**	**-**	**36**	**1,313**	**1,381**
Net book value at 1 April 2023	-	33	361	13	42	30,909	31,359
Net book value at 31 March 2024	**-**	**49**	**361**	**-**	**33**	**30,268**	**30,711**

7 Subsidiary companies

Details of the charity's subsidiary undertakings are set out below.
All the subsidiary undertakings are incorporated in England and Wales and operate in the United Kingdom.

Company	Shares held Class	Shares held %	Principal activity
RFC Recreation Club Ltd	Ordinary	100	Provision of recreational services
RFC Developments Ltd	Ordinary	100	Design, construction and building services
RFC Enterprises Ltd	Ordinary	100	Management of Pears Building
RFC Properties Ltd	Ordinary	100	Company dormant and not yet trading
RFC Overage Ltd (previously called: RFC Properties (CF Holdings) Ltd)	Ordinary	100	Management of intangible assets from disposal of a property

7 Subsidiary companies (continued)

The results of the subsidiaries, and their assets and liabilities, are as follows:

	Year ended 31 March 2024				Year ended 31 March 2023			
	RFC Overage Ltd £000	RFC Enterprises Ltd £000	RFC Recreation Club Ltd £000	RFC Developments Ltd £000	RFC Overage Ltd £000	RFC Enterprises Ltd £000	RFC Recreation Club Ltd £000	RFC Developments Ltd
Turnover	0	2,645	538	2		2,345	444	3,285
Expenditure	-	(2,055)	(473)	(1)	(1)	(2,192)	(395)	(2,290)
Result for the year	**-**	**590**	**65**	**2**	**(1)**	**153**	**49**	**995**
Total assets	50	2,074	317	5	-	2,093	257	1,122
Total liabilities	(52)	(2,183)	(164)	(6)	(1)	(2,202)	(104)	(1,122)
Net funds at the end of the year	**(2)**	**(109)**	**153**	**(1)**	**(1)**	**(109)**	**153**	**0**

The charity's other subsidiary companies (see note 16) did not trade during 2023/24.

8 Analysis of investment portfolio

	Group 2023/24 £000	Charity 2023/24 £000	Group 2022/23 £000	Charity 2022/23 £000
Market value as at 1 April	63,101	63,240	59,441	61,015
Less: disposals at carrying value	(18,335)	(18,335)	(7,154)	(8,589)
Add: acquisitions at cost	17,081	17.081	11,603	11,603
Transfer from fixed assets (note 6)		-	-	-
Net gain/(loss) on revaluation	2,118	2,118	(789)	(789)
Market value as at 31 March	**63,966**	**64,104**	**63,101**	**63,240**

8.1 Investments - market value at 31 March

	Held in UK £000	Held overseas £000	2023/24 Total £000		Held in UK £000	Held overseas £000	2022/23 Total £000
Investment properties	2,475	-	2,475		1,401	-	1,401
Investments portfolio							
Investments listed on London Stock Exchange		39	39		-	39	39
Investments in common investment funds	20,042		20,042		19,477	-	19,477
Cash held within the investment portfolio	106		106		312	-	312
	20,148	**39**	**20,187**		**19,789**	**39**	**19,828**
Social Investments							
Mixed-motive investment (see note 8.2)	13,783	-	13,783		13,770	-	13,770
Programme-related investment (see note 8.3)	27,519		27,519		28,102	-	28,102
	41,302	**0**	**41,302**		**41,872**	**-**	**41,872**
Total investments - group	**63,925**	**39**	**63,964**	**0**	**63,062**	**39**	**63,101**
Investments in subsidiary companies	139	0	139		139	-	139
Programme-related investment (see note 8.3)	-		-				-
Total investments - charity	**64,065**	**39**	**64,104**	**0**	**63,201**	**39**	**63,240**

8.2 Mixed-motive investment

	Group 2023/24 £000	Charity 2023/24 £000	Group 2022/23 £000	Charity 2022/23 £000
Market value as at 1 April	13,783	13,783	13,770	13,770
Add: acquisitions at cost	-	-	-	-
Add: gain on revaluation	-	-	-	-
Market value as at 31 March	**13,783**	**13,783**	**13,770**	**13,770**

Mixed-motive investments relate to a property used to help to fulfil the charity's charitable objectives as well as generating investment income. A Red Book valuation of that property, using a sector specific valuation toolkit (PodPlan), was performed during the 2020/21 financial year and resulted in a value of £13.8m.

8.3 Programme-related investments

	Group 2023/24 £000	Charity 2023/24 £000	Group 2022/23 £000	Charity 2022/23 £000
Market value as at 1 April	28,102	28,102	28,708	30,143
Transfer from fixed assets				
Management cost for the Pears Building development expense				(1,435)
Amortisation for the year	(583)	(583)	(606)	(606)
Market value as at 31 March	**27,519**	**27,519**	**28,102**	**28,102**

Programme-related investments relate to the Pears Building, leased to third parties that are used to help to fulfil the charity's charitable objectives.

8.4 Analysis of investment income

	Held in UK £000	Held Overseas £000	2023/24 Total £000	Held In UK £000	Held Overseas £000	2022/23 Total £000
Investment properties	88	-	88	788	-	788
Mixed motive investment	57	-	57	665	-	665
Investments in common investment funds	697	-	697	337	-	337
Cash held outside the investment portfolio	1,198	-	1,198	99	-	99
Total investment income	**2,040**	**-**	**2,040**	**1,889**	**-**	**1,889**

8.5 Details of material investment holdings

At the end of the financial year, the charity had one investment manager, Cazenove. Our investments held with M & G were sold within the year. Investments exceeding 5% of the respective manager's portfolio were:

Holding		Value 2024 £000	Value 2023 £000
M&G	Charibond		6,415
Cazenove	Majedie Asset Management UK Equity		-
	Charity Equity Value Fund		322
	Findlay Park American Fund		250
	UBS ETF - MSCI World Socially		691
	Trojan Ethical Fund		-
	BlackRock iShares Developed World		728
	Vanguard S & P 500 UCITS ETF		444
	Neuberger Berman		266
	Schroder Alpha		295
	Sustainable Multi-Asset Fund	15,942	
	J P Morgan	4,207	5,056
Total		**20,149**	**14,467**

8.6 Gains/losses on investments

The 2023/24 net gain of £1,143k relates to the realised/unrealised gain on investment in common investment funds.

9 Analysis of debtors

	Group 2024 £000	Charity 2024 £000	Group 2023 £000	Charity 2023 £000
Prepayments	44	38	14	5
Due from subsidiary undertakings:				
RFC Developments Ltd		-	-	1,101
RFC Recreation Club Ltd		19	-	44
RFC Enterprises Ltd		457	-	-
RFC Overage Ltd		52		50
Other debtors	3,530	3,111	19,894	19,565
Total debtors	**3,574**	**3,678**	**19,908**	**20,764**

In 2013/14, the charity made a loan of £500,000 to its subsidiary, RFC Developments Ltd, at a premium of 6% above base rate, regarding a major development project on the Royal Free Hospital site. The loan was increased to £1 million in January 2016. The completion of the development including successful resolution of snagging issues was finally agreed in March 2023. RFC Developments Ltd repaid £975k of the £1m loan by the end of March 2023 and the remaining balance of £25k in April 2023.

10 Analysis of creditors

10.1 Creditors falling due within one year

	Group 2024 £000	Charity 2024 £000	Group 2023 £000	Charity 2023 £000
Grant and other accruals	14,776	12,443	20,753	19,595
Due to subsidiary undertaking - RFC Developments Ltd	0		0	0
Due to subsidiary undertaking - RFC Enterprises Ltd	0	0	0	0
Intercompany with RFC Enterprises Ltd	0	1,571		1,598
Other creditors	245	245	814	696
Total creditors falling due within one year	**15,021**	**14,258**	**21,566**	**21,890**

10.2 Creditors falling due after more than one year

	Group 2024 £000	Charity 2024 £000	Group 2023 £000	Charity 2023 £000
Grant accrual			-	-
Other creditors	-	-	-	-
Total creditors falling due after more than one year	**-**	**-**	**-**	**-**

11 Analysis of material funds

11.1 Unrestricted funds

	2023/24 £000	2022/23 £000
Designated funds:		
'Friends' Fund - transferred from the formerly separate charity, Friends of the Royal Free Hospital	16	15
Departmental funds - Royal Free Hospital*		
Clinical biochemistry	450	837
HIV/AIDS	1,327	1,369
Inflammation services: amyloidosis	901	784
Haematology: training, research and patient welfare	629	816
Simulation centre	258	242
Nuclear medicine	428	429
RFC medical equipment fund	320	0
Others	6,983	8,503
Total designated funds	11,313	12,994
Other general funds (undesignated)	68,498	67,636
Total unrestricted funds	**79,811**	**80,630**

*These funds derive from donations and legacies made by grateful patients and their relatives over many years and are under the day-to-day control of fundholders in specific areas of the Royal Free London NHS Foundation Trust (cardiac, renal, etc) for use on appropriate projects as they arise.

11.2 Restricted funds

Restricted funds 2023/2024	Opening balance £000	Income £000	Expenditure £000	Restricted transfers £000	Gains (loss) £000	Closing balance £000
Trust infrastructure fund	12,000	-	-	(120)		11,880
RFL fund	8,610	1,170	(1,048)	(613)		8,119
Patient experience funds	-	-	-	-		-
Staff experience funds	-	-	-	-		-
Restricted grants	545	434	(187)	(234)		559
NAC capital fund	3,486	3,944	(1,224)	-		6,207
Peter Costin Memorial	572	-	(18)	(10)		544
St Peter's Trust	222	33	(88)	-		168
Kitty Cookson Memorial	109	-	(109)	-		-
J F Moorhead	2,058	263	(32)	-		2,289
Dr Janet Owens Fellowship	350	-	(75)	-		275
Total restricted funds	**27,953**	**5,845**	**(2,780)**	**(977)**	**0**	**30,041**

Restricted grants consist of individual funds, which are kept under one fund.
The funds are distributed as per the contractual terms and conditions.

Restricted funds 2022/2023	Opening balance £000	Income £000	Expenditure £000	Restricted transfers £000	Gains (loss) £000	Closing balance £000
Trust infrastructure fund	-	12,000	-	-		12,000
RFL fund	16,000		(7,390)			8,610
Patient experience funds		20		(20)		-
Staff experience funds		13		(13)		-
Restricted grants	257	363	(681)	607		545
NAC capital fund		3,563	(77)			3,486
Peter Costin Memorial	572	-	-			572
St Peter's Trust	218	130	(125)			222
Kitty Cookson Memorial	112	-	(3)			109
J F Moorhead	2,143		(33)		(51)	2,058
Dr Janet Owens Fellowship	564		(215)			350
Total restricted funds	**19,866**	**16,089**	**(8,524)**	**574**	**(51)**	**27,953**

11.3 Details of the restricted funds

RFL infrastructure fund	To fund clinical infrastructure improvements
RFL fund	To fund various projects and contribute to development of cancer centre
Patient experience funds	To fund enhancement of experience of NHS patients
Staff experience funds	To fund enhancement of experience of NHS staff
Capital appeal	To fund the construction of the Pears Building
NHS Charities Together community partnership	To fund a number of local community projects
Restricted grants	To fund individual projects as described in the contracts
Peter Costin Memorial	To provide bursaries to medical students
St Peter's Trust	To support kidney, bladder and prostate research
Kitty Cookson Memorial	To support an oncology fellowship
J F Moorhead	To support renal research
Dr Janet Owens Fellowship	To support research into Parkinson's disease

12 Contingent liabilities

There were no contingent liabilities at either 31 March 2024 or 31 March 2023.

13 Post-balance sheet events

On 1st May 2024, the charity merged with the North Middlesex University Hospital Charity.
This involved taking on one full-time staff member and £532,000 of cash and assets.

14 Trustees and connected persons transactions

No trustee or member of the key management staff, or person related to them, undertook any material transactions with the charity in either 2023/24 or 2022/23.

Judy Dewinter (trustee) was reimbursed travel and subsistence expenses for £562.12 (£413 in 2022/23).

Trustees of the charity (and their families) made donations to the charity totalling £373,395.

15 Related party interests

RFL trustees of the charity: Caroline Clarke, group chief executive (until April 2023); Julie Hamilton, group chief nurse (from April 2023); Peter Landstrom, group chief executive (from January 2024); Akta Raja, non-executive director; Dr Gillian Smith, group chief medical officer (from April 2023).

The charity has five subsidiary companies, in all of which it is sole shareholder, as follows:

RFC Recreation Club Ltd (company no 7686541):
Company directors and employees of the charity: Yusuf Firat, director of finance, property and operations (resigned 29 February 2024); Laura James, assistant director of innovation, (appointed 18 April 2023); Alison Kira, director of grants and services; Mark Tanton, head of property and operations (appointed 18 April 2023); Jenny Todd, assistant director of services (resigned 18 April 2023), are employed by the charity and are also company directors. Company director and charity trustee: Melanie Sherwood.

In 2023/24, RFC Recreation Club Ltd reimbursed the charity £250,850 in respect of staff salaries (2022/23: £220,659).

The company also made a gift aid donation to the charity of £65,473.40 (2022/23: £49,152).

The charity paid the company £nil (2022/23: £nil) in respect of the use of facilities. None of this was outstanding at 31 March 2024.

The intercompany balance at year end owed to the Charity was £19,444.53 (2022/23: £130.02)

15 Related party interests (continued)

RFC Developments Ltd (company no 8729267):
Company director and employee of the charity: Jonathan Spiers, charity chief executive. Company director and trustee: Judy Dewinter (appointed 6 April 2023).

In 2023/24, the transactions between RFC Developments Ltd and the charity were:
There were no costs and build services by the charity from RFC Developments Ltd in 2023/24 (2022/23: £3,285,475).
£nil was due to RFC Developments Ltd at 31 March 2024 (2022/23: £918,847).

The remaining £25,000 of the historic £1m loan from the charity to RFC Developments Ltd was repaid in April 2023 (see note 10).
RFC Developments Ltd was charged £nil interest (2022/23: £62,141).

Provision of administrative services by the charity to RFC Developments Ltd - RFC Developments Ltd was charged £nil (2022/23: £12,000).

During the year RFC Developments Ltd made a gift aid distribution of £nil to the charity (2022/23: £995,147).

RFC Enterprises Ltd (company no 8729268):
Company director and charity trustee: Judy Dewinter. Company director and employee of the charity: Jonathan Spiers, chief executive.

In 2023/24, the transactions between RFC Enterprises Ltd and the charity were:

The charity re-charged to RFC Enterprises Ltd total costs, net of VAT, of £543,458 (2023: £1,666,232) in respect of Pears Building expenditure paid on the company's behalf. At the year-end £nil (2023: £nil) was owed to the charity by RFC Enterprises Ltd.

RFC Enterprises Ltd charged the charity £1,555,288 (2023: £2,687,963) in respect of services provided at the Pears Building.

At the year-end the charity owed £1,571,031 (2023: £1,597,549) to RFC Enterprises Ltd.
RFC Enterprises Ltd also owed £457,136 (2023: £nil) to the charity.

During the year RFC Enterprises Ltd made a gift aid distribution of £589,465 to the charity (2022/23: £nil).

RFC Properties Ltd (company no 10609331):
There were no transactions between the charity and the subsidiary during 2023/24 (2023: none).

There were no outstanding balances from either party at 31 March 2024 (31 March 2023: none).

RFC Overage Ltd (company no 10699295):
Company directors and charity employees: Jonathan Spiers, chief executive; and Yusuf Firat, director of finance, property and operations (resigned 29 February 2024).

The charity loan balance of £50,000 to the subsidiary remains in 2023/24 (2023: £50,000).
The subsidiary owes £50,000 to the charity for the rights of a sold property (2023: £50,000).

There were outstanding balances between both parties for £51,620 at 31 March 2024 (31 March 2023: £50,000).

16 Operating leases

At the reporting date, the charity had outstanding minimum future payments in respect of non-cancellable operating leases, which fall due as follows:

	2023/23 £000	2022/23 £000
Due in less than a year	-	-
Due in 1-2 years	-	-
Due in 2-5 years	-	-

17 Members' liability

The charitable company is limited by guarantee, not having a share capital and consequently the liability of members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the charitable company on winding up, such amounts as may be required not exceeding £1.



Our trustees

Judy Dewinter
Chair of Trustees
Akta Raja
Vice-Chair of Trustees
(resigned 30 September 2024)
Russell Brooks
Caroline Clarke (resigned 1 January 2024)
Nicola Grinstead (resigned 11 June 2023)
Oritseweyinmi Guate (appointed 28 January 2023, resigned 24 November 2023)
Julie Hamilton (appointed 3 April 2023)
Valerie Jolliffe (appointed 28 January 2023)
Peter Landstrom
(appointed 2 January 2024)
Michael Luck (retired 1 January 2024)
Simon Lyons (appointed 28 January 2023)
Avani Metha Brown
(appointed 12 March 2024)
Katie Morrison
Nnenna Osuji (appointed 21 May 2024, resigned 28 January 2025)
Melanie Sherwood
Gillian Smith (appointed 3 April 2023)
Chris Streather (retired 31 March 2023)
Alistair Summers (retired 22 March 2024)

Senior leadership team

Jon Spiers
Chief Executive
Robin Meltzer
Deputy Chief Executive, Director of Engagement and Communications
Paul Stein
Executive Director of Fundraising
David Cheesman
Interim Director of Strategy
(appointed May 2023)
Alison Kira
Director of Grants and Services
Sharron Grant
Director of Human Resources
Laura James
Interim Assistant Director of Services (maternity cover from February 2022 to February 2023); Assistant Director of Innovation (appointed February 2023)
Jenny Todd
Assistant Director of Services (on maternity leave until February 2023)
Yusuf Firat
Director of Finance, Property and Operations and Company Secretary

Professional advisors

BANKERS
Lloyds Bank PLC
140 Camden High Street
London NW1 0NG

Handelsbanken
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London NW3 1PR

INVESTMENT MANAGERS
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1 London Wall Place
London EC2Y 5AU

M&G Investments
10 Fenchurch Avenue
London EC3M 5AG

AUDITORS
Crowe UK LLP
R+ Building
2 Blagrave Street
Reading RG1 1AZ

SOLICITORS AND LEGACY ADVISERS
Withers LLP
20 Old Bailey
London EC4M 7AN

Design: Adam Brown_01.02
Photography: Gianluca Fontana
Printed by Pureprint

Thank you

On behalf of the staff and patients of the Royal Free London NHS Foundation Trust and everyone at the Royal Free Charity, we offer our heartfelt thanks to all our supporters, including those who choose to give anonymously. Our generous network has raised funds, increased awareness of our charity and enabled us to respond flexibly to the evolving needs of our hospitals, patients and staff during the past year.

Michael Abraham and family
Aja Aguirre
In memory of Dita Athanassoulia
Barnet & District Cancerlink
Biss Davies Charitable Trust
Pat Bonner
The Cecil Rosen Foundation
Robert de Segundo
Fairview New Homes Limited
Antonia and Charles Filmer, and all those who supported the Miranda Filmer Fund
Garfield Weston Foundation
Golden Bottle Trust
Goldman Sachs Gives
Heathside Charitable Trust
Family and friends of Ian Lauderdale
Family and friends of Jeanie McAfee Jones
NHS Charities Together
Pears Foundation
R S Hoffman
Legends Tour
The Mahboubian Family
In memory of Roger Mills
Jeffrey Modell Foundation
Kate O'Neill
Pembridge Hall School
The Rose Family
Tania Show
Susie and Ben Whitmore

Patrons
The Bloom Foundation
Judy and Paul Dewinter
Sally and Steven Dyson
David Edwards
Gemma and Simon Lyons
Peter Oppenheimer and Joanna Myers
Elizabeth and Daniel Peltz
Rob and Claire Randall
Nina and Roy Sandler
Noam and Ruth Tamir



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Charity no. 1165672
Company registration no. 09987907

THE ROYAL FREE CHARITY

England & Wales - Charity number 1165672

Accounts

ANNUAL REPORT + ACCOUNTS

2022-2023



BRINGING THE FUTURE FORWARD...

ROYAL FREE CHARITY



BRINGING THE FUTURE FORWARD...



AND BEING IN THE RIGHT PLACE RIGHT NOW



"There's no doubt that the Royal Free Charity means we can do more for patients than NHS funding can do alone – and that's down to the wonderful generosity of its supporters."
Pete Landstrom, chief executive of the Royal Free London NHS Foundation Trust (RFL).

During the year, we worked closely with our RFL colleagues to align the charity's fundraising and delivery priorities with the trust's clinical strategy. With RFL being London's biggest provider of cancer care, we've begun developing bold plans to create a world-class cancer treatment and research centre that will:

- fill a critical gap in London's cancer provision as part of a joined-up, system-wide approach
- meet the surge in demand expected by the end of this decade
- deliver better outcomes for patients
- foster research into new treatments and early detection
- expand access to clinical trials
- provide an outstanding patient experience

The Royal Free London cancer centre would be at the heart of a new network of care that will improve the screening, early diagnosis and effective treatment of cancer across north London and beyond. All these services will benefit from their proximity to one another under one roof in Hampstead.



"Whether it's a wayfinding volunteer, a massage therapist, a benefits adviser or a comfortable rest area for a hospital colleague, every day the charity's fundraisers and donors make a big difference to our patients and staff."
Gillian Smith, chief medical officer, RFL.

The services that the charity itself provides to patients and hospital colleagues are the heart and soul of the charity, creating strong links which provide insight into what the hospitals need and how we can provide solutions.

In whichever part of our three hospitals they are to be found – our volunteers in their eye-catching charity t-shirts, our therapists in their smart uniforms or the sounds of our musicians – provide confidence that help or entertainment is around every corner.

Embedded in the work of caring for patients, they are in a unique position to improve the experience of patients and save staff time.

What seem like small acts can leave a long-lasting impression on patients and their loved ones.

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Thank you	Inside back cover

During the year, our 14 therapy dogs (including Dylan, below) had more than 1,000 interactions with patients, visitors and hospital staff, providing a much-needed boost.

"The positive impact that the charity's therapy dog visits have on both patients and staff is a joy to witness. These wonderful interactions bring great meaning to a much-loved service."
Matilda Patterson, clinical dementia specialist



ABOUT US

The Royal Free Charity wants everyone who uses Barnet, Chase Farm and the Royal Free hospitals to receive the very best healthcare, delivered by a thriving workforce and underpinned by medical research that has global impact.

We support our NHS colleagues, their patients and their carers, as well as researchers, with everything from huge investments that help bring discoveries and innovations to the bedside faster, to small acts of kindness here and now which enrich the experience of patients and staff.

After a young surgeon, William Marsden, nearly 200 years ago, couldn't find anyone to care for a woman he found dying in the street, he inspired a group of philanthropists to help him change what they saw around them. The Royal Free Hospital was born, leading eventually to the group of hospitals we have today. Similarly imbued with a sense of impatience on behalf of patients are our 21st-century supporters who want better care for those in their local hospitals now.

Never has the NHS needed their help more. The charity's top priority is to ensure we understand the needs of our hospitals and their staff so well that we can ensure our donors' and fundraisers' generosity has the most impact on patients, on hospital staff and on pump-priming research that will one day help patients worldwide.

Follow Dylan by flicking through the page corners...





THE FUTURE AND NOW FOR CANCER PATIENTS

'The most significant advances in improving outcomes for patients with cancer will be by diagnosing more people at an earlier stage. The Royal Free Charity and its supporters are helping us do that.'

Prof Derralynn Hughes, clinical director, research and innovation at the RFL and professor of experimental haematology, UCL

Forecasts of the number of patients expected to need cancer treatment in the coming years have exposed a gap in provision that the charity is committed to tackling through significantly increased future fundraising.

We want to help our hospitals improve access to their services, improve outcomes and the experience of patients and do more research into cures and new treatments. Greater access to clinical trials will be key to this.

This will mean redoubling our efforts in fundraising, but we were hugely encouraged by the success of our winter 2022 appeal, which raised £437,000 for new projects to support cancer patients. These will:

- speed up cancer diagnoses and treatment
- alleviate some of the stresses of chemotherapy sessions by transporting patients to a virtual reality using charity-funded headsets
- support projects aimed at reducing cancer health inequalities in our area of London

The charity will now be able to fund London's first one-stop NHS lung cancer diagnostic service, based at the Royal Free Hospital.

The thoracoscopy service will mean that patients with fluid on their lung can be diagnosed and receive initial treatment the same day so that if they subsequently need oncology treatment, they are fitter and stronger when it starts. And Barnet residents' response to the appeal means the charity will also fund the expansion of a contrast-enhanced digital mammography service at Barnet Hospital so that people with suspected breast cancer can be diagnosed more quickly and accurately.

Dr Besma Musaddaq, consultant breast radiologist, said: "Younger women in particular tend to have dense breasts and that can obscure cancers. If we give contrast enhanced mammography to these patients, that cancer will light up in the midst of a dense breast, increasing the likelihood that it will be picked up."





As well as preparing for the future, we continue to provide significant support for cancer patients today.

This year we launched what is considered the first charity-provided scar tissue massage service for NHS patients, including those who have had cancer surgery. Research shows this form of massage can reduce pain, increase movement and promote healing.

We have helped improve how hospital staff communicate with cancer patients with a £10,000 grant for an award-winning training module called Let's Talk Cancer.

And we continue to support cancer research, investing a total of £1.85 million in cancer research during the year.

Katy's story

We couldn't do it without generous supporters like Katy Vincent, a Royal Engineers' officer, who ran 26 miles in full army kit to raise funds in memory of her 30-year-old best friend, Miranda Filmer. Miranda died last summer, five years after she was diagnosed with neuroendocrine cancer, one of the RFL specialist services. Katy's "Mirandathon" – from her childhood home to Miranda's home – raised nearly £6,000 for research into the disease. "There isn't a day that goes by when I don't think about Miranda's courageous battle, surviving way beyond the odds and living for what and who she loved," said Katy.







THE FUTURE AND NOW FOR PATIENTS AND HOSPITAL STAFF

'I felt held and pampered, valued as a human being. The healing power of touch cannot be over emphasised. My frozen shoulder was better and all the tension melted away.'

A patient after a session with our complementary therapy team

The charity's services and grants have created a package of support for patients and staff that includes psychological support, welfare and benefits advice, stress and symptom-relieving complementary therapy and training and development.

Direct support

The services provided by the charity for patients help them navigate the complex hospital environment, ease the stresses of their treatment and provide advice and guidance in sometimes very challenging circumstances made worse by their health concerns.

Over the past year we've had 403 volunteers across all three hospitals and satellite sites who have collectively volunteered over 27,000 hours.

- Our 14 therapy dogs have had more than 1,000 interactions with hospital staff, patients and visitors, providing a much-needed boost.
- 3,790 patients living with dementia have been supported by a specially-trained volunteer dementia companion.
- 71,339 visitors have been helped by enquiry desk volunteers.
- Ward volunteers have supported 3,685 patients and more than 500 staff with a friendly chat and helping hand.
- Carl Orr and Matt Smith, our guitarists, have entertained patients and staff.
- Flo, our hairdresser, visits patients at the Royal Free Hospital each week, leaving them feeling refreshed by washing and styling their hair (see pages 34-35).

Our volunteers and pet therapy dogs make a huge contribution to the efficiency of our hospitals, their ability to innovate and to patients' welfare. They work in 20 different roles from the practical to the pastoral, from the everyday to the unusual.

While much of their support is traditionally associated with NHS volunteering - helping patients to get to their appointments in a timely manner, providing mealtime help to patients and running a daily trolley shop service – many roles have been designed to meet a specific



need highlighted by RFL staff and are unique to our charity. These roles now include:

- digital volunteers who offer pre-appointment advice to reduce the risk of marginalised communities and vulnerable patients being left behind. This has reduced the number of missed appointments.
- volunteers trained to deliver virtual reality therapy to RFL staff to reduce stress and anxiety. Volunteers are now receiving training to extend this form of therapy to patients receiving chemotherapy.
- dementia companion volunteers on the wards offering conversation and activities that make a big difference to the experience of patients with dementia, providing much-needed stimulation and reducing distress.
- art therapists on the neurology and stroke wards helping patients to process what they are going through, giving them space to create and to articulate their experiences.
- a small number of highly-skilled asylum seekers, unable to work while waiting to hear if they can stay in the UK, began working in volunteer roles which use their experience and skills.

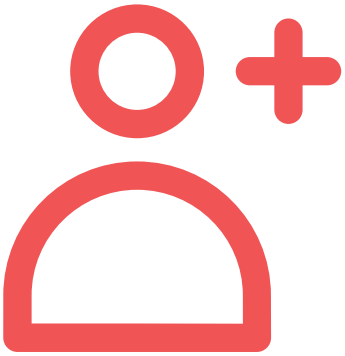
During the year, our complementary therapy team delivered 11,000 massage treatments for patients and hospital staff, achieving outstandingly positive feedback – the comment above is one of many.

New therapies were introduced during the year: acupuncture and specialist massage of scar tissue – thought to be the first time this has been offered by a charity in an NHS hospital. Like all our services, they are aligned with the hospitals' clinical and infection prevention and control policies.

'The changing rooms are clean and the showers hot. The gym is great, bright and welcoming... my favourite gym!'

Member of the Rec Club

403 volunteers across all sites have collectively volunteered over 27,000 hours



Our support hub, on the lower ground floor of the Royal Free Hospital, supported nearly 500 patients with long-term conditions during the year with the following services:

Welfare rights advice about financial and housing problems, preventing homelessness, supporting people to find better accommodation and with housing repairs.

Benefit applications and appeals supported by hub staff yielded £327,000 for those entitled to these benefits but who were struggling with the processes while also coping with their illness. Patients were also helped to secure blue badges, taxi cards, warm-home discounts and grants from other charities.

For the first time, hospital staff were supported by the hub in a three-month pilot project, and it's hoped that in the coming year funding will be secured to continue this service.

Amputee support group: Patients who have required an amputation as part of their treatment took part in support group sessions, arranged in partnership with the Limbless Association, and isolated patients were befriended with our "check in and chat" service. A major project for the coming year is to set up a second support hub at Barnet Hospital.

Rec Club

The Royal Free Charity Recreation Club offers affordable facilities aimed at improving the fitness and wellbeing of hospital staff and the local community with its well-equipped gym, pool, classes and room hire.

This year closer links were developed with the RFL's cardiology and pain management services who now run clinics in our studios during quieter times, complementing similar arrangements already in place with the physiotherapy and neurophysiology teams.

The year saw an increase in memberships and we hope our work to engage schools will continue this trend. We also planned a new website and discussed ways to continue upgrading our facilities so we can further improve our offer.

Rodney's story

When Rodney was told he would need a liver transplant, to help him cope, he was referred to the charity's check-in-and chat programme. "At first, I thought: 'What's the point - I've got a psychiatrist, I don't need this.' But actually it was great. They [the volunteers] talk to you on your level. They're not a doctor, or a psychologist; someone to listen to you. It helps that you don't know them either - it's actually easier than talking to a friend in a way.

"The support hub also helped me through their welfare rights advice service, [helping me apply] for a benefit as I'm no longer able to work. I didn't want to apply, but my advisor encouraged me that it was ok."



Dean's story

A £4,500 grant made to the RFL's LGBTQ+ staff network for a training programme brought better support for colleagues and patients.

Dean Rigg, LGBTQ+ network co-chair, said: "Despite making up a relatively small proportion of the population, lesbian, gay, bi, trans and queer people are disproportionately affected by mental health issues. They also have worse health outcomes and experiences of healthcare.

"While the trust already has equality and diversity training in place, there is a gap in some colleagues' knowledge and confidence that they look to the LGBTQ+ & Friends staff network for support with. This funding from the charity will allow us to design and deliver a bespoke internal training programme that has the experience of our own staff at its core."

Carol's story

Funding from the Royal Free Charity resulted in a package of mental health and wellbeing support for the RFL's 11,000 staff, including psychological support with qualified therapists and peer support through a mental health first aid programme.



Training in mental health first aid means peers can identify, understand and respond to colleagues who may be experiencing a mental health issue. Carol Menashy, mental health first aider, led the roll-out of the programme at our hospitals.

"Last year, we supported more than 500 colleagues with peer support. We listen with compassion and empathy and without judgement and we signpost them for support to the most appropriate professional rank or service. Having the charity's funding has made that crucial difference. It gives us time to reach those people who wouldn't necessarily find our service otherwise."

Our grant to fund an occupational health psychology post has also helped staff who need fast psychological support with severe mental health challenges, often work-related trauma, depression and anxiety. During the year, more than 500 assessments and therapy sessions took place.

One member of staff said: "I truly believe without having this intervention I may have been off sick for a very long time and/or may have left the trust. I am very grateful for the easy access to this service and the quality of psychological support I received."

£10,000 project to refurbish the bereavement area at Barnet Hospital



Providing grants

Where we don't supply services ourselves, our generous supporters enable us to make grants to enable RFL staff to do more than NHS funding can. During the year grants worth £1.7m were awarded and just a few of the projects funded were:

- a £10,000 project to refurbish the bereavement area at Barnet Hospital.
- £9,064 for a study to improve care for patients with scleroderma experiencing painful ulcers on their fingers, thumbs or toes.
- £10,000 to install two digital windows and large analogue clocks to counteract the lack of natural daylight in a clinical assessment area of the Royal Free Hospital.
- £8,640 for sensory management packs for autistic patients and patients with learning disabilities to help minimise the adverse effects of being in the busy, loud environments of the A&Es at Barnet and the Royal Free hospitals.
- £8,050 for a dementia resources box for wards for elderly patients.
- Nearly £2,000 for sleep-well packs including ear plugs and eye masks aimed at reducing disturbances to ward patients at night.





THE FUTURE AND NOW FOR RESEARCHERS

'I have pledged a gift in my will to the Royal Free Charity, knowing that it will make a real difference in researching better understanding, treatments and a cure for scleroderma.'

Nicola, scleroderma patient

Total research spend	£6.95m
Total invested in cancer research	£1.85m
Active grants: (including 42 research grants)	144
PhD students funded	31
Research grant applications received last year, with 7 awarded (success rate: 44%)	16

Why fund research?

- Research offers the best opportunity to transform the lives of patients – those who attend hospitals which conduct research generally have better outcomes.
- Patients get access to new treatments via clinical trials that are not readily available.
- Treatments and medications are the culmination of a research journey from discovery to drugs that take many years or decades to develop.

Over the past three years, the charity has significantly stepped up support and funding for medical research. We have already provided seed funding for the RFL's clinical research facility, which has gone on to secure many millions in research funds to enable early-phase clinical research in healthy adults and patients with acute, complex, and long-term conditions. This purpose-built space is used to develop ground-breaking treatment for a broad range of medical conditions including cardiovascular, renal and liver disease as well as rare diseases and cancer. It also facilitates first-in-human drug trials, gene therapy and the development of novel medical devices and biomarkers.

A significant step forward during the year was our successful application to become an introductory member of the Association of Medical Research Charities (AMRC), which includes leading UK medical and health research charities.

Membership of the AMRC provides reassurance to donors that the charity is held to a high standard of transparency and accountability and that the charity is committed to investing donor funds in responsible and ethical research.







Finding a new cancer treatment

A £10,000 grant from the charity enabled a team to better understand how a new treatment for pancreatic cancer works. Irreversible electroporation (IRE) destroys cancer cells using electrical pulses. Preliminary studies have suggested it is effective but until the team understands exactly how it works, it can't be made available to patients.

Professor Brian Davidson, consultant hepatobiliary and liver transplant surgeon, said: "This funding enabled us to explore uncharted territory, shedding light on how IRE treatment attacks and kills cancer cells and how it works when combined with other treatments. We believe that this could pave the way for more targeted treatments for pancreatic cancer, meaning better outcomes for patients."



HIGHLIGHTS OF OUR YEAR

May 2022



Pears Building – the inside story

About 40 people who live within walking distance of the Royal Free Charity's Pears Building visited us for the first time to hear how we're bringing RFL clinicians, UCL scientists and patients closer together to find new treatments and cures.
Leading researchers at the UCL Institute of Immunity and Transplantation, based in the building, described research into COVID-19 immunity and the crucial part played by patients who take part in clinical trials.
They also heard from an artist commissioned to produce artwork for the building.

Banknote hails Royal Free pioneer

Scotland's new polymer £100 banknote featuring a Royal Free medical pioneer brought a £120,000 windfall for our hospital staff and patients when an auction of banknotes with sought-after serial numbers was held to mark the new note entering circulation.

The new note shows medical pioneer and suffragette Dr Flora Murray CBE, who trained as a doctor at the Royal Free Hospital – one of the first women doctors in the country. In March 2023, a portrait in oils of Dr Murray, owned by the charity, was lent to a Scottish museum for an exhibition marking the centenary of her death.



July



National kidney cancer study

A research team funded by the charity to investigate if scans rather than surgery can be used to diagnose kidney cancer was awarded £250k to scale up the project in hospitals across the UK. Up to 30% of kidney tumours are benign so the project could have a major impact on patient care.

September



Her Majesty Queen Elizabeth 1926-2022

The year saw the country's transition from the reign of HM Queen Elizabeth to HM King Charles and both were commemorated with trees in the Pears Building gardens.

In 1978 Queen Elizabeth officially opened the Royal Free Hospital's current site on Pond Street.



October



A first for massage team

Our complementary therapists became the first charity-provided therapy team in the UK to offer scar tissue therapy to NHS outpatients. Rozalia and Kris now work with patients who have recently had surgery as part of their cancer treatment.

Rozalia said: "We often used to avoid scarred areas during a massage but now we have the professional level skills to help patients in a new way." The therapy can increase circulation in the area, reduce itching, pain and numbness, soften the appearance and increase the range of movement.

November



Marsden Lecture

We were delighted to welcome to the annual Marsden Lecture Professor Sir Mike Richards, leading cancer care strategist, and Dr Liz O'Riordan, a former breast cancer surgeon and patient advocate.

Professor Sir Mike Richards CBE was the UK's first national cancer director and later became the CQC's first chief inspector of hospitals. He has led two major reviews for NHS England and last year was appointed chair of the UK National Screening Committee. Dr Liz O'Riordan had to leave her role after being diagnosed with stage 3 breast cancer.

Both spoke passionately about ways to improve cancer outcomes and the experience of cancer patients.



January 2023



Ella's story

A massive thank you to Ella and her family for raising over £10,000 for the Starlight neonatal unit at Barnet Hospital. Ella Benezra was born at 26 weeks, weighing just 760 grams – 12 years later she chose to forgo her bat mitzvah gifts and instead ask for donations to the unit.



National accolade for Royal Free Charity volunteer

Training volunteers to care for patients with dementia, telephoning patients at risk of isolation and supporting biobank research are just three ways that Evelyn Blumenthal, Royal Free Charity volunteer, makes a difference. Her remarkable contribution to patients was rewarded with a prestigious national award for people who have shown exceptional dedication to their volunteering role. "I'm amazed and stunned. I never in a million years thought I would be the winner," said Evelyn.

Updating the hospital's history

The history wall along the main ground floor corridor at the Royal Free Hospital was updated to include information on our hospitals' response to the pandemic.

Funded by the Royal Free Charity, the final panel now includes details of the enormous self-sacrifice of RFL staff in order to care for patients during this most challenging of times, as well as the massive vaccination programme they ran to protect the community. "As wave after wave of the virus struck, [the staff} carried on, putting patients before themselves and their families," says the panel.

Wall-to-wall science

The Royal Free Charity also unveiled a series of panels in the patient accommodation at the top of the Pears Building. The six panels describe the research work of the UCL Institute of Immunity and Transplantation in the Pears Building and give details of research work underway to find future COVID-19 vaccines.

March



Helping scleroderma patients

We awarded a grant of over £9,000 for a study on a national self-care package for people with scleroderma with finger ulcers. The generosity of our supporters means hospital colleagues can co-design, with their patients, ways to improve care for these ulcers which are very painful, often take a long time to heal and can lead to complications that result in amputation or permanent tissue loss.

Above: Ben running the 2023 TCS London Marathon in memory of his father, Chris, who died from scleroderma.

A corner of Rome in Hampstead

Final preparations were made for the opening of Mileto Caffè in the reception area of the Pears Building in Hampstead. Federica Federico, whose family had to close their cafè in Rome, has recreated it for local people, patients and hospital and charity staff, supplying coffee, made from beans she imports and roasts herself and authentic Italian food.





Pond life in Pond Street

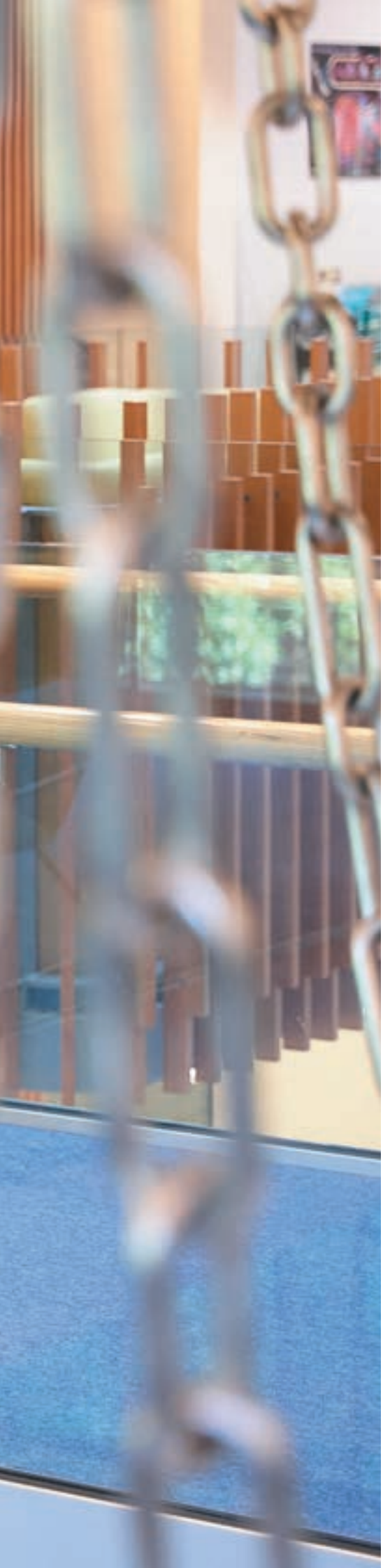
Helping to ease cancer patients' stressful hospital waits was the idea behind the installation of a webcam at one of the ponds on Hampstead Heath.

"Pondcam" is set up at a pond which is a nature reserve rather than for swimming. The camera focuses in turn on various locations around the pond, allowing patients and staff to see live images of the many species of birds and other animals.

"Watching the water gently rippling away is so calming and therapeutic! I've watched a majestic swan glide around and I also watched a family of ducks just going about their everyday business. I think Pondcam is a wonderful idea."
Oncology clinic patient







A MESSAGE FROM OUR CHAIR AND CEO

As the immediate pressures of the pandemic on our three hospitals began to abate, it became clear that the NHS was facing the greatest challenge since its inception.

Industrial action, massive funding challenges, rising waiting lists - partly caused by the COVID backlog - major issues in primary and social care and the ageing population all reinforced the pressure on the health service here in north London and across the UK. Each affected the NHS's ability to attract, support and retain staff, carry out research and offer the best care possible to our populations. NHS charities like ours – and their supporters – have never been more needed.

Crucial to being able to help most effectively is the close partnership we and our RFL colleagues have built, so that we can be sure the support we offer is exactly what's needed for patients, staff and researchers. This means ensuring that we are at the table at the earliest stages of major developments as well as by the side of today's patients and staff, helping them make progress further



and faster than NHS funding can do alone. During the year we built on the experiences of the two pandemic years to further develop our resilience and flexibility. We delivered many important achievements including a high-profile cancer appeal and the recruitment of hundreds of new supporters. We received several awards for our sector-leading volunteer service and for the groundbreaking Pears Building.

We continued to develop our unique complementary therapies – including a new scar tissue massage service, a first in the country – as well as the services of our support hub, and

'We were able to support the RFL through an intensely difficult year for staff and patients alike, with major investments in research, staff wellbeing, patient experience and medical equipment.'



A permanent sculpture by David Rickard was installed in the atrium of the Pears Building during 2023. *Synthesis (heavy chain)* represents the underlying code that guides the creation of the human immune system.

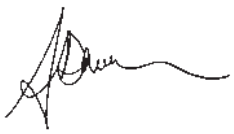
we welcomed new talent into the charity. This meant we were able to support the RFL through an intensely difficult year for staff and patients, with major investments in research, staff wellbeing, patient experience and medical equipment.

RFL is the largest provider of cancer services in the capital and we were delighted to make a number of high impact investments in cancer care and research, including purchasing the UK's first Quadra PET-CT scanner, supporting improved breast cancer imaging technology and funding London's first one-stop shop for lung cancer diagnosis.

But our cancer ambitions don't stop there. There is a critical gap in London's cancer provision and we are working hand in glove with our RFL colleagues to ensure a joined-up, system-wide approach to meet the surge in demand expected over the next few years. A potential new cancer centre on the Royal Free Hospital site would be at the heart of a new network of care to improve the screening, early diagnosis and effective treatment of the disease across north London and beyond. All these services will benefit from their proximity to one another under one roof in Hampstead.

While working to improve the future for one group of patients, we will continue to ensure that we are in the right place now for all our patients. We will work to increase the visibility of charity volunteers and staff in our three hospitals - in particular, Barnet and Chase Farm hospitals - and will explore opportunities to help patients further afield, through our leadership of a community partnership across north central London.

None of this would be possible without the continued development of our people and processes or, of course, the enormous generosity of our donors and fundraisers, whose vision of a better future for patients and those delivering their care is as clear as our own.



Judy Dewinter
Chair of Trustees



Jon Spiers
Chief Executive





HOW WE DID IT

Finding the funds

Our supporters have demonstrated extraordinary generosity again this year, helping us raise more than £7 million to deliver critical support services and provide transformative grants for staff wellbeing, patient experience and ground-breaking research.

We have continued to raise our profile and visibility within our hospitals and local communities. A highlight was our major winter appeal during which we welcomed nearly 1,000 new supporters and raised £437,000 to support significant cancer projects. Challenge events have been more popular than ever, with our fantastic runners and cyclists proudly wearing our distinctive Royal Free Charity kit while raising vital funds and awareness.

In what was a challenging year for so many, we have also reviewed our fundraising programme to ensure we are focused on the areas that deliver the best value. In February 2023 we launched our new gifts-in-wills campaign aiming to increase legacy giving, and will shortly be introducing a volunteer ambassador programme to help us build further links with our local community. Our incredible supporters continue to do so much for us. To show our gratitude we are looking forward to unveiling a new recognition wall at the Royal Free and Barnet hospitals. In 2023 we will continue to shape further opportunities for philanthropists in our community to engage more deeply with our work and help us continue to go further, faster, for all.

Fundraising policy

Our approach to fundraising rests on positive supporter engagement in order to enable us to attract, steward and maintain support while respecting the wishes of our supporters. To help us achieve this, we store and manage supporter information using a professional fundraising database.

The charity is registered with the Fundraising Regulator, contributes to its levy on fundraising charities and adheres to its code of practice and to Charity Commission guidelines. Trustees provide guidance and oversee our fundraising practices, upholding



A workout in the Royal Free Charity Rec Club, behind the Royal Free Hospital, open to all.

the Charity Commission's fundraising principles:

1. Planning effectively.
2. Supervising our fundraisers.
3. Protecting our charity's reputation, money and other assets.
4. Ensuring compliance with the laws, regulations and recognised standards that apply to our fundraising.
5. Being open and accountable. As a matter of policy, no inducements are made to staff or volunteers and we do not sell or exchange lists of data with any other charities or companies for marketing or fundraising purposes.

We regularly review our procedures to ensure that we provide our supporters with the best possible experience when they work with and support us.

Any failure to comply with fundraising standards would be reported to the Fundraising Regulator. There is guidance for the public about this on our website and we have an internal process. There have been no recorded failures to comply with fundraising standards in the past financial year. We are compliant with the General Data Protection Regulation; we gain consent from our supporters when required; and inform them of their rights and how we look after their personal data.

Our privacy policy covers how we use the data provided by our supporters and it describes the ways in which supporters can opt out from communications and how they can make a complaint. We provide website links to our privacy policy and to our subject access request policy.

Tribute to an uncle

Ted and George Rayment's uncle, Tony, was a keen runner who completed two London marathons, so it seemed a fitting tribute to raise money for the hospital that cared for him before he died from the skin cancer melanoma at the Royal Free Hospital.

George said: "Unfortunately, it continued to spread despite immunology and radiology treatment, and he spent a long time in hospital. He was cared for on the oncology ward by a team of nurses and carers who, as a family, we began to know quite well. We both wanted to support the Royal Free Charity to say thank you for the way the wonderful staff cared for Tony."



George Rayment, Free Charity t-shirt

Supporting our own staff

Recruitment, staff training, coaching and mentoring were all important pieces of work during the year with significant targets that were met.

Customer service training: We successfully trained over 82% of our workforce in face-to-face customer service training, helping to ensure optimal relationships with our very varied stakeholders. We plan to develop other bespoke training in 2023/24.

Manager development: Our passport to management programme was launched, with all our department heads, and those they manage, invited to attend a two-day introduction to management training.

Coaching and mentoring: We successfully trained three mentors within the charity to work with staff as needed. In addition, heads of department and senior leaders were offered external coaching following their annual feedback and performance review. Our focus next year will be on widening our coaching and mentoring offering and encouraging uptake. We were delighted that 81% of staff took part in our annual staff survey and their views have helped us decide our plans for 2023/24. These include:

- the roll-out across the charity of our organisational values, which describe our beliefs, ethics, behaviours and principles.
- the launch of an apprentice scheme in partnership with the RFL and a staff awards scheme linked to the values.
- a new, more sophisticated human resources information system to speed up basic management processes.
- achieving the government's Disability Confident Employer status.

Building on our work on equality, diversity and inclusion last year, we offered further detailed training for managers looking at how to manage in our diverse organisation. The highly positive feedback from this led to a plan to develop an equality, diversity and inclusion strategy in 2023/24.

Telling our stories

The communications and engagement team works closely with our fundraising colleagues to retain our existing supporters and find more. We do this by explaining how our services and grants help patients and staff at our hospitals and by sharing the amazing stories of our fundraisers who take on all sorts of challenges to raise money for them.

Thanks to a new way for people to sign up to our communications via our hospitals' wifi system, during the year we increased our new subscribers by an average of 5,000 a month. We hope our communications will inspire them to act when we ask for their support as part of the Royal Free family.

Next year we'll be working with the fundraising team to create new ways for people to support our hospitals, whether in memory or in celebration of someone, or through fundraising in the community.

We're also changing the way we tell those stories, using video as a medium much more





than we have so far and expanding our social media activity to include TikTok.

There'll be more focus on getting our stories into the news and we are commissioning a new website. This will give visitors a better, more personalised, experience.

Our design and communications advice helps support other teams to achieve their objectives. We tell new hospital staff about the charity at their induction sessions, giving them information about what we do and how they can help us to help them.

During the year we continued to build relationships with our neighbours by inviting them into the Pears Building to hear from the scientists about their research. We also heard their thoughts about a new art installation and a community cafe in the reception area of the Pears Building. And we unveiled plans for a webcam link from a pond on Hampstead Heath to patients and staff in the Royal Free Hospital.

Protecting the environment

The Royal Free Charity's head office is in the Pears Building which was awarded a rating of "excellent" under the BREEAM scheme. This is the world's leading assurance that a building is energy efficient, was built sustainably and enhances the wellbeing of those who live or work in it.

Potential overheating is controlled by the concrete outer walls and brise soleil shields on the windows, renewable energy is provided with almost no carbon emissions and the overall design minimises the wastage of heated air. Other features include charging points for electric vehicles, a staff bike store and a brown roof and 12 bug hotels to provide wildlife habitats.

It is just as important that we are aware of the impact of what we do within the building, and in our wider activities.

Each year the worldwide web uses more electricity than the UK and is responsible for more emissions than the world's airline industry. This year we commissioned a website that will reduce browsing time by optimising content, searching and other aspects of user experience, reducing its environmental impact.

We make funds available to our three hospitals following successful grant applications from RFL staff. The application form includes a requirement for applicants to outline how they have considered the environmental impact of their project and any measures to mitigate this. If two applications are judged to be equal by the panel, further weight will be given to the answer to this question.

During the year, we began a comprehensive review of our investments, including how we could improve our environmental and social impact. As a result, we have moved our equity investments into a pooled fund which excludes fossil fuel producers.

We are also looking for a way to re-use the coffee grounds generated by our new café, possibly as a garden fertiliser. In all parts of the building refuse containers separate recyclable waste.



‘Our NHS at 75’ Fujifilm photography award winner

A photograph taken by a member of our communications team won a national competition to mark the 75th anniversary of the NHS.

The picture, by Jenny Brodie, shows Paul, a patient at the Royal Free Hospital, having a haircut and shave at his bedside from Flo, a hairdresser funded by the Royal Free Charity. The winning entry was submitted in the partners category which celebrates the crucial role partnerships play in delivering the best possible care for NHS patients.

Jenny said: “I think the image captures something that we often hear from patients about the services we provide: for a brief time, they aren’t defined by their illness or condition. For those few moments, they are simply themselves.”









LOOKING AHEAD TO 2023–24

The science of clinical care for patients never stands still and neither do our ambitions to improve the ways we support the patients and staff in our three hospitals. At the same time, there is so much we can do today.

Key to both is the strengthening partnership between the charity and our colleagues in the RFL so that we hear, early on, about the problems we can help them solve. This ensures that we spend our supporters' funds in ways which will help most.

The next year will see us:

- continue our discussions and plans for major new fundraising efforts to transform the experience of patients across north London, particularly those receiving treatment for cancer.
- grow our investment in research, bolstered by our membership of the Association of Medical Research Charities.
- introduce new services directly delivered to patients and hospital staff by charity volunteers and staff.
- build deeper connections with our various communities to optimise their support for their local hospitals.
- increase all our fundraising income, particularly that which is not restricted to particular services or parts of our hospitals, so we can ensure our vital grants and services are there for tomorrow.
- further explore our ambitions to support the health of the wider population across north London.



TRUSTEES' REPORT

INTRODUCTION TO THE ACCOUNTS

Yusuf Firat, director of finance, property and operations

Like all organisations, the charity felt the economic pressures facing the country but the year saw significant progress in our work to increase our resilience and maximise our support for patients and staff in our three hospitals.

Voluntary income fundraising has been challenging with the tough economic climate making it difficult to improve income from donations and legacies. However, income from investment holdings and property operations showed a marked improvement compared with the previous year and provided us with more unrestricted funds. These are funds that can be used in the most effective way for the greatest number of patients and hospital staff rather than committed to a particular project which may benefit only some.

Recruitment of new staff has been difficult and has affected our ability to implement the charity's fundraising strategy effectively; this situation is not likely to improve in the near future. Retaining and developing our staff as well as attracting new talent continues to be a key priority.

In March 2023, the Royal Free London NHS Foundation Trust (RFL) granted £12 million of restricted funding to the charity, which it had received in addition to its annual budget, enabling the charity to make strategic investments to improve patient care. As the RFL's strategic delivery partner, the charity is uniquely placed to achieve maximum value for patients and hospital staff from this grant. We can leverage further funding from other sources and plan spend across successive years, rather than having to deploy funds within a single annual budget cycle, which the NHS has to do.

Two of our properties are now bringing in regular income – the Pears Building in Hampstead, which we built as the new home for UCL's Institute of Immunity and Transplantation, and Graseby House, our residential and office accommodation used by Barnet Hospital staff.

The Pears Building includes two floors of patient accommodation, which is well occupied during the week, and after a long search for the right provider, we were able to start planning the opening of the Mileto



Caffè in the building's reception area. This will add modestly to our income and provide a much-needed community hub connecting local residents with the incredible science going on in the Pears Building.

We continued to make structural changes to further increase our sustainability, recruiting staff, establishing new processes and upgrading existing ones where needed. We have also reviewed our financial arrangements to ensure best value for our donors, fundraisers and the RFL Trust. Our plans to enhance processes and increase efficiency further include replacing our financial system.

A review of our cost base enabled us to make savings in areas including insurance, utilities and legal and professional fees. We plan to implement a procurement strategy and make continuous improvements to our internal processes.

We conducted an investment review to ensure the charity's financial investments were managed effectively for the best returns within the parameters of responsible investment, taking account of our environmental and social governance objectives.

There is no doubt that the current economic stresses will be with us for some time. But we will continue to prioritise our financial resilience to ensure that every penny entrusted to us by our donors is spent as they would wish.

Financial commentary

This year saw the Pears Building become fully operational with the charity's wholly-owned subsidiary, RFC Enterprises Ltd, overseeing all service charges and utilities relating to running the building. RFC Enterprises Ltd also manages the Pears Building patient accommodation with a bookings contract managed by the RFL, through RFL Property Services Ltd.

The charity was delighted to bring on board Mileto Caffé, which opened to the public and Pears Building tenants and guests on 27 April 2023. The café provides a wonderful community hub both for the immediate residents such as UCL, hospital staff, the charity staff and patient guests, as well as the local community.

Our accommodation serves as a great alternative to other local overnight accommodation for hospital patients and their loved ones. Occupancy rates have increased during the year from 38%-40% to nearly 70%. Sunday to Thursday evenings see a near 100% occupancy and we are working on improving the occupancy rates for weekends.

The accommodation has also been successful in financial terms with annual turnover projections in the region of £800k. Any distributable profits generated by RFC Enterprises are gifted to the charity. Unfortunately, as we anticipated in its first year of operations, RFC Enterprises recorded operational losses due to mobilisation costs and initially lower accommodation occupancy.

The Pears Building is a mixed motive investment asset with significant social investment value. As such, given that there is only a peppercorn rent from UCL and the RFL for areas leased to the two tenants, the social investment value of the building is in the region of £1.1m a year. This is a great demonstration of the charity using its funds for its charitable objectives. This social investment value is shown under the 'charitable expenditure' line in the statement of financial activities.

Graseby House is our second mixed motive investment and offers office space on its ground floor for hospital administrative staff and much-needed affordable residential units for keyworkers at Barnet Hospital on its upper floors. The accommodation comprises 63 residential units and this year demand for this high-quality accommodation has been very high, averaging over 99%. The building is managed and maintained by RFL Property Services, who also manage accommodation bookings and short-term tenancies. The building generated around £665k income from the ground floor lease and residential unit rents for the year.

The Armoury on Pond Street is a pure investment building, leased to the Jubilee Hall Trust, a charity with similar objectives to the Royal Free Charity. The building is leased on a full repairing lease, which was renegotiated during this financial year and renewed with an extended period covering 16 years from March 2023.

Our investment in fundraising has shown encouraging results with voluntary income raising £3.85m, 50% of which was unrestricted. This is a very heartening development as the charity's fundraising strategy has been focused on improving unrestricted income and we are also pleased to see positive developments in restricted and designated income generation. The charity sector more broadly is suffering from staff recruitment and retention issues and unfortunately the charity is not immune from this challenge. Our recruitment drive has not been able to deliver on the number of posts we planned for and this is anticipated to continue into the next financial year.

The charity received two major grants during the year: a £12m restricted grant from the RFL and a £3.5m restricted grant from



UCL to support the National Amyloidosis Centre at the Royal Free Hospital.

Our investment holdings, totalling £19.5m as at 31 March 2023, recorded a total loss of £789k during the year. This represents a loss of over 5% in value compared to the beginning of the financial year. An investment review is underway and this is expected to set a fresh strategy, incorporating improved environmental and social governance considerations and a variation in asset allocation to improve expectations for the charity's investment returns, including significant cash receipts of grant income.

The total annual income of the group was £25.1m (2021/22: £25.3m), while operating income, excluding investment income, was £23.2m (2021/22: £24.1m).

The charity launched our cancer appeal in autumn 2022 to meet the urgent needs of cancer patients and staff across our hospitals. The response to the appeal was excellent and we were able to fund a range of high-impact projects in Barnet, Chase Farm and the Royal Free hospitals.

In March 2023, the charity received £12m of grant funding from the RFL to finance a series of strategic investments over the next two years. The grant is recognised as restricted in the financial statements for the year and is included in the total income from donations and legacies of £19.4m (2021/22: £22m).

The charity's other fully owned subsidiary, the RFC Recreation Club Ltd ("Rec Club") continued to rebuild its membership following the pandemic. Following some senior staff changes, the recruitment situation is now stable. Further work is planned for 2023/24 including refurbishments of the swimming pool and changing rooms. The Rec Club generated £49k (2021/22: £96k) of profits for the year, which will be Gift Aided to the charity.

Income from investments of £1.9m (2021/22: £1.2m) reflects an increase in income from the charity's financial investment portfolio, which was switched from a higher risk equity investment to a lower risk bond investment to mitigate risk in the equity markets due to the pandemic. The income also reflects the interest earned on cash deposits invested in short-term investments. There was a £789k loss on investments in the year (2021/22: £171k gain), represented by a £71k realised and £718k unrealised loss on financial investments.

The charity spent £16.7 million during the year on vital grants and to provide its own sector-leading services for patient welfare and support as well as investing in medical research, staff training and medical equipment. More details of projects undertaken in support of our objectives are included earlier in the annual report.

Reserves

The charity's reserves provide funding for financial commitments and a contingency against unforeseen circumstances. The trustees review the reserves levels regularly to ensure the charity has adequate funds.

The charity holds three main categories of reserves:

- **Restricted funds** are made up of gifts, donations and grants with strict spending conditions and covenants attached, as well as funds inherited from other charitable organisations through merger with the charity. Restricted funds at the year-end were £28m (2021/22: £19.9m).

- **Unrestricted, designated funds** are donations or legacies which come with an expression of wish from the donor, but no binding restriction, to benefit specific activities of a department in any of our three hospitals. Unrestricted, designated funds at the year-end were £13m (2021/22: £16.9m).

- **Unrestricted, general funds** carry no stipulation from the donor but must be spent in line with the charity's objects, which is the legal responsibility of the trustees. Unrestricted, general funds at the year-end were £67.6m (2021/22: £69.9m).

A target level and minimum level of unrestricted free reserves have been established to ensure the charity has adequate funds to operate, allowing for unexpected events. In line with accounting standards for the sector, free reserves are calculated based on general funds, adjusted for fixed assets excluding pure investment properties, and are compared against the minimum reserves requirement stipulated by the policy.

The free reserves at the year-end were negative £5.2m (2021/22: negative £3.1m). This movement in the free reserves position is attributed to negative movements in the charity's investment holdings due to adverse market conditions, transfer between funds and the deficit on income and expenditure for the year. The charity has had negative free reserves since 2020, primarily driven by three separate challenges posed by the pandemic:

1. Very challenging financial investment performance as a result not only of the pandemic but also the war in Ukraine.
2. The immense impact on the NHS and the consequential need for the charity to increase our support for our beneficiaries.
3. Additional capital required to complete the Pears Building following unavoidable cost overruns.

This position of negative free reserves does not pose liquidity or solvency issues and is considered to be temporary due to a combination of maximising unrestricted fundraising income, increasing commercial returns and controlling expenditure in a way that does not impinge on our charitable mission.

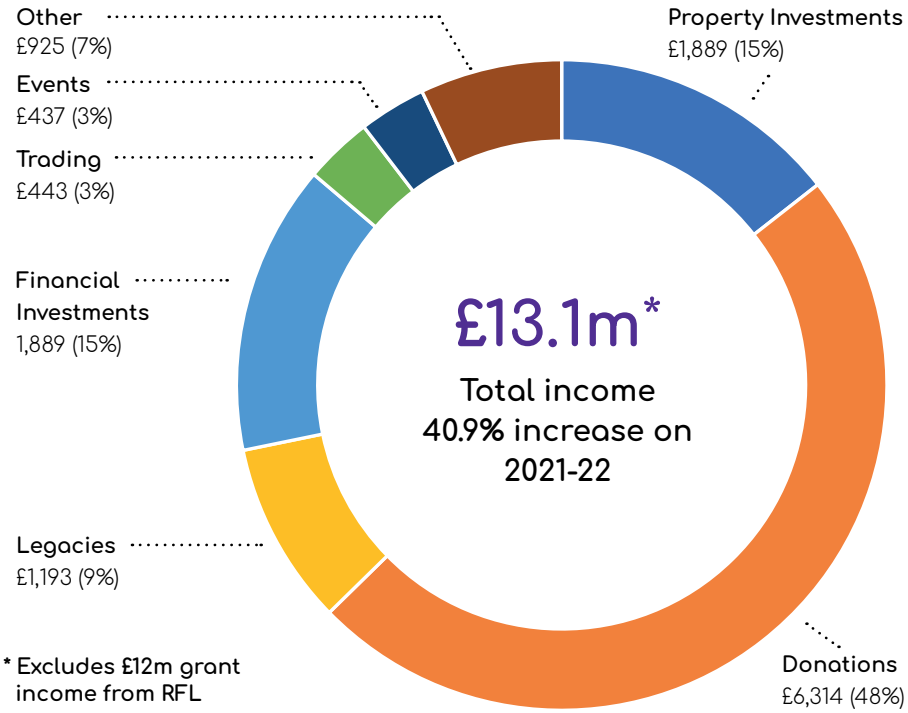
The charity's finances will in time also benefit from unrestricted income derived from its investment holdings. A new strategy to work on building up our free reserves will enable the charity to return to a position of positive free reserves in the medium term in line with the reserves policy.

The trustees have considered a target level of reserves would be six months of net operating costs and a minimum level of reserves would be four months of net operating costs. Based on 2022/23 net operating costs of £5.1m (2021/22: £5.2m), these equate to £2.6m and £1.7m respectively (see note 4 on p62). The plan outlined above will enable us to comply with this policy.



Income for the year totalled £25.1 million (£13.1m plus restricted grant of £12m from RFL). This was split between donations, legacies, financial and property investments, other trading, property operations and event activities.

Breakdown of total income (£'000)



* Excludes £12m grant income from RFL

OUR INCOME

Donations: capital appeal
Funds generated through gifts and grants specifically for the construction of the Pears Building, our major new research facility.

Donations: other
Voluntary gifts and donations received either directly by the charity or through medical departments in the RFL, from individuals, corporations, charities and charitable trusts and foundations. It includes a £12m grant received for various patient projects, with a specific focus on cancer.

Events
Many supporters of the charity participate in, or organise, events such as the London Marathon and the Vitality London Half Marathon to raise money for the charity.

Financial investments
Investment income generated from quoted investments and cash holdings.

Legacies
Gifts that donors have left to the charity in their wills.

Other
Income generated from, among other things, training courses run by various hospital departments to further the charitable activities within the department concerned.

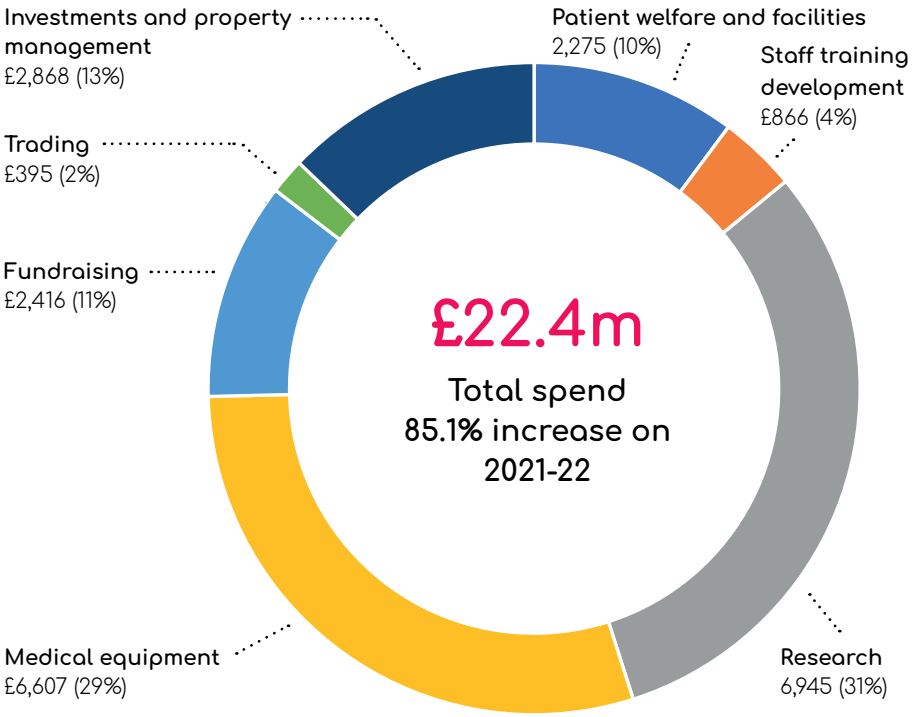
Property investments
This predominantly relates to the net disposal proceeds on investment properties when they have been sold and the rental income generated from properties held for investment purposes.

Property operations
This relates to operational activity from our subsidiary enterprises and includes the management of the Pears Building.

Other trading
Income from our subsidiary, the RFC Recreation Club Ltd, which operates under the brand of the "Rec Club" and provides leisure facilities to hospital staff and members of the local community.

Expenditure for the year was £22.4 million. Expenditure is split across the four key areas of our work: patient welfare and facilities, staff training and development, research and medical equipment as well as fundraising, trading and investment management.

Breakdown of expenditure (£'000)



OUR EXPENDITURE

Fundraising
The cost of generating our fundraising income by staff, events and other related costs.

Investment management
These are professional fees in relation to the charity's financial and property investments.

Medical equipment
Expenditure on medical equipment was £6.6m in 2022/23.

Patient welfare and facilities
This expenditure relates to grants to improve patient welfare and facilities and the costs of volunteer services, our support hub service and our massage team, all of whom provide services which are much appreciated by patients at our three hospitals. The charity spent £2.3m on this area during the financial year.

Research
These grants support life-saving and life-changing medical research at our hospitals including the salaries of researchers, research equipment and associated research costs. We spent £6.9m on research.

Staff training and development
Many donations are given to benefit RFL staff and these are often used either to enable staff to attend training courses or to provide additional facilities for staff, including 'Fit at the Free', a programme to enhance staff wellbeing. Total spend was £866,000.

Trading
These are the operating costs of the Recreation Club, which provides fitness and wellbeing services, and the final costs for the retail shop operations, which were wound up during the year 2020-21.



Risks and risk management

The trustees recognise their duty to anticipate, manage and mitigate the risks to which the charity's activities could be exposed. They acknowledge that risk is inherent in all activities and that its management is crucial to achieving the charity's objects. The trustees take a systematic approach to managing risk, with the executive team regularly monitoring and reporting risks to the board as well as prioritising actions. Risks are rated by multiplying a score for the likelihood of a risk by a score for its severity on a scale from 1-25. Scores before and after mitigation are calculated using a risk matrix. Risk areas with a pre-mitigation score of eight or above are reported to the trustees through committee and board governance structure.

The board considers the following as the key risks for the organisation...

1

Fundraising: Impact on donors of economic downturn means the fundraising function fails to meet its financial targets and deliver satisfactory returns.

The trustees agreed to increase fundraising capacity and improve fundraising infrastructure during the year. The war in Ukraine, the cost-of-living crisis, recruitment of staff and major economic pressures have posed challenges for voluntary income fundraising. The board and the executive team continue to closely manage and monitor fundraising performance through in-year reporting against targets.

2

Challenging recruitment market prevents us filling key roles

The impact of this risk is measured through implementation of critical projects, management time taken up with recruitment and excessive workload for staff covering gaps. The executive and the trustee board mitigated this risk by improving staff retention, using personal networks to find new talent, continuing our work towards becoming an employer of choice and improving organisational culture by promoting staff benefits and holding various all-staff events.

There is a recognition of the cost pressures created by escalating inflation and interest rates, and the impact of these on beneficiaries, staff and the charity itself. Staff pay is regularly reviewed and is addressed as part of budget-setting and budget management processes, taking into account the charity's objectives, recruitment and retention costs and staff morale, high energy costs, high inflation and interest rates. Staff pay is under review and this will be addressed as part of the budget-setting process, taking into account the charity's objectives, recruitment and retention costs and staff morale.

3

Negative unrestricted ("free") reserves

The trustee board has focused on eliminating the charity's 'negative' free reserves position and the financial strategy is aimed at ensuring at the very least a balanced operational income and expenditure account in future.

At worst, this risk would mean the charity was unable to meet current financial commitments and to support the RFL with future needs. This could lead to the trust's disillusionment with the charity and affect our reputation with donors, leading to a drop in income.

Free reserves are a key metric regularly reported to the board and the finance, investment and audit committee and have also been the main driver for the financial strategy. In addition to a number of policy reviews such as asset classification, the levy applied to certain funds for administrative and management fees, a review of historical restricted funds and use of the charity's asset holdings to generate additional unrestricted income, the charity has reviewed its investment strategy and will implement the recommendations during 2023/24. Furthermore, a review of the cost base will be undertaken as part of financial planning. This exercise is expected to provide savings of around £500,000, directly contributing to improving the free reserves position.

The trustees fully support the inclusion of freehold properties as part of free reserves, as long as operationally the charity delivers a balanced income and expenditure performance. Financial planning continues to place an emphasis on generating more unrestricted and budget-relieving income.

Trustees are confident that the charity's unencumbered property holdings fully negate the negative free reserves position at the end of the financial year and the measures in place for mitigating risks provide confidence in the charity's future operations.



Statement of trustees' responsibilities

The trustees (who are also directors of the Royal Free Charity for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial period that give a true and fair view of the state of affairs of the company and of the incoming resources and application of resources, including the income and expenditure of the company for that period. In preparing those financial statements, the trustees are required to:

(a) select suitable accounting policies and apply them consistently;
(b) comply with applicable accounting standards, including FRS 102, subject to any material departures disclosed and explained in the financial statements;
c) state whether a statement of recommended practice applies and has been followed, subject to any material departures which are explained in the financial statements;
(d) make judgements and estimates that are reasonable and prudent;
(e) prepare the financial statements on a going-concern basis unless it is inappropriate to presume that the company will continue in business.

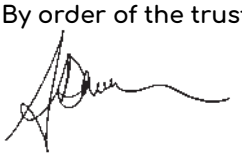
The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets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

Insofar as the trustees are aware:

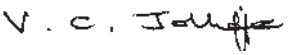
(a) there is no relevant audit information of which the company's auditor is unaware; and
(b) the trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees' annual report is approved by the trustees of the charity. The strategic report, which forms part of the annual report, is approved by the trustees in their capacity as directors in company law of the charity.

By order of the trustees



Judy Dewinter
Chair of Trustees



Valerie Jolliffe
Trustee and Chair of the Finance and Audit Committee

Date: 25 January 2024

Structure, governance and management

Legal structure

On 1 April 2016, the Royal Free Charity reconstituted as an independent charity (no. 1165672), solely regulated by the Charity Commission and no longer subject to NHS legislation.

This status establishes the charity's independence from the Department of Health and, by virtue of becoming a company limited by guarantee (no 09987907), limits the trustees' liability.

The charity operates under a Charity Commission scheme dated 1 April 2016 and its objects, as stated in its articles of association, encompass not only the support of patients of the RFL, but also and more generally the promotion of health and medical research, particularly within the RFL catchment area.

Trustees

Following the reconstitution of the charity, new trustees are appointed by the trustee board after open competition. One trustees who was previously a trustee of the former NHS charity is now a trustee of the incorporated charity (Russell Brooks); in addition, the RFL has the right to appoint and remove one trustee. During the year Dr Chris Streather fulfilled this role and on his retirement as trustee, Dr Gillian Smith, group chief medical director at the RFL, was appointed as a charity trustee (3 April 2023). The chair of the trustees aims for new and existing trustees to be fully briefed on the key issues facing the Royal Free Charity, including Charity Commission information on trustee responsibilities, aspects of charity law pertinent to the Royal Free Charity and timely copies of reports, accounts and other key documents.

Board members declare all relevant interests in other bodies, especially bodies closely connected with the RFL.

The trustees and their three sub-committees – people and governance, finance, investments and audit (supported by an investments sub-committee); and fundraising, grants and services committees – meet quarterly.

Powers of investment

The charity's powers of investment are principally derived from its articles of association and the Companies Act 2006. In exercising these powers, the trustees must act in accordance with their duties as charity trustees and as company directors as set out in the Charities Act 2011 and the Companies Act 2006. They must also act in accordance with the Trustee Act 2000. These powers of investment are wide, allowing the trustees to invest in such stocks, funds, shares, equities or other investments as they see fit.

Remuneration

The remuneration of senior staff is agreed by the trustees, following a comparison of their posts with similar positions in the charity sector.



Public benefit statement

The Royal Free Charity's purpose is to support the Royal Free London NHS Foundation Trust's three hospitals - Barnet Hospital, Chase Farm Hospital and the Royal Free Hospital – as well as many satellite sites across north London. We focus our support on three groups:

- **Patients and their families**, whether local or from further away, needing to use the trust's specialist services. We enhance the experience of patients throughout their hospital journey, through the services we provide directly and the projects and equipment we fund on the wards.
- **The staff of the three hospitals and many satellite sites**, so they can deliver the best possible healthcare.
- **Researchers** working in the hospitals and partner institutes, helping them have not only local impact but also the potential to improve healthcare nationally and globally.

The public benefits that flow from our support for these three groups:

1. Patients
Evidence shows that improving the experience of patients leads to better patient safety and clinical outcomes and a better quality of life, particularly for patients facing a poor prognosis; improves patient involvement in, and understanding of, their care; leads to fewer demands for unnecessary treatment; and can expose important system challenges, leading to improvement of care for all. See pages 11-15

2. NHS staff
Evidence shows that improving the experience of NHS staff leads to better retention of staff, crucial at a time of chronic staff shortages in the NHS; relieves long-term anxiety caused by work stresses; makes staff feel better prepared for the future; and improves patient outcomes and satisfaction. In addition, improvements to the working environment and the specialist equipment staff use encourage a more holistic approach to treatment, health and wellbeing, and improve morale. See pages 11-15

3. Researchers
Healthcare research can provide important information about different forms of treatment and outcomes, disease risk factors and trends, public health interventions and healthcare costs, among many other benefits to the public. Royal Free Charity funds primarily support two aspects of research – clinical trials and translational research. This takes laboratory discoveries and turns them into treatments and interventions that directly benefit human health. The charity led the funding and construction of the Pears Building, a new home for the UCL Institute of Immunity and Transplantation, and supplied seed funding for the trust's clinical research facility which last year secured state funding worth £5m. See pages 17-19

No harm arose from our work. Our beneficiaries were patients, NHS staff, the general public and locally-based community and voluntary organisations. No private benefit arose from these purposes.

Reference and administrative detail

Financial statements
The audited consolidated financial statements comply with the Statement of Recommended Practice 'Accounting and Reporting by Charities' FRS 102 including Update Bulletin 2, the Charities Act 2011 and the Companies Act 2006.

Charity status
The charity is a company limited by guarantee. Its members are the trustees of the charity, of whom there may be a maximum of 14. Each member guarantees to contribute up to one pound sterling (£1) to the charity's debts, liabilities and costs in the event of the charity being wound up and for one year after ceasing to be a member.

Charity objects
(a) further any charitable purpose or purposes relating to the general or any specific purposes of the foundation trust or the purposes of the health service
(b) promote, protect, preserve and advance all or any aspects of the health and welfare of the public, particularly within the catchment area of the foundation trust
(c) advance and promote knowledge and education in medicine, including by engaging in and supporting medical research.

Governing document
The Royal Free Charity is governed by its articles of association dated 4 February 2016, reviewed and updated in January 2023.

Company number
09987907 in England and Wales

Charity number
1165672 in England and Wales

Registered office
Royal Free Charity
Pears Building
London
NW3 2PP



Independent auditor's report to the members of the Royal Free Charity

Opinion

We have audited the financial statements of the Royal Free Charity for the year-ended 31 March 2023 which comprise the consolidated statement of financial activities, the comparative statement of financial activity, the consolidated and company balance sheets, the consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 the parent charitable company's affairs as at 31 March 2023 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice guidelines (UKGAAP);
- 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 and charitable company, in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going-concern basis of accounting in the preparation of the financial statements is appropriate. Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and charitable company's ability to continue as a going concern for a period of at least 12 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 contained within the annual report. The other information comprises the information included in the annual report, 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.

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 this gives rise to a material misstatement in the financial statements themselves. 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 our audit:

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' 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 company, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 48, the trustees 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 and charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going-concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group and charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in 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.

We obtained an understanding of the legal and regulatory frameworks within which the group and charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and taxation legislation.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be income recognition with respect to events and legacies, ensuring recharges have been applied appropriately; the Pears Building being accounted for appropriately; and the override of controls by management. Our audit procedures to respond to these risks included testing of income on a sample basis, recalculation of recharges on a sample basis, review of Pears Building accounting and enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals and reviewing accounting estimates for biases.

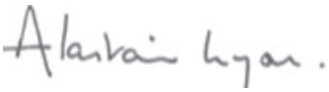
Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

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



Alastair Lyon
(Senior Statutory Auditor)

For and on behalf of
Crowe U.K. LLP
Statutory Auditor
Aquis House, 49-51 Blagrave Street,
Reading, Berkshire, RG1 1PL

Date: 25 January 2024

Consolidated statement of financial activities

	Note	Year ended 31 March 2023 Unrestricted funds £000	Restricted funds £000	Total 2022/23 £000	Year ended 31 March 2022 Unrestricted funds £000	Restricted funds £000	Total 2021/22 £000
Income and endowments from:							
Donations and legacies	2	3,349	16,056	19,406	4,540	17,475	22,015
Charitable activities		101		101	52	-	52
Trading activities							
Property operations		1,889	-	1,889	1,372	-	1,372
Other trading operations		443	-	443	428	-	428
Other		925		925			
Investments	8.4	1,857	32	1,889	1,210	25	1,235
Other							
Events		261	1	262	200	2	202
Other income		175	-	175	43	-	43
Total income		**9,001**	**16,089**	**25,090**	**7,845**	**17,502**	**25,347**
Expenditure on:							
Raising funds							
Fundraising expenditure		2,416		2,416	1,641	-	1,641
Trading expenditure		395		395	264	-	264
Investment/ property management		2,868		2,868	2,475	-	2,475
Charitable activities	3	8,168	8,525	16,693	6,904	878	7,783
Total expenditure		**13,847**	**8,525**	**22,371**	**11,284**	**878**	**12,163**
Net gains/(losses) on investments	8.6	(738)	(51)	(789)	71	100	171
Net income/(expenditure)		**(5,584)**	**7,513**	**1,929**	**(3,369)**	**16,724**	**13,355**
Transfers between funds	11	(574)	574	-	34,955	(34,955)	-
Gains on tangible fixed assets		-	-	-	44	-	44
Net movement in funds		**(6,157)**	**8,086**	**1,929**	**31,630**	**(18,231)**	**13,399**
Reconciliation of funds:							
Total funds brought forward		86,786	19,866	106,653	55,156	38,097	93,254
Total funds carried forward		**80,628**	**27,952**	**108,583**	**86,786**	**19,866**	**106,653**

The notes on pages 58-71 form part of these accounts



Consolidated charity balance sheet

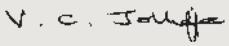
	Note	Group March 2023 £000	Charity March 2023 £000	Group March 2022 £000	Charity March 2022 £000
Fixed assets					
Tangible assets	6	31,369	31,359	30,976	32,377
Investments	8	21,229	21,368	16,963	17,102
Social investments	8	41,872	41,872	42,478	43,913
Total fixed assets		**94,470**	**94,599**	**90,416**	**93,392**
Current assets					
Debtors	9	19,908	20,764	4,888	6,373
Cash at bank and in hand		15,771	15,550	26,516	25,875
Total current assets		**35,679**	**36,314**	**31,404**	**32,248**
Creditors falling due within one year	10.1	(21,566)	(21,890)	(14,034)	(14,761)
Net current assets		**14,112**	**14,424**	**17,370**	**17,487**
Creditors falling due after more than one year	10.2	-	-	(1,133)	(1,133)
Total net assets		**108,583**	**109,023**	**106,653**	**109,746**
Income funds					
Unrestricted	11.1	80,630	81,070	86,787	89,879
Restricted	11.2	27,953	27,953	19,866	19,866
Total funds		**108,583**	**109,023**	**106,653**	**109,746**

The notes on pages 58-71 form part of these accounts.
As permitted by section 408 of the Companies Act 2006, the parent charity's gross income and results have not been included in the financial statements.



Judy Dewinter
Chair of Trustees

Date: 25 January 2024



Valerie Jolliffe
Trustee and Chair of the Finance and Audit Committee

Company registration no: 09987907

Consolidated cash flow statement

Cash inflow/(outflow) from operating activities	2022/23 £000	2021/22 £000
Net cash provided by/(used in) operating activities	**(6,527)**	**13,639**
Cash flows from investing activities		
Investment income and interest received	1,889	1,235
Proceeds from disposal of fixed asset investments	6,548	1,438
Acquisition of fixed asset investments	(11,603)	(1,459)
Acquisition of tangible fixed assets by charity	(1,042)	(319)
Acquisiton by subsidiary companies of:		
Tangible fixed assets	(10)	(6)
Asset under construction	0	(405)
Net cash flow from investing activities	**(4,218)**	**484**
Cash flow from financing activities		
Repayment of loan	-	-
Increase/(decrease) in cash and cash equivalents	**(10,745)**	**14,123**
Cash and cash equivalents at beginning of period	26,516	12,393
Cash and cash equivalents at end of period	**15,771**	**26,516**

Reconciliation of net income to cash flow from operating activities	2022/23 £000	2021/22 £000
Net income/(expenditure) including endowments	**1,929**	**13,355**
Adjustments for:		
Depreciation and amortisation charges	1,265	84
Net (gains)/losses on investments	789	(171)
Investment income	(1,889)	(1,235)
Loss on disposal of tangible fixed assets	0	0
(Increase)/decrease in debtors	(15,020)	(774)
Increase/(decrease) in creditors	6,399	2,380
Net cash provided by/ (used in) operating activities	**(6,527)**	**13,639**

Analysis of net cash	01 April 2022 £000	Cashflows £000	31 March 2023 £000
Short-term deposits	-	-	-
Cash at bank and in hand	26,516	(10,745)	15,771
	26,516	**(10,745)**	**15,771**

The notes on pages 58-71 form part of these accounts



Notes to the accounts for the year ended 31 March 2023

1 Accounting policies

Basis of preparation

These financial statements are prepared on a going-concern basis, under the historical cost convention, as modified by the revaluation of investments being measured at fair value via income and expenditure within the statement of financial activities.

They are prepared in accordance with the financial reporting standard applicable in the UK (FRS 102). The charity is a public benefit group for the purposes of FRS 102, therefore it also prepared its financial statements in accordance with the statement of recommended practice (SORP) applicable to charities preparing their accounts in accordance with the financial reporting standard applicable in the UK (FRS 102 Charities SORP), the Companies Act 2006 and the Charities Act 2011.

They are prepared in GBP sterling, which is the charity's functional currency. Monetary amounts in the financial statements are rounded to the nearest £1,000.

Going concern

The trustees assessed the suitability of the use of the going-concern basis and considered possible events due to conditions, including impact of rising inflation, interest rates and cost of living, that might significantly affect the charity's ability to continue as a going concern. In making this assessment, for a period of at least a year from the date of approval of the financial statements, they considered the charity's financial plans, forecasts and projections and noted the pressures on donation, legacy and investment income. After making enquiries and considering the available cash balances and funds within the investment portfolio, the trustees believe that the charity has adequate resources to continue to operate and deliver on its objectives for the foreseeable future. It therefore adopts the going-concern basis in preparing its financial statements.

Estimates and judgements

Works of art are valued in the balance sheet at £361,000 (2021/22: £361,000), a figure which the trustees believe fairly reflects their value.

Investment properties are valued in the balance sheet at £1,401,000 (2021/22: £1,401,000), a figure which the trustees believe fairly reflects their value. Mixed-motive investment represents a property valued in the balance sheet at £13,770,000 (2021/22: £13,770,000), a figure which the trustees believe fairly reflects its value. See the accounting policy for investment properties, which explains how the valuation has been arrived at.

Financial instruments

The charity has applied the provisions of Section 11 "Basic Financial Instruments" of FRS 102 to all its financial instruments. They are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to offset the recognised amounts, and an intention to settle on a net basis, or to realise the assets and settle the liability simultaneously.

Apart from prepayments, deferred income and balances with HM Revenue & Customs under statute, all other debtor and creditor balances, as shown in notes 9 and 10, are considered to be basic financial instruments under FRS 102.

Consolidation

These financial statements consolidate on a line-by-line basis the financial statements of the company (the Royal Free Charity) and its subsidiaries RFC Developments Ltd, RFC Enterprises Ltd, RFC Recreation Club Ltd and RFC Overage Ltd.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits

at call with banks and other short-term liquid investments with original maturities of three months or less.

Fund structure
Restricted funds are funds for which a legal restriction exists over their use, as determined by the donor. This could be a restriction to a particular department of the hospital, such as cardiac or renal, or to a particular sphere of activity, for example research or equipment.

General funds may be used at the trustees' discretion for any general purpose of the charity.

Income
All income is included in full in the statement of financial activities as soon as the following three factors can be met:

(a) entitlement - arises when a particular resource is receivable or the charity's right becomes legally enforceable.

(b) probability - when it is probable that the incoming resources will be received.

(c) measurement - when the monetary value of the incoming resources can be measured with sufficient reliability.

Government grants
Grants relating to revenue are recognised in income on a systematic basis over the periods in which the charity recognises the associated costs for which the grant is intended to compensate.

Gifts in kind
Gifts in kind are recognised as income and expenditure in the year the gifts are received by the charity. The amount at which gifts in kind are recognised is either value of the cost to the donor or the fair value determined by the charity. The gifts are then directed to the relevant hospital department or ward. Total value of gifts in kind for 2022/23 was £nil (2021/22: £nil).

Expenditure
Liabilities are recognised as expenditure if the charity has a legal or constructive obligation that commits it to the expenditure, or if there is a constructive obligation to make a transfer of value to a third party.

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the particular category.

Governance costs comprise the costs of complying with statutory requirements.

Allocation of overhead and support costs
Overhead costs have been divided into the categories shown in note 4, and apportioned between those categories (raising funds and charitable expenditure), on the basis of their relevance to each category. In 2022/23, as in 2021/22, a direct charge was made to restricted and designated funds in recognition of the overhead and support costs relating to those funds. The salaries of the charity's staff are apportioned individually across these expense categories, reflecting the time spent by each individual on the relevant activities.

Grants
Grants are accrued in full when there is a binding commitment by the charity to transfer the amounts involved to a third party.

VAT and partial exemption
The charity is in a VAT group with its subsidiary RFC Enterprises Ltd. It is entitled to recover part of the net VAT incurred as a cost. The recovered proportion is small and changes from one accounting period to another, subject to the VAT status of income generated. The irrecoverable element of VAT is expensed through the statement of financial activities as a charge. Where the VAT is in relation to an asset, the irrecoverable VAT is capitalised along with the net amount of the asset cost.



Investments
Investments are shown in the balance sheet at market value.

The investment property was valued in 2019/20 by Cluttons, chartered surveyors. The mixed-motive investment property was valued in 2020/21 by Montagu Evans, chartered surveyors. The trustees are satisfied that these valuations reflect the properties' fair value.

Social investments
Programme-related investments relate to parts of the Pears Building leased to third parties that are used to help to fulfil the charity's charitable objectives. The programme-related investments are held at cost.

Mixed-motive investments (MMI) relate to a property used to help to fulfil the charity's charitable objectives as well as generating investment return.

Tangible fixed assets
Tangible fixed assets are stated at cost less depreciation. Depreciation is calculated to write off the cost less estimated residual value of each asset over its expected useful life (as per table below).

At the end of each reporting period, the residual values and useful lives of assets are reviewed and adjusted if necessary. In addition, if events or change in circumstances indicate that the carrying value may not be recoverable, then the carrying values are reviewed for impairment.

Properties held as pure investment or MMI, or properties held as pure investment, MMI or partially MMI, are not to be depreciated. The Armoury (pure investment property) and Graseby House (MMI) will not be depreciated. The Pears Building is amortised over

Asset type	Capitalisation threshold	Depreciation
Building - leasehold	£10,000	Lease period (eg Pears Building 50 years)
Building - freehold	£10,000	100 years (freehold)
Computer equipment	£2,500 individually or exceeding £5,000 in aggregate	3 years
Computer systems development	£25,000 in aggregate	5 years
Software (purchased or developed)	£25,000	5 years or expected life, if shorter
Computer development	£2,500 individually or exceeding £5,000 in aggregate	5 years
Recreation equipment	£1,000 individually or exceeding £1,000 in aggregate	5 years
Shop EPOS system	£5,000	5 years
Shop fit-outs	£5,000	Lease term
Furniture and fittings	£2,500 individually or exceeding £5,000 in aggregate	5 years
Asset under construction	Cost	Not depreciated
Works of art	Market value	Not depreciated

its lease period and the charge to the statement of financial activities is classed as charitable expenditure with the exception of the depreciation charge relating to the charity office space, which is expensed as part of support service costs.

All intercompany profits levied on the construction of the Pears Building have been written off and charged to the statement of financial activities in the year (£2.9m).

Leasehold – Pears Building
The Pears Building is classified as social investment for all areas occupied by (and shared with) other entities, which are UCL, the charity, the NHS trust and RFLPS.

Freehold property
Freehold property and part of a freehold property that is in operational use and not a pure investment nor MMI would be depreciated over 100 years.

Realised gains and losses
Gains and losses are reported in the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sale proceeds and opening market values (or date of purchase if later). Unrealised gains and losses are calculated as the difference between market value at the year end and opening market value (or date of purchase if later).

Pooling scheme
A pooling scheme for all funds held under the auspices of the Royal Free Charity is contained within a Charity Commission Scheme dated 1 April 2016. It covers all funds formerly held by the Special Trustees for The Royal Free Hospital, the Royal Free Hampstead Charities, the Dresden Assistance Fund for the Royal Free Hospital and the Kitty Cookson Memorial Fund. It does not distinguish between the different types of funds (unrestricted, designated, restricted), which are pooled.

Pension costs
Staff who were formerly employed by the Royal Free Hampstead NHS Trust (the predecessor of the Royal Free London NHS Foundation Trust) participate in the NHS Pension Scheme. Some current staff remain in that pension scheme, but new employees participate in personal pension schemes to which the employer's contribution matches that of the employee up to a maximum of 9%. Staff of the charity's trading subsidiary, RFC Recreation Club Ltd, also participate in personal pension schemes.

The NHS Pension Scheme is a multi-employer defined benefit scheme but under SORP 28.11, this is accounted for in these financial statements as if it was a defined contribution scheme.

Operating lease
Rentals paid under operating leases are charged to the statement of financial activities or the profit and loss account (depending on the relevant legal entity), evenly over the period of the lease.



2 Donations and legacies

	Unrestricted funds £000	Restricted funds £000	Total 2022/23 £000	Unrestricted funds £000	Restricted funds £000	Total 2021/22 £000
Donations – capital appeal capital appeal	0	0	0	0	150	150
Donations	2,342	15,871	18,213	3,167	17,322	20,489
Lagacies	1,007	186	1,193	1,373	3	1,376
Total	**3,349**	**16,056**	**19,406**	**4,540**	**17,475**	**22,015**

3 Charitable expenditure

	Grants expenditure £000	Activities undertaken directly £000	Social investment costs £000	Support costs £000	Total 2022/23 £000	Grant expenditure £000	Acitivities undertaken directly £000	Social investment costs £000	Support costs £000	Total 2021/22 £000
Patient welfare and facilities	198	863	606	609	2,275	983	1,165	0	269	2,417
Staff training and development	111	392		363	866	686	596	0	160	1,442
Research	992	4,539	494	920	6,945	2,275	971	0	406	3,653
Medical equipment	6,006	532		68	6,607	241	0	0	30	271
Total	**7,308**	**6,326**	**1,100**	**1,960**	**16,693**	**4,185**	**2,732**	**0**	**866**	**7,783**

All grants were made to institutions. There were no grants to individuals.

4 Analysis of support costs by activity

	Governance £000	Raising funds £000	Charitable activities £000	Total 2022/23 £000	Governance £000	Raising funds £000	Charitable activities £000	Total 2021/22 £000
Salaries – charity	20	1,668	701	2,389	17	1,425	599	2,041
Salaries – trading subsidiary	0	234	0	234	0	199	0	199
Investment/ property manangement	0	2,868	81	2,949	0	2,475	70	2,545
Other trading subsidiary costs	0	161	0	161	0	151	0	151
Charity trading costs	0	0	0	0	0	(86)	0	(86)
Statutory auditor's renumeration	39	0	0	39	37	0	0	37
Legal and other professional fees	7	135	20	163	11	199	30	240
Event and marketing costs	0	74	4	78	0	61	3	64
Consultancy/recruitment services	0	34	30	64	0	23	20	43
Publicity materials	0	238	0	238	0	196	0	196
Capital appeal costs	0	37	24	61	0	3	2	5
Others	3	231	1,030	1,264	0	(266)	77	(189)
Total support costs	**70**	**5,679**	**1,890**	**7,639**	**65**	**4,380**	**801**	**5,246**
Governance costs reallocated	(70)		70		(65)		65	
Total support costs	**0**	**5,679**	**1,960**	**7,639**	**0**	**4,380**	**866**	**5,246**

"The 5% mark up, applied by the charity's subsidiary to the construction of the Pears Building, has been expensed in this financial year and is included within the 'Others' line above."
These costs are initially charged to unrestricted funds, except for certain specific costs that relate to particular special purpose funds. Besides a share of investment management costs, each special purpose fund bears a levy as a contribution towards the other overhead costs, in recognition that some of these costs are incurred in relation to those funds. In 2022/23, this charge was £395,495 (2021/22: £233,608).

4.1 Analysis of staff costs

	Charity	Subsidiary	Total 2022/23	Charity	Subsidiary	Total 2021/22
	£000	£000	£000	£000	£000	£000
Salaries and wages	2,600	203	2,803	2,322	173	2,495
Social security costs	285	18	303	254	15	269
Other pension costs	135	13	148	132	11	143
Total	**3,020**	**234**	**3,254**	**2,708**	**199**	**2,907**

No employee of any subsidiary company received emoluments exceeding £60,000.

		2022/23	2021/22
The number of such	£60,001-£70,000	8	2
employees of the charity	£70,001-£80,000	-	1
were:	£80,001-£90,000	2	1
	£90,001-£100,000	-	-
	£100,001-£110,000	2	1
	£110,001-£120,000	1	1
		£000	£000
Pension contributions	£60,001-£70,000	27	8
were made for these	£70,001-£80,000	-	3
employees as follows:	£80,001-£90,000	7	3
	£90,001-£100,000	-	-
	£100,001-£110,000	13	4
	£110,001-£120,000	11	10

There was an average monthly number of 70 staff in 2022/23 (2021/22: 68). The RFC Recreation Club Ltd had an average number of 8 staff (2021/22: 8), and RFC Developments Ltd did not employ any staff. The key management personnel during the year were Jon Spiers, chief executive; Robin Meltzer, deputy chief executive and director of engagement and communications; Yusuf Firat, director of finance, property and operations; Sharron Grant, director of HR; Alison Kira, director of grants and services; Paul Stein, executive director of fundraising and communications; Jenny Todd and Laura James, assistant director of grants and services. The total salary cost of the key management personnel (including social security and employer pension costs) was £747,651 (2021/22: £756,000). During the year, the charity made total termination payments of £40,126 (2021/22: £51,000)

5 Analysis of net assets between funds

Group	Unrestricted funds £000	Restricted funds £000	Total 2022/23 £000	Unrestricted funds £000	Restricted funds £000	Total 2021/22 £000
Fixed assets	31,369		31,369	30,975	0	30,975
Investment	61,035	2,066	63,101	57,239	2,202	59,441
Current assets	9,792	25,887	35,679	13,592	17,812	31,404
Liabilities	(21,566)		(21,566)	(13,885)	(149)	(14,034)
Long-term liabilities			-	(1,133)	-	(1,133)
	80,630	**27,953**	**108,583**	**86,788**	**19,865**	**106,653**

Charity	Unrestricted Funds £000	Restricted Funds £000	Total 2022/23 £000	Unrestricted Funds £000	Restricted Funds £000	Total 2021/22 £000
Tangible fixed assets	31,359	-	31,359	32,377	0	32,377
Investments	61,174	2,066	63,240	58,813	2,202	61,015
Current assets	10,427	25,887	36,314	14,436	17,812	32,248
Short-term liabilities	(21,890)	-	(21,890)	(14,612)	(149)	(14,761)
Long-term liabilities		-		(1,133)	-	(1,133)
	81,070	**27,953**	**109,023**	**89,881**	**19,865**	**109,746**



6.1 Fixed assets - group

Cost	Recreational equipment £000	Furniture & fixtures £000	Artworks £000	Asset under construction £000	Computer equipment £000	Properties £000	Total £000
Brought forward at 1 April 2022	91	34	361	-	54	30,584	31,124
Additions	10	21	-		11	1,010	1,052
Revaluation	-	-	-	-	-	-	-
Transfer	-	-	-		-		-
Carried forward at 31 March 2023	**101**	**55**	**361**	**-**	**65**	**31,594**	**32,176**
Accumulated depreciation							
Brought forward at 1 April 2022	82	14	-	-	15	38	149
Charge for the year	9	7	-	-	9	634	659
Carried forward at 31 March 2023	**91**	**21**	**-**	**-**	**24**	**672**	**808**
Net book value at 1 April 2022	9	20	361	-	39	30,546	30,976
Net book value at 31 March 2023	**10**	**34**	**361**	**-**	**41**	**30,922**	**31,369**

6.2 Fixed assets - charity

Cost	Recreational equipment £000	Furniture & fixtures £000	Artworks £000	Asset under construction £000	Computer equipment £000	Properties £000	Total £000
Brought forward at 1 April 2022		34	361		54	31,994	32,443
Additions		21		13	11	1,109	1,154
Revaluation							-
Disposal: 2015-2022						(1,410)	(1,410)
Disposal: 2023						(112)	(112)
Carried forward at 31 March 2023		**55**	**361**	**13**	**65**	**31,581**	**32,075**
Accumulated depreciation							
Brought forward at 1 April 2022		14	-	-	15	38	67
Charge for the year		7			8	634	649
Carried forward at 31 March 2022	**0**	**21**	**-**	**-**	**23**	**672**	**716**
Net book value at 1 April 2022		20	361	-	39	31,956	32,376
Net book value at 31 March 2023	**-**	**34**	**361**	**13**	**42**	**30,909**	**31,359**

7 Subsidiary companies

Details of the charity's subsidiary undertakings are set out below. All the subsidiary undertakings are incorporated in England and Wales and operate in the United Kingdom.

Company	Shares held Class	%	Principal activity
RFC Recreation Club Ltd	Ordinary	100	Provision of recreational services
RFC Developments Ltd	Ordinary	100	Design, construction and building services
RFC Enterprises Ltd	Ordinary	100	Management of Pears Building
RFC Properties Ltd	Ordinary	100	Company dormant and not yet trading
RFC Overage Ltd (previously called: RFC Properties (CF Holdings) Ltd)	Ordinary	100	Management of intangible assets from disposal of a property

7 Subsidiary companies (continued

The results of the subsidiaries, and their assets and liabilities, are as follows:

	Year ended 31 March 2023				Year ended 31 March 2022		
	RFC Overage Ltd* £000	RFC Enterprises Ltd £000	RFC Recreation Club Ltd £000	RFC Developments Ltd £000	RFC Enterprises Ltd £000	RFC Recreation Club Ltd £000	RFC Developments Ltd £000
Turnover		2,345	444	3,285	1,895	439	742
Expenditure	(1)	(2,192)	(395)	(2,290)	(2,157)	(343)	(742)
Result for the year	**(1)**	**153**	**49**	**995**	**(262)**	**96**	**0**
Total assets	-	2,093	257	1,122	2,230	236	2,449
Total liabilities	(1)	(2,202)	(104)	(1,122)	(2,492)	(82)	(2,449)
Net funds at the end of the year	**(1)**	**(109)**	**153**	**0**	**(262)**	**153**	**0**

The charity's other subsidiary companies (see note 16) did not trade during 2022/23.
* RFC Overage Limited started trading during the year ended 31 March 2023.
Therefore, there is no comparative information for the year ended 31 March 2022.

8 Analysis of investment portfolio

	Group 2022/23 £000	Charity 2022/23 £000	Group 2021/22 £000	Charity 2021/22 £000
Market value as at 1 April	**59,441**	**61,015**	**30,541**	**30,680**
Less: Disposals at carrying value	(7,154)	(8,589)	(1,438)	(1,438)
Add: acquisitions at cost	11,603	11,603	1,459	1,459
Transfer from fixed assets (note 6)		-	28,708	30,143
Net gain/(loss) on revaluation	(789)	(789)	171	171
Market value as at 31 March	**63,101**	**63,240**	**59,441**	**61,015**

8.1 Investments–market value at 31 March

	Held In UK £000	Held overseas £000	2022/23 Total £000	Held in UK £000	Held overseas £000	2021/22 Total £000
Investment properties	**1,401**	**-**	**1,401**	**1,401**	**-**	**1,401**
Investments portfolio						
Investments listed on London Stock Exchange		39	39	-	39	39
Investments in common investment funds	19,477		19,477	15,351	-	15,351
Cash held within the investment portfolio	312		312	172	-	172
	19,789	**39**	**19,828**	**15,523**	**39**	**15,562**
Social Investments						
Mixed-motive investment (see note 8.2)	13,770	-	13,770	13,770	-	13,770
Programme-related investment (see note 8.3)	28,102		28,102	28,708	-	28,708
	41,872	**0**	**41,872**	**42,478**	**-**	**42,478**
Total investments - group	**63,062**	**39**	**63,101**	**59,402**	**39**	**59,441**
Investments in subsidiary companies	139	0	139	139	-	139
Programme-related investment (see note 8.3)	-		-	1,435		1,435
Total investments - charity	**63,201**	**39**	**63,240**	**60,976**	**39**	**61,015**



8.2 Mixed-motive investment

	Group 2022/23 £000	Charity 2022/23 £000	Group 2021/22 £000	Charity 2021/22 £000
Market value as at 1 April	**13,770**	**13,770**	**13,770**	**13,770**
Add: acquisitions at cost	-	-	-	-
Add: gain on revaluation	-	-	-	-
Market value as at 31 March	**13,770**	**13,770**	**13,770**	**13,770**

"Mixed-motive investments" relate to a property used to help to fulfil the charity's charitable objectives as well as generating investment income. A Red Book valuation of that property, using a sector specific valuation toolkit (PodPlan), was performed during the 2020/21 financial year and resulted in a value of £13.8m.

8.3 Programme-related investments

	Group 2022/23 £000	Charity 2022/23 £000	Group 2021/22 £000	Charity 2021/22 £000
Market value as at 1 April	28,708	30,143	-	-
Transfer from fixed assets			28,708	30,143
Management cost for the Pears Building development expense		(1,435)		
Amortisation for the year	(606)	(606)		
Market value as at 31 March	**28,102**	**28,102**	**28,708**	**30,143**

8.4 Analysis of investment income

	Held In UK £000	Held Overseas £000	2022/23 Total £000	Held In UK £000	Held Overseas £000	2021/22 Total £000
Investment properties	788	-	788	390	-	390
Mixed motive investment	665	-	665	588	-	588
Investments in common investment funds	337	-	337	247	-	247
Cash held outside the investment portfolio	99	-	99	10	-	10
Total investment income	**1,889**	**-**	**1,889**	**1,235**	**-**	**1,235**

8.5 Details of material investment holdings

The charity has two investment managers. Investments in individual entities representing over 5% of the respective managers' portfolios are:

		Value 2023 £000	Value 2022 £000
M&G	Charibond	6,415	6,911
Cazenove	Majedie Asset Management UK Equity	-	178
	Charity Equity Value Fund	322	328
	Findlay Park American fund	250	251
	UBS ETF-MSCI World Socially	691	1,311
	Trojan Ethical Fund	-	474
	BlackRock iShares Developed World	728	747
	Vanguard S & P 500 UCITS ETF	444	470
	Neuberger Berman	266	
	Schroder Alpha	295	
	J P Morgan	5,056	
Total		**14,467**	**10,670**

8.6 Gains/losses on investments

The 2022/23 net loss of £789,000 relates to the unrealised loss on investment in common investment funds.

9 Analysis of debtors

	Group 2023 £000	Charity 2023 £000	Group 2022 £000	Charity 2022 £000
Prepayments	14	5	14	4
Due from subsidiary undertakings:				
RFC Developments Ltd		1,101	-	1,028
RFC Recreation Club Ltd		44	-	42
RFC Enterprises Ltd		-	-	1,118
RFC Overage Ltd		50		
Other debtors	19,894	19,565	4,874	4,181
Total debtors	**19,908**	**20,764**	**4,888**	**6,373**

In 2013/14, the charity made a loan of £500,000 to its subsidiary, RFC Developments Ltd, at a premium of 6% above base rate, regarding the construction of the Pears Building on the Royal Free Hospital site. The loan was increased to £1 million in January 2016. The completion of the development including successful resolution of snagging issues was finally agreed in March 2023. RFC Developments Ltd repaid £975k of the £1m loan by the end of March 2023 and the remaining balance of £25k in April 2023.

10 Analysis of creditors

10.1 Creditors falling due within one year

	Group 2023 £000	Charity 2023 £000	Group 2022 £000	Charity 2022 £000
Grant and other accruals	20,753	19,595	8,416	8,416
Due to subsidiary undertaking - RFC Developments Ltd	0		0	1,992
Due to subsidiary undertaking - RFC Enterprises Ltd	0		0	1,571
Intercompany with RFC Enterprises Ltd		1,598		
Other creditors	814	696	5,618	2,782
Total creditors falling due within one year	**21,566**	**21,890**	**14,034**	**14,761**

10.2 Creditors falling due after more than one year

	Group 2023 £000	Charity 2023 £000	Group 2022 £000	Charity 2022 £000
Grant accrual	0	0	1,113	1,113
Other creditors	-	-	-	-
Total creditors falling due within one year	**-**	**-**	**1,113**	**1,113**

In 2013/14, the charity made a loan of £500,000 to its subsidiary, RFC Developments Ltd, at a premium of 6% above base rate, regarding the construction of the Pears Building on the Royal Free Hospital site. The loan was increased to £1 million in January 2016. The completion of the development including successful resolution of snagging issues was finally agreed in March 2023. RFC Developments Ltd repaid £975k of the £1m loan by the end of March 2023 and the remaining balance of £25k in April 2023.



11 Analysis of material funds

11.1 Unrestricted funds

	Value 2023 £000	Value 2022 £000
Designated funds:		
'Friends' Fund - transferred from the formerly separate charity, Friends of the Royal Free Hospital	15	125
Departmental funds - Royal Free Hospital*		
Clinical biochemistry	837	2,489
HIV/AIDS	1,369	1,404
Others	10,773	12,860
Total designated funds	12,994	16,878
Other general funds (undesignated)	67,636	69,909
Total unrestricted funds	**80,630**	**86,787**

*These funds derive from donations and legacies made by grateful patients and their relatives over many years and are under the day-to-day control of fundholders in specific areas of the Royal Free London NHS Foundation Trust (cardiac, renal, etc) for use on appropriate projects as they arise.

11.2 Restricted funds

Restricted funds 2022/2023	Opening balance £000	Income £000	Expenditure £000	Restricted transfers £000	Gains (loss) £000	Closing balance £000
Trust infrastructure fund	0	12,000	0	0		12,000
RFL NHS Foundation Trust fund	16,000		(7,390)			8,610
Patient experience funds	-	20		(20)		0
Staff experience funds	-	13		(13)		0
Restricted grants	257	363	(681)	607		545
NAC capital fund	-	3,563	(77)	-		3,486
Peter Costin Memorial	572	-	-	-		572
St Peter's Trust	218	130	(125)	-		222
Kitty Cookson Memorial	112	-	(3)	-		109
J F Moorhead	2,143		(33)	-	(51)	2,058
Dr Janet Owens Fellowship	564	-	(215)	-		349
Total restricted funds	**19,866**	**16,089**	**(8,525)**	**574**	**(51)**	**27,953**

Restricted grants consist of individual funds, which are kept under one fund.
The funds are distributed as per the contractual terms and conditions.

Restricted funds 2021/2022	Opening balance £000	Income £000	Expenditure £000	Transfers £000	Gains (loss) £000	Closing balance £000
Capital appeal	34,065	150	-	(34,215)	-	0
RFL NHS Foundation Trust fund	-	16,000	-	-	-	16,000
NHS Charities Together community partnership	-	735	(735)	-	-	-
Restricted grants -	-	575	-	(318)	-	257
Peter Costin Memorial	589	-	(17)	-	-	572
St Peter's Trust	287	17	(86)	-	-	218
Dresden Assistance	422	-	-	(422)	-	-
Kitty Cookson Memorial	113	-	(1)	-	-	112
J F Moorhead	2,052	25	(34)	-	100	2,143
Dr Janet Owens Fellowship	569	-	(5)	-	-	564
Total restricted funds	**38,097**	**17,502**	**(879)**	**(34,955)**	**100**	**19,866**

11.3 Details of the restricted funds

RFL infrastructure fund	To fund clinical infrastructure improvements
RFL Foundation Trust fund	To fund various projects and contribute to development of Cancer Centre
Patient experience funds	To fund enhancement of experience of NHS patients
Staff experience funds	To fund enhancement of experience of NHS staff
Capital appeal	To fund the construction of the Pears Building
NHS Charities Together community partnership	To fund a number of local community projects
Restricted grants	To fund individual projects as described in the contracts
Peter Costin Memorial	To provide bursaries to medical students
St Peter's Trust	To support kidney, bladder and prostate research
Kitty Cookson Memorial	To support an oncology fellowship
J F Moorhead	To support renal research
Dr Janet Owens Fellowship	To support research into Parkinson's disease

12 Contingent liabilities

There were no contingent liabilities at either 31 March 2023 or 31 March 2022.

13 Post-balance sheet events

There are no post balance sheet events.

14 Trustees and connected persons transactions

No trustee or member of the key management staff, or person related to them, undertook any material transactions with the charity in either 2022/23 or 2021/22.

Judy Dewinter (trustee) was reimbursed travel expenses for £413 in 2022/23.

15 Related party interests

RFL NHS Foundation Trust trustees of the charity: Caroline Clarke, group chief executive (until April 2023;)
Dr Chris Streather, group chief medical officer (until 31 March 2023); Dr Gillian Smith, group chief medical officer (from 3 April 2023); and Ms Akta Raja, non-executive director.

The charity has five subsidiary companies, in all of which it is sole shareholder, as follows:

RFC Recreation Club Ltd (company no 7686541):

Company directors and employees of the charity: Yusuf Firat, director of finance, property and operations; Laura James, assistant director of innovation, (appointed 18 April 2023); Alison Kira, director of grants and services, (appointed 16 March 2023); Mark Tanton, head of property and operations, (appointed 18 April 2023), Jenny Todd, assistant director of services, (resigned 18 April 2023). Company director and charity trustee: Melanie Sherwood.

In 2022/23, RFC Recreation Club Ltd reimbursed the charity £220,659 in respect of staff salaries (2021/22: £173,126).

The company also made a gift aid donation to the charity of £49,152 (2021/22: £22,324). There was £130 due to the charity at 31 March 2023 (2021/22: £42,422).

The charity paid the company £nil (2021/22: £105) in respect of the use of facilities. None of this was outstanding at 31 March 2023.



15 Related party interests (continued)

RFC Developments Ltd (company no 8729267):

Company directors and charity trustees: Caroline Clarke (resigned 30 September 2022); Judy Dewinter (resigned 30 September 2022); Russell Gilbert (resigned 22 June 2022); Chris Streather (resigned 30 September 2022). Company director and charity employee: Jonathan Spiers, charity chief executive.

In 2022/23, the transactions between RFC Developments Ltd and the charity were:

Final costs and build services by the charity from RFC Developments Ltd - the charity was charged £3,285,475 (2021/22: £742,122), and £918,847 (2021/22: £1,991,542) was due to RFC Developments Ltd at 31 March 2023.

Loan of £975,000 out of £1m from the charity to RFC Developments Ltd was repaid in 2022/23 (see note 10).
In 2021/22 the loan was at £1m.

RFC Developments Ltd was charged interest of £62,141 (2021/22: £61,929), which was outstanding at 31 March 2023 (31 March 2022: none).

Provision of administrative services by the charity to RFC Developments Ltd - RFC Developments Ltd was charged £12,000 (2021/22: £13,000), which was outstanding at 31 March 2023 (31 March 2022: none).

During the year RFC Developments Ltd made a gift aid distribution to the charity of £995,147 (2021/22: £139).

RFC Enterprises Ltd (company no 8729268):

Company directors and charity trustees: Judy Dewinter; Russell Gilbert (resigned 22 June 2022); and Nina Robinson (resigned 12 July 2022). Company director and charity chief executive: Jonathan Spiers.

In 2022/23, the transactions between RFC Enterprises Ltd and the charity were:

The charity re-charged to RFC Enterprises Ltd total costs, net of VAT, of £1,666,232 (2022: £1,010,602) in respect of Pears Building expenditure paid on the company's behalf. At the year-end £nil (2022: £1,117,640) was owed to the charity by RFC Enterprises Ltd.

RFC Enterprises Ltd charged the charity £2,687,963 (2022: £1,571,031) in respect of services provided at the Pears Building.

At the year-end the charity owed £1,597,549 (2022: £1,571,031) to RFC Enterprises Ltd.

RFC Properties Ltd (company no 10609331):

Company director and trustee: Russell Gilbert (resigned 22 June 2022).

There were no transactions between the charity and the subsidiary during 2022/23 (2022: none).

There were no outstanding balances from either party at 31 March 2023 (31 March 2022: none).

RFC Overage Ltd (company no 10699295):

Company directors and charity employees: Jonathan Spiers, charity chief executive; and Yusuf Firat, director of finance, property and operations.

The charity provided loan of £50,000 to the subsidiary during 2022/23 (2022: none). The subsidiary owes £50,000 to the charity for the rights of a sold property (2022: none).

There were outstanding balances between both parties for £50,000 at 31 March 2023 (31 March 2022: none).

The company did not trade in 2021/22.

16 Operating leases

At the reporting date, the charity had outstanding minimum future payments in respect of non-cancellable operating leases, which fall due as follows:

	2022/23 £000	2021/22 £000
Due in less than a year	-	-
Due in 1-2 years	-	-
Due in 2-5 years	-	-

17 Members' liability

The charitable company is limited by guarantee, not having a share capital and consequently the liability of members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the charitable company on winding up, such amounts as may be required not exceeding £1.



Our trustees

Judy Dewinter
Chair of Trustees
Akta Raja
Vice-Chair of Trustees
Russell Brooks
Caroline Clarke (resigned 1 January 2024)
Nicola Grinstead (resigned 11 June 2023)
Oritseweyinmi Guate (appointed 28 January 2023, resigned 24 November 2023)
Julie Hamilton (appointed 3 April 2023)
Valerie Jolliffe (appointed 28 January 2023)
Peter Landstrom (appointed 2 January 2024)
Michael Luck (resigned 1 January 2024)
Simon Lyons (appointed 28 January 2023)
Katie Morrison
Nina Robinson (resigned 12 July 2022)
Melanie Sherwood
Gillian Smith (appointed 3 April 2023)
Chris Streather (retired 31 March 2023)
Alistair Summers

Senior leadership team

Jon Spiers
Chief Executive
Robin Meltzer
Deputy Chief Executive, Director of Engagement and Communications
Paul Stein
Executive Director of Fundraising
David Cheesman
Interim Director of Strategy (appointed May 2023)
Alison Kira
Director of Grants and Services
Sharron Grant
Director of Human Resources
Laura James
Interim Assistant Director of Services (maternity cover from February 2022 to February 2023); Assistant Director of Innovation (appointed February 2023)
Jenny Todd
Assistant Director of Services (on maternity leave until February 2023)
Yusuf Firat
Director of Finance, Property and Operations and Company Secretary

Professional advisors

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London NW1 0NG

Handelsbanken
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Photography: Arnhel de Serra
(full page images including back cover)
Front cover: Steve Gschmeissner/Science Photo Library
Animation: Huge designs



Thank you

On behalf of the staff and patients of the Royal Free London NHS Foundation Trust and everyone at the Royal Free Charity, we offer our heartfelt thanks to all our supporters, including those who choose to give anonymously. Our generous network has raised funds, increased awareness of our charity and enabled us to respond flexibly to the evolving needs of our hospitals, patients and staff during the past year.

From small acts of kindness to driving ambitious long-term projects that re-invent how our RFL colleagues deliver life-saving treatment, every single donation makes a difference to our hospital community.

We are pleased to recognise the following companies, charitable foundations and individuals for their support:

Alvarium Foundation
Antonia and Charles Filmer and all those who generously supported their neuroendocrine cancer research appeal
Baha and Gaby Bassatne
Biss Davies Charitable Trust
Cecil Rosen Foundation
Charles Wolfson Charitable Trust
Dave Shannon
Ella Benezra
Emma and Clive Partridge
Fairview New Homes Limited
The Fraenkel Charitable Trust
Gemma and Simon Lyons
The Gerald and Gail Ronson Family Foundation
Gillian Steggles
Hinduja Foundation UK
James and Nicola Reed
Jeffrey Modell Foundation
John Frankland
Jon Kelly and family
Judy and Paul Dewinter
Karen and Ian Paul
Lady Annabel Goldsmith
Legends Tour
Mahboubian family
Marcus Margulies Charitable Trust
The Michael and Melanie Sherwood Foundation
National Lottery Community Fund
NHS Charities Together
Nishi Somaiya
Packie Bonner
Pears Foundation
R S Hoffman
The Rind Foundation
Sarit Raja-Shah
Zac and Ben Goldsmith



... AND BEING IN THE RIGHT PLACE RIGHT NOW

royalfreecharity.org
@royalfreechty
RoyalFreeCharity
E info@royalfreecharity.org

Charity no. 1165672
Company registration no. 09987907

THE ROYAL FREE CHARITY

England & Wales - Charity number 1165672

Accounts



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ABOUT US

In 1828, a young surgeon, William Marsden, shocked that he couldn't get hospital care for a young woman he found dying in the street, gathered a group of philanthropists and founded what became the Royal Free London NHS Foundation Trust (RFL).

Nearly 200 years later, the generous support of our donors and volunteers remains vital. The charity is still the crucial linchpin of support for the RFL's three hospitals: Barnet, Chase Farm and the Royal Free, supporting patients, staff and researchers.

Cover: 'AMshiftPM', by Sandeep Bhika, an art installation donated to Barnet Hospital, as a tribute to hospital staff.



OUR VISION

Our vision is for everyone using our hospitals to have access to world-leading healthcare, delivered by a thriving workforce and driven by medical research that has a global impact.

We support our hospital colleagues, our patients and our researchers, whether it's with small acts of kindness or huge investments in discovery and innovation.



We change lives for the better with the work of our extraordinary volunteers, our services and our grants, enriching the experience of patients and transforming the working lives of our hospitals' staff.

We could do none of it without the generosity of our supporters who help our hospitals go further and faster than the NHS could do alone.

WHAT WE DID THIS YEAR...



Our plan was to

- support the Royal Free London's three hospitals: Barnet, Chase Farm and the Royal Free, through their recovery from the pandemic
- lay the foundations for our longer-term transformation into an organisation proudly focused on fundraising.
- organise the way we work to make the charity stronger and more adaptable, ready to support our hospitals in any situation they face.

What we did, at a glance

Support our three hospitals

Funds raised: £6,015,000 including more than £700,000 from our Breaking Point appeal

New supporters recruited: 2,909

Grants awarded: 48 new grants totalling £4.2 million for projects to support staff and patients including:

- **virtual reality therapy sessions** to relieve hospital staff of anxiety and stress
- **a digital system** to speed up pre-surgery assessments and reduce waiting times
- **rest spaces** for ward staff respite during intensely busy shifts
- **research** into a blood test to identify those more likely to develop long COVID



Explain our work

We reached more people than ever before, placing at the heart of our storytelling those who give their money and time so generously, and the patients and staff who benefit from their generosity. We:

- launched monthly e-newsletters and a magazine to let supporters know how we're making a difference to staff and patients
- held regular online "RFC Presents" events to showcase the ground-breaking work of our hospitals and the latest thinking in healthcare



'We reached more people than ever before, placing our supporters, patients and staff at the centre of our storytelling.'

- improved our website to make it easier to navigate
- engaged more closely with donors and potential donors to better understand their motivation and interest in our work.

Change how we work

We have laid the groundwork for a better alignment between the strategies of the charity and RFL.

We decided to keep, or move, some services online, building on lessons learned during the pandemic while restoring face-to-face services where they work best in our hospitals.

Our move into the Pears Building enabled us to exploit modern office technology to improve our efficiency.

We reviewed our structure and recruited the most able, experienced team who share our vision and values.

2,909 new supporters recruited

HIGHLIGHTS OF OUR YEAR

Trust's innovation praised

Dame Kate Bingham (second left), recently honoured by the Queen for her leadership of the world's first COVID vaccination programme, gave our annual Marsden Lecture, hailing the role of the RFL in the national response to COVID-19 through vaccine trials, cutting-edge research and critical care for patients.



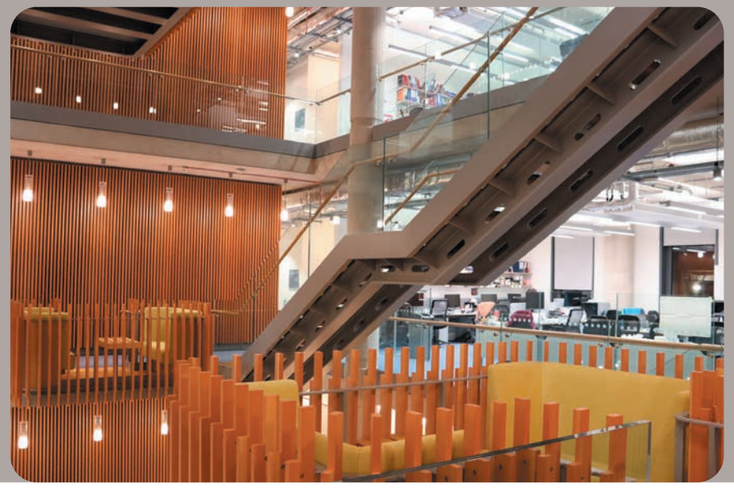
RFC Presents

Our TED Talk-type series of events continued with speakers covering a range of topics including HIV, COVID and a global project to respond to the things that matter most to patients.



Pears Building opens

In the charity's biggest project to date, the Pears Building, we were delighted to welcome in many members of our community to see its stunning architecture, tour the labs doing groundbreaking research into the human immune system and hear from the UCL researchers about the impact the research is aiming to have on patients.



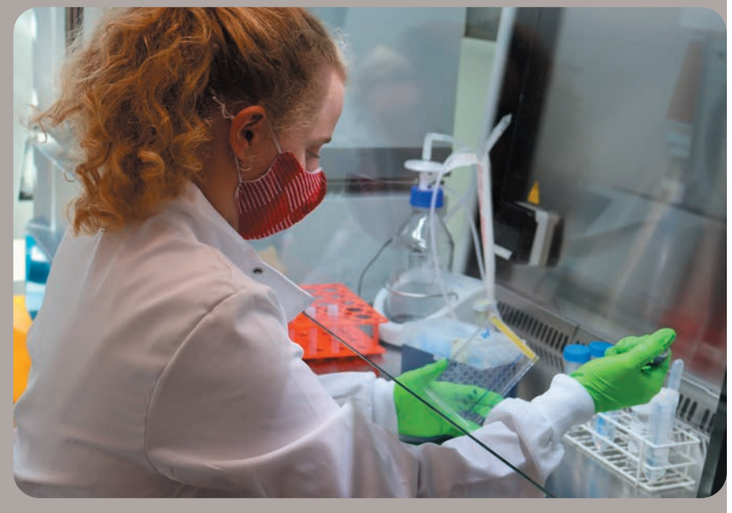
Our Breaking Point appeal

The fantastic response to this appeal enabled us to provide urgent support for our flagging hospital workforce as they continued to care for patients, despite the toll COVID had taken on their resilience and mental health. With London Underground station posters, phone kiosk wraparound adverts, posters, banners and leaflets for hospital and public settings as well as work with existing donors, we raised a staggering £700,000. This will provide better places for hospital staff to rest, diversions to reduce their stress and a new digital platform to reduce waits for patients who need surgery. We're deeply grateful to everyone who supported the appeal.



Vital new clinical research facility

In April, charity seed funding led to the opening of a new clinical facility (CRF) at the Royal Free Hospital which will carry out research into rare diseases, long-term conditions and viruses such as COVID. The CRF will form a crucial bridge between the world-class science in our laboratories and new clinical studies conducting clinical trials of new treatments with the help of patients. More on the research we fund on p23.





A marathon effort

The pandemic meant that there was an in-person as well as a virtual version of the London Marathon and our runners raised £27,620 – over £1,000 for each of the 26.2 miles - across London, in their local parks or along the beach. Many thanks to every one of them for their fantastic support.

Shining a light on staff devotion to COVID patients

A stunning art installation that pays tribute to hospital staff, donated by the artist, was unveiled at Barnet Hospital. Sandeep Bhikha created 'AMshiftPM' with bespoke ultraviolet lighting so that the work is lit up from dusk till dawn, representing the round-the-clock effort of staff during the pandemic.



Book captures unique sewing project

The year ended with the publication of 'The Hampstead Gown Factory', a beautiful book charting the incredible work of 600 volunteers who came together during the first wave of the pandemic to create 50,000 NHS-grade surgical gowns for our hospital staff.

Sarah Nicholl, a photographer and volunteer, teamed up with fellow volunteer and graphic designer, Adam Brown, to capture the stories and images of this historic moment. The Science Museum in London now has patterns, logbooks and sketches from our project for its permanent collections on health and science.





Virtual escape

Our hospitals' staff have embraced virtual reality technology to overcome anxiety, stress and burnout thanks to £63,000 funding from the Royal Free Charity. Staff took part in a range of immersive experiences using simulator headsets, including drumming sessions, beach walks and deep-sea diving. They reported feeling calmer, less anxious and more relaxed after taking part in a session.

Charity asked to lead community project

In January the charity was awarded £735k by the national charity NHS Charities Together to lead projects tackling COVID-linked health inequalities in Tottenham and Edmonton, north London's most deprived areas. The innovative two-year programme will support the mental health of young people – particularly Black men – help local residents affected by long COVID and offer training and technology to those in our communities who struggle to engage with digital health and care services.

A MESSAGE FROM OUR CHAIR AND CEO

Never have our hospitals' staff and patients needed the help of our supporters more than over the past two years. In last year's annual report, we acknowledged that we were sometimes asked why NHS hospitals, funded by the taxpayer, needed charitable funding. A year on, it's even clearer that improving patients' outcomes and experiences relies enormously on the Royal Free Charity's ability to use the generous support of our donors to go beyond the limits of government funding.

As the year began, the hospitals, and therefore the charity, were still preoccupied by the urgent needs created by COVID. But we also knew it was vital to start thinking further ahead, supporting our hospitals' recovery so that patients with other urgent health needs could get the vital care they'd waited patiently for.

That meant funding more, and better, areas for ward staff to reset and recharge during intense shifts, as well as more imaginative interventions like virtual reality headsets to whisk them away to happier, stress-free worlds, helping to speed up their own recovery.

'Philanthropy provided the first universal health services in the UK and still plays a vital role.'

Working more closely with our hospital colleagues, and collaborating earlier in their planning process, was key to identifying the areas where we could have the most impact

for patients through projects large and small. In all, we committed £4.2 million to 48 new projects supporting staff, patients and researchers.

An incredible outpouring of generosity towards our NHS colleagues during the first stage of the pandemic raised £2.2m in 2020 and this year we've started building long-term relationships with this new community of supporters. Reporting back to them is a high priority and we developed new electronic, printed and face-to-face channels for this, all putting front and centre the stories of those who had been helped by our amazing supporters.

We continued to modernise the charity, changing how we work to maximise our ability to support hospital staff now and into the future. Lessons learned from the pandemic led us to keep many of our services online, but we brought back in-person support where this was best for patients or hospital staff. Technology also became our main route for training and developing our charity staff wherever they work, resulting in improved take up.

An early highlight of the year was moving into the magnificent Pears Building, the new home of the UCL Institute of Immunity and Transplantation. Built by the charity in partnership with UCL and the Royal Free London NHS Foundation Trust, this world-class facility is home to critical COVID research, some funded by the charity, as well as life-changing science finding treatments and cures for many other conditions. The patient accommodation, which opened in July 2021 on the building's top floors, has proven hugely popular and we've already welcomed more than 2,000 patients to stay with us.

'Lessons learned from the pandemic led us to keep many of our services online as well as to bringing back in-person support where this was best for patients or hospital staff.'

Our investment in the Pears Building has meant that we must now focus on a longer-term funding strategy. We know that our supporters want to help but they, and we, need to be sure that donated money and time is put to the best possible use. That's why we have worked tirelessly to create even closer relationships with the hospitals' leadership teams, identifying projects to change the lives of patients and staff and help our donors and fundraisers feel the tangible difference their support makes. The past two years have shown us the enormous need for the charity's highly valued therapy and welfare support services and next year we plan to expand these further, especially at Barnet Hospital, so we can help even more people. We're delighted that our volunteers are returning in greater numbers but we still need to restore this indomitable force to pre-pandemic levels and develop new ways they can support patients and hospital staff.

A huge amount of thought and effort is also underway to lay the groundwork for an exceptionally large cancer appeal which we expect to transform the experience of cancer patients across north London. None of the work described in this report would have been possible without our incredible supporters whose generosity and commitment means we can continue to play our critical role improving the lives of patients and those who care for them across north London and further afield.

Judy Dewinter
Chair of Trustees

Jon Spiers
Chief Executive

£4.3m comitted to 48 new projects





FURTHER, FASTER FOR PATIENTS AND HOSPITAL STAFF

As well as giving grants to our three hospitals, the charity also provides its own services to patients and staff.

Our volunteers

Despite the shortage of volunteers caused by the pandemic and the challenges of COVID restrictions at Barnet, Chase Farm and the Royal Free hospitals, our incredible volunteers and staff offering direct patient services such as massage and advice continued to be a great help to patients both in our hospitals and the community.

In our hospitals, those volunteers who were able to come in during the acute phases of the pandemic were quick to adapt, helping to get underway initiatives that would not have been possible without them:

- Digitally-skilled volunteers ensured that patients could access online appointments
- "Virtual" visitors helped patients who were not allowed visitors to connect digitally with their loved ones at home – an often emotional role that required resilience as well as empathy and care

'Any tension or anxiety I feel... just fall away. I leave feeling relaxed and hugely invigorated at the same time.'

More than 300 patients were helped by our welfare rights advice service.

- The "check in and chat" scheme contacted vulnerable, lonely patients, building supportive relationships with them after their discharge from hospital

And in the community, our volunteers provided crucial support in hospital and community COVID vaccine centres, directing the public, keeping public areas disinfected and tidy, helping with pre-assessment forms and adding data to NHS systems.

As more volunteers were able to return, we restored more of their regular services including in:

- the wards, A&E and the patient discharge lounge, supporting staff
- the chaplaincy, the bereavement service and Macmillan Cancer Support services for patients with cancer
- the enquiry desk helping patients and visitors navigate the Royal Free Hospital

As the year ended, our indispensable dementia companions once again were providing company and distraction and our therapy dogs and their wonderful owners returned to give staff a much-needed boost. With more and more people visiting our sites, we've also seen the return of meet-and-greet volunteers, who offer a warm welcome and invaluable knowledge of the hospitals.

Our complementary therapy team

More than 5,000 patients and 3,000 staff received massages from the charity's massage team, lowering anxiety levels in patients and helping staff to unwind after stressful shifts.

The team have worked hard to re-establish the service following the acute phases of the pandemic and as the year ended were piloting new therapies including acupuncture and scar tissue massage for 22/23.

Our support hub

For many patients, money, housing and benefits worries are major barriers to a good recovery after treatment. More than 300 patients with long-term health conditions were helped by our support hub's welfare rights advice service. Following their contact with the service, 15 people





Providing therapies

Patients receiving chemotherapy at Finchley Memorial Hospital are offered massages by the team, who increased their valued sessions in the infusion suite from three to five days a week.

Fiona and two other therapists provide a variety of massages which help relieve stress and anxiety and can also help with processes like cannulation, when a line is inserted for a chemotherapy infusion.

Fiona, who is based in the purpose-designed space, said: "The patients and staff are fabulous and the unit has a calm and lovely feel."

Seeking solutions

When Terry cut his toe, he never imagined that a short time later his leg would have to be amputated.

At the time of his accident, Terry was homeless and staying with a friend. He was referred to the charity's support hub and Gabrielle, one of the advisers, helped him to access life-changing benefit payments and spoke to his employer about making adjustments for his disability. Through the council, she also found him a permanent home.

Gabrielle said: "I was struck by his optimism. Before coming to the UK, Terry was imprisoned without trial in Ghana. Amnesty International campaigned for his release and his strong religious faith gave him hope throughout. I'm so glad that our generous donors enabled us to help Terry, who is now feeling back in charge of his life again".

Opposite: A charity therapy dog at work

were prevented from becoming homeless and 12 were offered rehousing support. A further 58 were supported in their benefit applications, resulting in benefits worth more than £450,000 being paid to people who hadn't realised they were eligible.

The check-in-and-chat service, which was so helpful to people through the pandemic, continued its work and also extended it to help connect patients with GPs and social workers, find them extra food and raise safeguarding concerns that could have been missed.

We continued to hold our amputee peer support group virtually through the pandemic and our members reported it was invaluable for them to be able to connect with others during a time of isolation for so many.

Our grants team

Following the enormous generosity of the support for our Breaking Point appeal, the continuing pressures on hospital staff fuelled new discussions between the charity and senior hospital colleagues over the best ways to support our NHS colleagues.

As a result, among several other major grants, the charity was able to give £45,694 to fund a digital platform to speed up the pathway for patients having planned surgery. This will:

- enable patients to complete the necessary forms at home, reducing the number of hospital visits
- increase the time that clinical staff can spend with those with complex needs or who would prefer a face-to-face consultation
- speed up the consent process
- reduce the number of late cancellations, increasing the number of theatre slots available for patients and making more efficient use of high-demand facilities

Other projects that benefited from our Breaking Point appeal are outlined on page 31.



Nurturing growth

‘I volunteer to give back to the whole community. Gardening gives me deep satisfaction and the lovely comments from patients and visitors make it worthwhile.’
Charlotte, volunteer

‘I have treatment every week at the Royal Free. Whenever I come out of the hospital, the gardens make me feel less frightened.’
Royal Free patient

‘I have been walking past the garden regularly now. I don’t think I’ve ever seen it so beautiful and inviting.’
Local resident

Everyone who arrives at or walks past the Royal Free Hospital in Pond Street, Hampstead, has noticed the incredible transformation of the gardens by the volunteer gardening team.

The group, led by long-term volunteer Charlotte (below), meets every Saturday to care for the beautiful display which they have worked so hard to establish over the past few years. And it’s clear that for many of the volunteers it’s a chance to say thank you for the care they’ve received in the hospital.

Nigel’s treatment at the Royal Free Hospital inspired him to volunteer: “I spent nearly two weeks in hospital and underwent intensive physiotherapy. The staff were amazing to me and I promised that I would give something back to them by volunteering.

“When COVID struck I was not able to volunteer in the wards any longer. However, I was introduced to the gardening group and was happy to be able to help with my years of gardening knowledge. It has been a great experience and we have a wonderful group.”





FURTHER, FASTER FOR RESEARCHERS

£250,000 for research into long Covid

This was the year that the charity's biggest project to date, the Pears Building, came to life, filling with researchers conducting globally-important research into the human immune system at the UCL Institute of Immunity and Transplantation.

Finding answers to COVID...

The charity pledged more than £250,000 to fund research to gain a better understanding of long COVID by developing a blood test to help predict who is most at risk of developing it and how severe their symptoms might be. This could lead to better targeted treatments, helping people to recover faster.

... providing expert leadership...

In February, charity funding enabled the appointment of Professor Steve Ley, a world leader in molecular immunology, as the Pears Professor of Molecular Immunology. Professor Ley's research interests include psoriasis, a chronic inflammatory skin disease estimated to affect up to 1.8million people in the UK.

... pump-priming hospital research

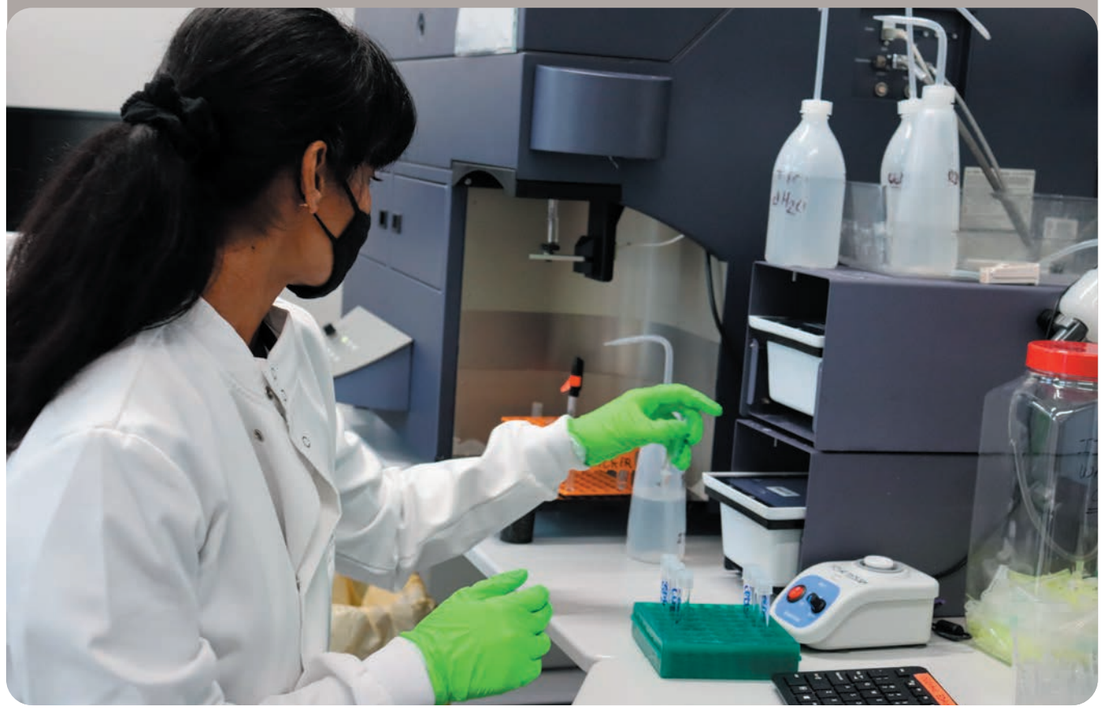
Set-up costs provided by the charity enabled the creation of a new clinical research facility (CRF) at the Royal Free Hospital

Sustainable research

The Pears Building was awarded a rating of "excellent" under the BREEAM scheme - the world's leading sustainability assessment method providing accreditation to sustainable building developments that enhance the wellbeing of the people who live and work in them. Potential overheating is controlled by the exposed concrete surfaces which are dense, as well as solar shading provided by a brise soleil system using a series of blades on the windows to control the amount of light that enters. There is also natural ventilation.

Renewable energy is provided by air source heat pumps producing almost zero carbon emissions, high efficiency boilers and 102 solar panels on the roof which generate electricity used to run the building. The design minimises air leakage, preventing the wastage of heated air and reducing the amount of energy needed to cool and heat the building. Low flow and high efficiency laboratory equipment and sanitary fittings minimise water consumption.
The new Pears car park includes charging points for electric vehicles and a new staff bike store.

To improve biodiversity, a brown roof has been installed to provide future habitats for local wildlife and insect populations. In addition, 12 bug hotels and 12 bird boxes have been placed in surrounding trees. The vibrant terrace planting encourages insect life including butterflies and bees.
In constructing the Pears Building, our contractors successfully diverted 100% of the construction waste from landfill and all timber came from an independently verified sustainable source.



Megan's story

In May 2019, following a skiing holiday in Italy, Megan developed severe lower back pain and breathing difficulties whenever she exercised. She was diagnosed with a very rare lung cancer.

After two rounds of chemotherapy, her cancer kept progressing.
"I needed to look at something different because none of the traditional cancer treatments were working. This is what took me to looking at clinical trials," she said.

She began a trial in August 2021 at the Royal Free Hospital. She knew it would be a huge commitment.
"However, I was in such a bad way, needing someone to help me walk, having whole body nerve spasms and often breaking out into these almighty coughing fits where I would just have to sit down immediately. Life wasn't easy."

She soon discovered, however, that the treatment had no side effects – "which is amazing compared to chemotherapy" – and a few cycles into the trial, she found her strength had returned and she could do everything she used to.

"The scan results continue to be positive, my cancer is shrinking again, which is brilliant, and some of my tumours have almost disappeared completely. I no longer cough, I don't have spasms, and I really do forget I have cancer until I get to hospital.

"I'm just so, so grateful to the trial and the Royal Free Hospital for accepting me onto this amazing new treatment that I hope will help many other people."

which went on to successfully apply for nearly £5 million of national funding for future research.

The CRF will develop ground-breaking treatments for patients, from studies testing new treatments in patients for the very first time (first-in-human trials) through to early-stage safety and efficacy trials..

... and improving cancer care

The charity is funding a new four-year programme for up to eight junior cancer nurses to complete a master's degree in advanced practice or cancer.

A national shortage of cancer nurses, vital to patients' care, means that hospitals offering training opportunities are more likely to attract and keep scarce staff.

'This is a great example of how investment from the charity can leverage significant returns. We're extremely excited by the new opportunities for patients and staff that will be presented by the CRF.'
Professor Tim Meyer, Director, CRF

HOW WE DID IT...



Our successes this year owe much to the work we've done over the past two years to make our organisation better able to focus on future support for our hospitals while responding nimbly to what they need now.

When we were able to expand our efforts beyond the immediate pressures of the pandemic, it was because we had an idea of the direction we should go in. This started with a clear vision of where we want to see healthcare go and an idea of the part that the charity intends to play in achieving that vision.

Then it was a question of conveying that vision, and the urgency of our mission, to our supporters in order to raise the funds to carry it out.

Our vision
For everyone served by the Royal Free London to have access to world-leading healthcare, delivered by a thriving workforce and driven by medical research that has a global impact.

Our mission
The Royal Free Charity supports our hospitals, our NHS colleagues, our patients and our researchers.

From small acts of kindness to huge investments in discovery and innovation, everything we do changes lives for the better.

Our extraordinary volunteers enrich the experience of patients and the support they provide to NHS staff is transformational.

We're there when patients need us, thanks to the services we provide. And the grants that we make help our hospitals to accelerate vital medical research and invest in innovations to help patients and staff.

All this is made possible by the generosity of our supporters who help our hospitals go further and faster than the NHS could do alone.



Finding the funds

Once again this year we were in awe of our voluntary fundraisers and donors, who helped us to raise a wonderful £6 million.

Central to this success was our appeal, 'Breaking Point,' which provided critical support to patients and staff of the Royal Free London during the pandemic. Our talented fundraising and communications professionals successfully co-ordinated the marketing of the campaign to a range of audiences across a variety of different online and offline channels.

This included using novel 'crowdfunding' technology which helped us comfortably exceed our target, raising over £700k. Crucially, we were able to recruit 1,842 new supporters from the appeal alone, as well as gain valuable insight into which promotional activities provided the best return on investment.

We made good progress on our longer-term objectives too, focusing our fundraising work in key areas designed to enhance growth and sustainability.

A notable success was our development of a volunteer fundraising 'champion' programme, as part of the Breaking Point campaign, which led to the recruitment of a significant number of our new supporters. Next year we plan to build on this with a volunteer 'ambassador' initiative aimed at developing critical contacts and networks in the local community to encourage further support.

'Our staff, volunteers, hospital colleagues and, of course, generous supporters, are crucial in helping us to achieve our mission.'

WHERE WE ARE GOING...



Our priorities for 2022-23

Despite all that has been achieved this year, there remains much more to do to ensure the charity fulfils its long-term fundraising potential and accelerates our much-needed work. In the coming year we plan to:

- lay the groundwork for a very significant appeal to transform patient experience across north London, including major investments in cancer projects and equipment
- expand our highly valued therapy and welfare support services for patients, especially at Barnet Hospital
- rebuild our volunteer numbers post-pandemic and explore new volunteering innovations to support staff and patients
- continue to grow all our fundraising, particularly unrestricted gifts, to support our vital services and grants
- create more and better connections with those in our community who we know want to support their local hospitals
- continue to develop even stronger links with our hospital colleagues to ensure our early involvement in their plans so that we maximise the time we have to raise funds to support them
- develop our successful bid to lead on projects designed to tackle health inequalities linked to the COVID pandemic in north central London's most deprived areas. Pioneering projects will work with vulnerable communities in Tottenham and Edmonton and focus on three main themes:

1. Mental health support for young people, especially young Black men.
2. Support for people affected by long COVID.
3. Tackling digital exclusion which stops people engaging with increasingly tech-enabled health services and other services.





Fundraising policy

Our approach to fundraising rests on positive supporter engagement in order to enable us to attract, steward and maintain support, while respecting the wishes of our supporters. To help us achieve this, we store and manage supporter information using Raiser's Edge, a Blackbaud fundraising database.

The charity is registered with the Fundraising Regulator, contributes to its levy on fundraising charities, adheres to its code of practice and to Charity Commission guidelines. Trustees provide guidance and oversee our fundraising practices. They are aware of the Charity Commission's fundraising principles:

1. Planning effectively
2. Supervising our fundraisers
3. Protecting our charity's reputation, money and other assets
4. Ensuring compliance with the laws, regulations and recognised standards that apply to our fundraising
5. Being open and accountable.

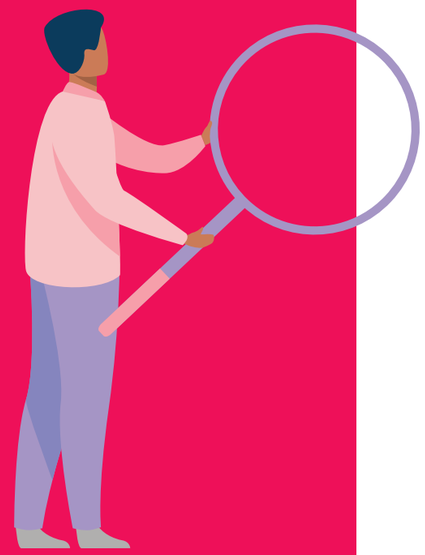
During the course of the year, no professional fundraisers or commercial participators carried out any fundraising activities on behalf of the charity. Similarly, no cold call, telephone or street fundraising has been carried out. As a matter of policy, no inducements are made to staff or volunteers and we do not sell or exchange lists of data with any other charities or companies for marketing or fundraising purposes.

We regularly review our procedures to ensure that we provide our supporters with a good experience when they work with and support us.

Any failure to comply with fundraising standards will be reported to the Fundraising Regulator, for which there is guidance for the public on our website and we have an internal process to follow. There have been no complaints or any recorded failure to comply with fundraising standards in the past financial year. We are compliant with General Data Protection Regulation. We gain consent from our supporters when required and inform them of their rights and how we look after their personal data.

Our privacy policy covers how we use the data provided by our supporters and it describes the ways in which supporters can opt out from communications and how they can make a complaint. We provide website links to our privacy policy and to our subject access request policy.

TRUSTEES' REPORT



Introduction to the accounts from the director of finance, property and operations

Over the past year, our focus was to support our hospitals to recover from COVID and deliver our strategic plan for the next five years, which will see us become a major fundraising player within the NHS charity sector and beyond. We intend to create a large, diverse supporter base enabling us to provide solutions in the form of grants, services and partnerships.

We have furthered our work to transform the fundraising capabilities of the charity, including a significant investment in our fundraising team in order to optimise potential future income.

Working closely with our colleagues in the three hospitals of the Royal Free London NHS Foundation Trust (RFL), we have focused on the areas in which we can invest for the highest impact on our beneficiaries: patients, hospital staff and researchers.

In March 2022, the Royal Free London NHS Foundation Trust granted £16 million of COVID recovery funding, which it had recently received from the government outside of its day-to-day budget, to the Royal Free Charity, enabling the charity to make a series of strategic investments in new projects over the next five years to support NHS staff, improve patient care and fund vital new medical research.

As the Royal Free London's strategic delivery partner, the Royal Free Charity is uniquely placed to achieve maximum value for patients and hospital staff from this grant. We are able to leverage further funding from other sources and can plan our spend across successive years so that the interventions we make are sustainable and thought through for the medium to long term, rather than having to deploy funds within a single annual budget cycle, which is necessarily the case in the NHS. This grant was therefore a particularly clarifying of example of the ability of the Royal Free Charity to drive both good financial value and good strategic value from the income it receives.

There are restrictions on what we can use these funds for, so although they will enable us to provide crucial support in defined areas, the charity's fundraising will need to grow significantly over the coming years to meet the broad and diverse needs of RFL patients and staff, especially at a time of unprecedented pressure on the NHS.

The grant does, though, allow the charity to tackle the impact of COVID by supporting a raft of new projects to improve staff wellbeing and the patient experience. It will also enable us to develop new and innovative therapies and purchase the latest medical equipment, with a particular focus on cancer.

The RFL's cancer service is the busiest of all NHS trusts in London. The RFL received more than 42,000 suspected cancer referrals and provided more than 3,000 first cancer treatments in 2021. Cancer diagnoses are expected to increase and the number of people with cancer in north central London is due to grow from 42,000 to 60,000 by 2030. As the NHS recovers from the pandemic and supports patients whose diagnosis was delayed, investing in cancer services has never been more critical.

The current macroeconomic climate poses a set of challenges for the NHS and charities like the Royal Free Charity. The volatility this brings means that the charity's risk management and measures to mitigate financial risks are paramount. Reliance on our supporters' generosity to grow our voluntary income is more crucial than ever. In the face of rising inflation and cost of living, we will persevere with measures to manage our costs, seek value for money and derive higher returns from our resources. We are also conscious of recruitment challenges in the sector which affect our ability to secure high calibre staff, so recruitment, retention and development of our staff will require particular attention in our planning.

Overall, our focus next year will be to significantly improve the amount of unrestricted funding we raise – that is funds that are not ring-fenced for particular uses but can be put to a wide range of purposes, depending on what our hospitals need most.

Financial commentary

The charity completed the construction of the Pears Building, which began in March 2018, and it opened in June 2021. The £60m project, a partnership between UCL, the charity and the RFL, provided a new home for the UCL Institute of Immunity and Transplantation, patient accommodation, charity offices and car parking.

It was managed through RFC Developments Limited, a subsidiary company of the charity. During 2021/22, the charity spent £791,000 in the final stage of the construction of the project.

The café in the reception area is being marketed to attract an operator to provide a welcoming community café, catering for hospital, research and charity staff as well as the local community.

The Pears Building is mixed use with elements held as a tangible fixed assets and elements held as a programme-related investment. It subleased the management of the Pears Building and the patient accommodation to RFC Enterprises Ltd (a wholly owned subsidiary of the charity) and appointed Royal Free London Property Services Limited to oversee the facilities management for the property.
Any distributable profits generated by RFC Enterprises are gifted to the charity.

The total annual income of the group was £25.3m (2020/21: £8.5m), while the operating income, excluding investment income, was £24.1m (2020/21: £7.2m).

The charity launched our Breaking Point appeal in December 2021 to meet the urgent need across Barnet, Chase Farm, and the Royal Free hospitals. The response to the appeal was excellent and £700,000 was raised to help patients and staff through the difficult colder months and beyond.

In March 2022, the charity received a grant of £16m of pandemic recovery funding to finance a series of strategic investments over the next five years, including in projects related to cancer care (see pages 37-8). The grant is recognised as restricted in the financial statements for the year and is included in the total income from donations and legacies of £22m (2020/21: £6.4m).

The charity ceased its trading activities through retail shops and permanently closed all charity shops in 2021/22.

Due to government lockdown measures, the Recreation Club's (Rec Club's) sport and health facilities faced disruption and uncertainty. However, the club was partially open (gym only) to its members from early April to late September 2021 while the rest of the facilities continued to be used by the trust as a vaccine centre, generating income of £96,000.

The club continued to receive government funding via the job retention scheme until July, amounting to £35,000. The Rec Club returned to its full operational activity in November 2021 by opening the sports hall, fitness room, swimming pool, two exercise studios and a treatment room to the public and trust staff. It made a profit of £100,000 in the financial year 2021/22, which was offset against the previous year's losses, allowing the Rec Club to gift aid £22,000 to the charity.

Income from investments of £1.2m (2020/21: £1.3m) reflects a reduction in dividend income from the charity's financial investment portfolio, which was switched from a higher risk equity investment to a lower risk bond investment to mitigate risk in the equity market due to the pandemic. There was a £171,000 gain on investments in the year (2020/21:



Financial commentary (continued)

£3.6m gain), represented by a realised and unrealised gain on financial investments following an improvement in the financial markets. Selected art works were subject to inventory and valuation in February 2022 by Townley Valuation Service Limited for insurance and auction estimates. As a result, the book value of these works were revalued, leading to a total unrealised valuation gain of £44,000.

The charity holds Graseby House as a mixed investment property, creating income through the office space and keyworker short-lease accommodation. A major refurbishment of the property took place in 2019/20 and the property came into operation in February 2020, with a cost value of £10.3m. The property was valued at £13.8m as at 31 March 2021. In the financial year 2021/22, after lifting of COVID restrictions, the property operation has proved to be invaluable accommodation for keyworkers, predominantly working at Barnet Hospital, and has delivered planned rental income.

The Armoury building is held as a pure investment property. It is leased to the Jubilee Hall Trust, another charitable organisation providing public benefit in the locality of the charity's key service area, and it also provides lease rental income for the charity. In February 2022 a bad debt provision in the annual accounts relating to a £500,000 gift from 2018/19 was reversed, reducing costs.

As a result, among several other major grants, the charity was able to give £45,694 to fund a digital platform to speed up the pathway for patients having planned surgery.

The charity continued to award grants and provide its own services for patient welfare and support as well as investing in medical research, staff training and medical equipment. More details of projects undertaken in support of our objectives are included earlier in the annual report.

In 2021/22 RFC accounted for programme-related investments (social investments), which are held to further the charitable purposes of the charity. There is a new class of investments disclosed in the accounts and notes to reflect the fixed assets held for the purposes of social investments (£42.5m, note 8.1). As a result, £28.7m was transferred from fixed assets (note 8/8.2/8.3). Programme-related investments relate to a property at the Pears Building leased to third parties (UCL and RFL Trust) that are undertaken to help to fulfil the charity's charitable objectives.

Reserves

The charity's reserves provide funding for financial commitments and a contingency against unforeseen circumstances. The trustees review the reserves levels regularly to ensure the charity has adequate funds.

The charity holds three main categories of reserves:

- **Restricted funds** are made up of gifts, donations and grants with strict spending conditions and covenants attached, as well as funds inherited from other charitable organisations through merger with the charity. Restricted funds at the year-end were £199m (2020/21: £38.1m).

- **Unrestricted, designated funds** are donations or legacies which come with an expression of wish from the donor, but no binding restriction, to benefit specific activities of a department of either the Royal Free, Barnet or Chase Farm hospitals. Unrestricted, designated funds at the year-end were £16.9m (2020/21: £17.9m).

- **Unrestricted, general funds** carry no stipulation from the donor but must be expended in line with the charity's objects, which is the legal responsibility of the trustees. Unrestricted, general funds at the year-end were £69.9m (2020/21: £37.2m).

A target level and minimum level of unrestricted free reserves have been established to ensure the charity has adequate funds to operate, taking account of any unforeseen circumstances. The calculation of free reserves is a combination of the general funds adjusted for fixed assets (excluding pure investment properties), and future commitments for capital projects, and compared against the minimum reserves requirement as per the policy.

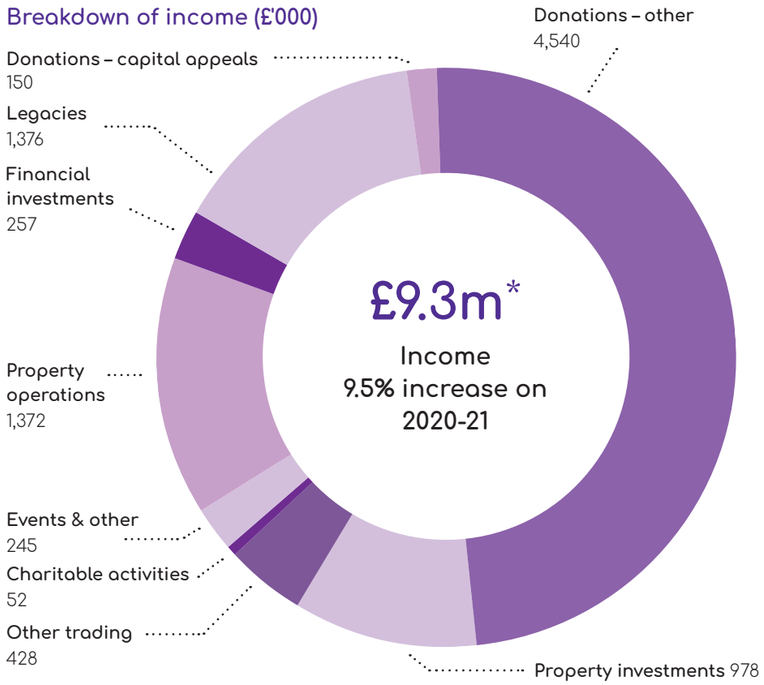
The free reserves at the year end were negative £4.5m (2020/21: negative £2.6m). This position of negative free reserves is considered to be temporary due to a combination of future predicted growth in unrestricted voluntary income and careful management of restricted and designated funds. The charity's finances will also benefit from unrestricted income derived from its investment holdings in the medium term. Under the new strategy, the charity will be putting in a concerted effort to build up its free reserves. This will enable the charity to return to a position of positive free reserves in the medium term in line with the reserves policy.

The trustees have considered a target level of reserves would be six months of net operating costs and a minimum level of reserves would be four months of net operating costs. Based on 2021/22 net operating costs of £5.2m (2020/21: £4.6m), these equate to £2.6m and £1.7m respectively (see note 4 on p61). The charity has outlined its plan above to conform to this policy.



Income for the year totalled £25.3 million (£9.3m plus restricted grant of £16m from the trust). This was split between donations, legacies, financial and property investments, other trading, property operations and event activities.

Breakdown of income (£'000)



* Excludes one off restricted grant of £16m from the trust.

OUR INCOME

Donations: capital appeal
Funds generated through gifts and grants specifically for the construction of the Pears Building, our major new research facility.

Donations: other
Voluntary gifts and donations received either directly by the charity or through medical departments in the RFL, from individuals, corporations, charities and charitable trusts and foundations. It includes a £16m grant received for various patient projects, with a specific focus on cancer.

Events
Many supporters of the charity participate in, or organise, events such as the London Marathon and the Vitality London Half Marathon to raise money for the charity.

Financial investments
Investment income generated from quoted investments and cash holdings.

Legacies
Gifts that donors have left to the charity in their Wills.

Other
Income generated from, among other things, training courses run by various hospital departments to further the charitable activities within the department concerned.

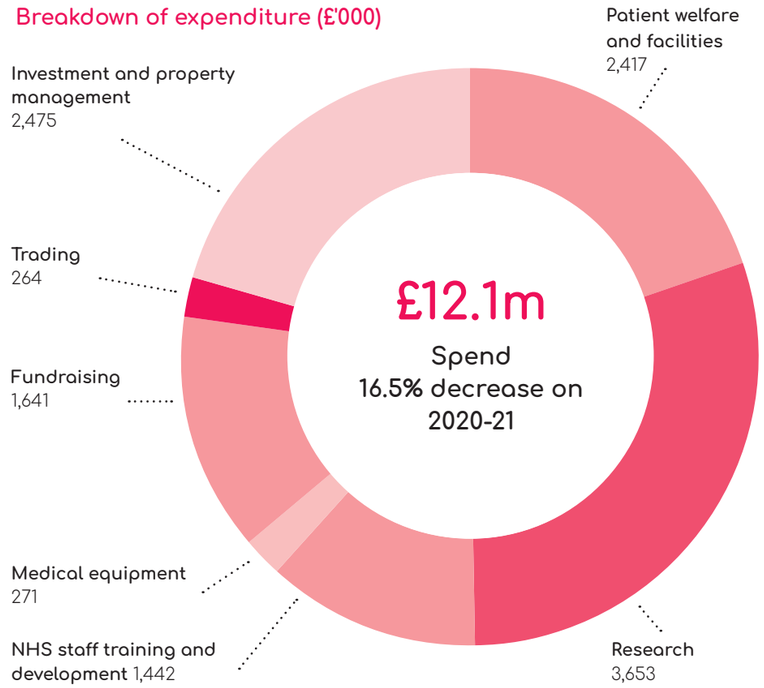
Property investments
This predominantly relates to the net disposal proceeds on investment properties when they have been sold and the rental income generated from properties held for investment purposes.

Property operations
This relates to operational activity from our subsidiary enterprises and includes the management of the Pears Building.

Other trading
Income from our subsidiary, the RFC Recreation Club Ltd, which operates under the brand of the "Rec Club" and provides leisure facilities to hospital staff and members of the local community.

Expenditure for the year was £12.1 million. Expenditure is split across the four key objectives: patient welfare and facilities, staff training and development, research, medical equipment as well as fundraising, trading and investment management.

Breakdown of expenditure (£'000)



OUR EXPENDITURE

Fundraising
The cost of generating our fundraising income by staff, events and other related costs.

Investment management
These are professional fees in relation to the charity's financial and property investments.

Medical equipment
Expenditure on medical equipment was £270,000 in 2021/22.

Patient welfare and facilities
This expenditure relates to grants to improve patient welfare and facilities and the costs of volunteer services, our support hub service and our massage team, all of whom provide services which are much appreciated by patients at our three hospitals.

Research
These grants support life-saving and life-changing medical research at our hospitals including the salaries of researchers, research equipment and associated research costs.

Staff training and development
Many donations are given to benefit NHS trust staff, and these are often used either to enable staff to attend training courses or to provide additional facilities for staff, including 'Fit at the Free', a programme to enhance staff wellbeing.

Trading
These are the operating costs of the Recreation Club, which provides fitness and wellbeing services, and the final costs for the retail shop operations, which were wound up during the year 2020/21.



Risks and risk management

The trustees recognise their duty to anticipate, manage and mitigate the risks to which the charity's activities could be exposed. They acknowledge that risk is inherent in all activities and that its management is crucial to achieving the charity's objects.

The trustees take a systematic approach to managing risk, with the executive team regularly monitoring and reporting risks to the board as well as prioritising actions. Risks are rated by multiplying a score for the likelihood of a risk by a score for its severity. Scores before and after mitigation are calculated using a risk matrix.

The board considers the following as the key risks for the organisation:

1

Fundraising: Impact on donors of economic downturn means the fundraising function fails to meet its financial targets and deliver satisfactory returns.

The trustees agreed to invest in fundraising capacity-building and demonstrated this through the continued investment in fundraising staff and infrastructure in the 2022/23 budget year and throughout the five-year financial plan. The board and the executive team collectively continue to closely manage and monitor fundraising performance through in-year reporting against targets and has an action plan to address performance challenges. The trustees have also sought to improve donor stewardship.

2

Macroeconomic climate, property and utility costs

The trustees recognise that with the post-practical completion of the building and the remaining snags and defects, there is a risk of the charity having to bear additional costs in relation to the Pears Building. The trustees further note that the charity is in discussions with the contractor over delays in the completion of the building and potential additional payments to or from the contractor. The trustees also recognise that the economic climate has significantly changed for the worse as a result of the Russian invasion of Ukraine and the energy costs crisis. There is a recognition of the cost pressures created by escalating inflation and interest rates, and the impact of these on the cost of living for beneficiaries, staff and the charity itself.

The trustees, the executive team and our professional advisers oversee the Pears Building construction costs, building snags and defects and certification of works. The charity's cash reserves have been invested in interest-earning deposit accounts to counter the impact brought about by high energy costs, high inflation and interest rates. Staff pay is under review and this will be addressed as part of the budget-setting process, taking into account the charity's objectives, recruitment and retention costs and staff morale.

The charity has embarked on a procurement review exercise with the aim of delivering better value for money from its procurement activities. The review is expected to deliver tangible results in the second half of the 2022/23 financial year.

3

Deficit in unrestricted ("free") reserves

The potential impact of this includes the inability to meet current financial commitments, support the trust with future needs and its potential disillusionment with the charity and any reputational impact on donors leading to a drop in income.

Free reserves are a key metric regularly reported to the board and the finance committee and have also been the main driver for the five-year financial plan. A number of policy reviews such as asset classification, the levy applied to certain funds for administrative and management fees, and a review of historical restricted funds, have also been carried out in support of the free reserves position.

The trustees note that a significant number of charities are operating with negative free reserves following the pandemic and current economic instability. Furthermore, the trustees fully support the strategy to use the charity's asset holdings to generate additional unrestricted income. The budget for 2022/23 and the five-year plan have increased our focus on generating additional unrestricted or budget-relieving income.

Trustees are confident that the charity's unencumbered property holdings fully negate the negative free reserves position at the end of the financial year and the measures in place for mitigating risks provide confidence in the charity's future operations.



Statement of trustees' responsibilities

The trustees (who are also directors of the Royal Free Charity for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial period that give a true and fair view of the state of affairs of the company and of the incoming resources and application of resources, including the income and expenditure of the company for that period. In preparing those financial statements, the trustees are required to:

(a) select suitable accounting policies and apply them consistently;
(b) comply with applicable accounting standards, including FRS 102, subject to any material departures disclosed and explained in the financial statements;
c) state whether a statement of recommended practice applies and has been followed, subject to any material departures which are explained in the financial statements;
(d) make judgements and estimates that are reasonable and prudent;
(e) prepare the financial statements on a going-concern basis unless it is inappropriate to presume that the company will continue in business.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Insofar as the trustees are aware:

(a) there is no relevant audit information of which the company's auditor is unaware; and
(b) the trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees' annual report is approved by the trustees of the charity. The strategic report, which forms part of the annual report, is approved by the trustees in their capacity as directors in company law of the charity.

By order of the trustees

Judy Dewinter
Chair of Trustees

Alistair Summers
Trustee and Chair of the Finance and Audit Committee

Structure, governance and management

Legal structure
On 1 April 2016, the Royal Free Charity reconstituted as an independent charity (no. 1165672), solely regulated by the Charity Commission and no longer subject to NHS legislation. This status establishes the charity's independence from the Department of Health and by virtue of becoming a company limited by guarantee (no 09987907), limits the trustees' liability. The charity operates under a Charity Commission scheme dated 1 April 2016 and its objects, as stated in its articles of association, encompass not only the support of patients of the RFL, but also and more generally the promotion of health and medical research, particularly within the catchment area of the foundation trust.

Trustees
Following the reconstitution of the charity, new trustees are appointed by the trustee board after open competition. Several trustees who were previously trustees of the former NHS charity are now trustees of the incorporated charity; in addition, the RFL has the right to appoint and remove one trustee. Currently this is Dr Chris Streather, group chief medical director at the RFL. The chair of the trustees aims for new and existing trustees to be fully briefed on the key issues facing the Royal Free Charity, including Charity Commission information on trustee responsibilities, aspects of charity law pertinent to the Royal Free Charity and timely copies of reports, accounts and other key documents. Board members declare all relevant interests in other bodies, especially bodies closely connected with the RFL. The trustees and their five subcommittees – finance, asset management, fundraising, marketing and communications, grants and nominations and governance committees - meet quarterly.

Powers of investment
The charity's powers of investment are principally derived from its articles of association and the Companies Act 2006. In exercising these powers, the trustees must act in accordance with their duties as charity trustees and as company directors as set out in the Charities Act 2011 and the Companies Act 2006. They must also act in accordance with the Trustee Act 2000. These powers of investment are wide, allowing the trustees to invest in such stocks, funds, shares, equities or other investments as they see fit.

Remuneration
The remuneration of senior staff is agreed by the trustees, following a comparison of their posts with similar positions in the charity sector generally.



Public benefit statement

The Royal Free Charity's purpose is to support the Royal Free London NHS Foundation Trust's three hospitals - Barnet Hospital, Chase Farm Hospital and the Royal Free Hospital – as well as many satellite sites across north London. We focus our support on three groups:

- **Patients and their families**, whether local or from further away, needing to use the trust's specialist services. We enhance the experience of patients throughout their hospital journey, through the services we provide directly and the projects and equipment we fund on the wards.
- **The staff of the three hospitals and many satellite sites**, so they can deliver the best possible healthcare.
- **Researchers** working in the hospitals and partner institutes, helping them have not only local impact but also the potential to improve healthcare nationally and globally.

The public benefits that flow from our support for these three groups:

1. Patients
Evidence shows that improving the experience of patients leads to better patient safety and clinical outcomes and a better quality of life, particularly for patients facing a poor prognosis; improves patient involvement in, and understanding of, their care; leads to fewer demands for unnecessary treatment; and can expose important system challenges, leading to improvement of care for all.
See pages 16-23

2. NHS staff
Evidence shows that improving the experience of NHS staff leads to better retention of staff, crucial at a time of chronic staff shortages in the NHS; relieves long-term anxiety caused by work stresses; makes staff feel better prepared for the future; and improves patient outcomes and satisfaction. In addition, improvements to the working environment and the specialist equipment staff use encourage a more holistic approach to treatment, health and wellbeing, and improve morale.
See pages 16-23

3. Researchers
Healthcare research can provide important information about different forms of treatment and outcomes, disease risk factors and trends, public health interventions and healthcare costs, among many other benefits to the public. Royal Free Charity funds primarily support two aspects of research – clinical trials and translational research. This takes laboratory discoveries and turns them into treatments and interventions that directly benefit human health. The charity led the funding and construction of the Pears Building, a new home for the UCL Institute of Immunity and Transplantation, and supplied seed funding for the trust's clinical research facility which this year secured state funding worth £5m.
See pages 24-27

No harm arose from our work. Our beneficiaries were patients, NHS staff, the general public and locally-based community and voluntary organisations. No private benefit arose from these purposes.

Reference and administrative detail

Financial statements
The audited consolidated financial statements comply with the Statement of Recommended Practice 'Accounting and Reporting by Charities' FRS 102 including Update Bulletin 2, the Charities Act 2011 and the Companies Act 2006.

Charity status
The charity is a company limited by guarantee. Its members are the trustees of the charity, of whom there may be a maximum of 12. Each member guarantees to contribute up to one pound sterling (£1) to the charity's debts, liabilities and costs in the event of the charity being wound up and for one year after ceasing to be a member.

Charity objects
(a) further any charitable purpose or purposes relating to the general or any specific purposes of the foundation trust or the purposes of the health service
(b) promote, protect, preserve and advance all or any aspects of the health and welfare of the public, particularly within the catchment area of the foundation trust
(c) advance and promote knowledge and education in medicine, including by engaging in and supporting medical research.

Governing document
The Royal Free Charity is governed by its Articles of Association dated 4 February 2016.

Company number
09987907 in England and Wales

Charity number
1165672 in England and Wales

Registered office
Royal Free Charity
Pears Building
London
NW3 2PP

Equality, diversity and inclusion

We are committed to equality, diversity, and inclusion (EDI) across every level of work across our charity. It is more than a strategy, it is a mindset that is embedded in everything we do. From our inclusive recruitment processes to monitoring staff progression, we have adopted a range of policies to ensure we attract and retain talent, regardless of gender, ethnicity, disability and all protected characteristics of the Equality Act 2010. We are proud to confirm we are a Disability Confident Committed Employer.

In 2021, we rolled out mandatory EDI training for all staff. This training explored what is meant by equality and diversity, how to be inclusive and unconscious bias. Our new induction programme also has an EDI focus. Our trustees consider EDI within a governance context, including an annual diversity audit.



Independent auditor's report to the trustees of the Royal Free Charity

Opinion
We have audited the financial statements of the Royal Free Charity for the year ended 31 March 2022 which comprise the group statement of financial activities, the group and parent charitable company balance sheets, the group cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 the parent charitable company's affairs as at 31 March 2022 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

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

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

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

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the trustees' annual report.

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

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

Responsibilities of trustees
As explained more fully in the trustees' responsibilities statement set out on page 3, 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 and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but



is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- conclude on the appropriateness of the trustees' use of the going-concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

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

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

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

Our approach was as follows:

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

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP

Neil Finlayson
(Senior Statutory Auditor)
for and on behalf of
Moore Kingston Smith LLP,
Statutory Auditor

6th Floor, 9 Appold Street,
London EC2A 2AP

Date: 12 January 2023



Consolidated statement of financial activities

	Note	Year ended 31 March 2022 Unrestricted funds	Restricted funds	Total 2021/22	Year ended 31 March 2021 Unrestricted funds	Restricted funds	Total 2020/21
		£000	£000	£000	£000	£000	£000
Income and endowments from:							
Donations and legacies	2	4,540	17,475	22,015	6,302	82	6,384
Charitable activities		52	-	52	27	-	27
Trading activities							
Property operations		1,372		1,372			
Other trading operations		428		428	280		280
Investments	8.3	1,210	25	1,235	1,292	25	1,317
Other							
Events		200	2	202	164	4	169
Other income		43	-	43	301	-	301
Total income		**7,845**	**17,502**	**25,347**	**8,366**	**112**	**8,478**
Expenditure on:							
Raising funds	4						
Fundraising expenditure		1,641	-	1,641	948	-	948
Trading expenditure		264	-	264	1,025	-	1,025
Investment/ property management		2,475	-	2,475	651	-	651
Charitable activities	3	6,905	878	7,783	7,740	4,191	11,930
Total expenditure		**11,285**	**878**	**12,163**	**10,364**	**4,191**	**14,554**
Net gains/(losses) on investments	8.5	71	100	171	6,690	400	7,090
Net income/(expenditure)		(3,369)	16,724	13,355	4,692	(3,679)	1,014
Transfers between funds	11	34,955	(34,955)	-	-	-	-
Gains on tangible fixed assets		44	-	44	-	-	-
Net movement in funds		**31,630**	**(18,231)**	**13,399**	**4,692**	**(3,679)**	**1,014**
Reconciliation of funds:							
Total funds brought forward		55,156	38,097	93,254	50,464	41,776	92,240
Total funds carried forward		**86,786**	**19,866**	**106,653**	**55,156**	**38,097**	**93,254**

The notes on pages 57-69 form part of these accounts

Consolidated and charity balance sheet

	Note	Group March 2022 £000	Charity March 2022 £000	Group March 2021 £000	Charity March 2021 £000
Fixed assets					
Tangible assets	6	30,975	32,377	410	391
Asset under construction	6	-	-	58,583	61,346
Investments	8	16,963	17,102	16,771	16,910
Social investments	8	42,478	43,913	13,770	13,770
Total fixed assets		**90,416**	**93,392**	**89,534**	**92,417**
Current assets					
Debtors	9	4,888	6,373	4,114	5,484
Cash at bank and in hand		26,516	25,875	12,393	11,091
Total current assets		**31,404**	**32,248**	**16,507**	**16,576**
Creditors falling due within one year	10.1	(14,034)	(14,761)	(12,787)	(12,915)
Net current assets		**17,370**	**17,487**	**3,721**	**3,660**
Creditors falling due after more than one year	11.2	(1,133)	(1,133)	-	-
Total net assets		**106,653**	**109,746**	**93,254**	**96,077**
Funds of the charity					
Income funds					
Unrestricted	11.1	86,787	89,880	55,157	57,980
Restricted	11.2	19,866	19,866	38,097	38,097
Total funds		**106,653**	**109,746**	**93,254**	**96,077**

The notes on pages 57-69 form part of these accounts.
As permitted by section 408 of the Companies Act 2006, the parent Charity's gross income and results have not been included in the financial statements. The net income of the charity for the year was £13,669,000 (2020/21: Net expenditure of £1,603,000).

Judy Dewinter
Chair of Trustees

Date: 11 January 2023

Alistair Summers
Trustee and Chair of the Finance and Audit Committee



Consolidated cash flow statement

Cash inflow/(outflow)	2021/22	2020/21
	£000	£000
Net cash provided by/(used in) operating activities	**13,639**	**5,114**
Cash flows from investing activities		
Investment income and interest received	1,235	1,317
Proceeds from disposal of fixed asset investments	1,438	2,708
Acquisition of fixed asset investments	(1,459)	(1,299)
Acquisition of tangible fixed assets by charity	(319)	(39)
Acquisiton by subsidiary companies of:		
tangible fixed assets	(6)	-
asset under construction	(405)	(11,185)
Net cash flow from investing activities	**484**	**(8,499)**
Cash flow from financing activities		
Repayment of loan	-	-
Increase/(decrease) in cash and cash equivalents	**14,123**	**(3,385)**
Cash and cash equivalents at beginning of period	12,393	15,778
Cash and cash equivalents at end of period	**26,516**	**12,393**

Reconciliation of net income to cash flow from operating activities	**2021/22**	**2020/21**
	£000	£000
Net income/(expenditure) including endowments	**13,355**	**1,014**
Adjustments for:		
Depreciation charges	84	13
Net (gains)/losses on investments	(171)	(4,243)
Investment income	(1,235)	(1,317)
Loss on disposal of tangible fixed assets by charity	-	100
(Increase)/decrease in debtors	(774)	3,993
Increase in creditors	2,380	5,554
Net cash provided by/(used in) operating activities	**13,639**	**5,114**

Analysis of net cash

	01 April 2021	Cashflows	31 March 2022
	£000	£000	£000
Short-term deposits	-	-	-
Cash at bank and in hand	12,393	14,123	26,516
	12,393	**14,123**	**26,516**

The notes on pages 57-69 form part of these accounts

Notes to the accounts for the year ended 31 March 2022

1 Accounting policies

Basis of preparation

These financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the revaluation of investments being measured at fair value via income and expenditure within the statement of financial activities.

They are prepared in accordance with the Financial Reporting Standard applicable in the UK (FRS 102). The charity is a public benefit group for the purposes of FRS 102, and so it also prepared its financial statements in accordance with the statement of recommended practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK (FRS 102 Charities SORP), the Companies Act 2006 and the Charities Act 2011.

They are prepared in sterling, which is the charity's functional currency. Monetary amounts in the financial statements are rounded to the nearest one thousand pounds.

Going concern

The trustees assessed the suitability of the use of the going concern basis, and considered possible events due to conditions including economic impact of COVID, rising fuel prices and inflation rate, that might significantly affect the charity's ability to continue as a going concern. In making this assessment, for a period of at least one year from the date of approval of the financial statements, they considered the charity's forecasts and projections, and noted the pressures on donation, legacy and investment income. After making enquiries and considering the available cash balances and funds within the investment portfolio, the trustees believe that the charity has adequate resources to continue in operational existence for the foreseeable future. It therefore adopts the going concern basis in preparing its financial statements.

Estimates and judgements

Works of art are valued in the balance sheet at £361,000 (£317,000 in 2021), a figure which the trustees believe fairly reflects their value.

Investment properties are valued in the balance sheet at £1,401,000 (£1,401,000 in 2021), a figure which the trustees believe fairly reflects their value. Mixed motive investment represents a property valued in the balance sheet at £13,770,000 (2020/21: £13,770,000), a figure which the trustees believe fairly reflects its value. See the accounting policy for investment properties which explains how the valuation has been arrived at.

Financial Instruments

The charity has applied the provisions of Section 11 "Basic Financial Instruments" of FRS 102 to all its financial instruments. They are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to offset the recognised amounts, and an intention to settle on a net basis, or to realise the assets and settle the liability simultaneously.

Apart from prepayments, deferred income and balances with HM Revenue & Customs under statute, all other debtor and creditor balances, as shown in notes 9 and 10, are considered to be basic financial instruments under FRS 102.

Consolidation

These financial statements consolidate on a line-by-line basis the financial statements of the company (the Royal Free



Charity) and its subsidiaries RFC Developments Ltd, RFC Enterprises Ltd and RFC Recreation Club Ltd.

Cash and cash equivalents
Cash and cash equivalents include cash in hand, deposits at call with banks and other short-term liquid investments with original maturities of three months or less.

Fund structure
Restricted funds are funds for which a legal restriction exists over their use, as determined by the donor. This could be a restriction to a particular department of the hospital such as cardiac or renal, or to a particular sphere of activity such as research or equipment.

Unrestricted funds may be used at the trustees' discretion for any general purpose of the charity.

Income
All income is included in full in the statement of financial activities as soon as the following three factors can be met:

(a) entitlement - arises when a particular resource is receivable or the charity's right becomes legally enforceable.
(b) probability - when it is probable that the incoming resources will be received
(c) measurement - when the monetary value of the incoming resources can be measured with sufficient reliability.

Government grants
Grants relating to revenue are recognised in income on a systematic basis over the periods in which the charity recognises the associated costs for which the grant is intended to compensate. This includes £43,486 (2021: £215,542) of government assistance under the coronavirus job retention scheme relating to staff who were furloughed during the pandemic.

Gifts in kind
Gifts in kind are recognised as income and expenditure in the year the gifts are received by the charity. The amount at which gifts in kind are recognised is either value of the cost to the donor or the fair value determined by the charity. The gifts are then directed to the relevant department or ward at the trust. Total value of gifts in kind for 2021/22 was £nil (2020/21: £272k).

Expenditure
Liabilities are recognised as expenditure if the charity has a legal or constructive obligation that commits it to the expenditure, or if there is a constructive obligation to make a transfer of value to a third party. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the particular category. Governance costs comprise the costs of complying with statutory requirements.

Allocation of overhead and support costs
Overhead costs have been divided into the categories shown in note 4, p61, and apportioned between those categories (raising funds and charitable expenditure), on the basis of their relevance to each category. In 2021/22, as in 2020/21, a direct charge was made to restricted and designated funds in recognition of the overhead and support costs relating to those funds. The salaries of the charity's staff are apportioned individually across these expense categories, reflecting the time spent by each individual on the relevant activities.

Grants
Grants are accrued in full when there is a binding commitment by the charity to transfer the amounts involved to a third party.

Investments
Investments are shown in the balance sheet at market value. The investment property was valued in 2019/20 by Cluttons, Chartered Surveyors. The mixed motive investment property was valued in 2020/21 by Montagu Evans, Chartered Surveyors. The trustees are satisfied that these valuations reflect the properties' fair value.

Social investments
Programme-related investments relate to a property at the Pears Building leased to third parties that are used to help to fullfil the charity's charitable objectives. The programme-related investments are held at cost. Mixed motive investments relate to a property used to help to fullfil the charity's charitable objectives as well as generating investment return.

Tangible fixed assets
Tangible fixed assets are stated at cost less depreciation. Depreciation is calculated to write off the cost less estimated residual value of each asset over its expected useful life (as per table below). At the end of each reporting period, the residual values and useful lives of assets are reviewed and adjusted if necessary. In addition, if events or change in circumstances indicate that the carrying value may not be recoverable, then the carrying values are reviewed for impairment.

Properties held as pure investment or mixed motive investments (MMI), or properties including parts MMI, are not to be depreciated. The Armoury (pure investment property), Graseby House (MMI), will not be depreciated.

Leasehold – Pears Building
The Pears Building is classified as social investments for all areas

Asset type	Capitalisation threshold	Depreciation
Building - leasehold	£10,000	Lease period (eg Pears Building 50 years)
Building - freehold	£10,000	100 years (freehold)
Computer equipment	£2,500 individually or exceeding £5,000 in aggregate	3 years
Computer systems development	£25,000 in aggregate	5 years
Software	£25,000	5 years or expected life, if shorter (purchased or developed)
Computer development	£2,500 individually or exceeding £5,000 in aggregate	5 years
Recreation equipment	£1,000 individually or exceeding £1,000 in aggregate	5 years
Shop EPOS system	£5,000	5 years
Shop fit outs	£5,000	Lease term
Furniture and fittings	£2,500 individually or exceeding £5,000 in aggregate	5 years
Asset under construction	Cost	Not depreciated
Works of art	Market value	Not depreciated



occupied by (and shared with) other entities ie UCL, the charity, the trust and RFLPS.

Freehold property
Freehold property and part of a freehold property that is in operational use and not a pure investment nor MMI, would be depreciated over 100 years.

Asset under construction
The asset under construction is the Pears Building, constructed on the Royal Free Hospital site, to house the UCL Institute of Immunity and Transplantation, patient accommodation and a car park. The costs incurred to date relate to construction, architects and other professional fees. Practical completion of the building was achieved in June 2021 and the building has been in use from that date.

Realised gains and losses
Gains and losses are reported in the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sale proceeds and opening market values (or date of purchase if later). Unrealised gains and losses are calculated as the difference between market value at the year end and opening market value (or date of purchase if later).

Pooling scheme
A pooling scheme for all funds held under the auspices of the Royal Free Charity is contained within a Charity Commission Scheme dated 1 April 2016. It covers all funds formerly held by the Special Trustees for The Royal Free Hospital, the Royal Free Hampstead Charities, the Dresden Assistance Fund for the Royal Free Hospital, and the Kitty Cookson Memorial Fund. It does not distinguish between the different types of funds (unrestricted, designated, restricted), which are pooled together.

Pension costs
Staff who were formerly employed by the Royal Free Hampstead NHS Trust (the predecessor of the Royal Free London NHS Foundation Trust) participate in the NHS Pension Scheme. Some current staff remain in that pension scheme, but new employees participate in personal pension schemes to which the employer's contribution matches that of the employee. Staff of the charity's trading subsidiary, RFC Recreation Club Ltd, also participate in personal pension schemes. The NHS Pension Scheme is a multi employer defined benefit scheme but under SORP 28.11, this is accounted for in these financial statements as if it was a defined contribution scheme.

Operating lease
Rentals paid under operating leases are charged to the profit and loss account evenly over the period of the lease.

2 Donations and legacies

	2021/22			2020/21		
	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	£000	£000	£000	£000	£000	£000
Donations - capital appeal	-	150	150	-	22	22
Donations - others	3,167	17,322	20,489	5,977	19	5,996
Legacies	1,373	3	1,376	324	42	366
Total	**4,540**	**17,475**	**22,015**	**6,302**	**82**	**6,384**

3 Charitable expenditure

	Grants	Activities undertaken directly	Support costs	Total 2021/22	Grants	Activities undertaken directly	Support costs	Total 2020/21
	£000	£000	£000	£000	£000	£000	£000	£000
Patient welfare and facilities	983	1,165	270	2,418	972	1,729	527	3,228
Staff training and development	686	596	160	1,442	1,044	1,150	428	2,622
Research	2,275	971	406	3,652	3,980	1,106	992	6,079
Medical equipment	241	-	30	271	-	-	-	-
Total	**4,185**	**2,732**	**866**	**7,783**	**5,996**	**3,986**	**1,948**	**11,930**

All grants were made to institutions. There were no grants to individuals.

4 Analysis of support costs by activity

	Governance	Raising funds	Charitable activities	Total 2021/22	Governance	Raising funds	Charitable activities	Total 2020/21
	£000	£000	£000	£000	£000	£000	£000	£000
Salaries - charity	17	1,425	599	2,041	161	535	869	1,564
Salaries - trading subsidiary	-	199	-	199	-	243	-	243
Investment/property management	-	2,475	70	2,545	-	651	-	651
Other trading subsidiary costs	-	151	-	151	-	140	-	140
Charity trading costs	-	(86)	-	(86)	-	642	-	642
Statutory auditor's remuneration	37	-	-	37	18	-	-	18
Legal and other professional fees	11	199	30	240	263	135	-	398
Event and marketing costs	-	61	3	64	-	3	3	7
Consultancy/recruitment services	-	23	20	43	114	-	272	386
Publicity materials	-	196	-	196	-	162	-	162
Capital appeal costs	-	3	2	5	-	87	87	
Others	-	(266)	77	(189)	14	113	147	274
Total support costs	**65**	**4,380**	**801**	**5,246**	**570**	**2,624**	**1,378**	**4,571**
Governance costs reallocated	(65)	-	65	-	(570)	-	570	-
Total support costs	**0**	**4,380**	**866**	**5,246**	**-**	**2,624**	**1,948**	**4,571**

Negative cost in category "Others" is due to reversing the £500k bad debt provision in accounts relating to a legacy gift.

These costs are initially all charged to unrestricted funds, except for certain specific costs that relate to particular special purpose funds. Besides a share of investment management costs, each special purpose fund bears a levy as a contribution towards the other overhead costs, in recognition that some of these costs are incurred in relation to those funds. In 2021/22, this charge was £233,608 (2020/21: £157,000).



4.1 Analysis of staff costs

	Charity	Subsidiary	Total 2021/22	Charity	Subsidiary	Total 2020/21
	£000	£000	£000	£000	£000	£000
Salaries and wages	2,322	173	2,495	2,325	210	2,535
Social security costs	254	15	269	213	19	232
Other pension costs	132	11	143	114	12	126
Total	**2,708**	**199**	**2,907**	**2,652**	**241**	**2,893**

No employee of any subsidiary company received emoluments exceeding £60,000.

The number of such employees of the charity were:	2021/22	2020/21
£60,001-£70,000	2	4
£70,001-£80,000	1	1
£80,001-£90,000	1	1
£90,001-£100,000	-	2
£100,001-£110,000	1	-
£110,001-£120,000	1	-
Pension contributions were made for these employees as follows:	£000	£000
£60,001-£70,000	8	16
£70,001-£80,000	3	2
£80,001-£90,000	3	8
£90,001-£100,000	-	8
£100,001-£110,000	4	-
£110,001-£120,000	10	-

There was an average monthly number of 68 staff in 2021/22 (2020/21: 61). The RFC Recreation Club Ltd had an average number of 8 staff (2020/21: 9), RFC Enterprises Ltd and RFC Developments Ltd did not employ any staff. The key management personnel during the year were Jon Spiers (chief executive), Alison Kira (director of grants and services), Sharron Grant (director of people), Paul Stein (executive director of fundraising and communications), Barry Aspland (director of finance until May 2021), Richard Elliott (interim director of finance, property and operations from May 2021 to September 2021), Yusuf Firat (director of finance, property and operations from September 2021), Jenny Todd and Laura James assistant director of grants and services), Michael Ridgewell (chief operating officer until May 2021) and Robin Meltzer (director of engagement and communications.) The total salary cost of the key management personnel (including social security and employer pension costs) was £756,000 (2020/21: £833,000). During the year, the charity made total termination payments of £51,000 (2020/21: £134,000)

5 Analysis of net assets between funds

Group	Unrestricted funds	Restricted funds	Total 2021/22	Unrestricted funds	Restricted funds	Total 2020/21
	£000	£000	£000	£000	£000	£000
Fixed assets	30,975	-	30,975	24,927	34,065	58,993
Investment	57,239	2,202	59,441	28,45	2,086	30,541
Current assets	13,592	17,812	31,404	10,288	6,220	16,507
Liabilities	(13,885)	(149)	(14,034)	(8,513)	(4,274)	(12,787)
Long-term liabilities	(1,133)	-	(1,133)			
	86,788	**19,865**	**106,653**	**55,157**	**38,097**	**93,254**

Charity	Unrestricted funds	Restricted funds	Total 2021/22	Unrestricted funds	Restricted funds	Total 2020/21
	£000	£000	£000	£000	£000	£000
Tangible fixed assets	32,377	-	32,377	27,671	34,065	61,737
Investments	58,813	2,202	61,015	28,594	2,086	30,680
Current assets	14,436	17,812	32,248	10,356	6,220	16,576
Short-term liabilities	(14,612)	(149)	(14,761)	(8,641)	(4,274)	(12,915)
Long-term liabilities	(1,133)	-	(1,133)	-	-	-
	89,881	**19,865**	**109,746**	**57,980**	**38,097**	**96,077**

6.1 Fixed assets - group

Cost	Recreational equipment	Furniture & fixtures	Artworks	Asset under construction	Computer equipment	Properties	Total
	£000	£000	£000	£000	£000	£000	£000
Brought forward at 1 April 2021	85	34	317	58,583	39	-	59,058
Additions	6	-	-	405	15	304	730
Revaluation	-	-	44	-	-	-	44
Transfer	-	-	-	(58,988)	-	58,988	-
Transfer to programme-related investments (note 8)	-	-	-	-	-	(28,708)	(28.708)
Carried forward at 31 March 2022	**91**	**34**	**361**	**-**	**54**	**30,584**	**31,124**
Accumulated depreciation							
Brought forward at 1 April 2021	65	-	-	-	-	-	65
Charge for the year	17	14	-	-	15	38	84
Carried forward at 31 March 2022	**82**	**14**	-	-	**15**	**38**	**149**
Net book value at 1 April 2021	20	34	317	58,583	39	-	58,994
Net book value at 31 March 2022	**9**	**20**	**361**	-	**39**	**30,546**	**30,975**

6.2 Fixed assets - charity

Cost	Furniture & fixtures	Artworks	Asset under construction	Computer equipment	Properties	Total
	£000	£000	£000	£000	£000	£000
Brought forward at 1 April 2021	34	317	61,346	39	-	61,736
Additions	-	-	487	15	304	806
Revaluation	-	**44**	-	-	-	**44**
Transfer	-	-	(61,833)	-	61,833	-
Transfer to programme related investments (note 8)	-	-	-	-	(30,143)	(30,143)
Carried forward at 31 March 2022	**34**	**361**	-	**54**	**31,994**	**32,443**
Accumulated depreciation						
Brought forward at 1 April 2021	-	-	-	-	-	-
Charge for the year	14	-	-	15	38	67
Carried forward at 31 March 2022	**14**	-	-	**15**	**38**	**67**
Net book value at 1 April 2021	34	317	61,346	39	-	61,737
Net book value at 31 March 2022	**20**	**361**	-	**39**	**31,956**	**32,377**

7 Subsidiary companies

Details of the charity's subsidiary undertakings are set out below. All the subsidiary undertakings are incorporated in England and Wales and operate in the United Kingdom.

Company	Shares held Class	%	Principal activity
RFC Recreation Club Ltd	Ordinary	100	Provision of recreational services
RFC Developments Ltd	Ordinary	100	Design, construction and building services
RFC Enterprises Ltd	Ordinary	100	Management of Pears Building
RFC Properties Ltd	Ordinary	100	Company dormant and not yet trading
RFC Overage Ltd (previously called: RFC Properties (CF Holdings) Ltd)	Ordinary	100	Company dormant and not yet trading



7 Subsidiary companies (continued)

The results of the subsidiaries, and their assets and liabilities, are as follows:

	Year ended 31 March 2022			Year ended 31 March 2021	
	RFC Enterprises Ltd*	RFC Recreation Club Ltd	RFC Developments Ltd	RFC Recreation Club Ltd	RFC Developments Ltd
	£000	£000	£000	£000	£000
Turnover	1,895	439	742	319	11,661
Expenditure	(2,157)	(343)	(742)	(377)	(11,257)
Result for the year	**(262)**	**96**	**-**	**(58)**	**404**
Total assets	2,230	236	2,449	251	4,335
Total liabilities	(2,492)	(82)	(2,449)	(172)	(4,335)
Net funds at the end of the year	**(262)**	**153**	**-**	**79**	**-**

The charity's other subsidiary companies (see note 15) did not trade during 2021/22.
* RFC Enterprises Limited started trading during the year ended 31 March 2022. Therefore, there is no comparative information for the year ended 31 March 2021.

8 Analysis of investment portfolio

	Group 2021/22	Charity 2021/22	Group 2020/21	Charity 2020/21
	£000	£000	£000	£000
Market value as at 1 April	30,541	30,680	27,707	27,846
Less: disposals at carrying value	(1,438)	(1,438)	(2,708)	(2,708)
Add: acquisitions at cost	1,459	1,459	1,299	1,299
Transfer from fixed assets (note 6)	28,708	30,143	-	-
Net gain/(loss) on revaluation	171	171	4,243	4,243
Market value as at 31 March	**59,441**	**61,015**	**30,541**	**30,680**

8.1 Market value at 31 March

	Held in UK	Held overseas	2021/22 Total	Held in UK	Held overseas	2020/21 Total
	£000	£000	£000	£000	£000	£000
Investment properties	1,401	-	1,401	1,401	-	1,401
Investments listed on stock exchange	-	39	39	-	39	39
Investments in common investment funds	15,351	-	15,351	15,238	-	15,238
Cash held within the investment portfolio	172	-	172	93	-	93
	16,924	**39**	**16,963**	**16,732**	**39**	**16,771**
Mixed motive investment (see note 8.2)	13,770	-	13,770	13,770	-	13,770
Programme-related investment (see note 8.3)	28,708	-	28,708	-	-	-
	42,478	**-**	**42,478**	**13,770**	**-**	**13,770**
Total investments - group	**59,402**	**39**	**59,441**	**30,502**	**39**	**30,541**
Investments in subsidiary companies	139	-	139	139	-	139
Programme-related investment (see note 8.3)	1,435	-	1,435	-	-	-
Total investments - charity	**60,976**	**39**	**61,015**	**30,641**	**39**	**30,680**

8.2 Mixed motive investment

	Group 2021/22	Charity 2021/22	Group 2020/21	Charity 2020/21
	£000	£000	£000	£000
Market value as at 1 April	13,770	13,770	10,204	10,204
Add: acquisitions at cost	-	-	45	45
Add: gain on revaluation	-	-	3,521	3,521
Transfer from fixed assets	-	-	-	-
Market value as at 31 March	**13,770**	**13,770**	**13,770**	**13,770**

Mixed motive investments relate to a property used to help to fullfil the charity's charitable objectives as well as generating investment income. A Red Book valuation of that property, using a sector specific valuation toolkit (PodPlan), was performed during the 2020/21 financial year and resulted in a value of £13.8m and an unrealised gain of £3.5m over its previous book value of £10.3m.

8.3 Programme-related investments

	Group 2021/22	Charity 2021/22	Group 2020/21	Charity 2020/21
	£000	£000	£000	£000
Market value as at 1 April	-	-	-	-
Transfer from fixed assets	28,708	30,143	-	-
Market value as at 31 March	**28,708**	**30,143**	**-**	**-**

Programme-related investments relate to a property at the Pears Building leasewd to third parties that are used to help fulfil the Charity's charitable objectives.

8.4 Analysis of investment income

	Held In UK	Held Overseas	2021/22 Total	Held In UK	Held Overseas	2020/21 Total
	£000	£000	£000	£000	£000	£000
Investment properties	390	-	390	307	-	307
Mixed motive investment	588	-	588	625	-	625
Investments in common investment funds	247	-	247	369	-	369
Cash held outside the investment portfolio	10	-	10	16	-	16
Total investment income	**1,235**	**-**	**1,235**	**1,317**	**-**	**1,317**

8.5 Details of material investment holdings

The charity has two investment managers. Investments in individual entities representing over 5% of the respective managers' portfolios are:

Holding		Value 2022	Value 2021
		£000	£000
M&G	Charibond	6,911	7,233
Cazenove	Majedie Asset Management UK Equity	178	171
	Charity Equity Value Fund	328	283
	Findlay Park American Fund	251	223
	UBS ETF - MSCI World Socially	1,311	1,228
	Trojan Ethical Fund	474	426
	BlackRock iShares Developed World	747	658
	Vanguard S & P 500 UCITS ETF	470	N/A

8.6 Gains/losses on investments

The 2021/22 net gain of £0.2m relates entirely to the unrealised gain on investment in common investment funds
The 2020/21 net gain of £3.6m include £0.7m unrealised gain on investment in common investment funds and £1.6m gain on disposal of remaining part of the charity's investment property on the Grays Inn Road site of the Royal National Throat Nose and Ear Hospital (RNTNEH).



9 Analysis of debtors

	Group 2022 £000	Charity 2022 £000	Group 2021 £000	Charity 2021 £000
Prepayments	14	4	5	5
Due from subsidiary undertakings:				
RFC Developments Ltd	-	1,028	-	1,462
RFC Recreation Club Ltd	-	42	-	134
RFC Enterprises Ltd	-	1,118		
Other debtors	4,874	4181	4,109	3,883
Total debtors	**4,888**	**6,373**	**4,114**	**5,484**

In 2013/14, the charity made a loan of £500,000 to its subsidiary, RFC Developments Ltd, at a premium of 6% above base rate, regarding a major development project on the Royal Free Hospital site. The loan was increased to £1 million in January 2016, and is due for repayment upon the completion of the development including successful resolution of snagging issues.

10 Analysis of creditors

10.1 Creditors falling due within one year

	Group 2022 £000	Charity 2022 £000	Group 2021 £000	Charity 2021 £000
Grant and other accruals	8,416	8,416	7,248	7,248
Due to subsidiary undertaking - RFC Developments Ltd	-	1,992	-	3,039
Due to subsidiary undertaking - RFC Enterprises Ltd	-	1,571		
Other creditors	5,618	2,782	5,539	2,629
Total creditors falling due within one year	**14,034**	**14,761**	**12,787**	**12,915**

10.2 Creditors falling due after more than one year

	Group 2022 £000	Charity 2022 £000	Group 2021 £000	Charity 2021 £000
Grant accrual	1,133	1,133	-	-
Total creditors falling due after more than one year	**1,133**	**1,133**	-	-

11 Analysis of material funds

11.1 Unrestricted funds

	2021/22 £000	2020/21 £000
Designated funds:		
Friends fund - transferred from the formerly separate charity, Friends of the Royal Free Hospital	125	580
Departmental funds - Royal Free Hospital*		
Clinical biochemistry	2,489	2,672
HIV/AIDS	1,404	1,435
Others	12,860	13,250
Total designated funds	16,878	17,937
Other general funds (undesignated)	69,909	37,220
Total unrestricted funds	**86,787**	**55,157**

*These funds derive from donations and legacies made by grateful patients and their relatives over many years, and are under the day-to-day control of fund holders in specific areas of the RFL (cardiac, renal, etc) for use on appropriate projects as they arise.

11.2 Restricted funds

Restricted funds 2021/22	Opening balance £000	Income £000	Expenditure £000	Transfers £000	Gains (loss) £000	Closing balance £000
Capital appeal	34,065	150	-	(34,215)	-	0
RFL Foundation Trust fund	-	16,000	-	-	-	16,000
NHS Charities Together community partnership	-	735	(735)	-	-	-
Restricted grants	-	575	-	(318)	-	257
Peter Costin Memorial	589	-	(17)	-	-	572
St Peter's Trust	287	17	(86)	-	-	218
Dresden Assistance	422	-	-	(422)	-	-
Kitty Cookson Memorial	113	-	(1)	-	-	112
J F Moorhead	2,052	25	(34)	-	100	2,143
Dr Janet Owens Fellowship	569	-	(5)	-	-	564
Total restricted funds	**38,097**	**17,502**	**(878)**	**(34,955)**	**100**	**19,866**

The required conditions for release of the capital fund of £34m were met in the 21-22 financial year.
These conditions were that the Pears Building was completed and occupied which occurred by autumn 2021.

Restricted grants consist of individual funds, which are kept under one fund. The funds are distributed as per the contractual terms and conditions.
In November 2022 the changes made to the purposes of the Dresden Assistance Fund (pursuant to s275 of the Charities Act 2011) were accepted by the Charity Commission. As a result, the balance of £422k has been transferred from restricted to general and designated.

Restricted funds 2020/21	Opening balance £000	Income £000	Expenditure £000	Transfers £000	Gains balance £000	Closing £000
Capital appeal	37,895	24	(3,854)	-	-	34,065
Peter Costin Memorial	604	-	(15)	-	-	589
St Peter's Trust	489	63	(266)	-	-	287
Dresden Assistance	450	-	(27)	-	-	422
Kitty Cookson Memorial	114	-	(1)	-	-	113
J F Moorhead	1,650	25	(22)	-	400	2,052
Dr Janet Owens Fellowship	574	-	(5)	-	-	569
Total Restricted Funds	**41,776**	**112**	**(4,191)**	**-**	**400**	**38,097**

11.3 Details of restricted funds

Capital appeal	To fund the building of the UCL Institute of Immunity and Transplantation
RFL Foundation Trust fund	To fund various projects with a particular focus on cancer
NHS Charities Together community partnership	To fund a number of local (community) projects
Restricted grants	To fund various individual projects as per stated terms in the contracts
Peter Costin Memorial	To provide bursaries to medical students
St Peter's Trust	To support kidney, bladder and prostate research
Dresden Assistance	To support needy patients upon discharge from hospital
Kitty Cookson Memorial	To support an oncology fellowship
J F Moorhead	To support renal research
Dr Janet Owens Fellowship	To support research into Parkinson's disease

12 Contingent liabilities

The construction of the Pears Building is complete and the charity is in discussions with the contractor for outstanding works and defects in the final settlement for works. At this stage, it is not possible to quantify the settlement amount or the timescale for completion of remediation work.

There were no other contingent liabilities at either 31 March 2022 or 31 March 2021.



13 Post balance sheet events

There are no Post Balance Sheet events that require disclosure.

14 Trustees and connected persons transactions

No trustee or member of the key management staff or person related to them undertook any material transactions with the charity in either 2021/22 or 2020/21.

15 Related party interests

Ms Caroline Clarke, Dr Chris Streather, Mrs Judy Dewinter and Ms Akta Raja, respectively group chief executive, group chief medical officer, lead governor (retired), and non-executive director of the Royal Free London NHS Foundation Trust, are trustees of the charity.

The charity has five subsidiary companies, in all of which it is sole shareholder, as follows:

RFC Recreation Club Ltd (company no 7686541)
Mrs Melanie Sherwood (appointed 16/6/20), Mr Kedir Mohammed (resigned 12/11/21), Miss Alison Kira (appointed 16/3/21), Mrs Jennifer Todd (appointed 16/3/21), and Yusuf Firat (appointed 14/12/2021), respectively trustee, finance manager, director of grants and services, assistant director of services and director of finance, property and operations, are directors.

In 2021/22, the RFC Recreation Club Ltd reimbursed the charity £173,126 in respect of staff salaries (2020/21: £151,956).
The company also made a gift aid donation to the charity of £27,224 (2021: £nil). There was £42,422 due to the charity at 31 March 2022 (31 March 2021: £134,376).

The charity paid the RFC Recreation Club Ltd £105 (2020/21: £10,079) in respect of the use of facilities. None of this was outstanding at 31 March 2022. The charity was also charged £nil (2021: £77,854) by the Club for use of its space for the 'Free at the Free' project during the pandemic, which involved provision of free food and drink to staff at the Royal Free Hospital.

RFC Developments Ltd (company no 8729267)
Mr Jonathan Spiers (appointed 18/9/20), and four trustees of the Charity, Ms Caroline Clarke (resigned 30/09/2022), Dr Chris Streather (resigned 30/09/2022), Dr Russell Gilbert (resigned 22/06/2022), and Mrs Judy Dewinter (resigned 30/09/2022), are directors.

In 2020/21, the transactions between RFC Developments Ltd and the charity were:
purchase of design and build services by the charity from RFC Developments Ltd - the charity was charged £742,122 (2020/21: £11,661,265), and £1,991,542 (2020/21: £3,038,534) was due to RFC Developments Ltd at 31 March 2022.

Loan of £1 million from the charity to RFC Developments Ltd (see note 10) - RFC Developments Ltd was charged interest of £61,929 (2020/21: £61,000), none of which was outstanding at 31 March 2022 (31 March 2021: none).
Provision of administrative services by the charity to RFC Developments Ltd - RFC Developments Ltd was charged £13,000 (2020/21: £60,000), none of which was outstanding at 31 March 2022 (31 March 2021: none).
'During the year RFC Developments Ltd made a gift aid distribution to the charity of £139 (2020/21: £404,316).

RFC Enterprises Ltd (company no 8729268);
Mr Jonathan Spiers, CEO (appointed 18/09/20), and three trustees of the charity, Mrs Judy Dewinter, Dr Russell Gilbert (resigned 22/06/22), and Mrs Nina Robinson (resigned 12/07/22), are directors.

In 2021/22, the transactions between RFC Enterprises Ltd and the charity were:
The charity re-charged to RFC Enterprises Ltd total costs net of VAT of £1,010,602 (2021: £nil) in respect of the Pears Building expenditure paid on the company's behalf. At the year-end £1,117,640 (2021: £nil) was owed to the charity by RFC Enterprises Ltd.

The company charged the charity £1,571,031 (2021: £nil) in respect of services provided at the Pears Building. At the year-end £1,571,031 (2021: £nil) was owed by the charity to RFC Enterprises Limited.

RFC Properties Ltd (company no 10609331)
Mr Jonathan Spiers, CEO, and one trustee Mr Russell Gilbert (resigned 22/06/22) are directors. There were no transactions between the charity and the subsidiary during 2021/22 (2021: none). There were no outstanding balances from either party at 31/03/22 (2021:£nil).

15 Related party interests (continued)

RFC Overage Ltd (company no 10699295)
Mr Jonathan Spiers and Mr Yusuf Firat, chief executive and director of finance, property and operations respectively, are the directors.
There were no transactions between the charity and the subsidiary during 2021/22 (2021: none).
'There were no outstanding balances from either party at 31/03/22 (2021:£nil).

The following two subsidiary companies did not trade in 2021/22:
RFC Properties Ltd (company no 10609331)
RFC Overage Ltd (previously called: RFC Properties (CF Holdings) Ltd) (company no 10699295)

16 Operating leases

At the reporting date, the charity had outstanding minimum future payments in respect of non-cancellable operating leases, which fall due as follows:

	2021/22 £000	2020/21 £000
Due in less than one year	-	25
Due in 1-2 years	-	22
Due in 2-5 years	-	-

17 Members' liability

The charitable company is limited by guarantee, not having a share capital and consequently, the liability of members is limited subject to an undertaking by each member to contribute to the net assets or liabilities of the charitable company on winding up, such amounts as may be required not exceeding £1.




Beds 11-14
ROYAL FREE
CHARITY
VOLUNTEER

Our trustees

Judy Dewinter, Chair of Trustees
Akta Raja, Vice-chair of Trustees
Russell Brooks
Caroline Clarke
Nicola Grinstead
Michael Luck
Katie Morrison
Nina Robinson (resigned 12/07/22)
Melanie Sherwood
Chris Streather
Alistair Summers

Senior leadership team

Jon Spiers
Chief Executive
Richard Elliott
Interim Director of Finance
(May 2021-September 2021)
Yusuf Firat
Director of Finance,
Property and Operations
(from September 2021)
Company Secretary
(from December 2021)
Sharron Grant
Director of People
Laura James
Interim Assistant Director of Services
(maternity cover from February 2022)
Alison Kira
Director of Grants & Services
Robin Meltzer
Director of Comms & Engagement
Paul Stein
Executive Director of Fundraising
Jenny Todd
Assistant Director of Services
(on maternity leave from February 2022)

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SOLICITORS
Withers LLP
20 Old Bailey London EC4M 7AN

LEGACY ADVISER
Blake Morgan LLP
Seacourt Tower West Way Oxford
OX2 0FB

Thank you

We are immensely grateful to everyone who has supported us during another challenging year for our hospitals.
Our special thanks to:

Antonia and Charles Filmer, and all those who generously supported their neuroendocrine cancer research appeal
Barnet & District CancerLink
The Basil Samuel Charitable Trust
The Cecil Rosen Foundation
In memory of Chandrika Fatania
The Charles Wolfson Charitable Trust
Costas & Evi Kaplanis
The Danson Foundation
In memory of Dita Athanassoulia, funding vital scleroderma research
Ezra Umarpeh with the NW London Jewish community
Fairview New Homes Limited
The Fraenkel Charitable Trust
Friends & customers of UK Railtours &
John Farrow
Georgie & Graham Edwards
The Gray family
Hollick Family Foundation
Jeffrey Modell Foundation
John McKelvey
Jo Malone
Jonny Oser
Judy & Paul Dewinter
Karen & Ian Paul
The Lions Club of Enfield
Mark Bolland
Matt & Stefani Black with friends & family
The Michael and Melanie Sherwood Foundation
The Michael and Sarah Spencer Foundation
Neurological Rehabilitation Centre Support Group
N&R Karnani Trust
NHS Charities Together
Pears Foundation
Phoebe Marshall, family & friends
Ramesh Nair
Related Argent
The Rind Foundation
RKT Charitable Trust
R.S.Hoffman
Sarit Raja-Shah
St Christopher's School, Hampstead
The Tufton Charitable Trust

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THE ROYAL FREE CHARITY

England & Wales - Charity number 1165672

Accounts



ANNUAL REPORT & ACCOUNTS

2020 – 21

ROYAL FREE CHARITY

FURTHER, FASTER, FOR ALL.



One of the highlights of the year was receiving the keys of the Pears Building, the new home for the UCL Institute of Immunity and Transplantation, made possible by visionary philanthropists, particularly the Pears Foundation.

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Our COVID support for our hospitals: a display of thanks from the public and a place for tired staff to rest at the Royal Free Hospital; a speaking bear to help bonding for babies at the Starlight neonatal unit at Barnet Hospital; and food and other essentials for hospital staff.









ABOUT US

The Royal Free Charity was formed in 2000 and supports the patients and staff at the Royal Free London NHS Foundation Trust (RFL) which comprises Barnet, Chase Farm and the Royal Free hospitals as well as numerous satellite sites across north London and Hertfordshire.

With its 10,000 staff, the RFL serves a population of more than 1.6 million people, many of whom come from across the country and beyond to seek out its world-class services in liver and kidney disease and transplantation, breast surgery, plastic surgery, myeloma and neuroendocrine tumours. It also has a high-level isolation unit for the treatment of highly infectious diseases such as Ebola.

Nearly 200 years ago, a young surgeon, William Marsden, discovered a girl seriously ill on the steps of a church in Holborn. He tried in vain to get her into a hospital and she died. Deeply affected, he gathered around him a group of philanthropists and established what would become the Royal Free Hospital.

The charity continues to espouse that same philanthropic spirit, being the linchpin of support for the RFL with its world-class healthcare, clinical research and teaching. We work closely with the leadership of the RFL to develop and support projects beyond the limitations of NHS funding. See more on p8-9.

OUR TRUSTEES

Judy Dewinter, chair
Akta Raja, vice-chair
Russell Brooks
Caroline Clarke
Nicola Grinstead
Russell Gilbert
(until 23 March 2021)
Michael Luck
Katie Morrison
Nina Robinson
(from 23 March 2021)
Melanie Sherwood
Chris Streather
Alistair Summers
(from 23 March 2021)

SENIOR MANAGEMENT

Chris Burghes, chief executive (until May 2020)
Jon Spiers, chief executive and company secretary
(from September 2020)
Richard Scarth, deputy chief executive
(and acting chief executive from April 2020 to September 2020)
Barry Aspland, director of finance
Sharron Grant, director of people (from May 2020)
Alison Kira, director of grants and services
Robin Meltzer, director of engagement and communications
(from July 2020)
Michael Ridgwell, chief operating officer (from July 2020)
Paul Stein, executive director of income generation
Jenny Todd, assistant director of services (from January 2021)

MESSAGE FROM OUR CHAIR AND CEO

During a tumultuous year, nothing has emerged more clearly than the extent of support that our three hospitals - Barnet Hospital, Chase Farm Hospital and the Royal Free Hospital - have received from their local communities.

From the moment the first lockdown was announced, offers of help and donations started to arrive and as the financial year ended, we had made new relationships which would be crucial in helping us deliver our ambitious plans.

The first two phases of the pandemic saw our donors and fundraisers help us raise an amazing £2.2 million which we swiftly put into action to support our hard-pressed hospital colleagues. We set up a free supermarket for staff, 'Free@theFree', organised and run by our Rec Club staff with the help of volunteers and charity colleagues, providing essentials to frontline workers at the beginning or the end of their long shifts as they could not get to the shops. We created or refurbished rest areas where hospital staff could sleep, eat and call their loved ones. And we put in place psychological support to help them deal with the inevitable aftermath of what they were coping with.



Although we were used to working closely with trust staff, the urgency and scale of need created by the pandemic drew us even closer together, creating unprecedented opportunities to understand exactly what was needed and how we could channel help from the hospitals' communities to meet that need. We've lost no time in applying those lessons to our plans.

While the pandemic dominated our activities – as you'll see in the report – we still made time to review how we operate and what our priorities should be over the next few years while our hospitals recover, reset and move forward.

> "A KEY TOOL WILL BE OUR NEW BRAND WHICH WILL ENSURE THAT THE WAY WE PRESENT AND TALK ABOUT OURSELVES BETTER REFLECTS AND ARTICULATES OUR AMBITIONS."

Our new strategic framework includes a new vision and mission for the next three to five years ensuring that every successful application for our donors' precious funds has answered tough questions about how it will support patients, hospital staff or locally-delivered research. It will also see us adopting a much more proactive and engaging approach to fundraising which we are confident will lead to significant increases in both our supporter base and our voluntary income. A key tool will be our new brand which will ensure that the way we present and talk about ourselves better reflects and articulates our ambitions.

The year also saw another hugely significant development: the completion of the Pears Building, the new home of the UCL Institute of Immunity and Transplantation and the new base for the charity in Hampstead. During the summer of 2021, researchers and charity staff moved in and patients who needed somewhere to stay – perhaps because they'd come from afar or were participating in a clinical trial - started to benefit from stylish accommodation at the top of the building.

The innovative partnership behind this £60m building – UCL, the Royal Free London NHS Foundation Trust and the Royal Free Charity, as well as generous donors, particularly the Pears Foundation – are working together to bring new hope for patients through cutting edge immunology research in conditions like cancer, HIV, severe immune disorders and of course COVID-19. We've all seen the critical importance of immune research in the past year and we're hugely excited to see what lifesaving breakthroughs our incredible institute can achieve in its new home.

We're keenly aware of our responsibility to ensure that our donors' funds are used as wisely as possible and how important it is that we report back on the impact of your gifts. This report is one way that we do that. This year we've also begun 'RFC Presents', a very successful series of talks by high-profile speakers, and launched electronic and printed newsletters to share the amazing stories of what goes on within our hospitals and laboratories.

It's essential to us that we demonstrate to you, our supporters and the communities served by our hospitals, the difference your generosity makes to our part of the NHS.

On behalf of our board, we would like to thank our committed supporters, staff, volunteers, hospital colleagues and partners for being on the journey with us. We look forward with confidence as we work together over the coming year.

Judy Dewinter
Chair of Trustees

Jon Spiers
Chief Executive

WHY DOES THE NHS NEED CHARITIES?

The role of NHS charities can often be unclear. After all, the NHS is funded by the taxpayer so why do hospitals need charities too? The short answer is that NHS charities fund vital projects which go beyond the limits of government funding. But what does that mean in practice? Here we explain how the Royal Free Charity plays a crucial role at Barnet, Chase Farm and the Royal Free hospitals and beyond.

Like all NHS charities, we exist to support our hospitals and other sites, their patients and the staff who care for them. We fund and directly deliver a vast range of projects helping to improve all patients' outcomes and experiences across our hospitals. This is summed up in our strapline – Further, Faster, For All.

We can move very fast – as we've done since the start of the pandemic, quickly identifying the urgent needs of staff for food, places to rest and psychological support. Our volunteers even helped make 50,000 surgical gowns to supplement PPE stocks.

And we take time to understand the longer-term needs such as improving hospital wards, more or better staff training, or bringing in the latest diagnostic equipment.

We provide services ourselves, alongside our clinical colleagues – whether that's benefits advice for patients with long-term conditions, massage therapy for cancer patients and staff, affordable keyworker accommodation or wellbeing support for hospital staff.

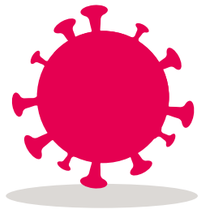
Increasingly, we're making long-term strategic investments to help our patients here and others around the world. The Pears Building, the new home we've created for the UCL Institute of Immunity and Transplantation, is a shining example of what the generosity of our donors can do for future generations.

And we know that one of the most important roles we play as an NHS charity is acting as the link between our community and our hospitals. Through us, whether you give time, money or other gifts, you can show what our amazing NHS means to you and help make sure your family, friends and neighbours have a great experience whenever they might need their local hospital.

Whether it's a care package for a patient unexpectedly in hospital overnight, or a multi-million pound research institute about to uncover the secrets of the immune system, it's all thanks to our incredible donors and fundraisers. Thank you.



OUR RESPONSE TO COVID-19



"Thanks so much again for your help in this stressful time. I really appreciate it."
(Foundation year one doctor redeployed to Barnet Hospital ICU)

As the number of patients in our intensive care units (ICUs) during the first wave rose, so did the response from the communities around our hospitals. During the year we raised £2.2 million in response to our COVID emergency appeal as well as millions of donated items of food and essentials for staff - and enough hours of people's time to make 50,000 protective surgical gowns for ICU staff.

None of us predicted how much the health and wellbeing needs of our hospital colleagues would change. While the hospital was focusing on treating COVID-19 patients, our role was to work closely with the hospital leadership to find the best way to support frontline staff.

The charity's strong partnership with the trust put us in a unique position on the inside and 'in the room' for key discussions. We ensured that these precious funds and offers of help were allocated to maximum effect. First, we transformed our Recreation Club into a "Free@theFree" supermarket providing care packages and other immediate support to staff.

We then turned to four long-term areas: psychological support, programmes to champion workforce health and wellbeing, accommodation for frontline workers and essential food.

Psychological support

Our 10,000 staff had never faced these very high numbers of patients needing intensive care and the loss of so many lives, as well as such thinly-stretched resources. Months of working in these conditions placed staff under huge strain. The generosity of our communities was a huge support, funding:

- a free phoneline offering support and signposting to further help
- psychologists to help staff stay in work or return after an absence
- treatment for staff experiencing depression, anxiety and post-traumatic stress disorder, bereavement and insomnia

Although valued by the NHS, it needs time to allocate resources to such services. The generosity of our communities allowed us to respond more quickly.

Staff health and wellbeing

Staff also cited physical issues including back, muscle and joint problems. As well as massages from our complementary therapy team, we provided £253,400 to support wellbeing initiatives and social activities, designed by staff for staff, and co-ordinated by a dedicated lead.

These programmes targeted high-risk groups, including:

- junior staff
- male staff
- staff who were obese and had several health conditions and/or family members who were shielding

REST

The resilience and emotional support for teams (REST) programme has been a linchpin of support for hospital colleagues throughout the crisis. It offers face-to-face emotional help to frontline teams, including the A&E and intensive care departments, which were hardest hit by the pandemic.

During the year, the programme:

- provided team sessions to staff to support workplace wellbeing at our three hospitals including helping staff reflect on the emotional impact of their work and develop self-care strategies.
- organised virtual speaker events on topics such as coping with sleep difficulties and managing complex emotions.
- developed weekly themed communications reflecting staff concerns with information, education, self-help strategies and signposting to other services.

For most of the year the services were provided by redeployed mental health professionals in our trust. Thanks to the support of our donors and fundraisers, we have been able to recruit two additional mental health professionals and administrative help to maintain these services.

As the pandemic progressed, our focus shifted towards building resilience and capacity to face the challenges of tomorrow. Next year our plans will be informed by the assessment of an independent evaluator.

Staff accommodation

The number of requests for staff accommodation - for staff working extra shifts, those isolating or protecting a vulnerable family member - continually increased during the year and we spent £200,000 funding extra provision.

Donations and fundraising provided accommodation for nearly 4,000 nights of accommodation. Swift processing of applications eased the worry for stressed staff.

Essential food

Hospital staff worked long and demanding shifts, spending hours on their feet. attending to patient needs. When our A&E and intensive care departments were constantly at maximum capacity, many struggled to find time for a meal or drink, ending their shifts physically and emotionally exhausted.

Funds raised enabled us to provide a meal-delivery service, ensuring hot meals, packed lunches and refreshments made their way to staff on the COVID wards, fuelling them to continue their life-saving work, as well as to colleagues on other wards and in A&E.

As we move into the next phase of our response, we are keen to share the lessons we have learned, alongside our achievements.

The past year has:

- reaffirmed the importance of working in partnership with the trust to identify the areas where donor investment can add greatest value, and to respond quickly
- highlighted the benefit of co-creating services with affected staff to meet genuine needs as effectively as possible
- underscored the importance of raising unrestricted funding to enable a flexible response to uncertainty and crisis

These insights will inform our plans, helping us harness your support to power our hospitals, their staff and their patients, through the pandemic and beyond.





HELPING PATIENTS



“It’s really important to connect patients to those they care for, particularly while visiting isn’t allowed. It boosts their morale and provides them with reassurance and additional human contact.

“But it can put pressure on ward staff to fit in what can be a time-consuming task. Having charity volunteers setting up the calls takes the pressure off the clinical staff because they know that someone is doing what matters to patients.”

(Steve Evans, head of patient experience and interpreting at the trust)

As well as grants for our hospital colleagues to spend as their patients need, the charity provides direct services: an army of energetic and thoughtful volunteers, a team of massage therapists and our support hub for patients with long-term conditions who need help with the benefits system, housing and other issues.

Our volunteers

Usually our volunteers can be found in many locations around our three hospitals: greeting and signposting patients as they arrive; helping patients on the wards or chemotherapy suite; assisting pain management therapists; guiding patients and visitors around our hospitals; and in many other areas.

The pandemic closed many doors to them but they proved once again how adaptable they are, moving into new roles in:

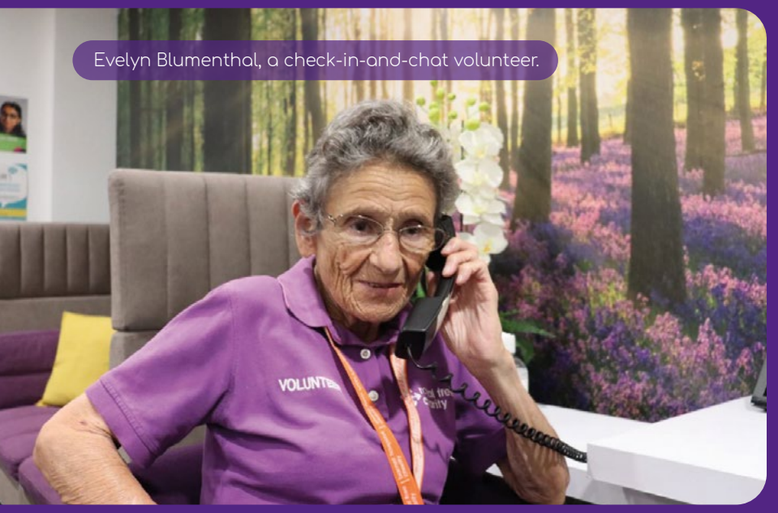
- community vaccination centres including one at our re-purposed Recreation Club behind the Royal Free Hospital
- COVID and other wards, liaising between patients and their families
- community antenatal care, working alongside community midwives and in a day nursery for the children of hospital staff

As the year progressed, volunteers were invited back to the wards in limited numbers, but first there were thorough briefings from the infection control team, risk assessments and refresher training.

New roles were established facilitating virtual visiting between COVID patients and their loved ones; meeting and greeting patients; supporting cancer patients in

“ONCE THE PANDEMIC STARTED, THE HUB CLOSED ITS DOORS AND ADAPTED ITS SERVICE TO THE NEW SITUATION.”





Evelyn Blumenthal, a check-in-and-chat volunteer.

administrative roles within the Macmillan service; and being companions to people living with dementia.

Again, our community rallied to the challenge and expressed huge interest in joining our volunteer team. At the gown factory alone, more than 600 volunteers contributed more than 32,000 hours.

Volunteering in figures

- **Nearly 37,000** hours of volunteer support provided across the year
- More than **1,200** hours of support for the vaccination roll-out, provided by **47 volunteers**
- **More than 700** active volunteers overall
- **365 days** of music and entertainment brought to patients and staff at the hospitals through the entirely volunteer-led Royal Free Radio

Other successes

- **23 volunteers** completed hundreds of ‘check-in-and-chat’ calls to lonely and vulnerable patients via our support hub (see right)
- We were delighted to have the quality of our sector-leading volunteering programme recognised with the award of Investing in Volunteers, a UK quality standard for good practice in volunteer management.



Our support hub

“Before, it was just me going through it all – not knowing how to do things or say things. It’s such a pressure eased, having someone to help me along the way, helping me explain myself.”

(Hub user at the Royal Free Hospital)

The support hub in the Royal Free Hospital is a calm, safe place where patients with long-term conditions can get expert advice, have a chat with a volunteer or just have a cup of tea.

It offers services to patients and their carers, including:

- information, advice and advocacy on welfare benefits and housing
- support groups for people who have had a limb amputation
- an exercise programme
- complementary massages (via our complementary therapy team – more on p16)
- signposting to other services in the community

Once the pandemic started, the hub closed its doors and adapted its service to the new situation. A new “check-in-and-chat” service was immediately set up, pairing volunteers with patients who might be vulnerable. The welfare rights advice service moved and remained as a phone service for the rest of the year. Support groups moved online.

Support hub successes

34

patients paired with a volunteer for the check-in-and-chat service

112

welfare rights cases taken on

15

people were rehoused or found alternative accommodation

10

people were prevented from becoming homeless

10

people were helped with other housing-related problems

23

amputee peer support meetings were held online

Nearly **£550,000** in state benefits was awarded to patients we helped with expert support through benefit applications and appeals, usually because they were no longer able to work owing to sickness or disability.

HELPING HOSPITAL STAFF



> “You are all brilliant, as is the service, and the massages - out of all the benefits provided to staff - has been the single most valuable thing to me.”
>
> Hospital nurse

The tremendous support the community has shown the charity is, of course, because they want to show their appreciation for the NHS heroes at our three hospitals: the Royal Free, Barnet and Chase Farm.

Well-supported staff are better able to care for patients and again our volunteering team are key to this support, as are staff at our Recreation Club, our massage team and the support hub.

Places our volunteers supported hospital staff:

- a pop-up protective clothing factory in the Old Town Hall Hampstead which made 50,000 theatre gowns for hospital staff
- vaccination centres at all our hospitals
- the Free@theFree shop which ran for eight weeks during the first wave of the pandemic, supplying food and other essentials to staff so they wouldn't have to join a supermarket queue after a long shift. This took in and distributed goods donated by the community estimated to be worth £272,000 and we calculate that there were nearly 53,000 visits to the shop by hospital staff.
- Incident room at Barnet Hospital, helping to co-ordinate responses

Hands-on support

Although the complementary team was furloughed for much of the year, the team was able to establish a way of operating safely and start seeing hospital staff in July, between then and November offering more than 2,000 massages. These were greatly appreciated by staff coping with the stress of a huge workload.

As the year progressed, the priority was to get the team back to full strength and to resume a full service for staff as well as patients. Next year the plan is to extend the range of services and to create dedicated bases for the therapists at our three hospitals.

Supporting patients, helping staff

At the Royal Free Hospital, referrals to the support hub (see p 15) came from many areas including the Ian Charleson Day Centre and the pain management, renal and cardiology services.

50,000

theatre gowns for hospital staff

53,000

food shop visits by hospital staff

> “THE PRIORITY WAS TO GET THE TEAM BACK TO FULL STRENGTH AND TO RESUME A FULL SERVICE.”





Home from home

Junior doctor Raoudha Ben Othman has described how new accommodation created by the Royal Free Charity made her feel supported while working in Barnet Hospital's A&E.

Away from her family in Tunisia, she felt daunted in her hunt for accommodation until she heard about Graseby House, a former student accommodation block near the hospital, which the charity has transformed into accommodation for 63 clinical staff and offices for 100 administration staff.

Each resident has their own room and bathroom and shares kitchen and laundry facilities. "It was very important to me to have my own space and bathroom," said Dr Ben Othman. "Bills are included in the rent, a cleaner comes into the communal areas every day, the trash is emptied. These things take a huge load off you."





Marsden Lecture 2020

We were delighted to welcome the man leading Google's hunt for digital solutions to some of the world's toughest health problems when he gave the Marsden Lecture.

Dr David Feinberg, leader of Google Health, talked about the role of health technology and innovations in delivering better care on to audiences on Zoom and YouTube.

The annual event is named after William Marsden who founded the Royal Free Hospital in 1828 after finding a girl dying on the steps of a Holborn church and being unable to get hospital care for her.



Matt Smith, our musician

Matt has been back on the wards at the Royal Free and Barnet hospitals three times a week, energising and entertaining patients and staff.

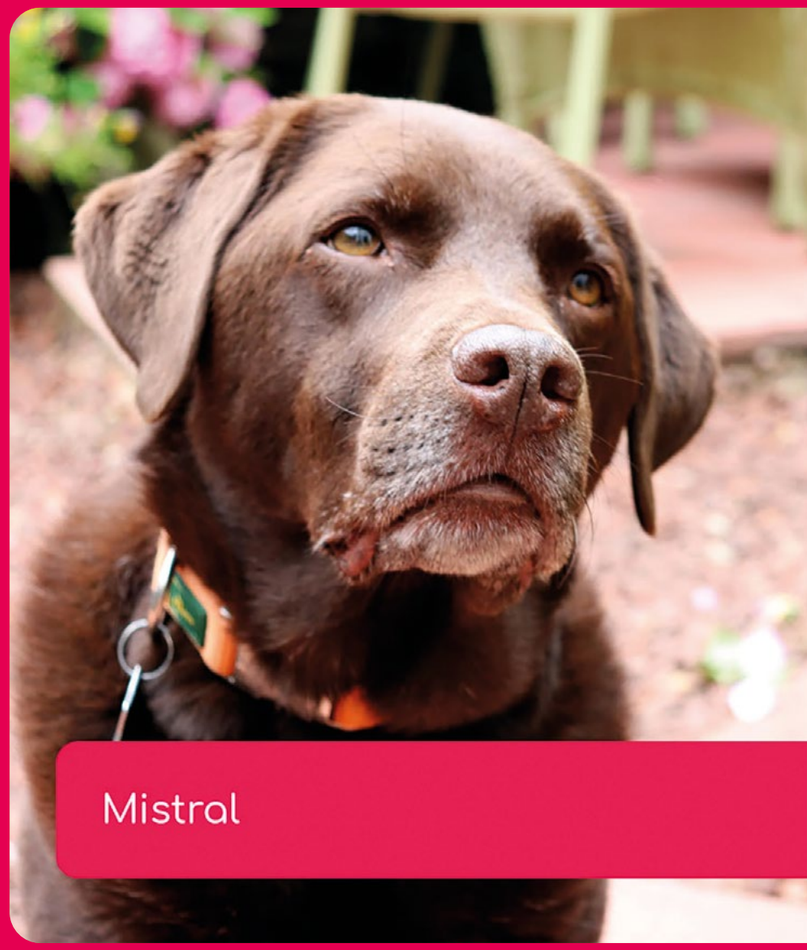
Some of the feedback includes a comment from a doctor who said: "That's the first time that patient has smiled in two weeks" and from a patient: "That's the best thing that's happened to me since I got here."

For Matt, the highlights include playing for a child receiving chemotherapy and performing for a blind toddler who started smiling when he played. "I've played happy birthday for a 103-year-old, put in a regular appearance at paediatrics and have often played for one of our Royal Free volunteers during her time as an in-patient. Her extraordinary spirit is an inspiration!" he said.

Mistral, one of our pet therapy dogs

Mistral is one of our pet therapy dogs, who are back in action, cheering the staff of the hospitals.

The nine-year-old dog is owned by Mary Cooper who said: "She loves being the centre of attention, but she instinctively knows that she needs to tone down her bounciness when she's visiting." She's a great morale boost for the staff. "I think they really need her right now," said Mary.



A NEW ERA IN IMMUNOLOGY RESEARCH



We completed our exciting new home for the scientists at the UCL Institute of Immunity and Transplantation (IIT) – one of the largest patient-focused immunology centres in Europe - despite many practical challenges posed by the pandemic.

The £60 million Pears Building is an ultra-modern research facility which will allow researchers and clinicians to work more closely with patients to develop treatments and cures for some of the most devastating diseases of the immune system.

Created after a ground-breaking collaboration between the Royal Free Charity, UCL and the Royal Free London NHS Foundation Trust, the building will not only bring the theory and implementation of research much closer together but will also allow the public easy access to the latest discoveries in immunology.

The Pears Building has a light-filled interior with dramatic acoustic panelling and bespoke timber meeting room "pods". These and other spaces in the building will maximise the opportunities for interaction between users of the building, including researchers and their clinical colleagues in the neighbouring Royal Free Hospital, and with the surrounding community.

"In the Pears Building we have a world class laboratory research facility and a beautiful space designed to facilitate a unique partnership between scientist and clinician," said Professor Hans Stauss, director of the IIT. "This will enable us to convert discoveries made in the laboratory into cures and treatments more quickly."

Jon Spiers, chief executive of the charity, said: "This important new facility was made possible by the generosity of a number of visionary philanthropists, including the Pears Foundation, who have supported the project from the outset."

The building will house up to 200 researchers looking for cures and new treatments for global health problems including type 1 diabetes, cancer and organ rejection after transplantation, in the most up-to-date laboratories.

Local people will be welcomed into a community café and invited to face-to-face updates with researchers, who will maximise opportunities for patients to take part in clinical trials. Those taking part in research will be offered accommodation on the top floors of the building, many with stunning views across Hampstead Heath.

The building also has offices for the Royal Free Charity and a 71-space car park for patients and visitors.

Charity-funded research into COVID-19

As part of the charity's response to COVID-19, we awarded one of our largest grants to RFL researchers - for £250,000 – for 12 projects in clinical and laboratory research as well as staff and patient experience. Three are highlighted below.

During the early days of the pandemic many patients in intensive care units were put in a prone position to aid their breathing and it is now estimated that up to 1% will go on to suffer visual loss after "proning".

Anne Marie Preston, ophthalmology research portfolio manager and colleagues will identify risk factors and the potential for preventing this side effect, perhaps by changing the position of the head. Working in partnership with Fosters Architects, they have developed a proning board with pressure sensors to monitor pressure within the eye and the results of using it could change the care of these patients.

Michelle Anderson, senior research midwife, and Rezan Abdul-Kadir, consultant obstetrician, are investigating the psychological and pathological impact of COVID-19 on pregnancy and birth and hope to improve the care of mothers and babies who develop the disease.

The need to monitor the psychological effects on patients admitted with COVID-19 is the subject of a study by **Joanna Dobbin,** academic clinical fellow in primary care and population health, who is leading a study using the NHS-approved Feel Good app for the treatment of anxiety and depression. It is anticipated this study will lead to a reduction in patients' anxiety and have a positive benefit on patients' wellbeing.



Gary Colet cycled over 50 miles for Barnet Hospital ICU who saved his life



FUNDRAISING FOR HEROES

We can support patients, hospital staff and important research only because of the generosity of our donors and community fundraisers. Overall we raised £6.4 million, including a staggering £2.2 million in response to our COVID emergency appeal. Elsewhere in the report we have described how we quickly pressed this into service where it was most urgently needed.

2,500 more donors

A restructuring of our fundraising team and some significant new appointments meant we were able to recruit about 2,500 new donors during the year. We were very sad when a cost efficiency review led to the closure of our retail operation but we made good progress in creating distinct new functions within the fundraising team focusing on high value fundraising, individual giving and community fundraising.

The pandemic meant that many of our regular sources of income were not available, the

“AS WE MOVE INTO THE NEXT PHASE OF OUR RESPONSE, WE ARE KEEN TO SHARE THE LESSONS WE HAVE LEARNED, ALONGSIDE OUR ACHIEVEMENTS.”



most obvious being events and volunteer collections.

Untapped potential

Looking ahead, we are confident that there is much untapped funding but we will need to focus on some key objectives to fulfil our fundraising potential. These include:

- developing a robust fundraising infrastructure
- ensuring better engagement with existing and potential supporters, allowing us to raise income more consistently and reliably in future.
- raising awareness of our need to increase donations that can be applied across the full range of our activities and services rather than being restricted to specific projects and causes – so-called “unrestricted funds”

As we move into the next phase of our response, we are keen to share the lessons we have learned, alongside our achievements. The past year has:

- reaffirmed the importance of working in partnership with our hospital colleagues to identify the areas where donor investment can add greatest value, and to be quick and agile in our response.
- highlighted the benefit of co-creating services with affected staff to meet particular needs as effectively as possible.
- underscored the importance of raising unrestricted funding to enable a flexible response to uncertainty and crisis.

Of course, supporting our hospital colleagues with the challenges posed by the pandemic will continue to be a priority. As the year ended, we were finalising plans for an appeal for funds to help restore and improve future services.

We are grateful for the huge generosity shown by our donors and supporters and will ensure that the results of our new appeal continue to make a big difference to our hospital colleagues.

FUNDRAISING POLICY

Our approach to fundraising rests on positive supporter engagement in order to enable us to attract, steward and maintain support, while respecting the wishes of our supporters. To help us achieve this, we store and manage supporter information using Raiser’s Edge, a Blackbaud fundraising database.

The charity is registered with the Fundraising Regulator, contributes to its levy on fundraising charities, adheres to its code of practice and to Charity Commission guidelines. Trustees provide guidance and oversee our fundraising practices. They are aware of the Charity Commission’s fundraising principles:

1. Planning effectively
2. Supervising our fundraisers
3. Protecting our charity’s reputation, money and other assets
4. Ensuring compliance with the laws, regulations and recognised standards that apply to our fundraising
5. Being open and accountable.

During the course of the year, no professional fundraisers or commercial participators carried out any fundraising activities on behalf of the charity. Similarly, no cold call, telephone or street fundraising has been carried out. As a matter of policy, no inducements are made to staff or volunteers and we do not sell or exchange lists of data with any other charities or companies for marketing or fundraising purposes.

We regularly review our procedures to ensure that we provide our supporters with a good experience when they work with and support us.

Any failure to comply with fundraising standards will be reported to the Fundraising Regulator, for which there is guidance for the public on our website and we have an internal process to follow. There have been no complaints or any recorded failure to comply with fundraising standards in the past financial year. We are compliant with General Data Protection Regulation. We gain consent from our supporters when required and inform them of their rights and how we look after their personal data.

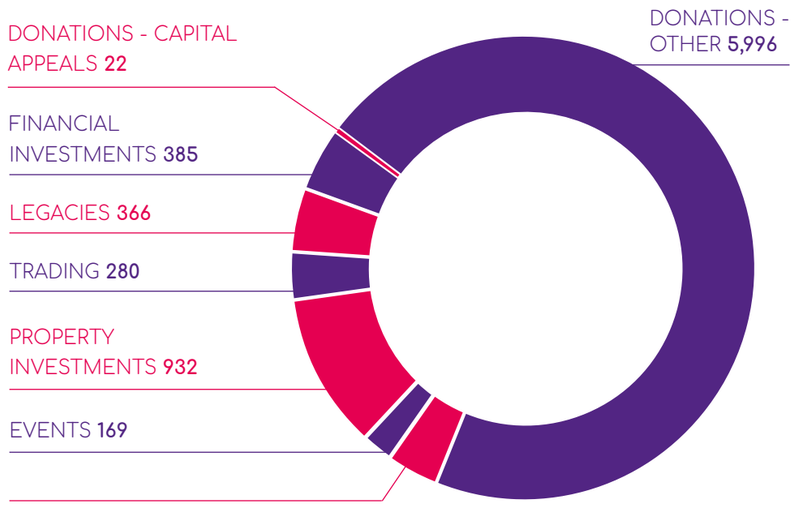
Our privacy policy covers how we use the data provided by our supporters and it describes the ways in which supporters can opt out from communications and how they can make a complaint. We provide website links to our privacy policy and to our subject access request policy.



OUR INCOME

Income for the year totalled £8.5 million. This is split between donations, legacies, financial and property investments, trading and event activities.

BREAKDOWN OF TOTAL INCOME (£000)
£8.5m total income
10.5% decrease on 2019/20



DONATIONS: CAPITAL APPEAL
Funds generated through gifts and grants specifically for the construction of our major new research facility – the Pears Building.

DONATIONS: OTHER
Voluntary gifts and donations received either directly by the charity or through medical departments in the Trust from individuals, corporations, charities and charitable trusts and foundations.

EVENTS
Many supporters of the charity participate in, or organise, events such as the London Marathon and the Vitality London Half Marathon to raise money for the charity.

FINANCIAL INVESTMENTS
Investment income generated from quoted investments and cash holdings.

LEGACIES
Gifts that donors have left to the charity in their Wills.

OTHER
Income generated from, amongst other things, training courses run by various departments in the Royal Free to further the charitable activities within the department concerned.

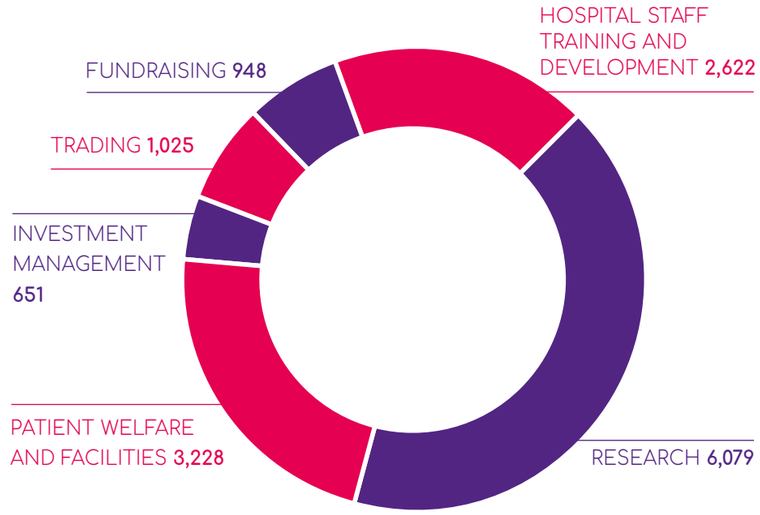
PROPERTY INVESTMENTS
This predominately relates to the net disposal proceeds on investment properties when they have been sold and the rental income generated from properties held for investment purposes.

TRADING
Income from our retail operations (charity shops) and our subsidiary, RFC Recreation Club Ltd, which operates under the brand of the "Rec Club" and provides leisure facilities to hospital staff and members of the local community.

OUR EXPENDITURE

Total expenditure for the year was £14.5 million. Expenditure is split across the four key objectives: patient welfare and facilities, staff training and development, research, medical equipment as well as fundraising, trading and investment management.

BREAKDOWN OF TOTAL EXPENDITURE (£000)
£14.5m total expenditure
83.5% increase on 2019/20



FUNDRAISING
The cost of generating our fundraising income by way of staff, event and other related costs.

INVESTMENT MANAGEMENT
These are professional fees in relation to the charity's financial and property investments.

MEDICAL EQUIPMENT
There was no expenditure on medical equipment in 2020/21.

PATIENT WELFARE AND FACILITIES
This expenditure relates to grants to improve patient welfare and facilities and the costs of volunteer services, our support hub service and our massage team, all of whom provide services which are much appreciated by patients at our three hospitals.

RESEARCH
These grants support life-saving and life-changing medical research at our hospitals including the salaries of researchers, research equipment and associated research costs.

STAFF TRAINING AND DEVELOPMENT
Many donations are given to benefit NHS trust staff, and these are often used either to enable staff to attend training courses or to provide additional facilities for staff, including 'Fit at the Free' – a programme aimed at enhancing staff wellbeing.

TRADING
These are the costs of the charity's retail trading operations, which were wound up during the year, and the operating costs of the Recreation Club, which provides fitness and wellbeing services.

FINANCIAL COMMENTARY

A primary focus of the charity in 2020/21 continued to be construction of the charity's flagship building project, the Pears Building, which began in March 2018. The £60m project, a partnership between UCL, the charity and the Royal Free London NHS Foundation Trust, was managed through RFC Developments Limited, a subsidiary company of the charity. The development programme, originally planned for completion in September 2020, achieved completion in June 2021 and now houses the prestigious UCL Institute of Immunity and Transplantation (IIT), patient accommodation and a café to be run by the charity via an outsourcing arrangement, a car park run by the trust and the charity's main office. During 2020/21, the charity spent £11m on the construction costs of the project, of which £9m was in excess of the donation received in the year from the Pears Foundation.

The total annual income of the group was £8.5m (2019/20: £9.5m), while the operating income excluding investment income was £7.2m (2019/20: £7.8m). A successful COVID-19 fundraising appeal during the year which raised £2.2m and a one-off government grant of £0.3m are included in the total income from donations and legacies of £6.4m (2019/20: £6.4m). However, the charity returned a lower income on its trading activities of £0.6m (2019-20:£0.9m), as a result of the permanent closure of charity shops and some temporary closures of the Recreation Club due to government lockdown measures.

Income from investments of £1.3m (2019/20: £1.7m) reflects a reduction in dividend income from the charity's financial investment portfolio, which was switched from a higher risk equity investment to a lower risk bond investment to mitigate risk in the equity market due to COVID-19.

There was a £7.1m gain on investments in the year (2019/20: £3.2m loss), represented by a £2m realised and unrealised gain on financial investments following an improvement in the financial markets, £1.6m gain on disposal of an investment property and £3.5m gain on valuation of a mixed motive investment property.

The charity holds Graseby House as a mixed investment property, with an office space rental income stream and keyworker short-lease accommodation. A major refurbishment of the property took place in 2019/20 and the property came into operation in February 2020, with a cost value of £10.2m. However, due to the pandemic, the building was not operational for a full annual cycle and there were periods when it was not possible to let it as residential accommodation. At the turn of financial year 2021/22, and lifting of COVID-19 related restrictions, the property became available for operating at capacity. A Red Book valuation exercise was carried out using a discounted cash flow based upon the income stream receivable from the property using PodPlan, which is a sector specific valuation toolkit, using a 5% voids level. The property was valued at £13.8m as at 31 March 2021, based upon a fully explicit discounted cash flow model over a 45-year period. This valuation generated an unrealised gain of £3.5m in the year.

During the year, the charity disposed of the remaining part of its investment in the Gray's Inn Road site of the Royal National Throat Nose and Ear Hospital (RNTNEH) generating a gain on disposal of £1.6m. The disposal was made to support funding for the Pears Building project as well as to improve the charity's free reserves position. Following disposal of the RNTNEH, a grant to the trust of £0.7m has been accrued and will be paid in the following year for use in patient welfare and facilities.

Expenditure on charitable activities for the year was £11.9m (2019/20: £6.3m). A key reason for the increase was a grant of £3.9m (33% of total charitable expenditure) provided to UCL to fund the purchase of basic and specialised research equipment to be used at the IIIT within the Pears Building. There was also a one-off grant to the trust of £0.7m following disposal of an investment property discussed above. The income generated from the successful COVID-19 appeal helped the charity to award further grants to the trust, particularly £0.3m and £0.9m grants for COVID-19 research and staff health and wellbeing support respectively.

The charity continued to award grants and provide its own services for patient welfare and support as well as investing in medical research, staff training and medical equipment. More details of projects undertaken in support of our

FINANCIAL COMMENTARY (CONT.)

objectives are included in earlier sections of the annual report.

2020/21 was an enormously challenging year for the charity's subsidiary, RFC Recreation Club Ltd. Along with the rest of the country, the club faced huge disruption and uncertainty due to lockdowns and numerous changes to the country's tier system. The club was open, on and off, with limited gym facilities only for around four months during the year. Despite these challenges, and supported by the charity and the trust, the team at the club reinvented its offer, becoming a vital support to the trust and our local community during the first two waves of the pandemic. That included but was not limited to: 1) offering its sports hall to be used as a base for the "Free at the Free" shop where trust staff could collect free grocery items donated to the charity or purchased using charitable funds 2) offering studio space to the charity's complementary therapy services team to give free massages to staff and 3) in collaboration with the local GP network, North Central London CCG and the Royal Free and UCLH trusts, the club became one of the bases for the national vaccine rollout programme. This brought in regular income to offset the club's costs and loss of income from December 2020 to March 2021. Understandably, with a very limited income stream due to various closures, the club had a very difficult financial year which resulted in a negligible deficit of £58k (2019/20: £6k deficit).

RESERVES

The charity's reserves are to provide funding for financial commitments and a contingency against unforeseen circumstances. The trustees review the reserves levels regularly to ensure the charity has adequate funds.

The charity holds three main categories of reserves:

- Restricted funds primarily derived from other charities that have merged with the charity and therefore their funds must be utilised for the charitable objects of the merged charity. In addition, the charity's capital appeal is restricted because of its nature and materiality. Restricted funds at the year-end were £38.1m - see note 11.3.
- Unrestricted, designated funds are donations or legacies which have been received by the charity with an expression of wish from the donor, but no binding restriction, to benefit specific activities of a department of Barnet, Chase Farm and the Royal Free hospitals. Unrestricted, designated funds at the year-end were £17.9m - see note 11.1.
- Unrestricted, general funds are generated when no stipulation is made by the donor. However, these funds must be expended in line with the charity's objects, which is the legal responsibility of the trustees. Unrestricted, general funds at the year-end were £37.2m - see note 11.1.

The calculation of free reserves is a combination of the general funds adjusted for fixed assets, investment properties and future commitments for capital projects, and compared against the minimum reserves requirement as per the policy. Free reserves provide funds that can be drawn upon and applied at the discretion of the charity to maintain its operations. A target level and minimum level of unrestricted free reserves have been established in a reserves policy, to ensure the charity has adequate funds to operate, taking account of any unforeseen circumstances.

The free reserves at the year-end were a negative £4m (2019/20: negative £5.1m [restated]) - see note 11.2. This improvement was primarily due to the disposal of an investment property valued at £1.3m on the balance sheet. This position of negative free reserves is considered to be temporary due to a combination of future predicted growth in unrestricted voluntary income and careful management of restricted and designated funds. The charity's finances will also benefit from unrestricted income derived from its investment holdings in the medium term. Under the new strategy, the charity will be putting in a concerted effort to build up its free reserves. This will enable the charity to return to a position of positive free reserves in the medium term in line with the charity's reserves policy. The trustees have considered a target level of reserves would be six months of net operating costs and a minimum level of reserves would be four months of net operating costs. Based on 2020/21 net operating costs of £4.6m, these equate to £2.3m and £1.5m respectively (see note 4). The charity has outlined its plan stated above to conform to this policy.

PUBLIC BENEFIT

The trustees confirm that they have complied with the duty in section 4 of the Charities Act 2011 and that they have considered the Charity Commission's guidance on public benefit in shaping the charity's decisions and planning future activities.

RISKS AND RISK MANAGEMENT

The trustees of the Royal Free Charity recognise their duty to minimise the risks to which the charity's activities could be exposed. They acknowledge that risk is inherent in all activities and that its management is crucial to managing the charity's objects.

RISK (Risk Log Ref.)	Risk Definition	STEPS TAKEN TO MITIGATE RISK
F4	Reducing unrestricted free reserves leading to increase in the unrestricted free reserves deficit.	• Taken legal and professional advice in relation to commercial arrangements and contracts. • Ensure board of trustees and its sub-committees are regularly updated on financial performance. • 2021-22 budget reworked and 2021-25 plan developed with focus on generating unrestricted funds. • Review fundraising policy and recovery of overheads.
O2	Fundraising function fails to meet its financial targets and deliver satisfactory returns.	• Focused fundraising strategy and diversified income portfolio. • Development of impactful case for support. • Recruitment and retention of high-quality team. • Development and monitoring of fundraising KPIs.
O8	Post practical completion operational issues in the Pears Building.	• Regular meetings with contractors and advisers to resolve and monitor defects. • Regular contact with management team of the contractor(s). • Working with experts to negotiate with the key stakeholders of the Pears Building to minimise charity exposure and to manage the service charges equitably. • Monthly mobilisation meetings and reports from the property management contractor.
G6	Insufficient focus on equality, diversity and inclusion (EDI) at trustee level or within the charity.	• Trustee skills and diversity audit carried out in Dec 20/Jan 21. • Responsibility for overseeing board EDI held by nominations and governance committee. • Developing EDI policy and staff training on EDI. • Network with other NHS charities re their EDI initiatives.

RISKS AND RISK MANAGEMENT (CONT.)

RISK (Risk Log Ref.)	Risk Definition	STEPS TAKEN TO MITIGATE RISK
E1	COVID-19 and its adverse impact	• Government guidance followed to risk assess workplace and staff as a part of return to office work. • Finance and customer relationship management systems are on secure, cloud-based platforms, including SharePoint, Microsoft 365 and videoconferencing technology, to enable remote working. • Service delivery adapted to work from home as needed. • Contact maintained with key trust colleagues. • Office prepared as 'COVID-secure' following trust guidance. • Weekly review by senior leadership team.
E2, E3	Adverse publicity & Reputational damage	• Rolling programme of communications across all channels. • Evidence reported back to the wider public of the positive impact the charity is having. • Proactive management of press and engagement with local opinion-formers, including targeted communications with those impacted and the media. • Regular meetings between trust and charity communications teams. • Complaints procedures updated.
R1	Data protection (DP) compliance breach	• Review, development and implementation of a full suite of DP policies and procedures completed. • DP expert provider appointed. • Mandatory DP training rolled out and completed by all staff. New staff to complete within six weeks of starting. • Annual review of DP policies and procedures and refresher training for all staff.
R2	Health & safety (H&S) regulatory non-compliance	• Senior leadership team and departmental H&S leads identified and trained. • H&S review of Pears Building and Recreation Club facilities completed. • Update and further develop H&S policies, processes and reporting. • Provide mandatory training for staff. • Develop and implement a crisis management plan.
R3	Safeguarding	• Senior leadership team lead for safeguarding identified • Mandatory training completed by all staff and by new staff within six weeks of starting. Annual refresher training for all staff. • Volunteers in regulated activity are disclosure and barring service (DBS) checked and vetted. All volunteers complete basic safeguarding training at point of induction and refreshed along with DBS every three years. • Update and develop policies, processes and reporting in respect to safeguarding.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also directors of the Royal Free Charity for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial period that give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to:

(a) select suitable accounting policies and apply them consistently
(b) comply with applicable accounting standards, including FRS 102, subject to any material departures disclosed and explained in the financial statements
(c) state whether a statement of recommended practice (SORP) applies and has been followed, subject to any material departures which are explained in the financial statements
(d) make judgements and estimates that are reasonable and prudent
(e) prepare the financial statements on a going-concern basis unless it is inappropriate to presume that the charity will continue in business

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. Insofar as the trustees are aware:

(a) there is no relevant audit information of which the company's auditor is unaware: and
(b) the trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees' annual report is approved by the trustees of the charity. The strategic report, which forms part of the annual report, is approved by the trustees in their capacity as directors in company law of the charity.

By order of the trustees

CHAIR
Judy Dewinter

TRUSTEE TREASURER
Nina Robinson

STRUCTURE, GOVERNANCE AND MANAGEMENT

LEGAL STRUCTURE

On 1 April 2016, the Royal Free Charity reconstituted as an independent charity (no. 1165672), solely regulated by the Charity Commission and no longer also subject to NHS legislation. This status establishes the charity's independence from the Department of Health and by virtue of becoming a company limited by guarantee (no 09987907), limits the trustees' liability. The charity operates under a Charity Commission scheme dated 1 April 2016 and its objects, as stated in its articles of association, encompass not only the support of patients of the Royal Free London NHS Foundation Trust (RFL), but also and more generally the promotion of health and medical research, particularly within the catchment area of the foundation trust.

TRUSTEES

Following the reconstitution of the charity, new trustees are appointed by the trustee board after open competition. Several trustees who were previously trustees of the former NHS charity are now trustees of the incorporated charity; in addition, the RFL has the right to appoint and remove one trustee. Currently this is Dr Chris Streather, group chief medical director at the RFL.

The chair of the trustees aims for new and existing trustees to be fully briefed on the key issues facing the Royal Free Charity, including Charity Commission information on trustee.

STRUCTURE, GOVERNANCE AND MANAGEMENT (CONT.)

responsibilities, aspects of charity law pertinent to the Royal Free Charity and timely copies of reports, accounts and other key documents. Board members declare all relevant interests in other bodies, especially bodies closely connected with the RFL.

The trustees and their five sub-committees – finance, asset management, fundraising, marketing and communications, grants and nominations and governance committees - meet quarterly.

POWERS OF INVESTMENT

The charity's powers of investment are principally derived from its articles of association and the Companies Act 2006. In exercising these powers, the trustees must act in accordance with their duties as charity trustees and as company directors as set out in the Charities Act 2011 and the Companies Act 2006. They must also act in accordance with the Trustee Act 2000. These powers of investment are wide, allowing the trustees to invest in such stocks, funds, shares, equities or other investments as they see fit.

REMUNERATION

The remuneration of senior staff is agreed by the trustees, following a comparison of their posts with similar positions in the charity sector generally.

REFERENCE AND ADMINISTRATIVE DETAIL

FINANCIAL STATEMENTS

The audited consolidated financial statements comply with the Statement of Recommended Practice 'Accounting and Reporting by Charities' FRS 102 including Update Bulletin 2, the Charities Act 2011 and the Companies Act 2006.

CHARITY STATUS

The charity is a company limited by guarantee. Its members are the trustees of the charity, of whom there may be a maximum of 12. Each member guarantees to contribute up to one pound sterling (£1) to the charity's debts, liabilities and costs in the event of the charity being wound up and for one year after ceasing to be a member.

CHARITY OBJECTS

The objects of the charity are for the public benefit, to:

(a) further any charitable purpose or purposes relating to the general or any specific purposes of the foundation trust or the purposes of the health service
(b) promote, protect, preserve and advance all or any aspects of the health and welfare of the public, particularly within the catchment area of the foundation trust
(c) advance and promote knowledge and education in medicine, including by engaging in and supporting medical research.

GOVERNING DOCUMENT

The Royal Free Charity is governed by its Articles of Association dated 4 February 2016.

COMPANY NUMBER

09987907 in England and Wales

CHARITY NUMBER

1165672 in England and Wales

REGISTERED OFFICE

Royal Free Charity
Pears Building
London
NW3 2PP

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE ROYAL FREE CHARITY

OPINION

We have audited the financial statements of the Royal Free Charity for the year ended 31 March 2021 which comprise the group statement of financial activities, the group and parent charitable company balance sheets, the group cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 the parent charitable company's affairs as at 31 March 2021 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

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

OTHER INFORMATION

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

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

We have nothing to report in this regard.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

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

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE ROYAL FREE CHARITY (CONT.)

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the trustees' responsibilities statement set out on page 3, 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 and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

opinion on the effectiveness of the group and parent charitable company's internal control.

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

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

EXPLANATION AS TO WHAT EXTENT THE AUDIT WAS CONSIDERED CAPABLE OF DETECTING IRREGULARITIES, INCLUDING FRAUD

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.

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

Our approach was as follows:

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

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP

Luke Holt, Senior Statutory Auditor
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Devonshire House
60 Goswell Road
London
EC1M 7AD

Date: 4 January 2022

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

	Note	Year ended 31 March 2021 Unrestricted funds £000	Restricted funds £000	Total 2020/21 £000	Year ended 31 March 2020 Unrestricted funds £000	Restricted funds £000	Total 2019/20 £000
Income and endowments:							
Donations and legacies	2	6,302	82	6,384	4,357	2,053	6,409
Charitable activities		27	-	27	220	-	220
Other trading activities		280	-	280	900	-	900
Investments	8.3	1,292	25	1,317	1,610	123	1,733
Other							
Events		164	4	169	230	3	232
Other Income		301	-	301	-	-	-
Total income:		**8,366**	**112**	**8,478**	**7,317**	**2,178**	**9,496**
Expenditure:							
Raising funds	4						
Fundraising expenditure		948	-	948	499	-	499
Trading expenditure		1,025	-	1,025	1,020	-	1,020
Investment/property management		651	-	651	49	-	49
Charitable activities	3	7,740	4,191	11,930	6,143	206	6,348
Total expenditure		**10,364**	**4,191**	**14,554**	**7,711**	**206**	**7,916**
Net gains/(losses) on investments	8.5	6,690	400	7,090	(3,016)	(199)	(3,215)
Net income/(expenditure)		**4,692**	**(3,679)**	**1,014**	**(3,409)**	**1,774**	**(1,635)**
Transfer between funds	11	-	-	-	47	(47)	-
Net movement in funds		**4,692**	**(3,679)**	**1,014**	**(3,362)**	**1,727**	**(1,635)**
Reconciliation of funds:							
Total funds brought forward		50,464	41,776	92,240	53,826	40,049	93,875
Total funds carried forward		**55,156**	**38,097**	**93,254**	**50,464**	**41,776**	**92,240**

The notes on pages 41 to 53 form part of these accounts.

CONSOLIDATED AND CHARITY BALANCE SHEET

	Note	Group March 2021 £000	Charity March 2021 £000	Group March 2020 £000	Charity March 2020 £000
Fixed assets					
Tangible assets	6	410	391	483	451
Asset under construction	6	58,583	61,346	47,398	49,630
Investments	8	30,541	30,680	27,707	27,846
Total fixed assets		**89,534**	**92,417**	**75,588**	**77,926**
Current assets					
Debtors	9	4,114	5,484	8,107	9,596
Short-term deposits		-	-	5,005	5,005
Cash at bank and in hand		12,393	11,091	10,773	9,141
Total current assets		**16,507**	**16,576**	**23,885**	**23,742**
Creditors falling due within one year	10.1	(12,787)	(12,915)	(7,233)	(7,195)
Net current assets		**3,721**	**3,660**	**16,651**	**16,547**
Total net assets		**93,254**	**96,077**	**92,240**	**94,474**
Funds of the charity					
Income funds					
Unrestricted	11.1	55,157	57,980	50,464	52,698
Restricted	11.3	38,097	38,097	41,776	41,776
Total funds		**93,254**	**96,077**	**92,240**	**94,474**

The notes on pages 41 to 53 form part of these accounts.

As permitted by section 408 of the Companies Act 2006, the parent charity's gross income and results have not been included in the financial statements. The net income of the charity for the year was £1,603,000 (2019/20: net expenditure of £518,000).

Chair Judy Dewinter

Trustee Treasurer Nina Robinson

Date 21 December 2021
Company registration no: 09987907

CONSOLIDATED CASH FLOW STATEMENT

Cash inflow/(outflow) from operating activities	2020/21 £000	2019/20 £000
Net cash provided by/(used in) operating activities	**5,114**	**11,238**
Cash flows from investing activities		
Investment income and interest received	1,317	1,733
Proceeds from disposal of fixed asset investments	2,708	3,440
Acquisition of fixed asset investments	(1,299)	(7,525)
Acquisition of tangible fixed assets by charity	(39)	(2,956)
Acquisiton by subsidiary companies of:		
Tangible fixed assets	0	(1)
Asset under construction	(11,185)	(23,526)
Net cash flow from investing activities	**(8,499)**	**(28,836)**
Cash flow from financing activities		
Repayment of loan	-	-
Increase/(decrease) in cash and cash equivalents	**(3,385)**	**(17,598)**
Cash and cash equivalents at beginning of period	15,778	33,376
Cash and cash equivalents at end of period	**12,393**	**15,778**

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

	2020/21 £000	2019/20 £000
Net income/(expenditure) including endowments	**1,014**	**(1,635)**
Adjustments:		
Depreciation charges	13	66
Net (gains)/losses on investments	(4,243)	3,269
Investment income	(1,317)	(1,733)
Loss on disposal of tangible fixed assets by charity	100	0
Decrease in debtors	3,993	11,668
Increase/(decrease) in creditors	5,554	(398)
Net cash provided by/(used in) operating activities	**5,114**	**11,238**

Analysis of net cash

	01 April 2020 £000	Cashflows £000	31 March 2021 £000
Short-term deposits	5,005	(5,005)	-
Cash at bank and in hand	10,773	1,620	12,393
	15,778	**(3,385)**	**12,393**

The notes on pages 41 to 53 form part of these accounts.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

1 ACCOUNTING POLICIES

BASIS OF PREPARATION

These financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the revaluation of investments being measured at fair value via income and expenditure within the statement of financial activities.

They are prepared in accordance with the financial reporting standard applicable in the UK (FRS 102). The charity is a public benefit group for the purposes of FRS 102, and so it also prepared its financial statements in accordance with the statement of recommended practice applicable to charities preparing their accounts in accordance with the financial reporting standard applicable in the UK (FRS 102 Charities SORP), the Companies Act 2006 and the Charities Act 2011.

They are prepared in sterling, which is the charity's functional currency. Monetary amounts in the financial statements are rounded to the nearest £1,000.

GOING CONCERN

The trustees assessed the suitability of the use of the going concern basis, and considered possible events or conditions including COVID-19 that might significantly affect the charity's ability to continue as a going concern. In making this assessment, for a period of at least one year from the date of approval of the financial statements, they considered the charity's forecasts and projections, and noted the pressures on donation, legacy and investment income. After making enquiries and considering the available cash balances and funds within the investment portfolio, which has recovered significantly since the year end, the trustees believe that the charity has adequate resources to continue in operational existence for the foreseeable future. It therefore adopts the going concern basis in preparing its financial statements.

ESTIMATES AND JUDGEMENTS

Works of art are valued in the balance sheet at £317,020 (£317,020 in 2020), a figure which the trustees believe fairly reflects their value.

Investment properties are valued in the balance sheet at £1,401,000 (£2,753,000 in 2020), a figure which the trustees believe fairly reflects their value. Mixed motive investment represents a property valued in the balance sheet at £13,770,000 (2019/20: £10,204,000), a figure which the trustees believe fairly reflects its value. See the accounting policy for investment properties which explains how the valuation has been arrived at.

FINANCIAL INSTRUMENTS

The charity has applied the provisions of Section 11 "Basic Financial Instruments" of FRS 102 to all its financial instruments. They are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to offset the recognised amounts and an intention to settle on a net basis, or to realise the assets and settle the liability simultaneously. Apart from pre-payments, deferred income and balances with HMRC under statute, all other debtor and creditor balances, as shown in notes 10 and 11, are considered to be basic financial instruments under FRS 102.

CONSOLIDATION

These financial statements consolidate on a line-by-line basis the financial statements of the company (the Royal Free Charity) and its subsidiaries, RFC Developments Ltd and RFC Recreation Club Ltd.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash in hand, deposits at call with banks and other short-term liquid investments with original maturities of three months or less.

FUND STRUCTURE

Restricted funds are funds for which a legal restriction exists over their use, as determined by the donor. This could be a restriction to a particular department of the hospital (eg cardiac or renal), or to a particular sphere of activity (eg research, equipment.)

Unrestricted funds may be used at the trustees' discretion for any general purpose of the charity.

INCOME

All income is included in full in the statement of financial activities as soon as the following three factors can be met:

(a) entitlement - arises when a particular resource is receivable or the charity's right becomes legally enforceable.

(b) probability - when it is probable that the incoming resources will be received.
(c) measurement - when the monetary value of the incoming resources can be measured with sufficient reliability.

GOVERNMENT GRANTS

Grants relating to revenue are recognised in income on a systematic basis over the periods in which the charity recognises the associated costs for which the grant is intended to compensate. This includes £215,542 of government assistance under the coronavirus job retention scheme relating to staff who were furloughed due to COVID-19.

GIFTS IN KIND

Gifts in kind are recognised as income and expenditure in the year the gifts are received by the charity. The amount at which gifts in kind are recognised is either the value of the cost to the donor or the fair value determined by the charity. The gifts are then directed to the relevant department or ward at the trust. Total value of gifts in kind for 2020/21 was £272k.

EXPENDITURE

Liabilities are recognised as expenditure if the charity has a legal or constructive obligation that commits it to the expenditure, or if there is a constructive obligation to make a transfer of value to a third party. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the particular category. Governance costs comprise the costs of complying with statutory requirements.

ALLOCATION OF OVERHEAD AND SUPPORT COSTS

Overhead costs have been divided into the categories shown in note 4, and apportioned between those categories (raising funds, and charitable expenditure), on the basis of their relevance to each category. In 2020/21, as in 2019/20, a direct charge was made to restricted and designated funds in recognition of the overhead and support costs relating to those funds.

The salaries of the charity's staff are apportioned individually across these expense categories, reflecting the time spent by each individual on the relevant activities.

GRANTS

Grants are accrued in full when there is a binding commitment by the charity to transfer the amounts involved to a third party.

INVESTMENTS

Investments are shown in the balance sheet at market value.

One investment property was valued in 2019/20 by Cluttons, chartered surveyors. A second property has been valued in the year by Montagu Evans, chartered surveyors. The trustees are satisfied that these valuations reflect the properties' fair value.

TANGIBLE FIXED ASSETS

Tangible fixed assets are stated at cost less depreciation. Depreciation is calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

ASSET TYPE	CAPITALISATION THRESHOLD	DEPRECIATION
Computer equipment	£2,500 individually or exceeding £5,000 in aggregate	3 years
Computer systems development	£25,000 in aggregate	5 years
Software (purchased or developed)	£25,000	5 years or expected life, if shorter
Computer development	£2,500 individually or exceeding £5,000 in aggregate	5 years
Recreation equipment	£1,000 individually or exceeding £1,000 in aggregate	5 years
Shop EPOS system	£5,000	5 years
Shop fit-outs	£5,000	Lease term
Furniture and fittings	£2,500 individually or exceeding £5,000 in aggregate	5 years
Asset under construction	Cost	Not depreciated
Works of art	Market value	Not depreciated

At the end of each reporting period, the residual values and useful lives of assets are reviewed and adjusted if necessary. In addition, if events or change in circumstances indicate that the carrying value may not be recoverable, the carrying values are reviewed for impairment.

ASSET UNDER CONSTRUCTION

The asset under construction is the Pears Building, constructed on the Royal Free Hospital site, to house the UCL Institute of Immunity and Transplantation, patient accommodation and a car park. The costs incurred to date relate to construction, architects and other professional fees. Depreciation will not be charged until the building is ready to be brought into use. Practical completion of the building was achieved in June 2021.

REALISED GAINS AND LOSSES

Gains and losses are reported in the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sale proceeds and opening market values (or date of purchase if later). Unrealised gains and losses are calculated as the difference between market value at the year end and opening market value (or date of purchase if later).

POOLING SCHEME

A pooling scheme for all funds held under the auspices of the Royal Free Charity is contained within a Charity Commission scheme dated 1 April 2016. It covers all funds formerly held by the special trustees for the Royal Free Hospital, the Royal Free Hampstead Charities, the Dresden Assistance Fund for the Royal Free Hospital and the Kitty Cookson Memorial Fund. It does not distinguish between the different types of funds (unrestricted, designated, restricted), which are pooled together.

PENSION COSTS

Staff who were formerly employed by the Royal Free Hampstead NHS Trust (the predecessor of the Royal Free London NHS Foundation Trust) participate in the NHS Pension Scheme. Some current staff remain in that pension scheme, but new employees participate in personal pension schemes in which the employer's contribution matches that of the employee. Staff of the charity's trading subsidiary, RFC Recreation Club Ltd, also participate in personal pension schemes. The NHS Pension Scheme is a multi employer defined benefit scheme but under SORP 28.11, this is accounted for in these financial statements as if it were a defined contribution scheme.

OPERATING LEASE

Rentals paid under operating leases are charged to the profit and loss account evenly over the period of the lease.

2. Donations and legacies

	Unrestricted funds £000	Restricted funds £000	Total 2020/21 £000	Unrestricted funds £000	Restricted funds £000	Total 2019/20 £000
Donations - capital appeal	-	22	22	-	2,003	2,003
Donations - others	5,977	19	5,996	3,070	37	3,107
Legacies	324	42	366	1,287	13	1,299
Total	**6,302**	**82**	**6,384**	**4,357**	**2,053**	**6,409**

3. Charitable expenditure

	Grants £000	Activities undertaken directly £000	Support costs £000	Total 2020/21 £000	Grants £000	Activities undertaken directly £000	Support costs £000	Total 2019/20 £000
Patient welfare and facilities	972	1,729	527	3,228	84	1,291	505	1,880
Staff training and development	1,044	1,150	428	2,622	299	956	461	1,716
Research	3,980	1,106	992	6,079	431	1,224	608	2,263
Medical equipment	-	-	-	0	-	358	131	490
Total	**5,996**	**3,986**	**1,948**	**11,930**	**814**	**3,829**	**1,705**	**6,348**

All grants were made to institutions. There were no grants to individuals.

4. Analysis of support costs by activity

	Governance £000	Raising funds £000	Charitable activities £000	Total 2020/21 £000	Governance £000	Raising funds £000	Charitable activities £000	Total 2019/20 £000
Salaries - charity	161	535	869	1,564	149	386	483	1,018
Salaries - trading subsidiary	-	243	-	243	-	284	-	284
Investment/property management	-	651	-	651	-	49	173	222
Other trading subsidiary costs	-	140	-	140	-	237	-	237
Charity trading costs	-	642	-	642	-	499	-	499
Statutory auditor's remuneration	18	-	-	18	17	-	-	17
Legal and other professional fees	263	135	-	398	185	-	-	185
Event and marketing costs	-	3	3	7	-	21	2	22
Consultancy/recruitment services	114	-	272	386	131	16	224	371
Publicity materials	-	162	-	162	-	35	-	35
Capital appeal costs	-	-	87	87	-	-	223	223
Others	14	113	147	274	36	41	83	161
Total support costs	**570**	**2,624**	**1,378**	**4,571**	**518**	**1,569**	**1,187**	**3,274**
Governance costs reallocated	(570)	-	570	-	(518)	-	518	-
Total support costs	**-**	**2,624**	**1,948**	**4,571**	**-**	**1,569**	**1,705**	**3,274**

These costs are initially all charged to unrestricted funds, except for certain specific costs that relate to particular special purpose funds. Besides a share of investment management costs, each special purpose fund bears a levy as a contribution towards the other overhead costs, in recognition that some of these costs are incurred in relation to those funds. In 2020/21, this charge was £157,000 (2019/20: £171,000).

4.1 Analysis of staff costs

	Charity £000	Subsidiary £000	Total 2020/21 £000	Charity £000	Subsidiary £000	Total 2019/20 £000
Salaries and wages	2,325	210	2,535	1,847	253	2,100
Social security costs	213	19	232	167	20	187
Other pension costs	114	12	126	120	11	131
Total	**2,652**	**241**	**2,893**	**2,134**	**284**	**2,418**

No employee of any subsidiary company received emoluments exceeding £60,000.

The number of such employees of the charity were:

	2020/21	2019/20
£60,001-£70,000	4	1
£70,001-£80,000	1	-
£80,001-£90,000	1	1
£90,001-£100,000	2	1
£120,001-£130,000	-	1

Pension contributions were made for these employees as follows:

	£000	£000
£60,001-£70,000	16	6
£70,001-£80,000	2	-
£80,001-£90,000	8	8
£90,001-£100,000	8	4
£120,001-£130,000	-	21

There was an average monthly number of 61 staff in 2020/21 (2019/20: 63). RFC Recreation Club Ltd had an average number of 9 staff (2019/20: 11), and RFC Developments Ltd did not employ any staff.

The key management personnel during the year were Christopher Burghes (chief executive - until May 2020), Alison Kira (director of grants and services), Sharron Grant (director of people - from May 2020), Paul Stein (executive director of fundraising and communications), Barry Aspland (director of finance), Richard Scarth (director of operations and then deputy chief executive - until January 2021), Jenny Todd (assistant director of services), Michael Ridgewell (chief operating officer - from July 2020), Jon Spiers (chief executive officer - from September 2020) and Robin Meltzer (director of engagement and communications - from July 2020). The total salary cost of the key management personnel (including social security and employer pension costs) was £833,000 (2019/20: £479,000). The increase is mainly due to addition of a number of new roles to the senior leadership team during 2020/21.

During the year, the charity made a total termination payment of £134,000 (2019/20: none) due to redundancies mainly following the adverse impact of the pandemic which led to permanent closure of all charity shops and the reduction of voluntary services in hospital premises.

5. Analysis of net assets between funds

Group	Unrestricted funds £000	Restricted funds £000	Total 2020/21 £000	Unrestricted funds £000	Restricted funds £000	Total 2019/20 £000
Fixed assets	24,927	34,065	58,993	47,881	-	47,881
Investment	28,454	2,086	30,541	26,038	1,669	27,707
Current assets	10,288	6,220	16,507	(16,466)	40,351	23,885
Liabilities	(8,513)	(4,274)	(12,787)	(6,989)	(244)	(7,233)
	55,157	**38,097**	**93,254**	**50,464**	**41,776**	**92,240**

Charity	Unrestricted Funds £000	Restricted Funds £000	Total 2020/21 £000	Unrestricted Funds £000	Restricted Funds £000	Total 2019/20 £000
Intangible fixed assets	-	-	0	9	-	9
Tangible fixed assets	27,671	34,065	61,737	50,072	-	50,072
Investments	28,594	2,086	30,680	26,177	1,669	27,846
Current assets	10,356	6,220	16,576	(16,609)	40,351	23,742
Short-term liabilities	(8,641)	(4,274)	(12,915)	(6,951)	(244)	(7,195)
Long-term liabilities	-	-	-	-	-	-
	57,980	**38,097**	**96,077**	**52,698**	**41,776**	**94,474**

6.1 Fixed assets - group	Recreational equipment	Shop system	Shop fit - out	Furniture & fixtures	Artworks	Asset under construction	Computer equipment	Properties	Total
Cost	£000	£000	£000	£000	£000	£000	£000	£000	£000
Brought forward at 1 April 2020	85	19	198	34	317	47,398	11	-	48,062
Additions	-	-	-	-	-	11,185	39	-	11,224
Disposals	-	(19)	(198)	-	-	-	(11)	-	(228)
Carried forward at 31 March 2021	**85**	**0**	**0**	**34**	**317**	**58,583**	**39**	**0**	**59,058**
Accumlated depreciation									
Brought forward at 1 April 2020	52	10	107	-	-	-	11	-	181
Charge for the year	13	-	-	-	-	-	-	-	13
Depreciation on disposals	-	(10)	(107)	-	-	-	(11)	-	(128)
Carried forward at 31 March 2021	**65**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**66**
Net book value at 1 April 2020	33	9	91	34	317	47,398	-	-	47,881
Net book value at 31 March 2021	**20**	**-**	**-**	**34**	**317**	**58,583**	**39**	**-**	**58,993**

6.2 Fixed assets - group	Shop system	Shop fit - out	Furniture & fixtures	Artworks	Asset under construction	Computer equipment	Properties	Total
Cost	£000	£000	£000	£000	£000	£000	£000	£000
Brought forward at 1 April 2020	19	198	34	317	49,630	11	-	50,209
Additions	-	-	-	-	11,716	39	-	11,755
Disposals	(19)	(198)	-	-	-	(11)	-	(228)
Carried forward at 31 March 2021	0	0	34	317	61,346	39	0	61,736
Accumlated depreciation								
Brought forward at 1 April 2020	10	107	-	-	-	11	-	128
Disposals	(10)	(107)	-	-	-	(11)	-	(128)
Charge for the year	-	-	-	-	-	-	-	-
Carried forward at 31 March 2021	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Net book value at 1 April 2020	9	91	34	317	49,630	-	-	50,081
Net book value at 31 March 2021	**-**	**-**	**34**	**317**	**61,346**	**39**	**0**	**61,737**

7 Subsidiary companies

Details of the charity's subsidiary undertakings are set out below. All the subsidiary undertakings are incorporated in England and Wales and operate in the United Kingdom.

Company	Shares held class	%	Principal activity
RFC Recreation Club Ltd	Ordinary	100	Provision of recreational services
RFC Developments Ltd	Ordinary	100	Design, construction and building services
RFC Enterprises Ltd	Ordinary	100	Company dormant and not yet trading
RFC Properties Ltd	Ordinary	100	Company dormant and not yet trading
RFC Overage Ltd (previously called: RFC Properties (CF Holdings) Ltd)	Ordinary	100	Company dormant and not yet trading

7 Subsidiary companies (continued)

The results of the subsidiaries, and their assets and liabilities, are as follows:

	Year ended 31 March 2021		Year ended 31 March 2020	
	RFC Recreation Club Ltd	RFC Developments Club Ltd	RFC Recreation Club Ltd	RFC Developments Club Ltd
	£000	£000	£000	£000
Turnover	319	11,661	510	24,543
Expenditure	(377)	(11,257)	(516)	(23,561)
Result of the year	**(58)**	**404**	**(6)**	**982**
Total assets	**251**	**4,335**	**253**	**5,943**
Total liabilities	(172)	(4,335)	(116)	(5,943)
Net funds at the end of the year	**79**	**-**	**137**	**-**

The charity's other subsidiary companies (see note 15) did not trade during 2020/21

8 Analysis of investment portfolio	Group 2020/21	Charity 2020/21	Group 2019/20	Charity 2019/20
	£000	£000	£000	£000
Market value as at 1 April	27,707	27,846	16,687	16,826
Less: disposals at carrying value	(2,708)	(2,708)	(3,440)	(3,440)
Add: acquisitions at cost	1,299	1,299	7,525	7,525
Transfer from fixed assets	-	-	10,204	10,204
Net gain/(loss) on revaluation	4,243	4,243	(3,269)	(3,269)
Market value as at 31 March	**30,541**	**30,680**	**27,707**	**27,846**

8.1 Market value at 31 March	Held In UK	Held Overseas	2020/21 Total	Held In UK	Held Overseas	2019/20 Total
	£000	£000	£000	£000	£000	£000
Investment properties	1,401	-	1,401	2,753	-	2,753
Mixed motive investment (see note 8.2)	13,770	-	13,770	10,204	-	10,204
Investments listed on the London Stock Exchange	-	39	39	-	39	39
Investments in common investment funds	15,238	-	15,238	14,486	-	14,486
Cash held within the investment portfolio	93	-	93	226	-	226
Total investments - group	**30,502**	**39**	**30,541**	**27,668**	**39**	**27,707**
Investments in subsidiary companies	**139**	**-**	**139**	**139**	**-**	**139**
Total investments - charity	**30,641**	**39**	**30,680**	**27,807**	**39**	**27,846**

8.2 Mixed motive investment

	Group 2020/21	Charity 2020/21	Group 2019/20	Charity 2019/20
	£000	£000	£000	£000
Market value as at 1 April	10,204	10,204	-	-
Add: acquisitions at cost	45	45	-	-
Add: gain on revaluation	3,521	3,521	-	-
Transfer from fixed assets	-	-	10,204	10,204
Market value as at 31 March	**13,770**	**13,770**	**10,204**	**10,204**

Mixed motive investments relate to a property used to help to fullfil the charity's charitable objectives as well as generating investment income. A "red book" valuation of of that property, using a sector specific valuation toolkit (PodPlan), resulted in a value of £13.8m and an unrealised gain of £3.5m over its previous book value of £10.2m.

8.3 Analysis of investment income	Held In UK	Held Overseas	2020/21 Total	Held In UK	Held Overseas	2019/20 Total
	£000	£000	£000	£000	£000	£000
Investment properties	307	-	307	683	-	683
Mixed motive investment	625	-	625	73	-	73
Investments in common investment funds	369	-	369	819	-	819
Cash held outside the investment portfolio	16	-	16	158	-	158
Total investment income	**1,317**	**-**	**1,317**	**1,733**	**-**	**1,733**

8.4 Details of material investment holdings

The charity has two investment managers. Investments in individual entities representing over 5% of the respective managers' portfolios are:

Holding		Value 2021	Value 2020
		£000	£000
M&G	Charifund	-	9,221
	Charibond	7,233	-
Cazenove	Majedie Asset Management UK Equity	171	533
	Charity Equity Value Fund	283	336
	Findlay Park American Fund	223	515
	UBS ETF - MSCI World Socially	1,228	397
	Trojan Ethical Fund	426	446
	BlackRock iShares Developed World	658	-

8.5 Gains/losses on investments

The 2020/21 net gain of £3.6m include £0.7m unrealised gain on investment in common investment funds and £1.6m gain on disposal of remaining part of the charity's investment property on the Gray's Inn Road site of the Royal National Throat Nose and Ear Hospital.

The 2019/20 net losses of £3.2m include £3.6m unrealised loss on investment in common investment funds.

9 Analysis of debtors

	Group 2021	Charity 2021	Group 2020	Charity 2020
	£000	£000	£000	£000
Pre-payments	5	5	45	45
Due from subsidiary undertakings:				
RFC Developments Ltd	-	1,462	-	2,049
RFC Recreation Club Ltd	-	134	-	20
Other debtors	4,109	3,883	8,062	7,482
Total debtors	**4,114**	**5,484**	**8,107**	**9,596**

In 2013/14, the charity made a loan of £500,000 to its subsidiary, RFC Developments Ltd, at a premium of 6% above base rate, regarding a major development project on the Royal Free Hospital site. The loan was increased to £1 million in January 2016, and is due for repayment upon the completion of the development. Repayment is expected to be in the financial year 2022/23.

Other debtors include £60,000 (2019/20: £6.1 million) relating to the development project. It is due for receipt in 2021/22, and as at 31 March 2021, there was none due after more than one year. All other debtors fall due within one year.

10 Analysis of creditors

10.1 Creditors falling due within one year

	Group 2021	Charity 2021	Group 2020	Charity 2020
	£000	£000	£000	£000
Grant and other accruals	7,248	7,248	2,196	2,196
Due to subsidiary undertaking - RFC Developments Ltd	-	3,039	-	3,972
Other creditors	5,539	2,629	5,037	1,027
Total creditors falling due within one year	12,787	12,915	7,233	7,195

11 Analysis of material funds

11.1 Unrestricted funds

	2020/21	Restated 2019/20
	£000	£000
Designated funds:		
Friends Fund - transferred from the formerly separate charity,	580	564
Friends of the Royal Free Hospital		
Departmental funds - Royal Free Hospital*		
Clinical Biochemistry	2,672	2,872
HIV/AIDS	1,435	1,461
Others**	13,250	11,926
Total designated funds**	17,937	16,823
Other general funds (undesignated)**	37,220	33,641
Total unrestricted funds	**55,157**	**50,464**

*These funds derive from donations and legacies made by grateful patients and their relatives over many years, and are under the day-to-day control of fund holders in specific areas of the Royal Free London NHS Foundation Trust (cardiac, renal, etc) for use on appropriate projects as they arise.

**In 2019/20, a classification error was made which resulted in understatement of designated funds and overstatement of general funds by £2.2m. However, the error did not affect total value of unrestricted funds. Accordingly, the 2019/20 figures for designated funds and general funds are now restated.

11.2 Free reserves

	2020/21	Restated 2019/20
	£000	£000
General funds	37,220	33,641
Less: total fixed assets	(58,993)	(47,881)
Add back: fixed assets covered by restricted funds	34,065	35,641
Less: investment properties	(1,401)	(2,753)
Less: mixed motive investment	(13,770)	(10,204)
Less: Pears Building commitments	(1,119)	(13,343)
Less: balance on COVID-19 appeal fund, included in general funds	-	(251)
Free reserves	**(3,997)**	**(5,150)**

11.3 Restricted funds

Restricted Funds 2020/21	Opening balance £000	Income £000	Expenditure £000	Transfers £000	Gains (loss) £000	Closing balance £000
Capital appeal	37,895	24	(3,854)	-	-	34,065
Peter Costin Memorial	604	-	(15)	-	-	589
St Peter's Trust	489	63	(266)	-	-	287
Dresden Assistance	450	-	(27)	-	-	422
Kitty Cookson Memorial	114	-	(1)	-	-	113
J F Moorhead	1,650	25	(22)	-	400	2,052
Dr Janet Owens Fellowship	574	-	(5)	-	-	569
Total restricted funds	**41,776**	**112**	**(4,191)**	**-**	**400**	**38,097**

11.3 Restricted funds (contd)
Restricted Funds 2019/20

	Opening balance £000	Income £000	Expenditure £000	Transfers £000	Gains £000	Closing balance £000
Capital Appeal	35,880	2,005	-	10	-	37,895
Beckett Legacy	17	-	(17)	-	-	0
Peter Costin Memorial	591	29	(15)	-	-	604
St Peter's Trust	524	70	(104)	-	-	489
Dresden Assistance	487	-	(37)	-	-	450
Kitty Cookson Memorial	110	5	(1)	-	-	114
J F Moorhead	1,831	43	(25)	-	(199)	1,650
Dr Janet Owens Fellowship	552	27	(5)	-	-	574
Others (revaluation reserve)	57	-	-	(57)	-	0
Total restricted funds	**40,049**	**2,178**	**(205)**	**(47)**	**(199)**	**41,776**

11.4 Details of restricted funds

Capital Appeal	To fund the building of the UCL Institute of Immunity and Transplantation
Beckett Legacy	To fund a lecturer in medicine
Peter Costin Memorial	To provide bursaries to medical students
St Peter's Trust	To support kidney, bladder and prostate research
Dresden Assistance	To support needy patients upon discharge from hospital
Kitty Cookson Memorial	To support an oncology fellowship
J F Moorhead	To support renal research
Dr Janet Owens Fellowship	To support Parkinson's research

12 Contingent liabilities

The construction of the Pears Building is complete and the charity is in early-stage discussions with the contractor for outstanding works and defects in the final settlement for works. At this stage, it is not possible to quantify the settlement amount or the timescale for completion of remedial work.

There were no other contingent liabilities at either 31 March 2021 or 31 March 2020.

13 Post balance sheet events

The construction of the Pears Building completed with a practical completion date of 1 June 2021.

14 Trustees and connected persons transactions

No trustee or member of the key management staff or person related to them undertook any material transactions with the charity in either 2020/21 or 2019/20.

No trustees were reimbursed any expenses in 2020/21 or 2019/20.

14 Related party interests

Caroline Clarke (resigned 31/3/19, reappointed 24/6/20), Judy Dewinter, and Akta Raja respectively group chief executive, lead governor (retired) and non-executive director of the Royal Free London NHS Foundation Trust, are trustees of the charity.

The charity has five subsidiary companies, in all of which it is sole shareholder, as follows:
RFC Recreation Club Ltd (company no 7686541) - Melanie Sherwood (appointed 16/6/20), Richard Scarth (resigned 16/3/21), Kedir Mohammed, Alison Kira (appointed16/3/21), and Jennifer Todd (appointed 16/3/21), respectively trustee, deputy chief executive, finance manager, director of grants and services and assistant director of services of the charity, are directors. In 2020/21, RFC Recreation Club Ltd reimbursed the charity £151,956 in respect of staff salaries (2019/20: £241,046). There was £134,376 due to the charity at 31 March 2021 (31 March 2020: £20,092).

The charity paid RFC Recreation Club Ltd £10,079 (209/20: £2,480) in respect of the use of facilities. None of this was outstanding at 31 March 2021. The charity didn't award a grant in 2020/21 (2019/20: £12,000). The charity was also charged £77,854 by the club for use of its space for the Free at the Free project during the pandemic which involved provision of free food and drink to staff at the Royal Free Hospital. In 2019/20, the charity was charged £14,968 by the club representing cost share on the wellbeing centre but there was none in 2020/21 following closure of the centre.
RFC Developments Ltd (company no 8729267) - Jonathan Spiers (appointed 18/9/20), Richard Scarth (resigned 20/1/21), and five trustees of the charity, Caroline Clarke, Chris Streather, Russell Gilbert, Judy Dewinter and Alistair Summers (appointed 23/3/21), are directors. In 2020/21, the transactions between RFC Developments Ltd and the charity were:

Purchase of design and build services by the charity from RFC Developments Ltd - the charity was charged £11,661,265 (2019/20: £24,543,264), and £3,038,534 (2019/20: £3,971,534) was due to RFC Developments Ltd at 31 March 2021.

Loan of £1 million from the charity to RFC Developments Ltd (see note 10) - RFC Developments Ltd was charged interest of £61,000 (2019/20: £67,500), none of which was outstanding at 31 March 2021 (31 March 2020: none).

Provision of administrative services by the charity to RFC Developments Ltd - RFC Developments Ltd was charged £60,000 (2019/20: £60,000), none of which was outstanding at 31 March 2021 (31 March 2020: none).

During the year RFC Developments Ltd made a gift aid distribution to the charity of £404,316 (2019/20: £981,715).

15 Related party interests (cont)

The following three subsidiary companies did not trade in 2020/21:

RFC Enterprises Ltd (company no 8729268)

RFC Properties Ltd (company no 10609331)

RFC Overage Ltd (previously called: RFC Properties (CF Holdings) Ltd) (company no 10699295)

16 Operating leases

At the reporting date, the charity had outstanding minimum future payments in respect of non-cancellable operating leases, which fall due as follows:

	2020/21 £000	2019/20 £000
Due in less than one year	25	120
Due in 1-2 years	22	105
Due in 2-5 years	0	48

17 Members' liability

The charitable company is limited by guarantee, not having share capital, and consequently the liability of members is limited subject to an undertaking by each member to contribute to the net assets or liabilities of the charitable company on winding up, such amounts as may be required not exceeding £1.

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OUR SUPPORTERS

THANK YOU

We are immensely grateful to everyone who has supported us during such a challenging year for our local hospitals. Our supporters have been there for staff and patients across the Royal Free London when they needed it most. Our special thanks to:

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- Maurice Wohl Charitable Foundation
- Michael and Melanie Sherwood Foundation
- Monday Charitable Trust
- NHS Charities Together
- Pears Foundation
- In memory of the late Rita & Bernard Brodie
- R.S. Hoffman
- Robert McNeal and James Kinsella Family Fund
- Sarit Shah
- The BissDavies Trust
- The Charles Wolfson Charitable Trust
- The Fraenkel Charitable Trust
- The Gerald and Gail Ronson Family Foundation
- The Leus Family Foundation
- The Lions Club of Enfield
- The Royal Free Hospital Kidney Patients Association : Nii Plange, Chair RFHKPA, David Myers BEM, Life-President RFHKPA, & RFHKPA trustees
- The Tufton Charitable Trust
- Union Bancaire Privée, UBP SA

Our sincere thanks also go to those who contributed so much to support our frontline heroes during the COVID crisis, including:

- Feed the Frontline, under the leadership of Amanda Rudman & Kon Asimacopoulos
- Unilever



The Times

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Company registration no: 09987907