



RNOH
CHARITY

The Royal National Orthopaedic Hospital Charity



Annual Report and Financial Statements 2021 | 22

Charitable Incorporated Organisation
Charity Number: 1166129



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Reference and administrative details

Registered Address:

Royal National Orthopaedic Hospital
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Dorothy Dalton, Chair

Sarah Bedingfield Shutt

Robert Hurd

Anju Jaggi

Elizabeth Klein

Matthew Lee

Richard Linsell

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Hitesh Thakrar

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Rosie Stolarski, Chief Executive

Anita Darashah-Borman, Head of Fundraising
(To June 2022)

Carol Corney-Brotherston, Head of Finance

Advisors:

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Welcome from the Chair and Chief Executive



Dorothy Dalton
Chair



Rosie Stolarski
Chief Executive

We are delighted that 2021 | 22 has seen the RNOH Charity further strengthen and support the people, research and infrastructure that make the RNOH one of the world's leading orthopaedic hospitals. Despite the ongoing challenges due to Covid during 2021, the RNOH Charity takes great pleasure in having awarded £1.616m in grants to support the RNOH during 2021 | 22.

RNOH Charity funding

The Charity is delighted to be funding one of the first EOSedge scanners in an NHS hospital. The scanner will be installed during autumn 2022. This innovative piece of equipment offers a crucial advantage by performing scans which emit only a very low dose of radiation. This is particularly important for our paediatric patients, reducing the risks associated with radiation exposure over a child's lifetime.

We are also delighted that the SPECT-CT scanner, fully funded by the Charity, is now installed and operating. Particularly effective in the fight against cancer, the scanner provides instant and more accurate images for diagnoses, equipping RNOH staff to plan and treat complex conditions.

The wellbeing of all RNOH staff remains one of our key priorities. The impact of the Covid pandemic on healthcare workers' mental, physical, and emotional wellbeing was highlighted in a country wide NHS study, with 1 in 4 workers seeking mental health support during the pandemic and a reported 40% burnout rate. A pilot RNOH Wellbeing Support Programme for staff was funded by the Charity last year using our Covid-19 Support Fund. After tremendously positive feedback from staff, the Charity will continue to fund this initiative, with the addition of a Wellbeing Hub which all staff can access. The Hub will be an onsite space that provides a physical area in which staff can have time and space away from clinical noise, relax in a comfortable environment and enjoy a hot drink. We are excited to be involved in the RNOH's Wellbeing Support Programme and look forward to its development during 2022 | 23.

Welcome from the Chair and Chief Executive

Cutting-edge research remains a fundamental part of the hospital's work today. Grants awarded to RNOH research projects in 2021 | 22 amounted to a staggering £380,000. These include grants researching state-of-the-art analysis of implants and surgical planning tools, and research optimising antimicrobial prophylaxis in the surgical treatment of primary bone tumours. The RNOH Charity is also delighted to be supporting the ground-breaking research, led by Professor Alister Hart into 3D MRI muscle health (with generous funding from Rosetrees Trust, Arthroplasty for Arthritis Charity and The Maurice Hatter Foundation).

Key developments and thanks

The RNOH is embarking on exciting growth plans. This year has seen us establish the Charity's first senior management team, the first step in ensuring that the Charity expands its own capabilities and infrastructure to support the vision and future plans of the hospital. Our momentum and growth would not be possible without the continued support of our Patron HRH Princess Eugenie. We are deeply grateful to HRH for her continued support and dedication to the RNOH. Her arrangement of loaned inspirational artwork from internationally acclaimed art gallery Hauser & Wirth has made an enormous difference to the wellbeing of patients, visitors and staff who have found the environment both inspiring and uplifting.

Future plans

Following the Trust's announcement of its visionary plans, growing the Charity's fundraising ambition is crucial to ensure these plans can become a reality. The Charity will focus on developing its infrastructure and aims to raise over £4m in sustainable income by 2024 | 25 to help deliver the hospital's key strategic objectives. The creation of a new business plan for the Charity, with targets aligned to the ambitious vision of the Trust, is an exciting key driver and focus for the coming year. It will streamline how the Charity evolves, scales up its own capabilities and plans to deliver radically enlarged funding support, support that will see the RNOH transform lives and give pioneering, life-saving treatment, in the UK.

It remains a true pleasure that we, as Chair and CEO of the RNOH Charity, are able to work alongside one another and the board of trustees to lead the Charity through this exciting, transformative period in its history. We would like to thank both the Charity staff team and trustees, whose tireless work and quiet dedication lies behind all of this past year's successes. Finally, we extend our gratitude and thanks to every RNOH staff member, they are the true driving force behind every patient story, every breakthrough and pioneering procedure – a huge thank you to all.



Our partner

The vision for the Royal National Orthopaedic Hospital NHS Trust (RNOH) is to continuously strengthen its status as the UK's leading specialist orthopaedic hospital, enhancing its international profile for outstanding patient care, research and education.

The RNOH Charity is independent of the RNOH. Its mission is to strengthen and support the people, research and infrastructure that make the RNOH one of the world's best orthopaedic hospitals.

The Charity's support and collaboration with the hospital at both the Stanmore and Bolsover Street sites, enable the RNOH's world-class teams of clinicians and researchers to access equipment, deliver rehabilitation and pursue ground-breaking research that is changing the face of how we treat complex orthopaedic conditions.

"The RNOH is a leading centre for the care of people with complex musculoskeletal conditions. Many services provide life-long care for patients and the Trust hosts the largest children's sarcoma service in the UK and the 2nd largest in Europe. The work of the Charity enables the Trust to improve the care and experience of our patients and the environment in which our staff work. The Charity has been instrumental in raising money to support the build of The Stanmore Building, as well as in support of critical equipment and infrastructure over the years. Our renewed vision and strategy provide an exciting future for the Trust and the many patients we treat. Our partner, the RNOH Charity, will be critical to our future success and we look forward to continue working with the Charity over the coming years."

Professor Paul Fish RNOH Chief Executive



13,564
inpatients



140,445
outpatients

2021 | 22 Attendance:



115,610
outpatient attendances
at the Stanmore site



24,162
outpatient attendances
at the Bolsover site



673
at home or in
another setting

During 2021 | 22 the RNOH provided specialist orthopaedic care to 13,564 inpatients at the Stanmore site.

Altogether, there were 140,445 outpatient attendances: 115,610 outpatient attendances at the Stanmore site, 24,162 outpatients attendances at the Bolsover street site and 673 at home or in another setting. This has been achieved through the provision of high-quality acute medical and surgical services for patients who attend our Trust from as far as Scotland, Northern Ireland and Wales.



What we do

Strategic objectives

The RNOH Charity supports the RNOH NHS Trust by raising and awarding funds to the RNOH. The Charity has set itself ambitious objectives and targets in order to fulfil its vision. They are as follows:



Enhancing the patient experience

Our aim is to ensure that every patient has the best possible experience at the RNOH and receives outstanding care. We will work together with the hospital to identify any areas that require improvement and also undertake our own research to identify any gaps. We will endeavour to ensure that the patient journey is of the highest quality.



Improving the staff experience

We will work with the RNOH to improve staff morale, staff retention and patient satisfaction. We will work closely with the hospital to identify any root cause issues and develop a robust programme to create collaborative team working.



Creating a world-class facility

Following the success of our significant contribution to The Stanmore Building, we aim to be a key funder of equipment and RNOH developments on site in order to provide the best environment for patients and staff.



Investing in medical research

The RNOH has always been a centre of excellence for orthopaedic research and education in the UK. It has a long tradition of translational research, implant development and teaching in collaboration with University College London and other partners. We aim to provide the best facilities for musculoskeletal specialists and researchers to help strengthen the RNOH's world-leading position.

What we do

A year in numbers

Total expenditure
2021 | 22:

£2,062,000

Income



£743,000

Donations received (major donors, ward and general donations, collections, gift aid, gifts in kind etc.)



£224,000

Grants received (inclusive of NHS Charities Together)



£336,000

Legacies received



£14,000

Buttercup Day



£162,000

Investment income



£6,000

Other income

Total income:
£1,485,000

in 2021 | 22, including fundraising and investment income.

Expenditure

Total grants awarded of £1,616,000 by objective:



£261,000

Enhancing the patient experience



£122,000

Improving the staff experience



£380,000

Investing in medical research



£750,000

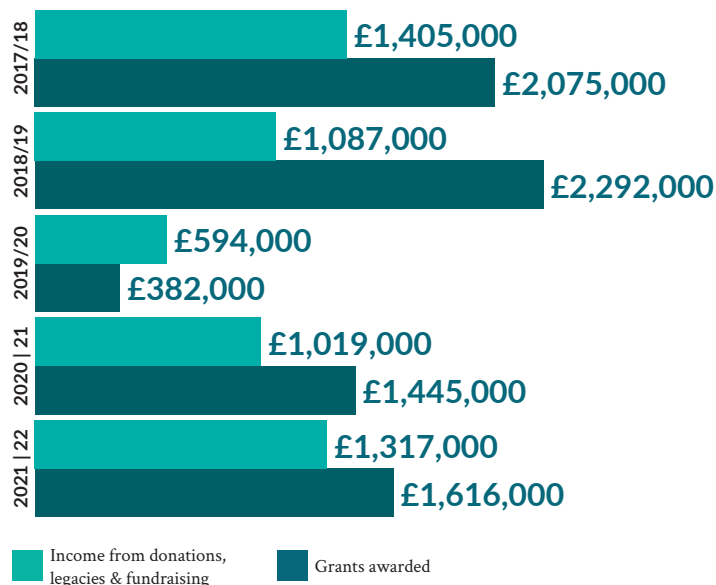
Creating a world-class facility



£103,000

Activities undertaken directly (funds spent directly by wards and departments)

Income and grants awarded over the past 5 years



Grant giving

During 2021 | 22, we awarded a total of **£1,616,000** to the RNOH, including: 20 grants totalling **£1,513,000**, and **£103,000** towards activities undertaken directly by wards and departments.

We continued to rapidly adapt our grant giving in response to the Covid-19 pandemic, providing much-needed support to the RNOH staff and patients. This year has highlighted the importance of staff experience, wellbeing and the vital role that wellbeing provision plays in the hospital's daily life. The Charity has also prioritised funding state-of-the-art equipment for the RNOH to strengthen the hospital's toolkit of cutting-edge equipment.

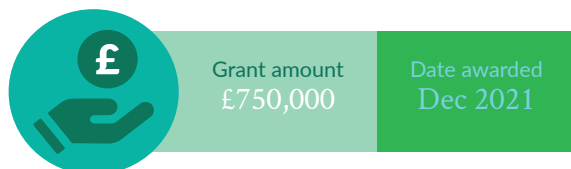
It has been an exceptional year and the next few pages aim to give you insight into the 2021 | 22 funding we provided, which has benefitted patients and staff.



What we do

Creating a world-class facility

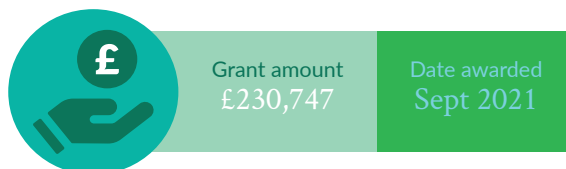
EOSedge scanner



The RNOH Charity is delighted to have fully funded the cost of purchasing and installing one of the UK's first EOSedge scanners in a UK NHS hospital. This incredible scanner will provide very low dose radiation scans with simultaneous frontal and lateral X-ray enhanced images. Many of the RNOH's young patients require frequent imaging to monitor the progression of a complex musculoskeletal condition. EOS can effectively replace standard X-rays in these cases and thereby significantly reduce any risks associated with radiation exposure over a child's lifetime. EOS scans are extremely quick: the speed of the scan, coupled with the fact that patients can stand up, minimise the claustrophobia many people experience when lying in a CT or MRI scanner.

Enhancing the patient experience

The volunteer service and volunteer buggy service



The RNOH's volunteer service, which has been fully funded by the RNOH Charity since its inception in January 2015, provides invaluable support for RNOH patients and staff. The volunteers perform several roles from supporting pre and post-operative patient care, to helping to feed patients with limited mobility. This past year the volunteers also played a crucial role supporting the staff vaccination programme.

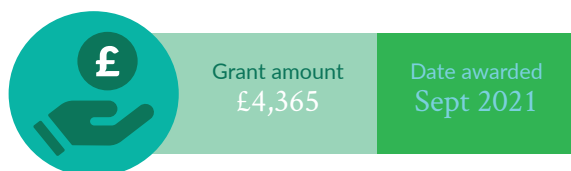
During the Covid-19 pandemic, the volunteering team distributed 100s of food boxes and care packages to staff throughout the hospital. They ran a message delivery service for families to contact loved ones and supported patients by being a 'relative for an hour' while there was a no-visitor policy.

The volunteer service also runs the RNOH's patient buggy service. Launched in 2016, the Charity-funded buggy service has quickly become indispensable. The dedicated team of 15 volunteer drivers have transported over 100,000 patients and their visitors. The buggy trips give huge relief for our patients with limited mobility.



What we do

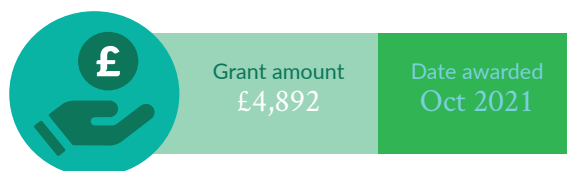
Paediatric rehabilitation bike



We are delighted to have funded a specialist paediatric physio bike. The bike is uniquely able to help children who have had sarcoma or lower limb deformity undertake crucial post-operative rehabilitation. Other regular physio bikes and rehabilitation equipment do not provide the appropriate support or allow the variety of access options and positions that a child needs to physically engage in the rehabilitation.



Recliner chairs for the surgical admissions and procedures unit



The RNOH Charity has funded six recliner chairs for the Surgical Admissions and Procedure Unit using monies raised from the David Holmes Cricket Cup. This day unit is next to the theatre complex and supports patients being admitted for surgical, imaging and pain procedures who do not require overnight stays but do need to recover comfortably post-surgery. The recliner chairs will enable patients to receive vital treatments as they recover. Patients will be able to recline and lift their legs to optimise their circulation (if required). Ultimately, this will mean a patient will not take up a precious bed or theatre space as the hospital moves towards a more dynamic setting of day treatments and procedures.

Patient packs



Patient packs are a crucial part of a patient's stay at the RNOH, helping patients to feel informed, welcome and safe. The packs include key information about facilities at the hospital and provide a number of items to improve comfort and wellbeing.

Improving the staff experience

As well as providing hands-on support to hospital staff through the Volunteer Service, the RNOH Charity funds a number of different programmes designed to recognise and reward hospital staff for the exceptional work that they undertake. The annual Staff Achievement Awards is one such initiative. Other similar schemes the Charity supports include travel scholarships, staff training, conference support and discounted gym membership.

Staff Wellbeing Lead



RNOH staff are still in need of extra support, time and space as they recover from the mental and physical exhaustion of working through the pandemic. Using a generous grant from NHS Charities Together, the RNOH Charity has funded a new dedicated wellbeing post to expand the practical and psychological support on offer for all RNOH staff. The hospital's first Staff Wellbeing Lead started in January 2021 and due to the success of the role, the Charity has awarded a further grant to fund a second year of this crucial wellbeing programme. Support on offer includes:

- Giving crisis guidance
- Coordinating several peer support groups for returning staff and frontline workers
- Weekly interactive webinars
- Supporting staff to develop personal wellbeing practices
- Mental health training and mental health signposting for individuals
- The design and implementation of an interim 'long-Covid pathway (whilst staff wait to access long-Covid clinics).

Wellbeing Hub



The Wellbeing Hub will be an onsite space that provides a physical area in which staff can take time out from what can be extremely demanding jobs. The space, funded by a grant from NHS Charities Together, will be away from clinical noise, have minimal tech and be fitted with comfortable soft furnishings and hot drinks stations to enable and encourage mindfulness and psychological resilience in a quiet environment. This space will be a welcome antidote to the norm, to support relaxation and the feeling of an escape from work.

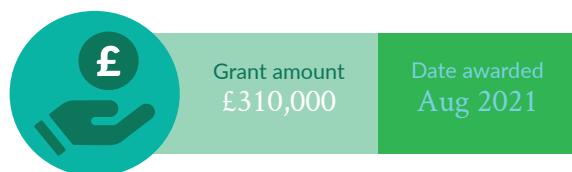
"We are so grateful to the Charity and its supporters for funding our Staff Wellbeing Lead role. Our Wellbeing Lead has been critical to keeping our colleagues well, ensuring pathways of support are easily accessible, and encouraging the development of a culture of open and honest conversations about our wellbeing. We are keen to build on this in the future; providing more training for staff and managers to ensure all staff have meaningful and actionable personal wellbeing plans; continuing to provide touchpoints for staff to support their psychological wellbeing and provide more support to managers and their teams as we continue to navigate one of the most challenging periods within the NHS. All this support for staff translates to us being able to continue to provide excellent patient care and outcomes."
Laura Bevan, Chief People Officer

Investing in medical research

The delivery of research and innovation is a key component of the RNOH's vision to be **"a world leading orthopaedic hospital with the best patient care and staff experience in the NHS"**.

The RNOH Charity supports ground-breaking research projects, including research into musculoskeletal as well as neuro-musculoskeletal conditions, rehabilitation, peripheral nerve injury repair, sarcoma detection and surgical treatments. The Charity was pleased to fund the following:

3D MRI Muscle Health Research and surgical planning tools



The RNOH Charity is delighted to be supporting the ground-breaking research into muscle health and the Exercise for Science, led by Professor Alister Hart. The 3D MRI Muscle Health Research comprises several strands: the development and validation of novel software tools for 3D-MRI measurements of muscle health (funded by Rosetrees Trust), research into the health of the walking muscle in patients before and after hip replacement (funded by the Maurice Hatter Foundation) and Exercise for Science 'NHS Couch to 5K' running research into muscle health of sedentary individuals (funded by Arthroplasty for Arthritis Charity).

State of the art analysis of implants



The RNOH Charity awarded a grant to fund 50% of the cost of a laser scanner for the investigation of failed hip and knee replacements after primary arthroplasty. This exceptional piece of equipment will allow forensic analysis of implants when patients attend the RNOH for revision surgery. The scanner also allows for medical image analysis to aid surgical planning, delivery and assessment of outcomes to improve hip function in patients with hip problems and those with hip replacements.

What we do

Collaborative Care in Orthopaedic Rehabilitation (CCOPER) Project



The Charity awarded this grant in 2020 | 21 for a project that is researching how to best provide mental health support for RNOH patients who present with physical ailments. Despite its prevalence, mental health is poorly understood and frequently goes unrecognised in physical health settings.

The CCOPER study aims to understand how the collaborative care method of providing support could be used for the first time during orthopaedic treatment, to improve service and clinical and patient-related outcomes. Research projects are an essential part of ensuring the NHS, the RNOH and others continually provide the best care and improve outcomes for patients. We are proud that the RNOH is leading much of the pioneering orthopaedic research in the UK.

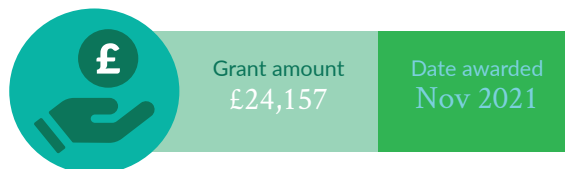
Stanmore Children's Orthopaedic Outcome Project (SCOOP)



This project is working to improve the short and longer term health of children and young adults being treated for orthopaedic problems at the RNOH and nationwide. Even after successful surgery or treatment, these young people are more likely to develop long-term diabetes, high blood pressure, heart disease and obesity because of the restrictions on their daily activity and adjusting to life post-surgery.

Charitable funding awarded in 2020 | 21 for SCOOP will help remedy the current lack of information about the challenges that follow successful orthopaedic treatment. Body-worn activity monitors, mapping technology and questionnaires enable researchers to track the experience and clinical responses of our younger patients and develop crucial recommendations and strategies that will improve the outlook of young children and adults at the RNOH and beyond.

Antimicrobial Pharmacy Research Project



Primary Bone Tumours (PBT) are a rare group of malignancies that require surgery and often limb amputation. Deep infection occurs in 10% of PBT surgery cases; this is 10 to 20 times higher than in conventional hip and knee replacements. Infection is devastating and requires further surgery. Antimicrobial prophylaxis is considered the single most important initial step to prevent postoperative infection. There is currently little information and no established criteria on how to best use antimicrobial regimens to treat PBTs and so prevent further infection, despite national and international guidelines recommending their use in surgery. The Charity is contributing towards research that will adapt antimicrobial use to the patient and their surgery, ensuring that we can carry out innovative and life-changing surgery and deliver better, consistent outcomes for our patients. The findings from the pilot project will also inform national and international practice of antimicrobial prophylactic regimes.

Inspirational art

The Stanmore Building at the RNOH boasts a superb collection of artwork in the reception areas and on the hospital wards. This has made an enormous difference to the wellbeing of patients, visitors and staff who have found the environment both inspiring and uplifting.

Thanks to the incredible generosity of Iwan and Manuela Wirth, founders of internationally acclaimed art gallery Hauser & Wirth, and Director HRH Princess Eugenie, the reception areas of each ward have been transformed into galleries showcasing loaned works by renowned British artists.

In total 15 pieces have been installed on three floors, including works by Mark Wallinger, Martin Creed and Dame Phyllida Barlow. Three works by Mark Wallinger feature in the reception area of the London Irish Ward. All are from his Labyrinth series, commissioned to mark the 150th anniversary of the London Underground.

The RNOH Charity would like to extend heartfelt thanks to Hauser & Wirth and the Charity's Patron, HRH Princess Eugenie for this wonderful enhancement to the hospital environment.



"Studies show that art in healthcare environments has a number of positive therapeutic and medical outcomes for patients. These include a reduction in stress, depression and anxiety, reduced blood pressure, lowered pain intensity, and a reduced intake of medication."

Rosie Stolarski,
CEO RNOH Charity

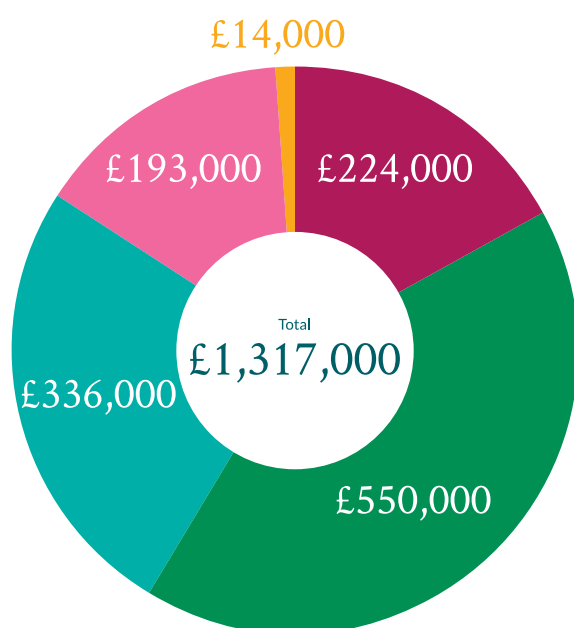
"Art can have a very positive impact on the healing of patients, reducing stress and anxiety, pain and improving mental health."

HRH Princess Eugenie

Fundraising

We continue to benefit greatly from the efforts of our supporters, donors and volunteers, whose generosity has such a significant impact and for which we are extremely grateful.

The Charity's fundraising income for 2021 | 22 totalled £1,317,000 and fundraising expenditure amounted to £265,000. Key income sources during 2021 | 22 were: individual and major donors; grant-making trusts; general donations and legacies.



- Grant-making trusts and foundations (including NHS Charities Together)
- Major donors
- Legacy donations
- General donations, ward donations, collections, gift aid, gifts in kind, etc.
- Buttercup Day

Major gifts

The RNOH Charity received a £550,000 gift from one major donor. This particular donation was to cover the purchase costs of the EOSedge scanner.

Grants

We received a total of £224,000 from grant-making trusts, including £45,000 from the Garfield Weston Foundation to support the purchase costs of the digital pathology scanner. Funding was also received from the Rosetrees Trust, the Maurice Hatter Foundation and Arthroplasty for Arthritis Charity to support 3D MRI muscle health research.

Legacies

The Charity continues to actively promote legacy giving which has had a significant impact on our grant-giving programme. This year we gratefully received £336,000 through legacies.

What we do

Buttercup Day

The buttercup has been a symbol of hope and recovery for nearly 100 years at the RNOH. In 2021, to mark our annual Buttercup Day, we celebrated the emblem of the Buttercup through a digital, safely distanced day. We shared many stories of recovery, support and pioneering breakthroughs that happen at the RNOH every day and fundraised through the selling of hand-created ceramic buttercups designed by artist Clare Twomey MBE. Each porcelain flower in the Buttercup Collection is unique, handmade in workshops with members of Clare's studio, alongside staff and patients from the RNOH. Sadly, we were not able to bring our supporters and staff together on Buttercup Day, but we wanted to mark the incredible hard work and resilience of the RNOH staff at both hospital sites. Specially arranged boxes of delicious doughnuts were delivered to ward staff and departments and a vintage ice-cream bike set up outside the Stanmore Building offering free ice-cream. It's safe to say there was a very long, socially distanced queue!

A huge thank you to all of those who supported this year's Buttercup Day and helped us raise over £14,000. Your involvement enables us to provide ongoing support to world-leading clinical teams, fund innovative research and provide state-of-the-art equipment; in addition to being able to celebrate the tireless dedication of the phenomenal people who work at the hospital.



Every bright white and yellow bloom is unique. Every penny made helps to strengthen and support the RNOH.

Priced at £45 the buttercups can be purchased at www.thebuttercupcollection.co.uk.



What we do

Fundraisers

The Charity is supported by a dedicated group of supporters, many of whom are former patients themselves. These are some of our incredible fundraisers who supported us this year.



Last year, aged just 10 years old, Dylan was diagnosed with a Unicameral Bone Cyst. Two complex operations, bone grafts and an additional tibia fracture later, we are delighted that this incredibly brave boy is on the road to recovery. We wanted to say a huge thank you to Dylan and his family for raising an outstanding £2,000 to support the RNOH Charity.



Myla and her mum, Jasmin, walked, cycled and scooted their way to completing the 100-mile Challenge all within one month! They raised an incredible £2,005 for the Charity during June 2021, to mark Scoliosis Awareness Month. An amazing achievement considering Myla is just 8 years old. The family have been doing an amazing job advocating for and raising awareness about its early indicators: "Early detection, early correction."



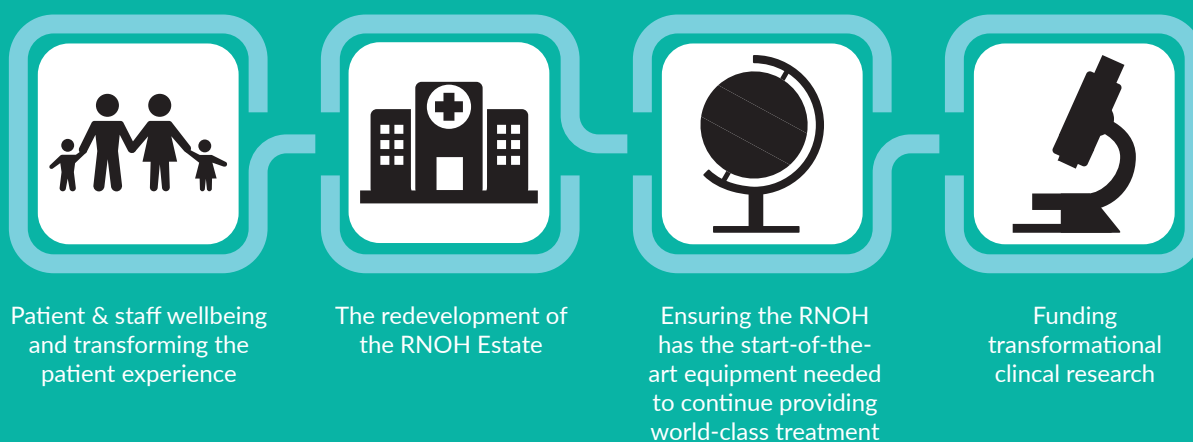
Every year we are bowled over by the significant generosity and dedication of RNOH Charity Ambassador David Holmes. David hosted the 12th annual David Holmes Cricket Cup last summer, raising a fantastic amount for the RNOH Charity. We're really grateful to David for his relentless determination and continued support for the RNOH Charity. Monies raised from this year's David Holmes Cricket Cup have funded six recliner chairs for the Surgical Admissions and Procedure Unit (refer to page 11).

Future plans

The Charity's strategic priorities and objectives for 2022 | 23 build upon those we achieved last year and include:

- Deliver the financial plan for 2022 | 23 and develop a grants programme in line with the Charity's strategic priorities to provide maximum benefit and impact to patients and staff.
- Build a Charity team for the future by recruiting and developing specialist staff across all operational areas, in line with the Charity's business plan.
- Develop sustainable income with a focus on unrestricted income.
- Continue to develop major donor relationships and grant-making trust activity through robust and measurable pipelines.
- Work in close partnership with our appointed strategic creative fundraising agency to fulfil agreed objectives and financial targets.
- Improve visibility of the Charity across both hospital sites to maximise brand awareness and increase engagement, in order to raise unrestricted funds from patients, their families, staff, and the community.
- Establish and transition to an independent finance system for the Charity.

All are enablers to the delivery of our key strategic objectives.





Future plans

Furthermore, our funding priorities include:

Princess Eugenie House

We are excited to be supporting the creation of Princess Eugenie House, a pioneering development that will transform patient recovery and rehabilitation after treatment. The new facility will offer unparalleled rehabilitation services in England and include an Independent Living Unit, a specialist Veteran Rehabilitation Centre and a pioneering 'patient hotel' offering rehabilitation services for all NHS patients including a unit for military veterans and reservists. The RNOH is one of only nine accredited Veteran Aware Hospital 'Murrison' centres in the UK. The proposed Veterans Unit will offer advanced prosthetics to service personnel who have lost limbs in conflict, providing crucial world-class care and rehabilitation for our military patients who have psychological as well as physical challenges.

Independent Living Unit

The Independent Living Unit will play an integral role in the rehabilitation of patients who have suffered a life-changing injury such as spinal cord damage.

The unit will enable the medical staff to replicate all potential 'home situations' within the relative safety of the hospital grounds. Patients will be able to practice and train in self-care and domestic tasks, such as washing, dressing, eating, drinking and housekeeping.

This will significantly improve their quality of life, and their ability to live independently, after they are discharged and return home.

Estimated project cost - £1.1 million

Research projects

We are aiming to increase our support for the world leading research projects that take place at the hospital. Funding these research projects allows the clinicians at the RNOH to carry on pushing the boundaries of what is possible, developing better treatments and supporting more patients, benefitting not just RNOH patients, but patients nationwide.

Estimated project cost - £300,000 per year

State-of-the-art equipment

The RNOH treats some of the most complex and unique orthopaedic cases in the UK, helping patients who have nowhere else to go. These cases require intricate levels of detail, as surgeons pioneer and perform complex and often novel treatments. Detailed imaging plays a crucial role in equipping surgeons with the meticulous understanding they need to deliver the best possible outcome for a patient. Over the past eighteen months, the Charity has prioritised funding state-of-the-art equipment. In the coming years, we look to further strengthen our surgeons' toolkit, by funding equipment that not only provides exceptional detail, but that also prioritises patient safety and comfort.

Our mission as a Charity is to support the ground breaking care and treatment that takes place at the RNOH. Where NHS funding for the RNOH has its limits, the pioneering care and treatment it provides are greatly enhanced with the support of the Charity.

Estimated project cost - £500,000

Prioritising staff welfare

Over the last 2 years, the Charity has funded a Wellbeing Lead and has laid the foundations for a culture that prioritises and comprehensively supports the wellbeing of all RNOH staff. Looking to the future, the Charity will continue to support the Wellbeing Programme as it looks to expand on the opportunities afforded by the digital wellbeing platform. The programme will not only prioritise individual support on site, but marks the beginning of a digital opportunity, one that can support staff working both on and off site.

Estimated project cost - £100,000 per year



Financial review

Overview

The Charity has delivered a sound performance despite ongoing economic, political and social unrest. Net assets at 31 March 2022 are £4.13m (FY2020 | 21 £4.19m), a slight decrease from the previous year.

This is largely due to investments gains of £0.51m (2020 | 21 gains of £0.72m), attributable to the redemption of COIF Charity funds before the market shock in late February 2022.

The gains partially offset net expenditure for the year of £0.58m.

The net expenditure for the year is the result of the Charity actively promoting grant giving to utilise restricted funds.

Income

Total income in 2021 | 22, including fundraising and investment income, was £1.49m (2020 | 21 £1.18m). The increase from the previous year was driven by a major donor gift of £550k and higher legacy income, partly offset by the reduction in grant income from NHS Charities Together.

Continuing to generate sustainable fundraising income and supporter acquisition is vitally important to realise the Charity's future ambitions.

Expenditure

Expenditure during 2021 | 22 amounted to £2.06m (2020 | 21 £1.64m), £0.42m higher than the previous year. This was driven by an increase in the annual grant programme of £0.17m, with grants and direct ward and department expenditure totalling £1.62m (2020 | 21 £1.45m).

A minimum level, £0.04m, of grant funding was returned to the Charity in year, (2020 | 21 £0.20m).

The costs associated with raising funds, including investment management, and support and governance costs show an increase overall of £0.08m as the Charity continues to build on existing infrastructure and staffing levels.

Investment policy and performance

The Charity holds an investment portfolio which is valued at £5.48m at 31 March 2022 that yielded an average gross income return of 3.1% during the year.

The purpose of the portfolio is to generate investment returns to make the best possible sustainable contribution to the Charity's activities now and in the long term.

The Charity's investments are split into a smaller short-term component and a larger long-term investment. The short-term investment is available to provide liquidity and capital protection to meet anticipated grant drawdowns over a 1 year time horizon. The long term portfolio objective is to deliver a real return of UK CPI +4% per annum, after the payment of investment management fees, over a 5 year time horizon. The overall level of risk within the portfolio should be kept below around 75% of that of global equity markets. This level of return reflects the investment returns the Finance and Audit Committee is comfortable pursuing given their risk appetite.

During the year a rigorous investment review and tender process took place and the Board of Trustees have now delegated the management of the investment portfolio to Cazenove Capital (the investment manager). The transition from CCLA COIF funds to Cazenove Capital took place between December 2021 and March 2022. This resulted in crystallisation of gains on the former £0.67m, offset by unrealised losses of £0.16m on the latter following the global shock in late February, caused by the invasion of Ukraine.

The Charity's assets are invested in the Charity Responsible Multi-Asset Fund and the JP Morgan Sterling Liquidity Fund, through the investment manager's cash administration service. Both are pooled funds and, given the size of the Charity's portfolio, the Finance and Audit Committee accept that the Charity will be subject to the investment manager's ethical policy. This policy is one of revenue screening which determines that the Fund will not hold companies which derive more than 10% of their revenue from activities including armaments, tobacco, fossil fuels and gambling. This is in line with the Charity's ethical policy.



Financial review

The Board of Trustees have delegated investment decisions and review of investment manager performance to the Finance and Audit Committee. The Committee receive quarterly reports and nominated Trustees and the CEO meet with the investment manager on a quarterly basis.

Investments – ESG considerations

The Cazenove Charity Responsible Multi-Asset Fund is an actively-managed investment fund which incorporates ESG views as part of their investment process. The Fund has a responsible investment policy and aims to have a positive impact across environmental, social, and governance factors. Since inception (1st August 2018) the Fund has returned +31.4%; outperforming the long-term inflation +4% p.a. target whilst experiencing circa 70% of the volatility of equities. As well as achieving the financial objectives the Fund invests in companies that create a measurable positive impact for people and planet, generating four times the social benefit and 63% less carbon emissions than the global equity index, with 27% of the investments in the Fund directly contributing to the UN Sustainable Development Goals.

Reserves

As part of effective financial management, we hold reserves to ensure we can manage:

Financial impact of risk. There are a range of risks we face, including the risk of an unforeseen drop in income as well as a reduction in the value of our investments.

Working capital. A significant proportion of our reserves are represented by investments and therefore we need to ensure we retain sufficient working capital to be able to meet approved grants given to the RNOH as well as guarantee that operations can continue over the short term and commitments can be met.

The Trustee Board believes it is prudent to hold a level of free reserves to enable the Charity to take advantage of opportunities as they present themselves and to have sufficient working capital to support the fundraising, administration and governance operations of the Charity. This will allow the Charity to respond in a considered way to an adverse change in circumstances, giving sufficient time to enable emerging circumstances to be assessed

and appropriate plans developed and implemented, without requiring a crisis response.

Having carefully considered the best interests of the Charity and its beneficiaries the Trustee Board believes it appropriate to aim to hold at least £350k general reserves. This is made up of c. £150k to meet the annual operating expense of the Charity, £50k to meet the requirement of recurring grants and c. £150k is the Trustee Board's best estimate of the amount which should be held for both known non-recurring grants as well as potential future (but as yet unknown) opportunities.

Any free reserves held by the Charity over and above this amount which are not expected to be used in the short term will be made available by the Trustee Board for grants to benefit the patients of the RNOH.

If free reserves fall below this level the Trustee Board will consider whether this is due to short term circumstances or a longer-term reason and will review its expenditure and fundraising plans accordingly.

The Board formerly reviews the reserves policy annually and the reserve level quarterly to ensure that the arrangements continue to be appropriate.

As at 31 March 2022 the Charity held general reserves of £586k. Whilst this exceeds the minimum level noted above, the Trustee Board continues to monitor potential funding commitments and fundraising income projections accordingly.

Going concern

The Trustees have reviewed the financial position of the Charity, including its forecast cash flows, liquidity position and existing and potential funding commitments for the forthcoming year. Budget and forecast projections are considered on a fund by fund basis to ensure that adequate unrestricted funds remain.

The Charity will only commit to charitable activities and any other major projects as long as it is confident that it is able to meet its obligations. The Trustees believe that there are adequate resources to continue in operation for the foreseeable future, for a period of at least 12 months from the approval of the financial statements, and that it is appropriate to continue to adopt the going concern basis of accounting when preparing its annual report and financial statements.



Governance

Constitution

The Trustees derive their authority, powers and scope from its Constitution duly created when the Charity became a Charitable Incorporated Organisation (CIO) that is fully independent from NHS legislation (registered charity number 1166129). The objects of the CIO are for the public benefit to advance any charitable purpose or purposes relating to: the general or specific purposes of the Royal National Orthopaedic Hospital NHS Trust or its successor from time to time; or any other part of the national health service associated with the Royal National Orthopaedic Hospital.

The Trustees

The Charity currently has nine Trustees to oversee the governance arrangements. The Board normally meets quarterly with two additional away days per year for strategy and planning. There is a Finance and Audit Committee and a Grants Committee which normally meet quarterly. The Charity is managed on a day to day basis by the Chief Executive. To facilitate operations, the Trustees have delegated day to day activities for operational matters including fundraising, finance and operations to the Chief Executive and the senior management team.

Appointment, induction and training of Trustees

Trustees are recruited via an external recruitment agency. New Trustees undergo a period of induction organised by the Charity and includes training on charity finances and grant giving. As well as the induction, Trustees are briefed on their duties and legal obligation under charity law, the Charity's governing document, any related Charity Commission guidance, the Charity's latest activity, future plans and recent financial performance. New Trustees will also meet key employees, Executive Directors of the RNOH and key clinicians.

Related parties and co-operation with other organisations

None of the Charity Trustees received remuneration or other benefit from their work with the Charity. Any related party transactions are disclosed on an annual basis as well as any conflicts of interests.

Further details of related party transactions are detailed in note 14.1 of the financial statements.

Governance

Equality, diversity and inclusion

RNOH Charity wholeheartedly supports the principles of equality, diversity and inclusion in employment. We aim to create, value and encourage diversity and we recognise that talent and potential are distributed across the population. Not only are there moral and social reasons for promoting equality of opportunity, it is in the best interest of this Charity to recruit and develop the best people for our jobs from as wide and diverse a pool of talent as possible.

A comprehensive policy is in place which demonstrates our commitment to challenge and eliminate discrimination and to promote equality and diversity amongst our workforce and Trustees.

Pay policy

Having a consistent and robust, gender-neutral method for assessing and comparing the value of different jobs is vital to achieving equal pay. Our remuneration policy aims to provide a fair basis for the

Charity to operate its grading and pay structure.

The Finance and Audit Committee routinely review the remuneration policy, the remuneration ratio and provide scrutiny to remuneration decisions.

Salaries are benchmarked prior to appointment against relevant sectors or the wider not-for-profit sector and then every three years thereafter.

The Charity also reviews salaries on an annual basis, in light of relevant market indices, to establish whether an annual incremental increase is appropriate.

Risk management

The risk register is designed to identify the key risks and existing controls and allocates a current score based on the impact and likelihood of each risk causing a loss to the Charity.

A number of the key risks identified are summarised in the table below:

Risk	Risk summary	Mitigation
Liquidity risk	<ul style="list-style-type: none"> • Inability to meet existing commitments from appropriate fund. • Lack of liquidity to respond to emerging needs or to cover variance in budgeted costs. • Being a forced seller of investment assets in times of volatility. 	<ul style="list-style-type: none"> • Regular review of reserves policy and reserves level. • Detailed cash flow projections. • Regular review of restricted funds and spend allocation by fund.
Restriction compliance	<ul style="list-style-type: none"> • Funds applied outside of donor-imposed restriction. • Impact on relationship with donors and Charity reputation. • Regulatory implications. 	<ul style="list-style-type: none"> • Transaction capture and financial reporting at a fund level. • Maintenance of restricted fund purposes record.
Fundraising income volatility	<ul style="list-style-type: none"> • Loss of key income source. • Competition for funds. • Economic downturn leads to reduction in income. 	<ul style="list-style-type: none"> • Identify major dependencies and consider diversification plans. • Establish pipelines for key income streams. • Recruit specialist staff.
RNOH Trust funding priorities	<ul style="list-style-type: none"> • Lack of fund priorities identified by the RNOH. • Impact on fundraising activities. • Inability to maximise strategic impact. 	<ul style="list-style-type: none"> • Continue to maintain close working relationships with the RNOH executive team and clinicians. • Grant funding applications appropriately endorsed prior to submission to relevant Committee/Board.
Key person risk	<ul style="list-style-type: none"> • Small Charity team resulting in over-reliance on key management personnel. • Loss of a key contact within the RNOH Trust. 	<ul style="list-style-type: none"> • Growing the Charity team and training to ensure appropriate cover for key processes/roles. • Build on existing relationships with senior management team, senior clinicians and research teams.

Fundraising governance

The charitable sector has been under particular scrutiny over its approach to raising funds and communicating with potential supporters. We are aware of the need to protect vulnerable persons in any fundraising we undertake and are continually taking steps to ensure our fundraising approach takes this into account. We continually review our methods of fundraising and communications to ensure that our approaches are appropriate, that we provide our supporters with the very best donor care and that we are compliant with both best practice and legislation.

We are a member of the Fundraising Regulator and fully comply with all relevant laws including the Data Protection Act 1998, the General Data Protection Regulation, and the Privacy and Communications Regulations 2003. We also screen against the Fundraising Preference Service.

We always strive for best practice in our fundraising and take complaints very seriously. Between 1 April 2021 and 31 March 2022, we received no complaints about fundraising activity undertaken by the Charity.

Public benefit

The Charity confirms that the Trustees have complied with their duty to have due regard to the guidance on public benefit requirement published by the Charity Commission under the Charities Act 2011 in exercising its powers or duties.

The fundraising work of the Charity builds upon the grant giving, providing the RNOH NHS Trust with additional resources and support enabling a higher standard of patient care to members of the public attending the hospital.

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations. Charity law requires the Trustees to prepare financial statements for each financial year.

Under that law they are required to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. Under charity law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and of the excess of expenditure over income for that year.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue its activities.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and 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 Charities Act 2011. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Charity and to prevent and detect fraud and other irregularities. The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charity's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In addition, the Trustees confirm that they are satisfied that the content of the annual review in pages 1 to 20 of this document meet the requirements of the Trustees' Annual Report under charity law. They also confirm that the financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the Charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014.

Each of the persons who is a Trustee at the date of approval of this report confirms that:

- so far as the Trustee is aware, there is no relevant audit information of which the Charity's auditors are unaware; and,
- the Trustee has taken all the steps he/ she ought to have taken as a Trustee to make himself/herself aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

This report was approved and authorised for issue by the Board of Trustees on 09/09/2022 and signed on its behalf by:



Dorothy Dalton
Chair

Date: 09/09/2022



Independent Auditor's report to the Trustees of the Royal National Orthopaedic Hospital Charity

Opinion

We have audited the financial statements of Royal National Orthopaedic Hospital Charity for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2022, and of its incoming resources and application of resources, 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 Charities Act 2011.

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 Charity 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 Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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 course of 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 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.



Independent Auditor's report to the Trustees of the Royal National Orthopaedic Hospital Charity

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the Charity has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we required for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 26, 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 determines 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 Charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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 charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

Independent Auditor's report to the Trustees of the Royal National Orthopaedic Hospital Charity



- 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 charity'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 charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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 charity.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charity and considered that the most significant are 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 charity 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.



Independent Auditor's report to the Trustees of the Royal National Orthopaedic Hospital Charity

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charity and charity's trustees as a body, for our audit work, for this report, or for the opinion we have formed.



Luke Holt (Senior Statutory Auditor)

for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

9 Appold Street
London
EC2A 2AP

Date: 16/09/2022

Statement of Financial Activities for the year ended 31 March 2022

	Notes	Unrestricted funds £'000	Restricted funds £'000	2022 Total £'000	Unrestricted funds £'000	Restricted funds £'000	2021 Total £'000
Income							
Voluntary income	2.1	452	851	1,303	376	627	1,003
Fundraising events		14	-	14	16	-	16
Investment income	3.1	18	144	162	19	129	148
Other activities		-	6	6	-	10	10
Total income		484	1,001	1,485	411	766	1,177
Expenditure							
Cost of raising funds:							
Voluntary fundraising costs		-	265	265	-	221	221
Investment management costs		5	27	32	-	-	-
Total cost of raising funds	4.1	5	292	297	-	221	221
Expenditure on charitable activities	5.1	307	1,458	1,765	259	1,162	1,421
Total expenditure		312	1,750	2,062	259	1,383	1,642
Net gains on investments	8.1	46	466	512	72	651	723
Net income/(expenditure)		218	(283)	(65)	224	34	258
Transfer between funds	11.1	47	(47)	-	74	(74)	-
Net movement in funds		265	(330)	(65)	298	(40)	258
Reconciliation of Funds							
Funds brought forward at 1 April		549	3,642	4,191	251	3,682	3,933
Funds carried forward at 31 March		814	3,312	4,126	549	3,642	4,191

During the year, no operations have been either discontinued or acquired by RNOH Charity.

The notes on pages 34 to 46 form part of these accounts.

Balance Sheet as at 31 March 2022

	Notes	Unrestricted funds £'000	Restricted funds £'000	2022 Total £'000	2021 Total £'000
Fixed assets					
Investments	8.1	630	4,854	5,484	4,827
Debtors - non-current	9.1	-	8	8	18
Total fixed assets		630	4,862	5,492	4,845
Current assets					
Debtors - current	9.1	76	75	151	189
Cash at bank and in hand		640	-	640	46
Total current assets		716	75	791	235
Creditors: amounts falling due within one year	10.1	(378)	(1,470)	(1,848)	(797)
Net current liabilities		338	(1,395)	(1,057)	(562)
Total assets less current liabilities		968	3,467	4,435	4,283
Creditors: amounts falling due after more than one year	10.2	(154)	(155)	(309)	(92)
Net assets		814	3,312	4,126	4,191
Reserves					
General funds		586	-	586	549
Designated fund		228	-	228	-
Unrestricted funds	11.1	814	-	814	549
Restricted funds	11.1	-	3,312	3,312	3,642
Total funds		814	3,312	4,126	4,191

The notes on pages 34 to 46 form part of these accounts.

Approved and authorised by the Trustees and are signed on their behalf by:



Dorothy Dalton
Chair

Date: 09/09/2022



Matthew Lee
Trustee

Date: 09/09/2022

Cash Flow Statement for the year ended 31 March 2022

	2022 Total £'000	2021 Total £'000
Cash flows from operating activities:		
Net cash generated by/(used in) operating activities	487	(460)
Cash flows from investing activities:		
Income from investments	152	148
Receipts from sale of investment assets	5,715	445
Payments to acquire investment assets	(5,760)	(149)
Net cash provided by investing activities	107	444
Change in cash and cash equivalents in the reporting year	594	(16)
Cash and cash equivalents at the beginning of the reporting year	46	62
Cash and cash equivalents at the end of the reporting year	640	46
Reconciliation of net cash used in operating activities		
Net (expenditure)/income for the period	(65)	258
Adjustments for:		
Gains on revaluation of investment assets	(512)	(723)
Investment income	(162)	(148)
(Increase)/decrease in debtors	(42)	71
Increase in creditors	1,268	82
Cash inflow/(outflow) from operating activities	487	(460)
Analysis of cash and cash equivalents and net debts		
Cash at bank and in hand		
Opening balance	46	62
Cash flows	594	(16)
Closing balance	640	46



Notes to the financial statements

Accounting policies

1.1 Basis of preparation

These financial statements have been prepared under the historic cost convention, with the exception of investments which are included at market value.

The financial statements have been prepared in accordance with 'Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) second edition (effective 1 January 2019)', the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), including Update Bulletin 2 and relevant charity law.

RNOH Charity is a charitable incorporated organisation registered in England & Wales. The Charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the Charity, and monetary amounts are rounded to the nearest thousand pounds.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

1.2 Going concern basis

The Trustees have considered the Charity's forecasts and projections and have concluded that there is a reasonable expectation that the Charity has adequate resources to continue in operation for the foreseeable future.

Whilst the Charity's investment portfolio is susceptible to movements in investment values, it still has sufficient liquidity through existing cash facilities to meet its grant commitment obligations. The Charity therefore continues to adopt the going concern basis in preparing the financial statements.

The Trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the Charity to continue as a going concern. The Trustees have made this assessment for a period of at least one year from the date of approval of the financial statements.

1.3 Income

a) Recognition

All income is included in full in the Statement of Financial Activities as soon as the following three factors can be met:

- i) Entitlement – arises when a particular resource is receivable or control over the right to economic benefit has passed to the Charity.
- ii) Probable – it is more likely than not that the economic benefits associated with the transaction will flow to the Charity;
- iii) Measurement – when the monetary value of the incoming resources can be measured with sufficient reliability.

Notes to the financial statements

b) Donated services and facilities

The Charity receives IT support and the use of office facilities from the RNOH free of charge. The amount at which gifts in kind are brought into account is a reasonable estimate of their market value and the amount which the Charity would be prepared to pay for the service.

1.4 Expenditure

All expenditure is accounted for on an accruals basis. All expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party.

Where possible, all costs are directly attributed to an expenditure category.

a) Cost of raising funds

The costs of raising funds are the costs associated with generating income for RNOH Charity.

b) Expenditure on charitable activities

This includes grants payable and other directly associated support costs. Grants payable are primarily payments to RNOH, in furtherance of the Charity's objectives. Grants are accounted for on an accruals basis where the conditions for their payment have been met or where a third party has a reasonable expectation that they will receive the grant and where the liability can be reasonably quantified.

c) Support costs

Support costs, which include governance costs, that relate to more than one expenditure category are apportioned based on representing activities.

d) Irrecoverable VAT

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

1.5 Fund structure

Restricted funds are those for which a legal restriction exists over its use and related income is restricted to the purpose of the fund.

Unrestricted funds are those funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity. They comprise general funds, where there are no constraints on use, and designated funds which have been set aside by the Trustees, to ensure due regard to donors wishes.

The major funds held within these categories are disclosed in note 11.1.



Notes to the financial statements

1.6 Pension contributions

The cost of employer contributions to the NHS Pension Scheme and the Defined Contribution Scheme, is charged to the Statement of Financial Activities.

Certain past and present employees are covered by the provisions of the NHS Pensions Scheme. Details of benefits payable under these provisions can be found on the NHS Pensions website (www.nhsbsa.nhs.uk/nhs-pensions). The Scheme is an unfunded, defined benefit scheme, preparing its own statements, that covers NHS employers, general practices and other bodies allowed under the direction of the Secretary of State, in England and Wales. The Scheme is not designed to be run in a way that would enable NHS bodies to identify their share of the underlying Scheme assets and liabilities. Therefore, the Scheme is accounted for as if it were a defined contributions scheme: the cost to an NHS body of participating in the Scheme is taken as equal to the contributions payable to the Scheme.

Applicable rates for employee contributions for the NHS Pension Scheme ranged from 7.1% to 13.5% for 2021 | 22 and 2020 | 21. Employer contributions were 14.38% for both 2021 | 22 and 2020 | 21.

Employees employed after 2018 can choose to belong to a Defined Contribution Work Place Pension Scheme. Applicable rates for both employee and employer contributions were 5% (2020 | 21 5% and 5% respectively).

1.7 Investments

Investments are stated at market value as the balance sheet date and asset purchases and sales are recognised at the date of trade. Unrealised and realised gains and losses on investment assets are recorded in the Statement of Financial Activities as they arise.

1.8 Financial instruments

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

1.9 Cash and cash equivalents

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

1.10 Taxation

As a registered charity, income and gains are exempt from Corporation Tax to the extent that they are applied to the charitable objects of the charity.

Notes to the financial statements

1.11 Critical accounting estimates and areas of judgement

In preparing financial statements it is necessary to make certain judgements and assumptions that affect the amount recognised in the financial statements.

Accounting estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The key judgements and estimates are:

- a) Allocation of income, expense and gain/loss to unrestricted and restricted funds
In preparing the financial statements judgements and estimates have been made in relation to the extent of allocation to the funds.
- b) Grant creditors settled over multi-year time period
Some grant commitments will be settled over multiple financial years and so the short term and long term grant creditor balances represent the best estimate of the expected cash outflows at the balance sheet date.
- c) Donated services and facilities
Judgements and estimates have been made in relation to the market value of donated services and facilities.

1.12 Fixed assets

Tangible and intangible assets are included in the balance sheet at cost less accumulated depreciation. Depreciation is charged on a straight line basis to support costs over the estimated useful life of three years for IT and five years for fixtures, fittings and equipment and the capitalisation threshold used by the Charity is £1,000.

2.1 Voluntary income

	Unrestricted funds £'000	Restricted funds £'000	Total Funds 2022 £'000	Unrestricted funds £'000	Restricted funds £'000	Total Funds 2021 £'000
Donations	106	623	729	72	260	332
Grants	1	223	224	1	152	153
Legacies	331	5	336	289	5	294
Gifts in kind	14	-	14	14	15	29
NHS Charities Together Grants	-	-	-	-	195	195
	452	851	1,303	376	627	1,003

Donations for 2021 | 22 include a £550k major donor gift, there were no transactions of a similar value in 2020 | 21.

NHS Charities Together Grant funding in 2020 | 21 related to the Covid-19 Emergency Appeal Grant Scheme for enhancing the wellbeing of NHS staff, volunteers and patients as part of the Charity's Covid-19 response. No grants were received in 2021 | 22.

Notes to the financial statements

3.1 Investment income

	Unrestricted funds £'000	Restricted funds £'000	Total Funds 2022 £'000	Unrestricted funds £'000	Restricted funds £'000	Total Funds 2021 £'000
CCLA dividend	9	73	82	19	129	148
Cazenove dividend	9	71	80	-	-	-
	18	144	162	19	129	148

4.1 Cost of raising funds

	Unrestricted funds £'000	Restricted funds £'000	Total Funds 2022 £'000	Unrestricted funds £'000	Restricted funds £'000	Total Funds 2021 £'000
Voluntary fundraising costs						
Staff costs	-	166	166	-	133	133
Other direct costs	-	55	55	-	61	61
Apportionment of overheads	-	44	44	-	27	27
Total cost of voluntary fundraising	-	265	265	-	221	221
Investment management costs	5	27	32	-	-	-
Total cost of raising funds	5	292	297	-	221	221

5.1 Expenditure on charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Total Funds 2022 £'000	Unrestricted funds £'000	Restricted funds £'000	Total Funds 2021 £'000
Grant funded activity	259	1,254	1,513	300	1,032	1,332
Activities undertaken directly	-	103	103	-	113	113
Total grant programme	259	1,357	1,616	300	1,145	1,445
Grants undrawn, written back or returned	(24)	(16)	(40)	(105)	(98)	(203)
Total grant programme after reversal of prior years' grants	235	1,341	1,576	195	1,047	1,242
Staff costs	23	67	90	29	50	79
Other direct costs	18	-	18	24	21	45
Apportionment of overheads	31	50	81	11	44	55
Net grant expenditure	307	1,458	1,765	259	1,162	1,421

Grant-funded activity includes £1,513k of grants awarded in year, where the Trustees have committed to expenditure and costs are expected to fall due largely within the next financial year (see note 10.3). Activities undertaken directly are funds spent directly by wards and departments.

Grants undrawn, written back or returned, reflect an underspend across various projects. Although RNOH Charity maintains regular contact with grantholders, there are occasions where planned expenditure is not achievable and the related grant commitment is reversed.

Notes to the financial statements

5.2 Total grant programme summary

	Unrestricted funds £'000	Restricted funds £'000	Total Funds 2022 £'000
Improving the staff experience			
Wellbeing lead	-	60	60
Wellbeing hub	-	44	44
Other grants	13	5	18
Activities undertaken directly	-	6	6
Total	13	115	128
Enhancing the patient experience			
Volunteer service	220	11	231
Patient packs	16	-	16
Occupational therapy	5	-	5
Paediatric rehabilitation bike	-	4	4
Recliner chairs for the surgical admissions and procedures unit	5	-	5
Activities undertaken directly	-	7	7
Total	246	22	268
Investing in medical research			
3D magnetic resonance imaging MRI research	-	100	100
Smart computing of 3D MRI to enable cost effective clinical trials	-	100	100
Improving people's lifestyle: from couch to 5k	-	110	110
State-of-the-art analysis of implants and surgical planning tools	-	36	36
Optimising antimicrobial prophylaxis in the surgical treatment of primary bone tumours	-	24	24
Other grants	-	10	10
Activities undertaken directly	-	90	90
Total	-	470	470
Creating a world-class facility			
EOSedge Scanner	-	750	750
Total	-	750	750
Total grant programme	259	1,357	1,616

Notes to the financial statements

6.1 Cost allocation

Where possible, costs have been directly allocated to one of the above categories.

The remainder, relating to general office costs and governance costs, have been allocated based on represented activities.

Apportioned overheads include governance costs of £46.9k (2020 | 21 £21.6k) which includes external audit fees of £13.1k (2020 | 21 £8.7k).

7.1 Analysis of staff costs

	2022 Total £'000	2021 Total £'000
Salaries and wages	214	175
Social security costs	18	14
Pension costs	24	23
Total	256	212
Average number of full time equivalents	4	4
Average head count	6	6

Salaries and wages include a settlement agreement with one staff member of £14k (2020 | 21 £nil).

7.2 Pension contributions for higher paid employees

The following pension contributions were made for employees within the annual emolument ranges indicated:

	Value of contributions £'000	Number of staff receiving contributions
80,001 - 90,000	12	1

7.3 Higher paid employees

The following number of employees received emoluments falling within the ranges indicated:

	2022	2021
80,001 - 90,000	1	1

Key management personnel, the senior management team of 3, received aggregate employee benefits of £182k (2020 | 21 £105k).

Notes to the financial statements

8.1 Fixed asset investments

	Market value at 31 March 2021 £'000	Additions at cost £'000	Proceeds of disposal £'000	Net gain/ loss on revaluation Total	Market value at 31 March 2022 £'000
COIF Investment fund	4,284	-	(4,898)	614	-
COIF Property fund	498	-	(558)	60	-
COIF Deposit fund	45	114	(159)	-	-
Cazenove Charity Responsible Multi-Asset Fund	-	5,088	-	(162)	4,926
JP Morgan Liquidity fund	-	558	-	-	558
	4,827	5,760	(5,615)	512	5,484
Year ended 31 March 2021	4,500	149	(545)	723	4,827

The historical cost of the investment as at 31 March 2022 was £5,646k (2021 £4,037k).

The net gain on revaluation comprised; realised gains of £674k (2021 £nil) and unrealised losses of £162k (2021 gains of £723k).

In March 2022 the investment in Cazenove's Charity Responsible Multi-Asset Fund transitioned from accumulation units to distribution units.

9.1 Debtors

	2022 £'000 Total	2021 £'000 Total
Non-current		
Other debtors	8	18
Current		
Other debtors	20	28
Cash in transit	-	100
Prepayments	13	7
Accrued income	118	54
	151	189

Accrued income includes £67k (2021 £10k) of legacy income accrued in accordance with the accounting policy 1.3a.

Notes to the financial statements

10.1 Creditors: amounts falling due within one year

	2022 £'000 Total	2021 £'000 Total
General creditors	26	38
Accruals	100	15
Other taxation and social security	5	4
Grant commitments (see note 10.3)	1,688	740
Deferred income	29	-
	1,848	797

Grant commitments include £750k for the EOSedge scanner, awarded in December 2021.

10.2 Creditors: amounts falling due after more than one year

	2022 £'000 Total	2021 £'000 Total
Grant commitments (see note 10.3)	309	92

Consideration has been taken of the time effect of money on these future commitments, however given the value is immaterial no adjustment is necessary.

10.3 Grant commitments

	2022 £'000 Total	2021 £'000 Total
Grant commitments as at 1 April	832	742
Commitments awarded in year	1,513	557
Commitments expended in year	(308)	(264)
Grants undrawn, written back or returned	(40)	(203)
Grant commitments as at 31 March	1,997	832

Grant commitments comprise a number of grant awards to the RNOH where the Trustees have committed to expenditure and costs are expected to fall due in future years.

Notes to the financial statements

11.1 Analysis of Charity funds

	1 April 2021 £'000	Income £'000	Expenditure £'000	Gains/ (losses) £'000	Transfers £'000	31 March 2022 £'000
Restricted funds						
General Redevelopment Appeal	949	52	(161)	123	-	963
The London Irish Ward Fund	342	-	-	-	-	342
Venables Fund	216	9	(17)	28	-	236
Foot & Ankle Research & Education Fund	155	6	(13)	20	-	168
Pharmacy Department	146	8	(12)	19	-	161
Spinal Surgery - Education & Research	120	5	(10)	15	-	130
London Spinal Cord Injury Centre	102	6	(9)	13	-	112
Independent Living Unit	106	4	(18)	14	-	106
Radiology Department	89	13	(9)	12	-	105
Funds £50k-£100k						
- Research (3)	198	9	(16)	25	-	216
- Wards/departments (2)	169	11	(18)	22	-	184
- Fundraising (3)	232	10	(38)	30	-	234
- Other (1)	55	2	(4)	7	-	60
Others, up to £50k						
- Research (12)	215	105	(135)	29	(45)	169
- Wards/departments (27)	190	15	(20)	25	1	211
- Fundraising (18)	335	47	(157)	29	(3)	251
- Other	23	-	(27)	4	-	-
- 3D MRI Muscle Health Research Fund	-	135	(310)	-	-	(175)
- EOSedge Scanner Fund	-	564	(776)	51	-	(161)
Total restricted funds	3,642	1,001	(1,750)	466	(47)	3,312
Unrestricted funds						
- General funds	549	256	(312)	46	47	586
- Designated legacy fund (1)	-	228	-	-	-	228
Total unrestricted funds	549	484	(312)	46	47	814
Total funds	4,191	1,485	(2,062)	512	-	4,126

Transfers between funds represent income or grant expenditure which has been reclassified to ensure donations are used in accordance with donors wishes.

The 3D MRI Muscle Health Research Fund and the EOSedge Scanner Fund represent grants awarded by the Charity in advance of confirmed funding.

The designated fund relates to a legacy receipt in the year. The Trustees have set the funds aside to honour the wishes of the legator.



Notes to the financial statements

11.2 Details of material restricted funds

Name of fund	Nature and purpose of fund
General Redevelopment Appeal	For the redevelopment of the hospital.
The London Irish Ward Fund	For the London Irish Ward (from the London Irish Ward Appeal).
Venables Fund	To assist RNOH staff who are experiencing financial difficulty.
Foot & Ankle Research & Education Fund	To improve the service of the Foot and Ankle Unit.
Pharmacy Department	For pharmacy education and training, workforce development and patient benefit.
Spinal Surgery - Education & Research	For the furtherance of spinal surgery education and research at the RNOH.
London Spinal Cord Injury Centre	To support staff and patients, including maintenance and upkeep of reintegration vehicles and staff training.
Independent Living Unit	For the new independent living unit.
Radiology Department	To support staff and patients in the radiology department.
3D MRI Muscle Health Research Fund	For 3D MRI muscle health research projects.
EOSedge Scanner Fund	For the EOSedge scanner.

Notes to the financial statements

11.3 Analysis of Charity funds - prior year

	1 April 2020 £'000	Income £'000	Expenditure £'000	Gains/ (losses) £'000	Transfers £'000	31 March 2021 £'000
Restricted funds						
General Redevelopment Appeal	577	55	(102)	214	205	949
The Portelli Children's Fund	381	4	(17)	(1)	(367)	-
The London Irish Ward Fund	342	-	-	-	-	342
Venables Fund	191	9	(25)	41	-	216
Foot & Ankle Research & Education Fund	129	6	(8)	28	-	155
Pharmacy Department	106	23	(8)	25	-	146
Spinal Surgery - Education & Research	100	5	(6)	21	-	120
Covid-19 Support Fund	1	236	(119)	-	-	118
London Spinal Cord Injury Centre	110	9	(37)	19	-	101
Independent Living Unit	104	(5)	(17)	24	-	106
Funds £50k-£100k						
- Research (4)	181	98	(57)	43	-	265
- Wards/departments (3)	208	27	(21)	46	-	260
- Fundraising (3)	208	8	(20)	36	-	232
- Other (1)	57	1	(3)	-	-	55
Others, up to £50k						
- Research (11)	180	7	(73)	36	-	150
- Wards/departments (27)	156	17	(38)	33	22	190
- Fundraising (19)	633	264	(832)	83	66	214
- Other (1)	18	2	-	3	-	23
Total unrestricted funds	3,682	766	(1,383)	651	(74)	3,642
General funds	251	411	(259)	72	74	549
Total funds	3,933	1,177	(1,642)	723	-	4,191

12.1 Analysis of net assets between funds - 2022

	Unrestricted Funds £'000	Restricted Funds £'000	2022 Total Funds £'000
Total fixed assets	630	4,862	5,492
Current assets	716	75	791
Current liabilities	(378)	(1,470)	(1,848)
Creditors: amounts falling due after more than 1 year	(154)	(155)	(309)
	814	3,312	4,126

Notes to the financial statements

12.2 Analysis of net assets between funds - 2021

	Unrestricted Funds £'000	Restricted Funds £'000	2021 Total Funds £'000
Total fixed assets	985	3,860	4,845
Current assets	29	206	235
Current liabilities	(373)	(424)	(797)
Creditors: amounts falling due after more than 1 year	(92)	-	(92)
	549	3,642	4,191

13.1 Trustee remuneration

None of the Trustees received remuneration for their services to the Charity (2020 | 21 £nil) and no Trustees were reimbursed for expenses incurred during 2021 | 22 (2020 | 21 £nil).

Indemnity cover is provided for Trustees by the Charity.

14.1 Related party transactions

The total amount of related party donations made, without conditions, was £2.50 (2020 | 21 £49).

During the year, RNOH Charity made grants totalling £1.513m to RNOH (2020 | 21 £1.332m).

One Trustee is employed by the RNOH and was awarded a grant during 2020 | 21 of £92,464. The standard procedure for grant applications was followed and the Trustee was not involved in the approval process. As at 31st March 2022 the grant balance was £81,071 (2021 £92,464).

The Charity also benefits from the use of offices and IT services at no charge. These have been accounted for as a gift in kind (see note 1.3b).

RNOH staff and the Trust's finance system were utilised to manage the finance operations of the Charity at a cost of £55.8k (2020 | 21 £55.1k).

There are no other related party transactions which require disclosure in the year (2020 | 21 - nil).

15.1 Non-adjusting post balance sheet event

In June 2022 a significant, unexpected legacy was received of £230k.



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Charitable Incorporated Organisation
Charity Number: 1166129



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