

ROYAL HOSPITAL FOR NEURO-DISABILITY

England & Wales · Charity number 205907

Details

Status Registered

Legal form Other

Registered 1963-12-02

Register [View on the Charity Commission register](#)

Contact

Address Royal Hospital For Neuro-Disability
West Hill
London
SW15 3SW

Phone 02087804500

Email info@rhn.org.uk

Website www.rhn.org.uk

Activities

Objects: TO GIVE PERMANENT RELIEF TO SUCH PERSONS AS ARE HOPELESSLY DISQUALIFIED FOR THE DUTIES OF LIFE BY DISEASE, ACCIDENT, OR DEFORMITY; AND THIS SHALL BE CARRIED OUT ON THE BROAD PRINCIPLE OF CHRISTIAN KINDNESS AND LIBERALITY, IN THE HOPE OF UNITING ALL THE GOOD FOR THE GOOD OF ALL WHO REALLY NEED HELP.

Activities: The Royal Hospital for Neuro-disability is an independent, national, not-for-profit medical charity. It is not part of the NHS. It seeks through the provision of specialist services and research to enable people with profound or complex disabilities resulting from damage to the brain or other areas of the nervous system, to enjoy an optimal quality of life through enhanced independence.

Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research
- **What:** The Advancement Of Health Or Saving Of Lives, Disability
- **Who:** People With Disabilities

Geography

- **Area of benefit:** NATIONAL
- Throughout London

Finances

Period end	Income	Expenditure	Assets	Employees
2025-09-30	£60,715,000	£55,586,000	£58,267,000	870
2024-09-30	£56,569,000	£53,853,000	£51,927,000	873
2023-09-30	£52,827,000	£51,423,000	£47,167,000	789
2022-09-30	£49,159,000	£47,241,000	£45,465,000	734
2021-09-30	£43,169,000	£44,695,000	£45,283,000	735

Trustees

Name	Role	Appointed
JANE MCCORMICK	Chair	2023-04-19
ANDREW BAILEY		2023-10-19
Christopher Foster		2021-07-29
Deborah Hill		2021-04-22
Dr Christopher Paul Streater		2022-01-26
Hugh Rees		2020-01-29
James Culling		2025-07-24
Janet Louise Kidd		2026-01-28
Kathryn Skelton		2025-04-16
Mark Cooke		2020-01-29
Philip Clayson		2025-04-16
Salah Mirza		2023-10-19
Tessa Lindfield		2023-10-19

Linked charities

- CHAPLAIN'S STIPEND ENDOWMENT FUND (205907-1)
- AMENITIES FUND (205907-2)
- JOHN HOWARD CONVALESCENT HOME (205907-3)

ROYAL HOSPITAL FOR NEURO-DISABILITY

England & Wales - Charity number 205907

Accounts

ANNUAL REPORT AND ACCOUNTS

2024/25

Financial year ended 30 September 2025



Royal Hospital for
Neuro-disability

President

Leonora, Countess of Lichfield

Vice Presidents

Des Benjamin
Ruth Maxwell
Shirley Palmer
Alan Sanders
The Mayor of Wandsworth (ex Officio)

Administrative details

Royal Hospital for Neuro-disability
Registered charity number – 205907
Companies House registration – RC00481

Royal Hospital for Neuro-disability (Services) Limited
Company registration number – 04570542 (Non Trading)

Principal address and registered office

Royal Hospital for Neuro-disability
West Hill
Putney
London SW15 3SW

Our advisors

Auditor

Crowe U.K. LLP
55 Ludgate Hill
London EC4M 7JW

Banker

National Westminster Bank plc
153 Putney High Street
Putney
London
SW15 1RX

Insurance Broker

Marsh Ltd
Merlin House
Brunel Road
Theale
RG7 4BY

Investment Manager

Mercer
1 Tower Place West
Tower Place
London EC3R 5BU

Solicitors

Capsticks
1 St George's Road
London
SW19 4DR

Fieldfisher
Riverbank House
2 Swan
London
EC4R 3TT

Bevan Brittan LLP
Kings Orchard
1 Queen Street
Bristol
BS2 0HQ

Board of Trustees

Jane McCormick - Chairman

Previously a senior partner at KPMG and a member of the global management team for KPMG International. Chairs and serves on the boards of a number of commercial and not for profit organisations.

Andy Bailey – (from 19 October 2023)

Chief Marketing Officer primarily from the technology and services sectors, now non executive director, advisor and interim. Board member of Roffey Park Institute, strategy advisor to Tollejo and interim Chief Marketing Officer at Be My Eyes.

Philip Clayson (from 16 April 2025)

Philip is an experienced Chief Information and Technology Officer, non executive director and advisor across multiple sectors including Entertainment, Telecoms, Energy, Food and Pharma.

Philip has advised Government on Cyber for UK CNI, is a Chartered Engineer and an IET Fellow. Philip is a Certified as an AI Auditor and AI Ethicist, and is part of a global working group on AI.

Mark Cooke

Currently the Chief Risk Officer for Lloyds Wealth, following on from a Technology start up in the Risk space. He was previous to that the Group Head of Operational Risk, Group General Manager at HSBC and Chair of ORX; not for profit Industry Risk Consortium.

James Culling (from 16 October 2025)

James has 27 years of not for profit experience, having spent most of his career raising money for good causes. He's currently the Director of Fundraising and Engagement at Asthma and Lung UK.

Sarah Findlay (started 16 April 2025, resigned 24 July 2025)

During her time as Trustee, was General Counsel and Company Secretary at the Schoen Clinic UK Group as well as a Trustee at the Carers Network Westminster, London.

Christopher Foster

An ordained priest and bishop, serving for 8 years as a member of the House of Lords, he has a lifelong commitment to the wellbeing, health and support of the most vulnerable and marginalised people in our communities, and those closest to them. He is now a non executive director of NHS Somerset (chairs its finance, remuneration and people committees), and a trustee of national and local charities.

Deborah Hill

Works as a Finance Director at Unilever PLC with international finance and risk management expertise.

Tessa Lindfield – (from 19 October 2023)

A Director of Public Health with senior NHS and Local Government experience of strategy, commissioning and delivery of health and care services. Previously a Speech and Language Therapist specialising in Neuro-disability and assistive technology.

Salah Mirza (from 19 October 2023)

Salah is Director of Finance and Resources at Kings College Hospital Charity.

Hugh Rees (Treasurer)

Previously the chairman and CEO of Wilkinson Healthcare following an international career in finance, corporate strategy and general management in the pharmaceutical, medical devices and other life science industries.

Deborah Sanders – Deputy Chair

Chief Executive at Barnet Hospital and executive director of the Royal Free London NHS Foundation Trust. A registered nurse with 10 years' experience as a chief nurse and director of infection prevention and control.

Kathryn Skelton (from 16 April 2025)

Kathryn has been Chief People Officer with several global financial services firms, most recently Head of HR for Citigroup UK.

Kathryn possesses extensive experience of transformations, crisis management, restructuring and delivering culture change programmes. Additionally, she has deep expertise in wellbeing, inclusion, governance and regulation change management.

Chris Streater

Regional Medical Director and Chief Clinical Information Officer for NHSE London.

Executive Directors

Paul Allen

Chief Executive

Jane Beaven

Director of Fundraising, Marketing Communications and Facilities (Resigned 7 November 2025)

Frances Low

Director of Governance

Steven Luttrell

Medical Director

Lesley Mill

Director of Service Delivery

Nanda Ratnavel

Director of Finance

Della Warren

Director of Nursing

Our Trustees and Executives

Our Board committees

Audit and Risk Committee

Mark Cooke – Chair
Sarah Findlay
Jane McCormick
Salah Mirza

Board Medical Committee

Deborah Sanders
Chris Streater – Chair

The Executive and senior clinical staff are also members

Chairman's Committee

Mark Cooke
Chris Foster
Hugh Rees- Treasurer
Jane McCormick - Chairman
Deborah Sanders
Chris Streater

Ethics Committee

Paul Allen – Chief Executive
Geoff Coyne – Hospital Chaplain
Sarah Findlay
Christopher Foster - Chair
Dr Andrew Hanrahan – RHN consultant nominated by the Chief Executive
Jane McCormick
Laurence Oates (Co-optee)
Deborah Sanders
Other members of Executive are also members and staff, GPs and others also attend

Finance Committee

Andy Bailey
Adam Barber (Co-optee)
Deborah Hill
Hugh Rees – Treasurer and Chairman
Christopher Streater

Nominations and Remuneration Committee

Mark Cooke
Chris Foster
Jane McCormick - Chairman
Hugh Rees
Deborah Sanders
Chris Streater

Patient Safety and Quality Committee

Andy Bailey
Trudi Kemp
Deborah Sanders – Chair
Chris Streater
Tessa Lindfield

People and Culture Committee

Christopher Foster – Chair
Kathryn Skelton
Tessa Lindfield



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Chairman's opening statement

It is extremely pleasing to be able to report that despite some challenges resulting from changes in NHS commissioning and a sometimes difficult economic environment, including cost inflation in certain areas, the Executive Team has been able to deliver successful outcomes on a range of measures relating to the quality of patient and resident care and safeguarding; and a financial result that exceeds budget. This is, of course, key to our purpose of enabling the best possible quality of life for those we serve in a manner which is sufficiently financially sustainable to ensure that we can continue to do so for many years to come.

The Board has been particularly active this year. With a number of members having come to the end of their terms we welcomed 4 new trustees. Sarah Findlay resigned in year, Philip Clayson, Kathryn Skelton and James Culling bring experience and deep expertise in the areas of IT, Human Resources and Fundraising. We also said goodbye to Dominic Fairclough. Dominic has contributed his legal knowledge to the Board in a number of areas over his years as a trustee including the renewal of our Royal Charter in 2022. During the year we completed a review of the Board Assurance Framework under the guidance of our trustee Mark Cooke, who is a risk professional, taking us to a new level of sophistication in our understanding of risk management, controls and reporting in all areas of the organisation. We have set up a new Board sub committee focussing on people and culture. This recognises the importance of this area both to current operations and also to the execution of change as we embed Information and Technology and embrace new ways of working. It also removes some responsibilities from the Patient Safety and Quality Committee allowing it to spend more time focussing on its core mandate.

The Board has also contributed to the oversight of execution of current strategy including the continuing programme of ward refurbishments and the development of existing services. Importantly we have also been actively engaged in working groups with the Executive Team developing our longer term strategy. This is a leading to a number of exciting new projects which we hope will allow us to positively impact the lives of more people and remain truly relevant in a changing world.

So much of what we achieve at the RHN is down to the skill and dedication of our staff. Our Pathway to Excellence® accreditation is one of a number of accolades achieved by our nurses.

This year I have also been privileged to see at first hand some of the incredible work of our doctors and allied health professionals. This is reflected in the quality of the care they provide, including through the development and use of innovative diagnostic and treatment approaches. Much of this happens “behind the scenes” on our wards but I have also been privileged to attend events when our patients and residents have been able to say in particular what a difference our music and art therapists make to their lives. The amount and quality of the research that is undertaken at the RHN as a global centre of expertise in neuro-disability is truly incredible and it is impressive to see the output of this research, including the use of Artificial Intelligence and other technology quickly deployed back in the interests of continuously improving the quality of care.



Jane McCormick
Chairman
January 2026



Chief Executive's introduction

The past year has been one of significant achievement for the RHN. We have continued to deliver excellent outcomes for our patients and residents, strengthened our organisational capability and made important progress in developing our long term strategy.

Our work remains guided by the central purpose of the RHN; enabling the best possible quality of life for people living with complex or severe neuro-disability.

Delivering our 2024/25 Objectives

Patient experience: Participation in the patient and relatives survey widened considerably, giving us a deeper understanding of satisfaction and areas for improvement. A new format of corporate induction has reinforced our culture of listening, empathy and service. We also completed work to enhance admissions information and approved a business case to address long standing laundry issues, which is now being implemented.

People: This year has seen a strong focus on workforce stability and development. Turnover and sickness levels reduced substantially, leading to lower vacancy rates and costs. We established a network of in house coaches and advanced a programme of leadership development. Increasing numbers of staff are studying Level 7 qualifications and our redesigned induction process has embedded RHN values from day 1.

Jane Beaven departed the Executive Management Team, the first change for over 3 years.

Clinical and Service Development: Significant change has been achieved in the Specialist Nursing Home (SNH) model, improving cost effectiveness and competitiveness; and we agreed a Prolonged Disorders of Consciousness (PDOC) research programme to enhance outcomes for people with PDOC.

Marketing and Fundraising: While progress in the marketing strategy was limited due to personnel changes, fundraising performance was exceptional. Income exceeded the 3.1 million target by £2.2 million, a remarkable result. We surpassed the expected £750k contribution to the Hunter Ward refurbishment, reflecting the extraordinary generosity of our supporters.

Estates: The refurbishment of Hunter Ward was completed in January 2025, providing a modern, therapeutic environment for patients and staff alike. Board approval has been secured for the next major project, the refurbishment of Glyn Ward.

IT and Infrastructure: Modernisation of our IT

infrastructure continued including relocation of our backup systems within the RHN site for improved resilience. The Workday People Data System is nearing completion, laying the foundation for more integrated people and payroll data management.

Finance: The charity ended the year reporting a £6,340k surplus, a cash balance of £10,277k and net assets of £58,267k. 2024/25 saw the RHN's defined benefit pension scheme remain in surplus and a steady increase in the value of its investment portfolio.

During the year, the RHN successfully moved the administrative and secretarial support for the pension scheme to Broadstone and the management of its investment portfolio to Mercer.

With regard to the defined benefit pension scheme, the RHN is working with the trustee, Dalriada on the triennial valuation as of 30 September 2025. The Pension Regulator allows 15 months to complete this and new funding code necessitates additional work to be undertaken before completion.

Governance and Strategy: Our preparation for the next CQC inspection continued through a programme of mock reviews, our Gold Award for Safeguarding and Disability Confident accreditations reflect sustained excellence in governance and inclusion and 4 new trustees were appointed.

Looking Ahead: The coming year will see continued delivery of our 5 year strategy as we look to expand to a 10 year horizon.

The major objectives for 2025/26 are described in the Looking Forward section on page 27.

Conclusion: The achievements of 2024/25 have positioned the RHN strongly for the next stage of its strategic journey. As we move into 2025/26, we do so with confidence; guided by clear priorities, strengthened by the professionalism of our teams and inspired by the remarkable courage of the people we serve.



Paul Allen
Chief Executive
January 2026



Report of the trustees

for the year ended 30 September 2025

The Trustees are pleased to present their annual report, together with the financial statements of the charity for the year ended 30 September 2025.

The financial statements comply with the Charities Act 2011 and the 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) (effective 1 January 2019).

Our purpose

The charity's object is to give permanent relief to such persons as are hopelessly disqualified for the duties of life by disease, accident or deformity. The charity aims to enable people with profound or complex disabilities, resulting from damage to the brain or other areas of the nervous system, to enjoy an optimal quality of life through enhanced independence.

Public benefit

The Royal Hospital for Neuro-disability's trustees have considered the Charity Commission's published guidance on public benefits requirements under the Charities Act 2011.

The Charity carries out its objects and activities through:

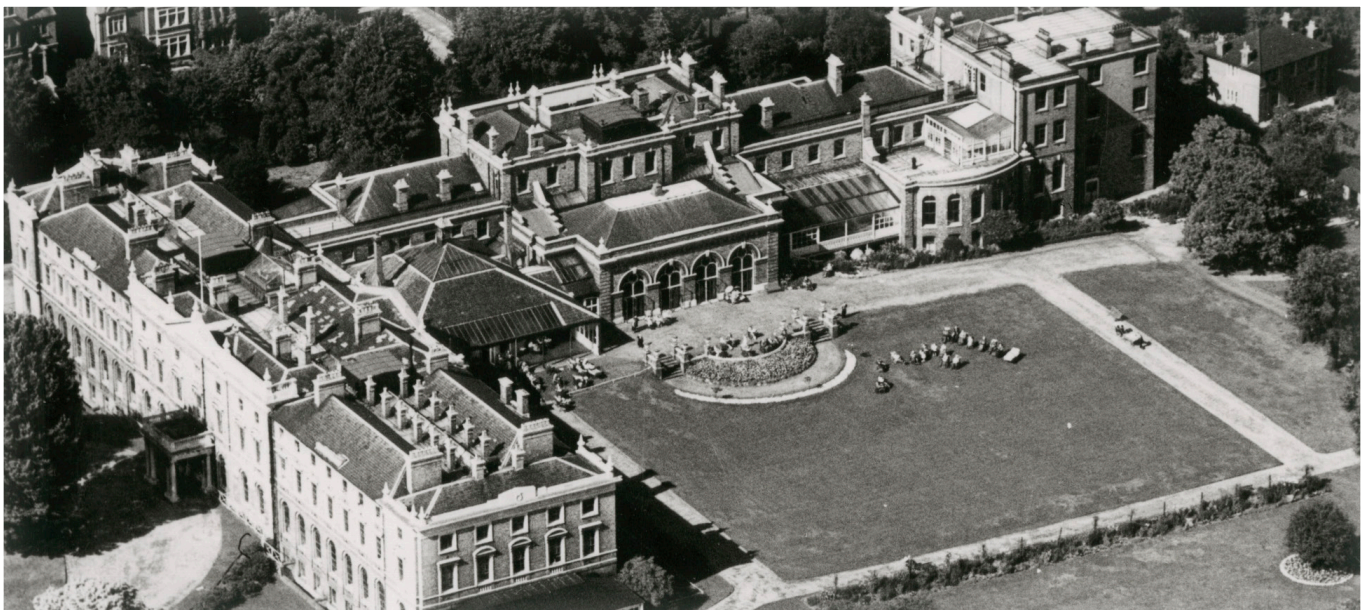
- contracts with NHS England and Integrated Care Boards to provide rehabilitation to adults following catastrophic brain injuries;
- contracts with Integrated Care Boards and others to provide care to adults who, following brain injury, require continuing specialist and complex care; and
- fundraising in order to enhance the care and wellbeing of patients and residents, by improving facilities available to them, developing and providing therapies such as occupational art and music therapies, offering recreational and social events, and providing pastoral care to all – whatever their faith or background.

Our charity

Founded by Andrew Reed in 1854, the Royal Hospital for Neuro-disability (RHN) is a charity hospital and research centre.

Our charitable status enables us to raise funds for a variety of specialist services that complement the NHS funded care package received by our patients and residents. These services broadly cover our Brain Injury Service and Continuing Care Service, both aimed at improving the quality of life for our patients and residents living with severe neurological disabilities.

As a medical charity with a holistic approach to treatment, we take great pride in delivering excellent work in the areas of assessment, rehabilitation and specialist care to some of the most disabled adults in the UK, as well as support to their families.



Fundraising

In support of the RHN's 5 year strategy – “The Path to Excellence”, Fundraising continues to play a vital role in the planning and delivery of the hospital’s vision and mission. This is made possible through the raising of voluntary income from a wide range of sources, which complement the RHN’s specialist care package and support to patients and residents; and help contribute to our overarching goal of becoming a national centre of excellence for complex neuro-disability.

In 2024/25, Fundraising generated an amazing £5.3 million (2024: £2.6 million) of voluntary income, over 50% above target, fully funding the services listed below and contributing to major capital developments. Whilst this increase in fundraising income is very pleasing and extremely welcome, this level cannot be relied upon in future years to support the vital refurbishment programme and the additional services which the RHN provides to patients and residents.

The services funded by fundraised income are as follows:

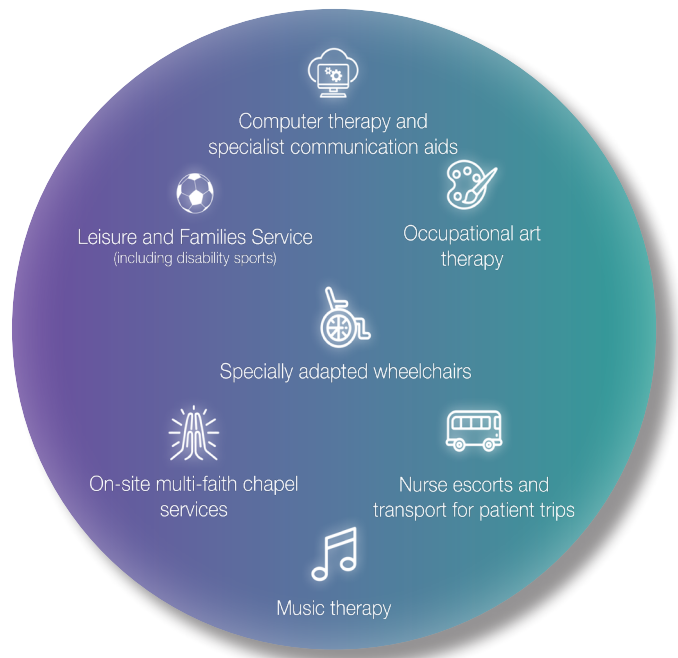
- Hardship fund to help struggling families
- Leisure and Families Service (including disability sports)
- Medical escorts and transport for patient trips
- Music Therapy
- Occupational Art Therapy

Of the above £5.3 million, Fundraising’s ongoing engagement with individuals, businesses and Trusts, achieved the following:

- £3.4 million received in legacies
- £54k raised through in memory donations from patient families and friends
- Over £1 million raised towards the Hunter Ward refurbishment capital project
- Highest ever sales of Christmas cards in support of Occupational Art Therapy

With the introduction of new amendments to fundraising practices, we remain registered with the Fundraising Regulator and adhere to the standards set by the Charity Commission for England and Wales, thereby reinforcing public trust and demonstrating our commitment to ethical and transparent fundraising practices.

Our charitable status continues to enable us to secure vital funding from individuals, community partners, grant makers, and corporate sponsors; all contributing to the RHN’s mission of delivering an exceptional level of specialist care and rehabilitation for our patients and residents.



Activity at the RHN in 2024/25

Statistics	2025	2024
Admission to the hospital	200	194

Bed Capacity

Brain Injury Service (excl. DToC)	42	42
Delayed Transfer of care (DToC)	6	6
Continuing Care	189	187
Aggregate bed capacity	237	235

Annual Bed Occupancies

Brain Injury Service (excl. DToC)	42	38
Delayed Transfer of Care	3	5
Continuing Care	171	177
Average bed occupancy	216	220

Patients treated within the BIS	130	133
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Percentage occupancy rate BIS inc. DToC	94%	90%
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Percentage occupancy rate BIS excl. DToC	100%	90%
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Percentage occupancy rate CC	90%	95%
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The RHN is a registered Charity contracting with the NHS to provide the best possible rehabilitation and care for people living with a neuro-disability. In October 2022 we launched our strategy "The Path to Excellence" and our plans demonstrate our clear commitment to our patients and residents and our partnership with NHS England (NHSE) and integrated care boards (ICBs). Quality and Value for our Commissioners is an important part of our strategy, alongside our commitment to delivering exceptional care to our patients and residents.

We combine expert clinical care specialist therapies and innovative technologies to enable the best possible quality of life for people with neuro-disability. Our service pathways include:

- Ventilation and complex respiratory service
- Brain Injury service (Level 1 commissioned services)
- Neuro-behavioural service
- Specialist Nursing Home including a unit specifically designed to meet the needs of younger adults transitioning from longer term paediatric to adult care
- Augmentative and Alternative Communication service (Outreach service)

Brain Injury Services

In 2024/2025 the RHN admitted 200 patients and residents, which is up on the 194 admissions in the previous year.

Of the 48 beds in the Brain Injury Service, 42 beds were used as part of the NHSE contract for the provision of specialist rehabilitation level 1/2a, with an additional 6 contingency beds to accommodate delayed transfers of care, pressure alleviation from NHS bed blocking and spot purchase packages for both NHS and private patients with rehabilitation needs.

The average length of stay in the Brain Injury Service during the NHS Year April 2024 to March 2025 was 16.8 weeks compared with 15.2 weeks the previous year.

The RHN is committed to continuously improving responsiveness to referrals and aims to process referrals within 14 days of receipt. Furthermore, the RHN dedicates its resources to maintaining its ability to admit patients with considerably high complex needs, recorded on admission and discharge. The RHN continues to be a leader in the field with its ability to accept patients who are severely impaired.

In 2024/2025, the RHN discharged 168 patients and residents from across all our services. This data is inclusive of discharges to home and other services; and excludes deaths.

Research and innovation

As part of our 2022 to 2027 strategy “Path to Excellence”, our focus is on areas where there is potential benefit for our patients and residents and we are recognised for our expertise. We have therefore prioritised research in the following areas:

- disorders of consciousness
- tracheostomy and long term ventilator support
- rehabilitation and technology innovation
- oral health and dental care

We also undertake research and innovation in other areas of relevance to our services.

We organised:

- 18 courses
- 3 open lectures
- 2 specialist conferences

During the year we also organised an internal research conference offering an opportunity for our staff, master’s and PhD students to present their work to an internal audience.

We have continued to grow our research capacity and capabilities. In October 2024 we had 40 research projects and 25 staff involved in research. By October 2025 we had 36 research projects, 7 technology projects and 29 staff involved in research.

Overall, analysis confirms a healthy portfolio of projects. Prolonged disorders of consciousness remains the dominant topic of research with 22 projects. There has been an increase in technology focused projects. Project leadership is spread across a wide range of professions and there is a good balance between internally led and collaborative projects.

Publications during 2024/25 are listed below.

Articles:

Making Healthcare Decisions on Behalf of People in a Disorder of Consciousness. A “Risk-Making” Theory of Decisional Practices. Clark T, Edgley A, Kerry R. *AJOB Neurosci*. 2025 Jul-Sep;16(3):129-145.

Do some people with a prolonged disorder of consciousness experience pain? A clinically focused narrative review and synthesis. Wade DT, Hanrahan A. *Clin Rehabil*. 2025 Jun;39(6):796-807.

The assessment of mood in people with severe cognitive and communication impairments following brain injury: a survey of UK-based professionals.

Rose AE, Cullen B, Crawford S, Evans JJ. *Brain Inj*. 2025 Aug;39(11):947-962.

The Effect of Residential Distance from Inpatient Setting on Outcomes of Rehabilitation Following Acquired Brain Injury. Bradley L. *NeuroRehabilitation*. 2025 May;56(3):414-417.

The effectiveness and safety of botulinum toxin treatment for sialorrhoea due to severe brain injury. Clark T, Arkan E, Bradley L. *Brain Inj*. 2025 May 12;39(6):476-481.

Intravenous sedation for adults with profound acquired brain injury undergoing dental treatment - a seven-year service evaluation. Doshi M, Kahatab A, Gallagher L, Prasad R, Fitzgerald R. *BDJ Open*. 2024 Dec 30;10(1):101.



Leisure and family services LaFS

LaFS continues to grow and strengthen as a therapeutic leisure service, dedicated to delivering meaningful, person centred activities that enhance the wellbeing, engagement, and quality of life of our residents. Our focus remains on offering a mix of tailored group sessions and individualised one to one support primarily within our Specialist Nursing Home, ensuring each resident's interests and goals remain central to everything we do.

Over the past year, LaFS has become further integrated operating under a shared reporting structure with other fundraised services across the organisation including Bereavement Support, the Chaplaincy Service and the Art Room. This alignment has strengthened collaboration and created a more cohesive approach to meeting residents' emotional, spiritual, and social needs.

Our ward based Activity Coordinators and ward staff continue to work closely across the Specialist Nursing Home and Specialist Services to plan and deliver a diverse weekly timetable of activities. This teamwork ensures that sessions are responsive to the needs of each ward and that residents are offered opportunities that bring purpose, enjoyment, and connection.

Faith and Chaplaincy Services

Church services remain well attended, with up to 100 patients, residents, and family members joining the traditional Sunday morning service in the Assembly Room. A dedicated team of volunteers escorts residents to and from the service.

Afternoon ward based services including those on Chatsworth, Haberdashers, JEC, and Leonora wards continue to be well supported. In the Chatsworth Day Room, the Thursday informal service and quiz attract participants from across the hospital, while the Friday Holy Communion service in the Chapel continues to grow, often attended by family members. A weekly Bible Study group meets on Wednesdays.

The parish priest of St. Thomas à Becket continues to conduct monthly Mass on site. Attendance has now grown beyond the capacity of the Chapel, so services are held in the De Lancey Lowe Room. The visiting Imam provides one to one spiritual support for Muslim residents.

Outside of group worship, the Chaplain provides individual Holy Communion, personalised readings, prayers, pastoral support, and end of life care. This year also saw the launch of a Chaplaincy Volunteer Team, offering one to one faith readings, prayers and companionship for patients and residents.

Therapeutic Leisure and Activities

Our ward based Activity Coordinators deliver a diverse weekly programme of therapeutic and leisure activities across the Specialist Nursing Home and Specialist Services. These include art and sensory sessions, music and sports activities, quizzes, film screenings, competitions, gardening, and games; all designed to promote and maximise engagement, enjoyment, and wellbeing among residents.

Visits from our Pets as Therapy (PAT) dogs continue to be a highlight across all wards, consistently bringing joy, comfort, and therapeutic benefit not only to our residents but to the staff as well. Due to growing demand and frequent requests for additional visits, our goal for next year is to recruit more

volunteers and their canine companions to expand this much loved service.

CoDa, Dance for Neurology, continued delivering six sessions per week across the organisation, consistently reaching full capacity and receiving positive feedback from attendees. Over the past year, CoDA recorded 3,284 patient attendances including staff, volunteers, families and friends.

While CoDa's lottery funding concluded in October 2024, we were pleased that new funding was secured through our Fundraising Team, ensuring sessions continue for another year.

We have three external Registered Massage and Beauty Therapists visiting on different days offering complimentary therapy services to patients and residents at the RHN. Referrals are accepted, passed on and monitored via the LaFS team.

Events and Highlights

In June 2025, the RHN hosted its first ever art exhibition, made possible through a Wandsworth Council grant as part of the 2025 Wandsworth Arts Fringe. Developed by the Art Room Technicians, the exhibition showcased artwork created by patients and residents, many using adaptive technologies to support independent artistic expression. Collaborating with independent curator, Roopa Basu, the exhibition was a celebration of creativity, empowerment and self expression.

Live concerts continue to take place weekly on Wednesday and Saturday afternoons. Both are now well established and supported by volunteers, helping residents enjoy performances that are a much loved highlight of the week.

Family and Practical Support

Over the past year, our family accommodation supported 592 overnight stays, providing affordable on site accommodation for relatives and friends. This service continues to play a vital role in helping families stay connected with their loved ones.

The on site hairdressing service had 442 appointments during the year, continuing to enhance residents' wellbeing, confidence, and dignity.

LaFS and the Social Work Team continue to run a biweekly benefits advice clinic, supported by the local Job Centre, offering practical guidance on financial entitlements and Department of Works and Pensions (DWP) communication. This year, we formalised our collaboration by being granted partnership status with the DWP, enabling direct referrals for patients and families applying for appointeeship.

The Brain Injury Group's monthly legal advice clinics have also grown in popularity, now operating by appointment due to increased demand. The Brain Injury Group is an independent organisation providing specialist financial and legal advice to individuals and families affected by brain injury.

Leisure and family services LaFS (continued)

Volunteers

We are thrilled to continue working with our wonderful volunteer team, whose dedication and commitment to supporting our patients and residents remains invaluable. This year, we are proud to welcome back the Ark Academy for the fifth year of their Enrichment Programme, alongside our regular students from Kingston, Westminster, and Roehampton University Volunteer Programmes.

Volunteers

Number of new volunteers recruited between 01 October 2024 and 30 September 2025 was 89 (2024: 83)

Number of volunteers active in the year to 30 September 2025 was 192 (2024: 161)

Number of active volunteers at 30 September 2025 was 115 (2024: 99)



Managing our risks

In order to minimise or eliminate risks to the charity during the 2024/25 financial year, potential risks were (and continue to be) identified and regularly reviewed by both the Executive team and Trustees. An online risk management system is used to enable effective recording, assessing and reporting of risks.

In 2024/25 the RHN identified its principal risk as pressure on income caused by factors such as fluctuating occupancy levels, above budget increases in employers' national insurance contributions and the London Living Wage; late receipt of contractual payments for the Brain Injury Service contract following changes to the NHS commissioning process and delays and below inflation fee uplifts by commissioners.

In relation to fluctuating occupancy levels, work continued throughout the year to focus on communication with commissioners and other referrers to generate additional referrals and admissions. Additionally, there has been a review of referral/admission procedures, to streamline processes and reduce the time between initial referral and admission. Reorganisation of wards and beds has also been undertaken to ensure a more efficient use of resources. This risk was downgraded by the end of the year.

This risk around the Brain Injury Contract was managed through early dialogue with NHS England (NHSE) to understand how the changing arrangements for specialist commissioning would affect the service and then opening discussions with individual NHS Integrated Care Boards (ICBs) about their elements of the contract. Similarly, ICBs commissioning Continuing Care received early notification of inflationary uplifts required.

By the end of the financial year settlements had been reached with all commissioners and the RHN had been paid what it was owed however income risk remains our most significant risk.

As a provider of specialist rehabilitation and long term care for adults living with neuro-disability, our purpose is to deliver safe, effective and compassionate care that enables each person to live with dignity, purpose and independence. In order to minimise the risk of failing to achieve these standards, we strengthened the systems that underpin quality, safety and clinical leadership that are now embedded within routine practice and assured through internal governance structures and external review.

Our workforce remains central to the quality of care delivered. Turnover is low and training compliance remains high at 94%. During this financial year we have paused international recruitment of nurses from overseas due to low registered nursing vacancies.

Quality of care

The RHN provides specialist rehabilitation and long term care for adults living with neuro-disability. Our purpose is to deliver safe, effective and compassionate care that enables each person to live with dignity, purpose and independence.

During 2024/25 we strengthened the systems that underpin quality, safety and clinical leadership. Following the Care Quality Commission (CQC) inspection in 2023, we completed a targeted programme of improvement addressing medicines management, infection prevention and control; and the oversight of national safety alerts. These improvements are now embedded within routine practice and assured through internal governance structures and external review.

Quality governance is established and accountable. The Patient Safety and Quality Committee provides direct oversight of safety and performance, drawing assurance from clinical audits, incident reports and patient feedback. The implementation of the national Patient Safety Incident Response Framework (PSIRF) has deepened organisational learning by supporting transparent reporting and a focus on system improvement that leads to safer care.

Our workforce remains central to the quality of care delivered. Turnover is low and training compliance remains high. Renewal of the Leaders in Safeguarding Gold Award confirms the strength of our safeguarding culture and leadership. Last year, the RHN achieved the Pathway to Excellence® designation, the first independent hospital in the UK to do so, recognising a workplace where all staff are empowered, supported and valued for their professional judgement, learning and leadership.

Investment in learning and development continues to build capability. The Learning and Organisational Development Team works with the Clinical Skills Team to provide targeted training, supervision and professional growth opportunities. This integrated approach supports confidence, competence and continuous improvement across the organisation.

Listening to patients, residents and families is central to how we improve. Feedback from surveys, service level forums and daily interactions inform measurable changes in communication, environment and activity provision. Through our Patient and Resident Experience Strategy, we continue to strengthen coproduction, ensuring that care design and delivery reflect the priorities of those who use our services.

Research and innovation remain key drivers of improvement. The first internal Research Conference in 2025 showcased studies in predictive analytics, assistive technology and neurostimulation for patients with disorders of consciousness. These initiatives demonstrate how clinical research and data are translated into safer practice and improved outcomes.

The RHN continues to strengthen quality through learning, reflection and strong leadership. Our focus remains on delivering care that is safe, compassionate and consistently improving.

Human Resource Operations

During this financial year we have paused international recruitment of nurses from overseas due to low registered nursing vacancies. We have recruited 15 Nurses in total, including Nurse Associates, of which 12 were internal promotions and a total of 60 Healthcare Assistants. 5 Nurse

Managing our risks (continued)

roles were filled through the internal promotion of Healthcare Assistants on passing their Objective Structured Clinical Examinations (OSCE).

There has been 32 Allied Health Practitioner roles filled during this time, with 12 of the successful candidates being internal promotions.

The Workforce function have been active in supporting the planning, design, integration and testing of the new Human Resource Information System, Workday.

Staff engagement, Wellbeing and Inclusion

Our annual Staff Engagement and Wellbeing Roadshow kicked off the RHN Festival with a widely attended event, drawing over 400 staff members. Participants engaged in various activities, including health and wellbeing checks via a SISU Onsite Health Machine, massage, yoga, reiki, "Reuse and Re-Love", a healthy juice and smoothie bar, and a walkthrough roadshow showcasing our engagement and wellbeing initiatives. The feedback received was overwhelmingly positive.

In June, the Race Equality Network took part in the Staff Engagement and Wellbeing Roadshow, raising awareness of the network and engaging staff in conversations about culture and ethnicity.

The network organised and helped celebrate East and South East Asian Heritage Month and Black History Month during the year. These celebrations featured food, music and guest speakers, attracting hundreds of staff members per event. The network meets monthly.

In May 2025, 4 network members attended the No One Left Behind: Anti racist Healthcare Conference hosted by the NHS Confederation. This conference was attended by a large number of staff working in healthcare across the UK. Network members heard about the anti racist approach taken by the NHS to support staff and patients.

Women's Staff Network

In April, the network hosted a Schwartz Round on experiences of menopause, this event had very positive feedback and engaged attendees in an important conversation about women's health.

In May, the network hosted a lunch and learn with guest speaker Steph Edusei, CEO of St Oswald's charity, previously named Transformational Leader at the Northern Power Women Awards 2022. The event was attended by over 50 members of staff, who listened to Steph talk about her career journey, the challenges she has overcome and managing imposter phenomena.

In June, the network took part in the Staff Engagement and Wellbeing Roadshow, showcasing the work of the network so far and encouraging staff to join the network. The network meets regularly and is currently looking at support for parents, a menopause policy and IVF related leave.

PRIDE@RHN LGBT+ Staff Network

The network continues to meet regularly, providing a supportive space for LGBT+ staff and allies to connect, offer peer support, and discuss relevant topics.

During Pride Month the network celebrated Pride during the

Staff Engagement and Wellbeing Roadshow. The network celebrated PRIDE 2025, with over 50 staff attending the Pride in London Parade in July, an event attended and watched by over 1.3 million people.

Wellbeing Council,

The Wellbeing Council, as part of our Pathway to Excellence® accreditation, meets monthly and includes a multi professional team dedicated to developing wellbeing initiatives.

"Celebrating Excellence: Recognising How People Demonstrate Our Values," which launched in January 2024 and runs quarterly continues to be utilised across the RHN to recognise staff living the RHN values. Winners each quarter have been celebrated at afternoon tea events with CEO Paul Allen.

Following feedback from the Annual Staff Survey, a staff restroom has now opened with very positive feedback.

Learning and Organisational Development

We have procured an e-learning authoring tool for use across the Learning and Organisational Development and Clinical Education teams. This will enable the development of bespoke training tailored to the RHN environment and the needs of our patient group.

In collaboration with the Psychology and Safeguarding teams, we have drafted a new Mental Capacity Act and Deprivation of Liberty Safeguards training programme, which is scheduled for implementation in 2026.



Managing our risks (continued)

Training Compliance

Overall, statutory and mandatory training compliance remains strong at 94%, continuing to exceed the organisational target. To support the accurate allocation of training resources, we have introduced an annual review process in which subject matter experts confirm what training applies to each staff group. This will also be updated as required in response to regulatory or practice changes. From 2026, all Mandatory and Statutory training will be reviewed quarterly to ensure it continues to meet regulatory expectations and is delivered as efficiently as possible.

Learning Management System (LMS)

Our online IPR system went live on 30 January 2025. The majority of staff have now moved to an anniversary based IPR cycle linked to their start date, while other staff groups will continue to follow an October to September cycle. Support is provided to staff who have not yet completed reviews due.

Other Developments

Apprenticeships:

In line with our commitment to maximise the use of the apprenticeship levy and support professional development, 3 staff (2024: 2) have commenced Level 7 Senior Leadership apprenticeships and 5 staff (2024: 8) have commenced Level 5 Leadership apprenticeships.

Safer People Handling (SPH):

A new, Larger Patient (formerly known as Bariatric) Safer People Handling course has been introduced to better support staff in responding to evolving patient needs. We plan to seek CPD accreditation with the aim of developing this training as a future income generating offer for the RHN.

Financial sustainability

In order to improve and provide the highest quality of care to patients and residents, the RHN recognises the need to maintain financial stability and to continue to attract donations, legacies and other fundraised income in order to invest in its facilities and equipment.

The RHN recorded a financial surplus for the financial year ended 30 September 2025 with year end reserves considered sufficient to continue operations for between three and four months in the unlikely event that all funding ceased. Our budget for the financial year ending 30 September 2025 anticipated a surplus in income and expenditure and continued satisfactory reserve levels. Further to the budget for the forthcoming financial year, the five year financial projection to the year ending 30 September 2030 presented to trustees sees improving surpluses and adequate cash balances as the RHN continues to alter its mix of services and invest in its infrastructure to improve services to patients and residents.

The RHN's primary sources of funding are NHS England (NHSE), NHS Integrated Care Boards (ICBs) and Local Authorities. As of April 2025, NHSE has devolved responsibility for commissioning of the Brain Injury Service to ICBs. NHS bodies receive annual increases with which to pay the RHN for its services. These are not sufficient to meet all the RHN's cost pressures so the RHN continues to work in partnership with commissioners to negotiate adequate contractual agreements whilst increasing efficiency.

The drive to maintain financial sustainability includes investment in technology, equipment and the estate with which to provide the highest standards of care and generate income. During 2024/25 refurbishment work on Hunter ward and improvements to heating, water, electrical and IT infrastructure were carried out.

The RHN has sufficient reserves for the foreseeable future, and has a five year financial projection supporting its corporate strategy. Further disclosures are available within the financial review and note 1.2 of our accounting policies.

The charity's committee with oversight of finances is the Finance Committee.

celebration



BLACK

HISTORY

MONTH

Financial review

The RHN reported an overall net surplus in funds for the year of £6.3million (2024: £4.8 million surplus) comprising the following:

	2025 £m	2024 £m
Hospital		
Hospital Activity Income	54.75	53.27
Hospital Activity Expenditure	(53.37)	(51.75)
Surplus from Hospital Activities	1.38	1.41
Voluntary and Other Activities		
Donations and Other Fundraising	5.32	2.57
Other Income	0.65	0.73
Income from Voluntary and Other Activities	5.97	3.30
Fundraising Expenditure	(0.97)	(0.86)
Voluntary and Other Expenditure	(1.25)	(1.13)
Expenditure of Voluntary and Other Activities	(2.22)	(1.99)
Surplus from Voluntary and Other Activities	3.75	1.31
Hospital and Charitable activities	5.13	2.72
Net Income on Pension Scheme	0.00	0.00
Net Gains on Investments and Fixed Assets	1.21	2.04
Net Surplus	6.34	4.76

The RHN receives the majority of its income for patient care from NHS England (for Brain Injury Services); and from Integrated Care Boards and some Local Authorities (for Continuing Care). The Charity has also seen an increase in donations and legacies of 116% (2024: 5% increase), which is a really welcome increase and in part resulting from some of the backlog of cases awaiting probate clearance.

Income from donations, legacies and fundraising events is £5.3 million (2024: £2.6 million) analysed as follows.

	30 September 2025		30 September 2024	
	£'000	£'000	£'000	£'000
Unrestricted		3,944		1,542
Restricted				
(1) Additional therapies and services	250		210	
(2) Purchase of specialist equipment	138		325	
(3) Research and education	31		96	
(4) Specific redevelopment and refurbishment of hospital buildings	979		447	
		1,398		1,078
Total		5,342		2,620

Financial review (continued)

The RHN's fundraising activities are overseen by the Fundraising Regulator (FR) whose responsibilities include ensuring the charity records all complaints, completes an Annual Complaints Returns Report and displays the FR logo. These convey our commitment to complying with legislation as well as building trust with supporters of our charity.

Investments	30 September 2025 £ million	30 September 2024 £ million
Net gains during the year	1.21	2.04

The RHN invests funds surplus to working capital requirements in a portfolio managed by Mercer Investments since March 2025 (previously managed by Cazenove). Mercer place investments based on asset allocation ranges previously agreed by the RHN's Finance Committee, who review the Charity's investments during the course of the financial year. Investment income during the year was £0.65 million (2024: £0.73 million). The Finance Committee sets targets for the investment manager to meet and monitors performance, however, the overall performance of the portfolio reflects the general economic climate.

Staff pension scheme	30 September 2025 £ million	30 September 2024 £ million
Net actuarial gains on the defined benefit scheme	0.00	0.00

The results above pertain to the RHN's defined benefit pension scheme which was closed to new members in 2001 and existing members in 2006.

As at 30 September 2025, the defined benefit pension scheme was in surplus but as it is not recoverable, was restricted to zero in the disclosures (30 September 2024: zero). The surplus of £2.8 million (2024: £3.8m surplus) in the scheme is not available as a refund to the RHN and is therefore deemed to be irrecoverable under FRS102.

The RHN continues to run a defined contribution scheme for its employees which was transferred to an Aviva Master Trust in October 2019.



Financial review (continued)

Reserves

Reserves are held to help the charity operate effectively in accordance with the Charity Commission's guidance. The Board has carried out a detailed review of the charity's activities, identified the major risks the RHN is exposed to and produced a financial risk assessment.

Free reserves are intended to cover the following:

- Adverse movements in cash flow
- A shortfall in income net of fees payable
- A shortfall in voluntary income
- Falls in the realisable value of investments
- A contingency against business interruption

After carrying out a review of the risk areas stated above, the RHN Board of Trustees has determined a range of £13 million to £15 million (2024: range of £13 million to £16 million) of free reserves as being the minimum level required to cover three months' total operating costs.

At 30 September 2025, the reserves were as follows:

- Free reserves of £21.2 million (2024 - £17.3 million) after accounting for the defined benefit pension scheme as per FRS102 are greater than the minimum operating level required for three months.
- Designated funds of £34.6 million (2024: £32.0 million) representing the net book value of the RHN's fixed assets of £26.8 million (2024: £24.4 million) together with £0.7 million (2024: £0.8 million) for planned maintenance and £7.1 million (2024: £6.8 million) for future capital expenditure on the hospital buildings and equipment.
- Combined restricted reserves of £1.68 million (2024: £1.72 million) include £0.90 million (2024: £0.95 million) in cash required to fund specific projects.
- Endowment funds are £0.87 million (2024: £0.87 million)

The sum of the above gave total reserves of £58.3million (2024: £51.9million).

Further details of these reserves are disclosed within the statement of financial activities and balance sheet on pages 34 and 47; and in note 17.

Going concern

The RHN is a public benefit entity, and its Board has set out a review of financial performance and the charity's reserves position. At 30 September 2025, the RHN reported free reserves of £21.1 million (2024: £17.3 million), net current assets of £11.5 million (2024: £7.4 million) and a net cash inflow of £5.3 million (2024: £0.2 million) for the year. The change in cash flow between the two years was due to the high level of fundraising in 2024/25 and a precautionary drawdown early in the year from investments at a time when inflationary uplifts from commissioners were anticipated to become drawn out.

As at 30 September 2025, the defined benefit pension scheme was in surplus but as it is not recoverable, was restricted to zero in the disclosures (2024: zero). The surplus in the scheme is not available as a refund to the RHN and is therefore deemed to be irrecoverable under FRS102. The RHN's strategy of funding any residual obligation in order to eliminate any future deficit remains.

With regard to the year ending 30 September 2026, the most significant areas that are likely to affect the charity's net assets are levels of patient and fundraised income, operating revenue expenditure and capital investment.

The RHN's budget for 2025/26 and financial projection for 2026/27 were incorporated in its five year financial projection 2025/30 presented to the Board in July 2025 in support of and building on the organisational strategy for 2022/27. Prudent uplifts for patient income and an increase in the provision of rehabilitation services is included.

On its operational activities, the trustees believe that the current strategy for growth including some shift in the balance of services provided; and the associated rolling five year financial projection have reasonably secured the future of the RHN to sufficiently meet the requirements of a going concern.

The hospital holds investments valued at £19.9 million (2024: £20.2 million) inclusive of cash available of £0.01 million (2024: £0.75 million). Unrealised gains amounted to £1.2 million in 2024/25 (2024: £2.0 million).

In order to explore the sustainability of the RHN, a financial stress test exercise has been conducted with the above assumptions altered to model more adverse conditions in 2025/26 and 2026/27. With these changed assumptions, a consequent adverse impact was seen on income and expenditure, cash balances and reserves in those two years.

The mitigating actions that would be taken would be to pause further major refurbishments.

After the mitigating actions, cash, balances in 2025/26 and 2026/27 remain adequate and reserves are sufficient for three to four months of operations.

Like other healthcare providers the RHN faces inflationary pressures, the hospital continues to monitor developments and take appropriate action. The trustees will continue to monitor plans with the RHN executive team to ensure that the RHN retains sufficient reserves to continue operating. The charity has a strong balance sheet, with unrestricted liquid reserves (general, capital and maintenance funds) of around £29 million (2024: £25 million) and so the trustees

are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

The trustees are satisfied that the RHN can continue operating for the foreseeable future and accounts have been prepared on the basis that the RHN is a going concern.

Neither the Trustees, nor any key persons within the charity, are aware of any further specific, nor general events which would change the charity's status as a going concern.



Structure, governance and management

The RHN's governing constitution is a Royal Charter and byelaws. The latest version of the Royal Charter dated 9 July 2022 provides for a single Board of Governors who are the trustees of the charity. The Board is required to delegate the day to day management of the RHN to a Chief Executive.

The Board is a non executive body that has 4 meetings each year. It sets the strategic direction of the RHN and in 2022 agreed the current 5 year strategic plan. 2024/25 was the third year of the plan. The Board reviews the progress of the current plan and the development of the next 5 year plan at every Board meeting.

The Board appoints committees with responsibility for scrutinising the executive's delivery of the RHN's functions, such as patient safety and quality, finance, audit and risk and ethics. In 2024/25 the Board made adjustments to the Board committee structure: the Patient Representative Committee was replaced, after extensive consultation, with local Patient Voice Forums and an annual RHN Forum chaired by the Lead Trustee for the Patient Voice; and a new People and Culture Committee was formed to take over the non-patient facing elements of the Patient Safety and Quality Committee.

The Board Assurance Framework adopted by the Board in 2023/24 is considered at each Board meeting.

The Board follows the Charity Commission's Guidance on governance. It carries out an annual review of its governance processes, including a review of the committee terms of reference. Board members and senior executives are required to complete an online declaration of interests and review this at least annually and to declare any gifts and hospitality received. All staff, volunteers and Board members are required to have DBS checks every three years. Board members, the Chief Executive and the Executive Management Team (the executive directors) sign annual declarations of fitness to hold office.

The Board of Governors (Trustees)

In 2024/25 the constitution required that the Board must be made up of a minimum of 8 and a maximum of 15 members, who hold office for 4 years. They may not hold office for longer than 2 consecutive terms of 4 years unless the Board decides there are exceptional circumstances. Members of the Board are appointed and retire by rotation. The Nominations and Remuneration Committee regularly reviews the skills requirements of the Board. A formal recruitment process has been adopted where particular skills are being sought, which includes open advertisement and interview to ensure the appropriate skills and experience are identified and to extend the Board's ability to recruit a diverse Board. An induction programme and continuing trustee training is also in place.

During the year 3 new trustees were appointed, one of whom resigned and was replaced following a recruitment campaign, so that at the end of the year 2024/25 the Board comprised 13 trustees.

Responsibilities of the Executive and Committees

The Board delegates certain functions to the Executive and Committees. The day to day running of the RHN is the responsibility of the Chief Executive. The Chief Executive carries out operations according to the strategy and the budget set by the Board and is assisted by the Executive Management Team (EMT) which meets every week. An Operational Management

Team comprising senior managers has delegated to it some operational matters thus freeing the EMT to concentrate on strategic matters.

Remuneration

Trustees (Board members) are not remunerated but may claim reasonable expenses.

As an employer, the charity operates the 'Putney Scale', a harmonised pay method which helps the RHN remain competitive within the healthcare industry. This is available to all nursing and therapy staff and is in line with the NHS Agenda for Change classifications and is periodically reviewed. The component parts are basic pay and a market supplement reflecting the higher cost of inner London living.

The Board's Nominations and Remuneration Committee (comprising Board Members) is responsible for deciding the remuneration of the key management personnel constituting the executive directors. Chaired by the Chair of the Board, the committee considers directors' salaries and benefits. The Chief Executive's pay is determined by the committee and the Chief Executive provides advice to the Committee on the other directors' remuneration. The remuneration of the Executive team is disclosed in full in notes to the accounts.

Looking forward

The RHN is in the fourth year of its current strategy “The Path to Excellence”.

Objectives for 2025/26 include the following:

- Coproducing a welcome video for new staff with patients and expanding the Tendable audit system to capture direct feedback from patients and families.
- Completing implementation of the Workday People Data system, embedding the new Executive Management Team structure and further developing delegated operational leadership through the Operational Management Team (OMT).
- Piloting a PDOC outreach service establishing a neurobehavioural clinical pathway, expanding participation in research to 24 staff and delivering 5 specialist conferences.
- Reinforcing the marketing strategy and achieving the fundraising target.
- Beginning the refurbishment of Glyn Ward in early 2026, completing staff facility upgrades and finalising IT modernisation projects to enhance digital resilience.
- Achieving the budgeted surplus and maintaining strong cash reserves.
- Concluding the triennial revaluation of the defined benefit pension scheme as of 30th September 2025.
- Recruiting 2 new trustees and sustaining preparation for the next CQC inspection.
- Launching 2 new services following Board approval and integrating our strategic plans into a single cohesive plan for the RHN's next decade.



Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity; and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable 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 in business.

The trustees are responsible for keeping proper 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 Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Royal Charter.

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.

The trustees are responsible for the maintenance and integrity of the charity; and financial information included on the charity's website.



Jane McCormick

Chairman

Royal Hospital for Neuro-disability

28 January 2026



Independent Auditor's Report

to the trustees of the Royal Hospital for Neuro-disability

We have audited the financial statements of Royal Hospital for Neuro-disability ('the charity') for the year ended 30 September 2025 which comprise Statement of Financial Activities (SOFA) including income and expenditure account, Balance Sheet, 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 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 charity's affairs as at 30 September 2025 and of 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 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 trustee's 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 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient and proper accounting records have not been kept by the charity; 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 require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, 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 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.

Independent Auditor's Report

to the trustees of the Royal Hospital for Neuro-disability (continued)

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 the Acts and relevant regulations made or having effect thereunder.

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 charity 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 Charities Act 2011 together with the Charities SORP (FRS 102). 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 fundamental to the charity'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 identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, internal audit, and the Audit & Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, reading regulatory reports 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 charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe UK LLP

Crowe U.K. LLP
Statutory Auditor
London

6 February 2026

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

Statement of Financial activities (SOFA) including income and expenditure account

for the year ended 30 September 2025

	Notes	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2025 £'000	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2024 £'000
Income and endowments from:									
Donations and legacies	2.1	3,797	1,374	-	5,171	1,374	1,022	-	2,396
Other trading activities									
- Fundraising events		147	6	-	153	168	7	-	175
Investments									
- Dividends and Interest	2.2	640	6	-	646	716	14	-	730
		4,584	1,386	-	5,970	2,258	1,043	-	3,301
Charitable activities	3	54,726	19	-	54,745	53,219	49	-	53,268
Total Income and endowments		59,310	1,405	-	60,715	55,477	1,092	-	56,569
Expenditure on:									
Raising funds	4.1	1,143	-	3	1,146	1,180	-	3	1,183
Charitable activities	4.2	54,083	357	-	54,440	52,220	450	-	52,670
Total expenditure		55,226	357	3	55,586	53,400	450	3	53,853
Net surplus before gains and losses		4,084	1,048	(3)	5,129	2,077	642	(3)	2,716
Net gains /(losses) on Investments		1,202	4	5	1,211	1,874	75	95	2,044
Net income		5,286	1,052	2	6,340	3,951	717	92	4,760
Transfers between funds	17	1,088	(1,088)	-	-	461	(461)	-	-
		6,374	(36)	2	6,340	4,412	256	92	4,760
Other recognised gains									
Net actuarial gains on defined benefit pension scheme	6.5	-	-	-	-	-	-	-	-
Net movement in funds for the year		6,374	(36)	2	6,340	4,412	256	92	4,760
Reconciliation of funds									
Funds at 1 October		49,340	1,715	872	51,927	44,928	1,459	780	47,167
Total funds at 30 September		55,714	1,679	874	58,267	49,340	1,715	872	51,927

The RHN made no other unrealised gains or losses which do not appear on the SOFA. All the above are derived from continuing activities.

The notes on pages 32 to 47 form a part of these accounts.

Balance sheet

as at 30 September 2025

	Notes	Total 2025 £'000	Total 2024 £'000
Fixed assets			
Tangible assets	8	26,847	24,358
Investments	9	19,920	20,202
		46,767	44,560
Current assets			
Stocks	10	209	224
Debtors	11	5,942	6,105
Cash at bank and In hand		10,277	5,025
		16,428	11,354
Creditors - Amounts falling due within one year	12	(4,928)	(3,987)
Net Current assets		11,500	7,367
Net assets - Excluding pension		58,267	51,927
Defined benefit pension scheme asset	6.5	-	-
Total Net assets	17	58,267	51,927
The funds of the charity			
Capital funds			
Endowment funds	17 & 18	874	872
Restricted funds			
Income funds	17 & 18	904	951
Other Restricted funds	17 & 18	775	764
Total Restricted funds		1,679	1,715
Unrestricted funds			
Designated funds			
Fixed assets	17 & 18	26,847	24,358
Planned capital expenditure	17 & 18	7,056	6,848
Anticipated maintenance	17 & 18	746	787
Total Designated funds		34,649	31,993
Free reserves			
General funds	17 & 18	21,065	17,347
Total Unrestricted funds		55,714	49,340
Total charity funds		58,267	51,927

Approved and authorised for issue by the Board of Management on 28 January 2026 and signed on its behalf by:



Jane McCormick
Chairman



Hugh Rees
Treasurer

Cash Flow Statement

for the year ended 30 September 2025

	Total 2025	Total 2024
	£'000	£'000
Cash flows from Operating activities		
Net cash provided by operating activities	8,056	3,823
Cash flows from Investing activities		
Dividends, interest and rents from investments	646	730
Purchase of property, plant and equipment	(4,943)	(4,263)
Proceeds from sale of investments	19,260	5,745
Purchase of investments	(17,767)	(5,809)
Net Cash (used in) investing activities	(2,804)	(3,597)
Change in cash and cash equivalents in the reporting period	5,252	226
Cash and cash equivalents at the beginning of the reporting period	5,025	4,799
Cash and cash equivalents at the end of the reporting period	10,277	5,025
Reconciliation of cash flows from operating activities		
	2025	2024
	£'000	£'000
Net income for the reporting period	6,340	4,760
(as per the statement of financial activities)		
Adjustments for:		
Depreciation charges	2,454	2,276
(Gains) on investments	(1,211)	(2,044)
Dividends, interest and rents from Investments	(646)	(730)
Decrease in stocks	15	30
(Increase) in debtors	163	(42)
(Decrease)/Increase in creditors	941	(427)
Net cash provided by operating activities	8,056	3,823
Analysis of cash and cash equivalents		
	2025	2024
	£'000	£'000
Cash in hand	10,277	5,025
Total cash and cash equivalents	10,277	5,025



Notes to the accounts

for the year ended 30 September 2025

Royal Hospital for Neuro-disability (Charity No. 205907)

1 Accounting Policies

1.1 The Royal Hospital for Neuro-disability is an unincorporated charity registered in England & Wales with the Charity Commission. The address of the registered office is shown on page 2 and the nature of its operations is set out in the report of the Trustees.

The principal accounting policies which have been adopted in the preparation of the financial statements are set out below and have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) effective 1 January 2019, and the Charities Act 2011.

The financial statements have been prepared to give a “true and fair view” and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a “true and fair view”. This departure has involved following the 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 (FRS102) issued on 1 January 2019 rather than the Statement of Recommended Practice: Accounting and Reporting by Charities which was effective from 1 April 2005 but which has since been withdrawn.”

1.2 The RHN is a public benefit entity, and its Board has set out a review of financial performance and the charity’s reserves position. At the 30 September 2025, the RHN reported free reserves of £21.1 million (2024: £17.3 million), net current assets of £11.5 million (2024: £7.4 million), and a net cash inflow of £5.3 million (2024: net cash inflow of £0.2 million) for the year.

Neither the Trustees, nor any key persons within the charity, were aware of any further specific, nor general events which would change the charity’s status as a going concern.

1.3 The Statement of Financial Activities (SOFA) and Balance Sheet are the financial statements of the RHN. The subsidiary has been dormant in the financial year 2024 - 25.

1.4 Income and expenditure are accounted for on an accruals basis and expenditure includes Value Added Tax where this is not recoverable.

1.5 Grants Receivable are included in the SOFA in accordance with the terms of the grant agreement and the SORP criteria of entitlement, probability of receipt and reliability of measurement.

1.6 Donations of equipment and supplies are included within the appropriate expenditure at cost or estimated value to the donor and within gifts and donations.

1.7 Legacy income is recognised at the earlier of the charity being notified of an impending distribution or the legacy being received. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

1.8 Patient services comprise the costs of nursing, treatment, therapy, domestic and catering services and the costs of maintenance of buildings and equipment, heating, depreciation and other support services attributable to Patient care.

1.9 Research expenditure comprises staff costs and direct costs of medical research projects instigated by the RHN and their associated support costs.

1.10 Grants are charged to the SOFA in the period in which beneficiaries are notified and so a constructive obligation is entered into by the RHN.

1.11 Support costs, comprising facility charges, governance, management and administrative costs, are allocated to activities based on employee headcount.

1.12 The RHN operates a pension scheme which includes a defined benefit section and a defined contribution section. The assets of the scheme are held by the scheme trustees separately from the assets of the RHN. Further information on the pension scheme can be found in notes 6.4 and 6.5.

Notes to the accounts

for the year ended 30 September 2025

1 Accounting Policies (continued)

1.13 Rentals payable under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

1.14 Depreciation is charged on all fixed assets except freehold land, on a straight line basis, at rates calculated to write off the assets over their estimated useful lives as follows:

Buildings	2% - 20%
Plant and Machinery	7% - 25%
Furniture and Equipment	7% - 50%

The depreciation charge begins from the first day of the month following either; the date of asset acquisition or the date that the asset comes into use.

Tangible fixed assets costing more than £2,500 are capitalised at cost and depreciated at the rates shown.

Impairment losses are included in the Statement of Financial Activities.

Fixed Asset Investments are included in the Balance Sheet at market value. Realised and unrealised gains and losses incurred during the year are included in the Statement of Financial Activities.

Assets in the course of construction, reflect fixed asset projects undertaken by the RHN which have not been completed as at the reporting date. Such assets when completed are transferred to the appropriate asset class and depreciated according to existing accounting policy. Any assets under construction which during review are considered to have declined in value are written off; to any extent identified to the Statement of Financial Activities.

1.15 Stocks are valued at the lower of cost and net realisable value.

1.16 Fees receivable and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discounts due.

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

1.18 Unrestricted funds are funds which are available for use at the discretion of the Board in furtherance of the general objectives of the RHN and which have not been designated for any other purpose. Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in note 17 to the accounts.

Endowment funds comprise monies that must be held indefinitely as capital. Related income is credited to general funds and applied for general purposes unless under the terms of the endowment such income must be used for specific purposes in which case it is credited to restricted funds.

Designated funds comprise unrestricted funds that have been set aside by the Board for particular purposes. The use of the designated funds is set out in note 17.

1.19 Taxation - The Charity is exempt from taxation in respect of income or capital gains received within categories covered by part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

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

With regard to FRS102 Section 28 (Retirement benefits) and the RHN's defined benefit pension scheme, the best estimates used are chosen from a range of possible actuarial assumptions. Further disclosures of the estimates governing these retirement benefits can be found within note 6.5 of this annual report.

Notes to the accounts

for the year ended 30 September 2025

1 Accounting Policies (continued)

1.21 The charity has financial assets and financial liabilities that qualify as basic financial instruments. These are recognised at transaction value and subsequently measured at either their settlement value or market value. The charity has taken reduced disclosure exemptions for sections 11 and 12 of FRS 102.

At the balance sheet date the charity held financial assets at amortised cost. Financial assets held at amortised cost comprise cash at bank, trade debtors and other debtors totalling £15.4 million (2024: £10.4 million). Financial liabilities held at amortised cost comprise trade creditors and other creditors totalling £4.8 million (2024: £3.8 million). Investments at £19.9 million (2024: £20.2 million) held as part of an investment portfolio, are held at fair value with gains and losses being recognised within income and expenditure.

2 Donations, Legacies and Investment Income

	Unrestricted funds £'000	Restricted funds £'000	Total 2025 £'000	Total 2024 £'000
2.1 Donations and Legacies				
Gifts & donations	380	1,368	1,748	1,273
Legacies	3,417	6	3,423	1,123
	3,797	1,374	5,171	2,396
As at 30th September 2025, the RHN has no bequeathed legacies in the financial statements (2024: £0).				
2.2 Investment Income				
Listed/Non Listed investments	377	4	381	345
Interest on deposits	263	2	265	385
	640	6	646	730

3 Income from Charitable Activities

	Note	Unrestricted funds £'000	Restricted funds £'000	Total 2025 £'000	Total 2024 £'000
Patient services	3.1	53,122	-	53,122	51,661
Staff accommodation		575	-	575	563
Wheelchair & technology services		121	-	121	120
Other income from charitable activities		908	-	908	895
Grants receivable	3.2	-	19	19	29
		54,726	19	54,745	53,268
3.1 Patient Services					
National Health Service		49,950	-	49,950	48,075
Local Authority		1,202	-	1,202	1,320
Non-NHS patients		78	-	78	115
One to One Nursing		1,775	-	1,775	2,029
Other sources		117	-	117	122
		53,122	-	53,122	51,661
3.2 Grants Receivable					
Funding research projects		-	19	19	29
		-	19	19	29

Notes to the accounts

for the year ended 30 September 2025

4 Total Expenditure

	Direct costs £'000	Support costs £'000	Total 2025 £'000	Total 2024 £'000
4.1 Expenditure on raising funds				
Voluntary expenditure (fundraising staff and administration)	909	91	1,000	1,043
Fundraising events	44	4	48	49
Investment management	98	-	98	91
	1,051	95	1,146	1,183
4.2 Expenditure on charitable activities				
Patient Services	44,322	8,706	53,028	51,241
Staff accommodation	86	17	103	99
Wheelchair & technology services	474	93	567	571
Other charitable activities	535	105	640	760
Research	85	17	102	-
	45,502	8,938	54,440	52,670
Total expenditure	46,553	9,033	55,586	53,853

Expenditure on raising funds comprises staff and running costs of the fundraising department together with any other costs directly associated with raising funds for the group, including related publicity costs. This expenditure heading also includes other costs associated with generating funds such as investment management fees and expenditure directly related to trading income.

Patient services comprise the costs of nursing, treatment, therapy, domestic and catering services and the costs of buildings and equipment maintenance, heating, depreciation and other support services attributable to patient care.

5 Support costs

	Expenditure on raising funds £'000	Expenditure on charitable activities £'000	Total 2025 £'000	Total 2024 £'000
Administration and management	32	3,017	3,049	2,993
Building expenses	28	2,635	2,663	2,788
Finance	7	679	686	698
Human resources	11	1,016	1,027	1,133
Information technology	13	1,264	1,277	1,213
Governance	2	182	184	91
Statutory audit	1	61	62	60
Internal Audit, Counter Fraud and Pension Audit	1	84	85	69
	95	8,938	9,033	9,045

Total expenditure includes the allocation of support costs to the various expenditure categories set out in the SOFA. These support costs relate to information technology, property and facilities management, human resources and finance, in addition to the support costs incurred by communications and other centralised departments that are not otherwise allocated directly. Support costs have been allocated to activities consistently based on employee headcount.

Notes to the accounts

for the year ended 30 September 2025

6 Employee Information

6.1 Staff costs during the year were as follows:

	Total 2025 £'000	Total 2024 £'000
Salaries and wages	36,210	35,379
Social security costs	3,775	3,043
Other pension costs and life assurance premiums	2,219	2,022
	42,204	40,444

Included within the wages and salaries figure above is the cost of employing agency staff £3,404,421 (2024 £4,622,548).

During the year, a total of £0 (2024: £60,341) has been recognised for termination payments, of which £0 remained payable at the year end (2024: £0).

6.2 Employees whose emoluments not including employers NI and pension costs exceeded £60,000 were as follows:

	Total 2025	Total 2024
£60,000 to £69,999	33	33
£70,000 to £79,999	11	14
£80,000 to £89,999	8	3
£90,000 to £99,999	-	-
£100,000 to £109,999	2	1
£110,000 to £119,999	1	1
£120,000 to £129,999	-	2
£130,000 to £139,999	6	3
£140,000 to £149,999	-	3
£150,000 to £159,999	2	1
£160,000 to £169,999	1	-
£220,000 to £229,999	1	1

63 employees (2024 - 59) earning more than £60,000 were members of the defined contribution section of the scheme. Employers' contributions payable during the year in respect of these employees amounted to £388,247 (2024 - £347,864).

Remuneration of Key Management Personnel including employers NI and pensions payable during the year amounted to £1,308,101 for 6.5 FTE staff (2024 - £1,264,050 for 6.6 FTE staff). This group comprises the Executive team.

6.3 The average number of staff employed (excluding agency staff) was as follows:

	Total 2025	Total 2024
Patient services	813	812
Research	5	5
Other charitable activities	41	43
Generating funds	9	11
Governance	2	2
	870	873

Notes to the accounts

for the year ended 30 September 2025

6 Employee Information (continued)

6.4 The charity operates a pension scheme for those members of staff who are eligible.

The scheme has two sections:

- A defined contribution section which, since 1 October 2006, includes all active members of the scheme. An eligible jobholder will be automatically enrolled as a member of the scheme on his automatic enrolment date. The contribution by the employer depends on whether a member is in the first or second tier. If a member has been automatically enrolled or has opted to join the scheme on the first tier contribution basis, the percentage required will be the minimum required under section 20(1)(b) (taking into account the transitional periods under section 29) of the Pension Act 2008. If a member is already in a scheme prior to 1 January 2014 or if the member has opted to be a member on the second tier contribution basis, the percentage will be determined by the member's age as per the table below. A member can elect to move from the first tier to the second tier contribution basis on becoming a member or on providing one month's written notice, with the exception of a member who does not work under a contract of employment.
- A defined benefit section, which was closed to new members on 1 November 2001 and closed to future accrual on 30 September 2006, when members were invited to join the defined contribution section.

The assets of the scheme are held by the scheme trustees separately from the assets of the charity.

The rates of contribution to the defined contribution scheme on the second tier basis are:

	Defined Contribution 2025	Defined Contribution 2024
Employer contributions:		
age 18 to 35	4.0%	4.0%
age 36 to 50	7.0%	7.0%
age 51 to 65	10.0%	10.0%
Employee contributions	4.0%	4.0%

In addition the charity pays death in service insurance premiums in respect of members of the scheme in the second tier. Employers pension contributions payable to the defined contribution section of the scheme were as follows:

	Total 2025 £'000	Total 2024 £'000
Defined Contribution	1,890	1,757

Pension contributions outstanding at the end of the year under the defined contribution scheme are as follows:

	Total 2025 £'000	Total 2024 £'000
Pension contributions outstanding at year end	278	272

A stakeholder scheme is also available to employees of the charity, but no employer contributions are made to this scheme.

Notes to the accounts

for the year ended 30 September 2025

6 Employee Information (continued)

6.5 Staff Pension and Life Assurance Scheme

The assumptions used in calculating the liabilities were as follows:

	Total 2025	Total 2024
Inflation	2.95%	3.10%
Salary escalation	n/a	n/a
Pension increases, subject to LPI	2.85%	2.95%
Statutory revaluation in deferment	2.15%	2.30%
Discount rate (pre and post retirement)	5.75%	4.95%
Life expectancy for 65 year old male	87	87
Life expectancy for 65 year old female	90	89
Life expectancy for 45 year old male	89	68
Life expectancy for 45 year old female	91	71

The assumptions used by the actuary are the best estimate chosen from a range of possible actuarial assumptions which, due to the long time period covered, may not necessarily be borne out in practice. The fair value of the assets for each category of asset are as follows:

	Total 2025 £'000	Total 2024 £'000
Equities	4,928	5,338
Corporate bonds	3,326	5,739
Diversified growth fund	3,203	3,403
Equity linked bond fund	-	-
Alternatives	4,374	2,669
Liability Matching, Gilts, Cash	45,354	49,179
Insured annuities	436	400
Total fair value of assets	61,621	66,728
Present value of scheme liabilities	58,795	62,959
	2,826	3,769
Restriction to the amount that can be recognised	(2,826)	(3,769)
Net pension asset	-	-

The actual return on Assets is 5.75% per annum which is set to equal the discount rate (2024 - 4.95%).

Assets in the scheme as a percentage of total scheme assets

	Total 2025	Total 2024
Equities	8.0%	8.0%
Corporate bonds	5.4%	8.6%
Diversified growth fund	5.2%	5.1%
Alternatives	7.1%	4.0%
Liability driven investment, Government Bonds and Cash	73.6%	73.7%
Insured annuities	0.7%	0.6%

Amounts included in the statement of financial activities:

	Total 2025 £'000	Total 2024 £'000
Interest income (excluding interest income on assets that are not recoverable)	3,034	3,244
Interest cost	(3,034)	3,244
Interest on the net defined benefit liability	-	-

Notes to the accounts

for the year ended 30 September 2025

6 Employee Information (continued)

6.5 Staff Pension and Life Assurance Scheme (continued)

Assets	Total 2025 £'000	Total 2024 £'000
Assets in scheme at beginning of year	66,728	63,829
Movement in year:		
Interest income	3,034	3,244
Benefits paid	(3,370)	(3,517)
Actuarial gains/(losses) on assets	(4,771)	3,172
Assets in scheme at end of year	61,621	66,728

Liabilities	Total 2025 £'000	Total 2024 £'000
Liabilities in scheme at beginning of year	62,959	61,792
Movement in year:		
Administration costs	44	29
Interest cost	3,034	3,244
Benefits paid	(3,370)	(3,517)
Actuarial (gains) on liabilities	(3,872)	1,411
Liabilities in scheme at end of year	58,795	62,959

History of experience gains and losses	Total 2025 £'000	Total 2024 £'000	Total 2023 £'000	Total 2022 £'000	Total 2021 £'000
Defined benefit obligation	(58,795)	(62,959)	(61,792)	(60,961)	(93,769)
Scheme assets	61,621	66,728	63,829	69,534	102,491
Surplus	2,826	3,769	2,037	8,573	8,722

Notes to the accounts

for the year ended 30 September 2025

7 Related Party Transactions

7.1 Trustees Remuneration and Expenses

Members of the Board of management are not entitled to and did not receive any remuneration during the year. Four members of the Board of management received £2,676 (2024 - three members, £2,032) for reimbursement of expenses. These expenses related to travel and accommodation costs for attending Board Meetings. Trustees' Indemnity Insurance of £7,840 was paid for the year 2024 (2024 - £6,720).

7.2 Other Related Party Transactions

Other than the expenses listed, there have been no other related party transactions (2024 - £0).

8 Tangible Fixed Assets

	Assets in the course of construction	Land and Buildings	Plant and Machinery	Furniture and Equipment	Total 2025
	£'000	£'000	£'000	£'000	£'000
Cost					
Opening balance	1,085	29,066	3,950	6,618	40,719
Additions	862	1,800	1,550	731	4,943
Transfers	(1,085)	1,085	-	-	-
Disposals	-	(421)	(63)	(406)	(890)
	862	31,530	5,437	6,943	44,772
Depreciation					
Opening balance	-	11,385	1,065	3,911	16,361
Disposals	-	(421)	(49)	(403)	(873)
Charge for the year	-	1,424	375	638	2,437
	-	12,388	1,391	4,146	17,925
Net book value 2025	862	19,142	4,046	2,797	26,847
Net book value 2024	1,085	17,681	2,885	2,707	24,358

All fixed assets are held for charitable use.

Notes to the accounts

for the year ended 30 September 2025

9 Investments	Total 2025 £'000	Total 2024 £'000
Market value at beginning of year	20,202	18,093
Purchases at cost	22,296	5,736
Proceeds from disposals	(23,041)	(5,745)
Net gains on investments	1,211	2,045
Increase in short term deposits	(748)	73
Market value at end of year	19,920	20,202

Historical cost at end of year	18,464	16,051
---------------------------------------	---------------	---------------

Analysed by type	Total 2025 £'000	Total 2024 £'000
Investments	247	14,210
Listed direct	118	118
Unlisted direct	-	5,120
Listed unit trusts	19,549	-
Term Deposits	6	754
	19,920	20,202

Geographical analysis	Total 2025 £'000	Total 2024 £'000
United Kingdom Investments	3,596	8,466
Overseas Investments	16,324	11,736
	19,920	20,202

Individual investments which have a market value of 5% or greater of the overall portfolio are:

MGI Passive UK Long Gilt Fund
 Mercer Dynamic Asset Allocation Fund
 Mercer Multi-Asset Credit Fund
 MGI Global Bond Fund
 MGI Global Equity Fund
 Mercer Diversifying Alternatvs Strategies
 Mercer Passive Sustain Gbl Eq UCITS CCF

Short term deposits under the management of the charity's professional investment managers are included in fixed asset Investments as they form part of the overall investment portfolio. The investment management fee for the year was £97,804 (2024 - £91,029).

10 Stocks	Total 2025 £'000	Total 2024 £'000
Medical consumables	209	224
	209	224

Notes to the accounts

for the year ended 30 September 2025

11 Debtors

	Total 2025	Total 2024
	£'000	£'000
Fees receivable	4,080	4,571
Other debtors	138	117
Prepayments	880	716
Accrued income	844	701
	5,942	6,105

12 Creditors - Amounts falling due within one year

	Total 2025	Total 2024
	£'000	£'000
Trade creditors	755	435
Other creditors	688	662
Taxation and social security	1,024	795
Accruals	2,290	1,938
Deferred income (note 12.1)	171	157
Provisions and contingencies (note 12.2)	-	-
	4,928	3,987

12.1 Analysis of Deferred income

	Total 2025	Total 2024
	£'000	£'000
Opening balance	157	195
Changes during the year:		
Amounts released to the statement of financial activities	(157)	(195)
New income deferrals	171	157
Closing balance as at 30 September	171	157

Deferred income largely relates to the provision of patients' services which will be recognised in the forthcoming year.

Notes to the accounts

for the year ended 30 September 2025

13 Funds held as agent

The charity holds funds as an agent on behalf of its patients and residents. During the year £87,501 (2024: £89,831) was received and £168,362 (2024: £101,312) was paid out of this account. At the year end the balance held in this account was £75,622 (2024: £156,483).

The charity holds funds as an agent on behalf of beneficiaries of deceased employees entitled to death in service lump sum payments, payable under the Life Assurance Scheme. During the year £0 (2024: £0) was received and £0 (2024: £0) was paid out of this account. At the year end the balance held in this account was £250,212 (2024: £250,212).

14 Operating Leases

	Total 2025 £'000	Total 2024 £'000
Rentals charged in the year:		
Land and Buildings	8	8
Plant and Machinery	41	40
Equipment	48	48
	97	96

	Total 2025 £'000	Total 2025 £'000	Total 2025 £'000	Total 2024 £'000	Total 2024 £'000	Total 2024 £'000
	Land and Buildings	Plant and Machinery	Furniture and Equipment	Land and Buildings	Plant and Machinery	Furniture and Equipment
Payments due on operating lease obligations						
Within one year	8	39	50	8	29	48
Within two and five years	-	98	100	-	49	-
Over five years	-	35	-	-	-	-
	8	172	150	8	78	48

15 Capital Commitments

	Total 2025 £'000	Total 2024 £'000
Contracted for but not provided		
Ward refurbishment	175	2,406
Other works	495	375
	670	2,781

16 Subsidiary and Connected Entities

The RHN owns the whole of the issued share capital of Royal Hospital for Neuro-disability Services Limited, a company registered in England with a paid up share capital of £1. The subsidiary has been dormant in the trading year to 30 September 2025.

Notes to the accounts

for the year ended 30 September 2025

17 Statement of funds

As at 30 September 2025

	Fund balance brought forward £'000	Incoming resources £'000	Resources expended £'000	Investment gains £'000	Pension scheme actuarial gains £'000	Transfers between funds £'000	Fund balance carried forward £'000
Unrestricted funds							
General funds	17,347	59,310	(55,226)	1,202	-	(1,568)	21,065
Fixed asset fund	24,358	-	-	-	-	2,489	26,847
Planned capital expenditure	6,848	-	-	-	-	208	7,056
Planned maintenance	787	-	-	-	-	(41)	746
Total unrestricted funds	49,340	59,310	(55,226)	1,202	-	1,088	55,714
Restricted funds							
John Howard Convalescent Home	765	6	-	4	-	-	775
Hunter Ward Refurb	-	380	-	-	-	-	380
Wheelchair Loan Store	17	38	-	-	-	-	55
Chapel Running Costs	16	68	(34)	-	-	-	50
Patient Gardens	20	10	-	-	-	-	30
Research - National Lottery Heritage Fund	26	-	(1)	-	-	-	25
Chatsworth Ward	50	-	(12)	-	-	(14)	24
SW Hardship Fund	24	-	-	-	-	-	24
PHD Research	21	-	-	-	-	-	21
Physio/Gym Equipment	31	-	(7)	-	-	(3)	21
Other	745	903	(303)	-	-	(1,071)	274
Total restricted funds	1,715	1,405	(357)	4	-	(1,088)	1,679
Endowment funds							
Lopes Chaplains Stipend fund	8	-	-	-	-	-	8
Other endowments	864	-	(3)	5	-	-	866
Total endowment funds	872	-	(3)	5	-	-	874
Totals	51,927	60,715	(55,586)	1,211	-	-	58,267

Notes to the accounts

for the year ended 30 September 2025

17 Statement of funds (continued)

As at 30 September 2024	Fund balance brought forward £'000	Incoming resources £'000	Resources expended £'000	Investment gains £'000	Pension scheme actuarial gains £'000	Transfers between funds £'000	Fund balance carried forward £'000
Unrestricted funds							
General funds	15,480	55,477	(53,400)	1,874	-	(2,084)	17,347
Pension reserve	-	-	-	-	-	-	-
Fixed asset fund	22,372	-	-	-	-	1,986	24,358
Planned capital expenditure	6,339	-	-	-	-	509	6,848
Planned maintenance	737	-	-	-	-	50	787
Total unrestricted funds	44,928	55,477	(53,400)	1,874	-	461	49,340
Restricted funds							
John Howard Convalescent Home	675	14	-	75	-	-	764
Hunter Ward Refurb	-	405	-	-	-	-	405
Wheelchair Loan Store	56	-	(6)	-	-	-	50
Chapel Running Costs	2	36	(2)	-	-	-	36
Patient Gardens	15	-	(3)	-	-	18	30
Research - National Lottery Heritage Fund	-	29	-	-	-	-	29
Chatsworth Ward	3	26	(3)	-	-	-	26
SW Hardship Fund	42	7	(24)	-	-	1	26
PHD Research	113	-	(89)	-	-	-	24
Physio/Gym Equipment	22	-	(1)	-	-	-	21
Other	531	575	(322)	-	-	(480)	304
Total restricted funds	1,459	1,092	(450)	75	-	(461)	1,715
Endowment funds							
Lopes Chaplains Stipend fund	8	-	-	-	-	-	8
Other endowments	772	-	(3)	95	-	-	864
Total endowment funds	780	-	(3)	95	-	-	872
Totals	47,167	56,569	(53,853)	2,044	-	-	51,927

Notes to the accounts

for the year ended 30 September 2025

17 Statement of funds (continued)

A summary of definition and descriptions

Name of fund	Description, nature and purpose of fund
General	These are the 'available' funds of the charity, after transfers to or from any other/designated funds and contributions to the pension reserve.
Designated	<p>Reviewed on a rolling year basis, these are amounts appropriated within the unrestricted category for the continued development and maintenance of the charity's assets for:</p> <ul style="list-style-type: none"> Fixed assets funds represent the net book value invested in fixed assets . During the year the RHN transferred £2,489,000 (2024 £1,986,000 to its designated funds) to its designated funds from general fund. Identified planned capital expenditure is for works to be utilised within the next five years, During the year the RHN transferred £208,000 (2024 £509,000 to its designated funds) into designated funds from general fund. During the year the RHN transferred £41,000 (2024 £50,000 to its designated funds) from designated funds into the general fund in anticipation of maintenance expenditure in the coming year.
Restricted	These are funds available only for the purpose under which they were received, unless permitted by the donor. Further described below:

Restricted Fund Description	Purpose of the fund
John Howard Convalescent Home	To provide support for necessitous members of the middle class and persons generally who are only able to make a small payment in return for convalescence and care.
Sporting Equipment	For Sporting equipment for Leisure and Family Services
Wheelchair Loan Store	Wheelchairs for Bio-Medical department
Dental Research	Funding for dental research
Sensory Equip	Funding for building of Sensory Theatre in Haberdashers
Glyn Ward Refurb	Refurbishment of Glyn ward
SW Hardship Fund	For patients and relatives in financial need
Physio/Gym Equipment	Funding for Physio/Gym equipment
Hunter Ward Refurb	Refurbishment of Hunter ward
Chapel Running Costs	Running costs of Chapel
Patient Gardens	Funding for Patient gardens and gardening
Research - National Lottery Heritage Fund	Funding of the RHN heritage archives
Chatsworth Ward	For Chatsworth ward needs
PHD Research	Funding of Music Therapy research

Other restricted funds is made up of 49 funds (2024 44 funds) none of whose balances are over £21,000 (2024 £22,000) and they are for a variety of specific purposes.

Restricted funds for the John Howard Convalescent Home relate to the proceeds received on the agreed sale of a convalescent home in prior years. The asset was originally provided to the charity as a restricted fund.

Notes to the accounts

for the year ended 30 September 2025

17 Statement of funds (continued)

A summary of definition and descriptions (continued)

Endowment

The income generated from these funds are used specifically to contribute towards the cost of chaplaincy services available at the Royal Hospital for Neuro-disability; and bequests which are required to be held as permanent endowments of the charity. Income generated on the latter is available for the general purposes of the charity.

Included under endowment funds are the following:

	2025 £'000	2024 £'000
Permanent endowment:		
Lopes Chaplains Stipend fund	8	8
Other Endowment funds	866	864
	874	872

Lopes Chaplains Stipend fund

This is a trust fund set up by the Rt. Hon. Sir Massey Lopes Bt to generate income to contribute towards the cost of chaplaincy services available at the Royal Hospital for Neuro-disability.

Other endowment funds

Other endowment funds represent several bequests which are required to be held as permanent endowments of the charity. The income generated by these funds is available for the general purposes of the Charity.

*Transfers are explained above with the exception of those in unrestricted fund which reflect the appropriation of pension reserves within unrestricted funds

18 Analysis of fund balances

	Unrestricted funds £'000	Designated funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2025 £'000
Tangible fixed assets	-	26,847	-	-	26,847
Fixed asset investments	10,469	7,802	775	874	19,920
Net current assets	10,596	-	904	-	11,500
Total funds at 30 September 2025	21,065	34,649	1,679	874	58,267

	Unrestricted funds £'000	Designated funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2024 £'000
Tangible fixed assets	-	24,358	-	-	24,358
Fixed asset investments	10,931	7,635	764	872	20,202
Net current assets	6,416	-	951	-	7,367
Total funds at 30 September 2024	17,347	31,993	1,715	872	51,927



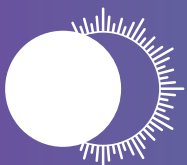
Registration

Under the registration system of the Care Quality Commission and the regulations laid down by the Health and Social Care Act 2008, the Royal Hospital for Neuro-disability achieved its registration in 2010 and is therefore licensed to provide services under the regulations.

The Royal Hospital for Neuro-disability
West Hill, Putney, London, SW15 3SW

telephone 020 8780 4500
email info@rhn.org.uk
website www.rhn.org.uk

Registered charity number 205907



Royal Hospital for
Neuro-disability

ROYAL HOSPITAL FOR NEURO-DISABILITY

England & Wales - Charity number 205907

Accounts



ANNUAL REPORT AND ACCOUNTS 2023/24

Financial year ended 30 September 2024



Royal Hospital for
Neuro-disability

Our patron

Her Majesty Queen Elizabeth II (Deceased 8 September 2022)

President

Leonora, Countess of Lichfield

Vice Presidents

Des Benjamin
Ruth Maxwell
Shirley Palmer
Alan Sanders
The Mayor of Wandsworth (ex Officio)

Administrative details

Royal Hospital for Neuro-disability
Registered charity number – 205907
Companies House registration – RC00481

Royal Hospital for Neuro-disability (Services) Limited
Company registration number – 04570542 (Non Trading)

Principal address and registered office

Royal Hospital for Neuro-disability
West Hill
Putney
London SW15 3SW

Our advisors

Auditor

Crowe U.K. LLP
55 Ludgate Hill
London EC4M 7JW

Banker

National Westminster Bank plc 153 Putney High Street
Putney
London
SW15 1RX

Insurance Broker

Marsh Ltd
Merlin House
Brunel Road
Theale
RG7 4BY

Investment Custodian

Schroder & Co Bank AG
Central 2
8021 Zurich
Switzerland

Investment Manager

Cazenove Capital Management
1 London Wall Place
London
EC2Y 5AU

Solicitors

Capsticks
1 St George's Road
London
SW19 4DR

Fieldfisher
Riverbank House
2 Swan
London
EC4R 3TT

Bevan Brittan LLP
Kings Orchard
1 Queen Street
Bristol
BS2 0HQ

Our Trustees and Executives

Board of Trustees

Jane McCormick - Chairman

Previously a senior partner at KPMG and a member of the global management team for KPMG International. Chairs and serves on the boards of a number of commercial and not for profit organisations.

Andy Bailey – (from 19 October 2023)

Chief Marketing Officer primarily from the technology and services sectors, now non-executive director, advisor and interim board member of Roffey Park Institute and strategy advisor to Tollejo and BeMyEyes.

Mark Cooke

Currently the Chief Risk Officer for Schrodgers Personal Wealth, following on from a Technology start up in the Risk space. He was previous to that the Group Head of Operational Risk, Group General manager at HSBC and Chair of ORX; not for profit Industry Risk Consortium.

Dominic Fairclough

A partner in the personal injury and clinical negligence team at Russell-Cooke solicitors, whose expertise includes advocacy in Coroners Courts advising on clinical negligence and personal injury claims.

Christopher Foster

Served as a bishop for twenty years and over seven years as member of the House of Lords with a lifelong concern for the wellbeing, support and care of the most vulnerable people in our communities, and for those closest to them. He is a non-exec director of NHS Somerset, chairing finance and people committees.

Julie Harding – Deputy Chair (retired 19 October 2023)

A HR professional working locally and internationally with HSBC before specialising in culture and change management at the Co-operative Bank and more recently, the House of Commons.

Deborah Hill

Works as a Finance Director at Unilever PLC with international finance and risk management expertise.

Tessa Lindfield – (from 19 October 2023)

A Director of Public Health with senior NHS and Local Government experience of strategy, commissioning and delivery of health and care services. Previously a Speech and Language Therapist specialising in Neuro-disability and assistive technology.

Salah Mirza (from 19 October 2023)

Salah is Director of Finance and Resources at Kings College Hospital Charity and is a Board Director at EMD UK where he chairs the Finance & Audit Committee.

Hugh Rees (Treasurer)

Previously a non-executive director at Enigma Healthcare based in Singapore and formerly the Chairman and CEO of Wilkinson Healthcare, following an international career in finance and corporate strategy and general management in the pharmaceutical and medical devices industries.

Deborah Sanders – Deputy Chair

Chief Executive at Barnet Hospital and executive director of the Royal Free London NHS Foundation Trust. A registered nurse with 10 years' experience as a chief nurse and director of infection prevention and control.

Chris Streather

Regional Medical Director and CCIO NHSE London, previously Chief Medical Officer Royal Free London NHS Foundation Trust, Trustee Royal Free Charity.

Shoab Ali Shah (retired 25 July 2024)

Extensive knowledge in Racial Equality, Equal Opportunity and Diversity; a champion with 25 years of work experience both at local and national level.

Executive Directors

Paul Allen
Chief Executive

Jane Beaven
Director of Fundraising, Marketing, Communications and Facilities

Frances Low
Director of Governance

Steven Luttrell
Medical Director

Lesley Mill
Director of Service Delivery

Nanda Ratnavel
Director of Finance

Della Warren
Director of Nursing

Our Trustees and Executives

Our Board committees

Audit and Risk Committee

Mark Cooke – Chair
Julie Harding (retired 19 October 2023)
Jane McCormick
Salah Mirza (from 19 October 2023)

Board Medical Committee

Dominic Fairclough
Deborah Sanders
Chris Streater - Chair

The Executive and senior clinical staff are also members

Chairman's Committee

Mark Cooke
Chris Foster
Hugh Rees- Treasurer
Jane McCormick - Chairman
Deborah Sanders
Chris Streater

Ethics Committee

Paul Allen – Chief Executive
Geoff Coyne – Hospital Chaplain
Dominic Fairclough
Christopher Foster - Chair
Dr Andrew Hanrahan – RHN consultant nominated by the Chief Exec
Jane McCormick
Laurence Oates (Co-optee)
Deborah Sanders
Shoaib Ali Shah (retired 25 July 2024)

Other members of Executive are also members and staff, GPs and others also attend

Finance Committee

Andy Bailey
Adam Barber (Co-optee)
Rebekah Fajemirokun (Co-optee)
Deborah Hill
Hugh Rees – Treasurer and Chairman
Christopher Streater

Nominations and Remuneration Committee

Mark Cooke
Chris Foster
Jane McCormick - Chairman
Hugh Rees
Deborah Sanders
Chris Streater

Patient Safety and Quality Committee

Andy Bailey
Julie Harding
Trudi Kemp
Deborah Sanders – Chair
Shoaib Ali Shah (retired 25 July 2024)
Chris Streater
Tessa Lindfield (from 19 October 2023)

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Chairman's opening statement

It has been another busy year at the RHN with a number of challenges and causes for celebration.

During the year our three new trustees, Tessa Lindfield, Andrew Bailey and Salah Mirza brought new skills and perspectives to our board but we were sorry to lose Shoaib Ali Shah who was such a familiar presence at the hospital, latterly as a trustee but for many years visiting his son who was a patient. We thank Ali for his incredible contribution in both of these ways and look forward to welcoming him back in due course as a Fellow. During the year the board has worked closely with the talented executive team considering our longer term strategy, further developing our risk assurance framework and providing constructive challenge on difficult decisions in an embodiment of good governance.

With the continued impact of inflation, especially on wages, there have been some financial challenges. It is great that we are able to increase the amount we pay to our dedicated staff and my thanks go to the executive team for the fact that through a strong focus on cost control we have been able to do this whilst meeting our budget and without affecting the quality of the care provided to our patients and residents.

A large contribution to our financial stability is our very low level of staff vacancies and low staff turnover. When I speak to staff it is clear that what makes a difference is our focus on patient care, our ethos as a charity and the fact that we are a learning and

teaching organisation. During the year we received an award from NHS England (NHSE) for our supervision and preceptorship framework for new registered nurses and nursing associates, and we had 2 advanced care practitioners and 15 nurse associates in training. As the centre of excellence on complex neuro-disability we continue to conduct a number of research projects and offer training and insight to other organisations. Our principal clinical psychologist, Axel Rose was awarded a PhD for her work on the assessment of mood after severe acquired brain injury. We are proud to be the first independent healthcare provider in the UK to achieve the international designation of Pathway to Excellence with the American Nurse Credentialing Center.

Our prudent management of resources and the generosity of donors has allowed us to continue with our programme of ward refurbishments. It is, of course, critical to the sustainability of the service we provide that we are able to continuously repair and upgrade our facilities to provide modern standards of care. We are grateful to donors who have contributed to these capital projects and also to those that help support the therapies and other services we provide to our patients and residents that have such a positive impact on the quality of their lives.

Jane McCormick
Chairman
January 2025

Chief Executive's introduction

As we reflect on the past year at the RHN, I would like to take this opportunity to share some key progress and achievements.

A major achievement is the American Nurses Credentialing Center (ANCC) awarding the highly esteemed Pathway to Excellence designation to the RHN, the first independent hospital in the UK to achieve this prestigious recognition.

The designation recognises healthcare organisations that foster a positive and empowering work environment, provide outstanding care and is testament to the hard work of our entire workforce. As a national centre of excellence for neuro-disability, the RHN is an environment where staff feel supported and empowered and to have this internationally recognised is extremely rewarding for everyone.

In addition, there has been much progress on our strategy, with 2024 being the second year of our current 5-year strategy. The RHN's top priority will always be providing the best possible care for our patients and residents and as such, Patient Experience is at the heart of this strategy. It sets out the RHN priorities to ensure the best experience for patients, residents, their families and advocates. Patients and residents were also actively involved in creating a strategy on their own care. I am also pleased to report that service level forums and an RHN wide forum have replaced the Patient Representative Committee. These are already enabling many more patients and relatives to engage in discussions and for their voices be heard widely.

The year has also seen some key achievements in improvements to our infrastructure. The expansion of the ventilated bed capacity has been completed, with 32 ventilated beds now on site across Leonora and Jack Emerson (JEC) wards. A major refurbishment of Hunter Ward is well underway and will finish in January 2025. As we continue to modernise in order to deliver high quality care the refurbishment of Glyn Ward, approved by the Board in October 2024, will swiftly follow. We have also been working with students from the KLC Design School, on a pro bono basis, with teams producing a number of different designs for staff changing facilities in the main building basement. The winning design has been chosen and we intend to implement this as part of our priority to make the RHN a better place to work and to encourage more staff to cycle to work and be more active. It is also a key priority as the majority of our staff change into uniforms for infection prevention control (IPC) reasons whilst on site.

The RHN has been awarded the Race Equality Matters Bronze Trailblazer Status. Bronze is the first stage in the Trailblazer series spotlighting organisations that are implementing impactful solutions to drive race equality. There is also an extensive Equality, Diversity and Inclusion (EDI) programme across the RHN with many celebrations and events marked throughout the year. This is reflective of our diverse workforce and patient groups. A Race Equality Network (REN) has been launched with much success and this continues to be an area of focus and engagement for all. We also celebrate many professional events, such as Allied Health Professional Day and International Nurses Day, along with an annual RHN Festival for all of the RHN community.

Financially, we have had another year of achieving budget at the hospital level, which is particularly satisfying as we continue to be challenged by downward pressure on fees and upward pressure on salaries. However, raising voluntary income through fundraising continues to be challenging and we did not achieve our target for a second year.

During the year, the executive and board commenced a significant piece of work on the long-term strategy for the RHN, looking at a 10-year time horizon. The board and executive held a workshop in January 2024 and a number of focus groups have been meeting since then, working on various aspects of the long-term strategy. Work on this will continue throughout 2025.

Looking forward, we are excited about the opportunities ahead and recognise there are many challenges to come given the pressures in the wider healthcare sector. However, we look forward with positivity and I would like to thank our staff and volunteers for another year of excellent work, whether in a direct clinical role or support function.



Paul Allen

Chief Executive
January 2025



Report of the trustees

for the year ended 30 September 2024

The Trustees are pleased to present their annual report, together with the financial statements of the charity for the year ended 30 September 2024.

The financial statements comply with the Charities Act 2011 and the 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) (effective 1 January 2019).

Our purpose

The charity's object is to give permanent relief to such persons as are hopelessly disqualified for the duties of life by disease, accident or deformity. The charity aims to enable people with profound or complex disabilities, resulting from damage to the brain or other areas of the nervous system, to enjoy an optimal quality of life through enhanced independence.

Public benefit

The Royal Hospital for Neuro-disability's trustees have considered the Charity Commission's published guidance on public benefits requirements under the Charities Act 2011.

The Charity carries out its objects and activities through:

- contracts with NHS England to provide rehabilitation to adults following catastrophic brain injuries;
- contracts with Integrated Care Boards and others to provide care to adults who, following brain injury, require continuing specialist and complex care; and
- fundraising in order to enhance the care and wellbeing of patients and residents, by improving facilities available to them, developing and providing therapies such as occupational art and music therapies, offering recreational and social events, and providing pastoral care to all – whatever their faith or background.

Our charity

Founded by Andrew Reed in 1854, the Royal Hospital for Neuro-disability (RHN) is a charity hospital and research centre.

Our charitable status enables us to raise funds for a variety of specialist services that complement the NHS funded care package received by our patients and residents. These services broadly cover our Brain Injury Service and Continuing Care Service, both aimed at improving the quality of life for our patients and residents living with severe neurological disabilities.

As a medical charity with a holistic approach to treatment, we take great pride in delivering excellent work in the areas of assessment, rehabilitation and specialist care to some of the most disabled adults in the UK, as well as support to their families.



Fundraising



2 years into the RHN's 5-year strategy – “The Path to Excellence”, Fundraising's contribution in support of the RHN's vision and mission, continues to be crucial, as voluntary income supports the overarching ambition to be a national centre of excellence for complex neuro-disability.

The funds raised come from a variety of sources and they complement the RHN's care package.

In 2023/24, fundraising generated £2.5m (82% of target), making it possible for the services listed below to be provided. These services added value to the care given to every patient and resident.

Funded services:

- Music Therapy
- Occupational Art Therapy
- Leisure and Families Service
- Physiotherapy equipment and hoists
- On site multi faith chaplaincy services
- Specialist adapted wheelchair services
- Hardship fund to help struggling families
- Nurse escorts and transport for patient trips

In addition to the above, fundraising's engagement with individuals, businesses and Trusts achieved the following:

- Raised over £400k towards the Hunter Ward refurbishment capital project
- Obtained a £200k legacy donation
- Raised £40k of in memory donations from patient families and friends
- Funded the development of a new sensory theatre for patients
- Raised sufficient funds in support of specialised sporting equipment

With our charitable status, the RHN is well placed to secure additional funds that can contribute to the vital work of providing specialist care and rehabilitation for patients and residents.

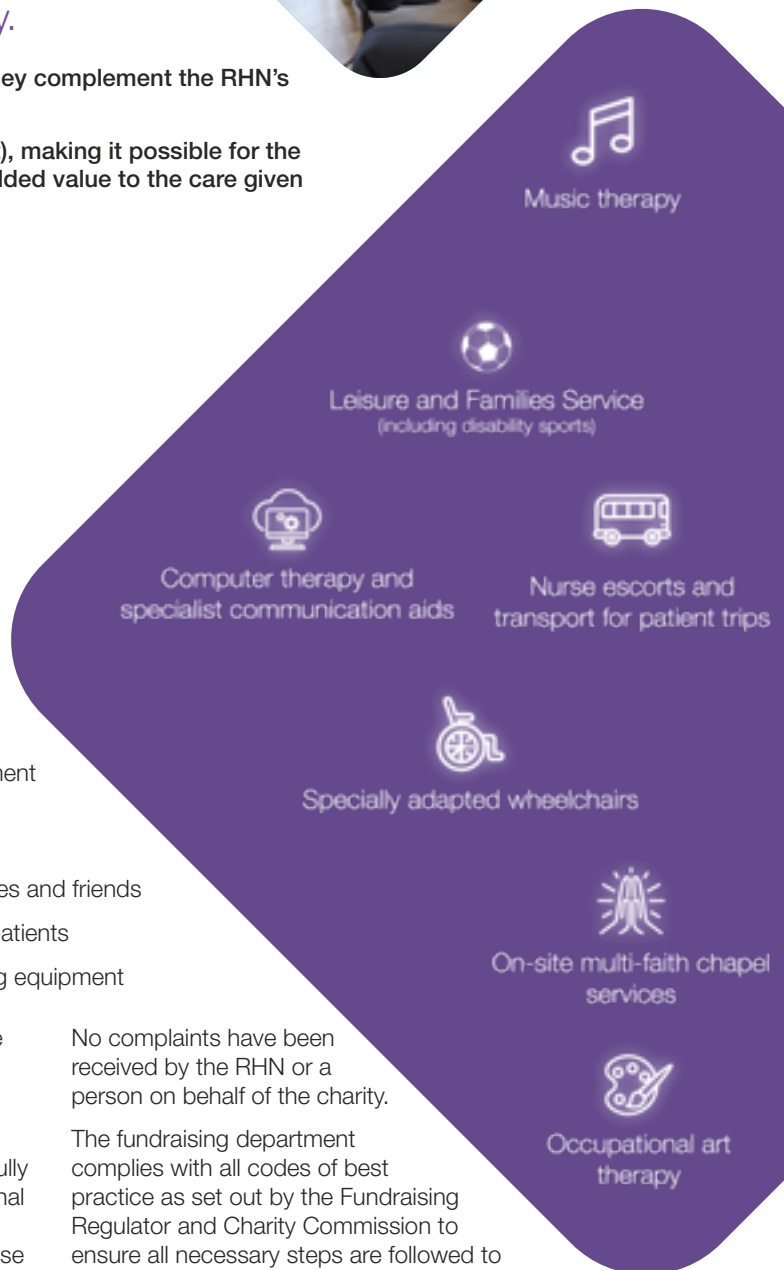
The RHN is registered with the Fundraising Regulator and fully complies with their Code of Practice. No external professional fundraising bodies or commercial participators carry out activities on behalf of the RHN. The Events team do purchase places in external fundraising events, such as the London Marathon which are appropriately regulated.

No person on behalf of the charity, or the RHN itself was subject to an undertaking to be bound to any voluntary scheme for regulating fundraising or any voluntary standard of fundraising in respect of activities on behalf of the charity.

There has been no failure to comply with any schemes and the RHN does not monitor activities carried out by any person on behalf of the charity for the purpose of fundraising as this is not necessary.

No complaints have been received by the RHN or a person on behalf of the charity.

The fundraising department complies with all codes of best practice as set out by the Fundraising Regulator and Charity Commission to ensure all necessary steps are followed to protect vulnerable people and other members of the public from behaviour in connection with such activities. The RHN is committed to transparent and ethical conduct in all matters relating to fundraising.



Activity at the RHN in 2023/24

Statistics	2024	2023
Admission to the hospital	194	195
Bed Capacity		
Brain Injury Service (excl. DToC)	42	42
Delayed Transfer of care (DToC)	6	6
Continuing Care	187	185
Aggregate bed capacity	235	233
Annual Bed Occupancies		
Brain Injury Service (excl. DTOC)	38	40
Delayed Transfer of Care	5	4
Continuing Care	177	179
Average bed occupancy	220	223
Patients treated within the BIS	133	173
Percentage occupancy rate BIS inc. DTOC	90%	92%
Percentage occupancy rate BIS excl. DTOC	90%	95%
Percentage occupancy rate CC	95%	97%

The RHN is a registered Charity contracting with the NHS to provide the best possible rehabilitation and care for people living with a neuro-disability. In October 2022 we launched our 5-year strategy “A Path to Excellence” and our plans demonstrate our clear commitment to our patients and residents and our partnership with NHSE and integrated care boards (ICBs). Quality and Value for our Commissioners is an important part of our strategy, alongside our commitment to delivering exceptional care to our patients and residents.

We combine expert clinical care specialist therapies and innovative technologies to enable the best possible quality of life for people with neuro-disability. Our service pathways include:

- Ventilation and complex respiratory service
- Brain Injury service (Level 1 commissioned services)
- Neuro-behavioural service
- Specialist Nursing Home including a unit specifically designed to meet the needs of younger adults transitioning from longer term paediatric to adult care
- Augmentative and Alternative Communication service (Outreach service)

In 2023/24 the RHN accepted 194 admissions, which is comparable with admissions accepted in the previous year.

Brain Injury Services

Of the 48 beds in the Brain Injury Service, 42 beds were used as part of the NHSE contract for the provision of specialist rehabilitation level 1/2a, with an additional 6 contingency beds to accommodate delayed transfers of care, pressure alleviation from NHS bed blocking and spot purchase packages for both NHS and private patients with rehabilitation needs.

The average length of stay in the Brain Injury Service was 15.2 weeks, a reduction in length of stay from the previous year which was 17.5 weeks. The data for length of stay and percentage occupancy does not include delayed transfers of care.

The RHN is committed to continuously improving responsiveness to referrals and aims to process referrals within 14 days of receipt. Furthermore, the RHN dedicates

its resources to maintain its ability to admit patients with considerably high complex needs, which is recorded on admission and discharge. The RHN continues to be a leader in the industry with its ability to accept patients who are severely impaired.

In 2023/2024, the RHN facilitated 176 discharges from across all our services. This data is inclusive of discharges to home and other services; and excludes deaths.

Research and innovation

In 2022 we developed our research strategy with the following priorities:

- Understanding more. We are committed to understanding more about neuro-disability
- Discovering more. We are committed to discovering new interventions, support and methods of care
- Sharing more. We will share our understanding, knowledge and expertise within the RHN to ensure that our practice is up to date and with others for the benefit of the wider population of people with neuro-disabilities

Our focus is on areas where there is potential benefit for our patients and residents and we are recognised for our expertise in:

- Disorders of consciousness
- Tracheostomy and long-term ventilator support
- Service and technology innovation
- Oral health and dental care

We are also undertaking research and innovation in other areas of relevance to our services.

As part of sharing our knowledge and expertise, we organised 26 courses, 11 of which were online and 8 delivered at another organisation.

This year we also hosted 3 conferences to bring together experts to share good practice and discuss the latest

developments in infection prevention and control, health digital technology and clinical development in Disorders of Consciousness.

We organised 5 lectures open to all and available on the RHN YouTube channel.

2 of our staff have successfully completed a Master's degree and 1 staff member completed her PhD looking at the assessment of mood in people with severe brain injury at Glasgow University.

Publications during 2023/24 are listed below.

Articles:

Parsons L, Doshi M, Rice C. "Lip and tongue biting in patients with a brain injury: a practical guide". *Practical Neurology*. 2024 Jul 23.

Rose AE, Cullen B, Crawford S, Evans JJ." Working towards consensus on the assessment of mood after severe acquired brain injury: Focus groups with UK-based professionals". *Clinical Rehabilitation*. 2024 Oct 9.

Rose AE, Cullen B, Crawford S, Evans JJ. "Assessment of mood after severe acquired brain injury: Interviews with UK clinical psychologists and medical professionals ». *Clinical Rehabilitation*. 2024 Sep 10.

Thorpe A. "Leaving on a Jet Plane reflections on working with a patient with complex acquired brain injury secondary to attempted suicide". *Brain Injury*. 2024 Jul 24:1-5.

Bradley L, Wheelwright S. "The impact of delays in transfer to specialist rehabilitation on outcomes in patients with acquired brain injury". *Clinical Rehabilitation*. 2024 Sep 25.

Clark T, Lewko A, Calestani M. "The circular paradox of including people with severe brain injuries and reduced decisional capacity in research: A feasibility study exploring randomized research, consent-based recruitment biases, and the resultant health inequities". *Physiotherapy Theory Practice*. 2024 Oct.



Leisure and family services LaFS

LaFS continues to evolve as a therapeutic leisure service, focussing on delivering tailored group activities and one on one sessions that prioritise the needs, preferences, and wellbeing of our residents. With a primary emphasis within our Specialist Nursing Home, we are committed to creating meaningful leisure experiences that enhance quality of life and support therapeutic goals across a variety of interests.

LaFS has now merged with other fundraised services across the organisation to operate under the same direct reporting line, incorporating LaFS, bereavement support, chaplaincy service and the art room team.

Our ward-based activity coordinators and ward administrators in the specialist nursing home and specialist services work closely to deliver various activity sessions for residents across the week. This collaboration ensures that sessions are adapted to the unique needs of each ward, with coordinators and administrators supporting one another to make this possible. Their teamwork has significantly strengthened communication and planning, allowing us to better meet residents' interests and enhance their day-to-day wellbeing.

The visits from our pet therapy dogs have continued to be very well received across all wards, consistently bringing joy, comfort, and therapeutic benefits to residents throughout the organisation.

In partnership with LaFS, CoDA has continued to deliver 6 sessions per week across various wards at the RHN, consistently reaching full capacity and receiving enthusiastic feedback from patients, residents, family members, and staff. While CoDA lottery funding concluded in October 2024, we are actively collaborating with the fundraising team to ensure this valuable service can continue into next year and subsequent years thereafter.

Given the success of the first in house Christmas tree decorating sessions, this will now be an annual event. In November 2023 we hosted 4 workshops where residents and patients created new decorations for the trees, and with the help of a team of volunteers, the trees were beautifully set up in the first week of December.

Church services continue to be well supported, with over 80 patients and residents attending the traditional Sunday morning service in the Assembly Room, often joined by family members. The dedicated team of volunteers escorting patients and residents has proven to be effective in facilitating attendance. Our afternoon ward-based services, tailored for specific wards unable to attend the morning session, continue to thrive, including a Chatsworth overflow service, Haberdashers, JEC and Leonora wards.

In the Chatsworth Day Room, the Thursday informal service and quiz attract participants from various wards, while the Holy Communion service on Fridays in the Chapel sees a growing number of residents accompanied by family members. Additionally, the parish priest of St. Thomas A Becket, our local Catholic church, conducts a monthly mass on-site, and the visiting imam holds one to one sessions with Muslim residents.

The Chaplain's commitment to providing spiritual and pastoral care extends both on and off the wards, encompassing individual Holy Communion for those unable to attend services, personalised readings and prayers, one on one spiritual counsel, and appropriate end of life support. When suitable, the Chaplain visits patients during their acute hospital stays.

The live concerts on Wednesdays have continued to run weekly, alongside our Saturday live concerts. With both concerts now firmly established, additional volunteers support resident and patient attendance, making these performances a highlight of the week for many.

In the last year, our family accommodation facilitated 655 nights (2023: 395) of overnight stays. The family accommodation is managed by the LaFS team, who coordinate bookings for the on-site 3 bedroomed flat. As more patients and residents come from out of the area, this affordable on-site option makes it easier for family and friends to visit more frequently, despite the travel distances involved.

Over the past year, our hairdresser has continued to visit 1 day a week, facilitating 331 appointments for patients and residents. The impact of having this service is invaluable, greatly enhancing the wellbeing and confidence of our patients and residents.

Lastly, LaFS and the Social Work Team continue to run a biweekly benefit advice clinic, staffed by our local job centre. This service provides patients, residents, and their family members with invaluable advice and insights into their entitlements, along with dedicated assistance in navigating communications with the DWP. Additionally, the Brain Injury Group has reintroduced a monthly on-site legal advice clinic, further enhancing the support available to our community.

Leisure and family services LaFS (continued)

We are thrilled to continue working with our wonderful volunteer team, whose dedication and commitment to supporting our patients and residents remains invaluable.

Volunteers

Number of new volunteers recruited between 1 October 2023 and 30 September 2024 was 83 (2023: 116)

Number of volunteers active in the year to 30 September 2024 was 161 (2023: 206)

Number of active volunteers at 30 September 2024 was 99 (2023: 169)



Managing our risks

In order to minimise or eliminate risks to the charity during the 2023/24 financial year, potential risks were (and continue to be) identified and regularly reviewed by both the Executive team and Trustees. An online risk management system has streamlined and made more efficient the recording, assessing and reporting of risks.

In 2023/24 the RHN identified its principal risks as: Use of named patient medication as general stock, fluctuating occupancy levels and pressure on RHN income.

With regard to patient medication, there has been minimal risk to patients as staff check medicines before administration. Internal processes have been tightened and the nursing clinical education team have reinforced the understanding of differences between named patient supplies and general ward stock amongst nursing staff.

In relation to fluctuating occupancy levels, work to speed up the admissions process and reduce delays in filling beds has been completed and staff are focused on ongoing communication with commissioners and other referrers to generate additional referrals and admissions.

With the pressure on RHN income, there is regular dialogue with commissioners to fully explain inflationary uplifts requested and the quality of service provided by the hospital.

Quality of care

We are a regulated healthcare provider with the Care Quality Commission (CQC) and the Charity Commission. Following our unplanned CQC Quality Inspection between 14 and 16 June 2023 which focused on the Safe and Well Led Key Lines of Enquiry, our rating in these two domains went down to Requires Improvement. We remain rated as Good in the other three domains. Our overall rating has however gone down to Requires Improvement.

The RHN has robust controls in place to ensure that it implements high standards of quality and safety, including quality of care and has been focussing on areas identified in the CQC quality report, including medicines management, National Patient Safety Alerts and oversight of their associated risks, infection prevention and control relating to equipment management and obtaining laboratory specimens. We have made good progress in all of these areas and completed all of the associated actions. Monitoring of progress has continued through the Clinical Quality Review Group (CQRG), through NHSE. Our Quality Account for 2023/2024 captures positive feedback from NHSE and South West London Integrated Care Board (SWLICB).

The controls we have in place are numerous and include robust clinical leadership at board level and across the hospital, a named board level trustee for quality and safety, a Patient Safety and Quality Committee, a named executive director for quality and safety, a dedicated team to drive quality and safety and robust management of the Datix incident recording and management system. We have successfully implemented the new Patient Safety Incident Response Framework (PSIRF) across the whole organisation and were the first independent healthcare provider outside of the early implementers to implement it in July 2023 ahead of the national deadline. We continue to review clinical risks and trends by the Clinical Risk and Incident Committee, review patient deaths by the Mortality Review Committee and have excellent safeguarding leadership, structures and processes with robust analysis of decision making, which has been affirmed by achieving the prestigious "Leaders in Safeguarding" discretionary gold award. We have maintained membership of the Safeguarding Adult National Network (SANN) and have consistently achieved high levels of mandatory training compliance (exceeding 90%). Our

Director of Nursing and Head of Safeguarding are recipients of NHS Safeguarding Medals, awarded by SANN for our excellence in safeguarding practice.

We have focused on the attainment of skills and competencies through a competency framework to underpin nursing and Health Care Assistants' practice. We have also expanded our Clinical Skills Team to support practice on the wards, incorporating a robust student supervision and preceptorship framework for new Registered Nurses and Nursing Associates, for which we received a National Award from NHSE. Our commitment to developing our clinical staff continues and we have successfully appointed our first trainee Advanced Care Practitioners into our workforce. Our rolling programme of training and developing Nursing Associates continues with at least 15 students in training each year. Links with the South West London Integrated Care System, including membership of the SWL Quality Council, have also been maintained.

We have an ambitious Patient and Resident Experience Strategy, which underpins the RHN Strategy 2022 to 2027, "The Path to Excellence". We also encourage feedback and involvement from patients, residents and their families through multiple formats including the Annual Patient Survey and through participation in service level forums which we have successfully introduced and through our comprehensive complaints and compliments process.

Our clinical and medical risk registers are updated monthly by named clinical directors responsible for each of the risks on the registers and clinical risks are incorporated in the organisational risk register (ORR) if they meet the threshold. The Executive Management Team (EMT) also reviews the risk registers monthly. The Patient Safety and Quality Committee (a board Committee) has oversight of clinical risks.

We have successfully achieved international designation of Pathway To Excellence® with the American Nurse Credentialing Center (ANCC), which provides us with a framework for nursing excellence through the development of positive practice environments for all of our clinicians and where nursing can excel. Led by our Director of Nursing and Pathway Director, through the senior nurse leadership and clinical skills teams across the RHN, we successfully achieved this designation in August 2024, the first independent healthcare provider to achieve this in the UK.

Managing our risks (continued)

Recruitment and Retention of Staff

During this financial year we have intentionally reduced the recruitment of international nurses from overseas. In the last financial year there were 32 international nurses recruited and this financial year there have been 16.

As well as this, we have recruited 13 Nurses (including 4 internal promotions) and 119 Healthcare Assistants. Continuous recruitment, assessment days and collaboration with the clinical recruiting managers have resulted in vacancy numbers reducing.

Staff engagement, Wellbeing and Inclusion

Staff Engagement and Wellness Roadshow

Our annual staff engagement and wellness roadshow took place on day one of the RHN Festival in June. This popular event attracted over 350 staff during the day and 140 at night. Staff participated in various wellness activities, including health and wellbeing checks, massages, yoga, hula hooping, and a healthy juice and smoothie bar. A walkthrough roadshow in the Assembly Room allowed staff to learn about staff networks, sustainability initiatives, freedom to speak up, the employee assistance programme, mental health first aid and more.

Mental Health and Wellbeing

In 2023, over 45 staff members from various departments and wards across the hospital qualified as Mental Health First Aiders (MHFA). This achievement is a critical component of our People Strategy and reflects our commitment to wellbeing as part of becoming an accredited Pathway to Excellence organisation. Our goal is to equip staff with the skills and resources needed to address mental health concerns and provide essential support to colleagues. We regularly receive positive feedback from our MHFA network about the impact this support has on staff. Notably, our Mental Health First Aiders offer 24/7 coverage, with trained staff available even during night shifts.

Inclusion and Staff Networks

PRIDE@RHN

In June, PRIDE@RHN participated in the 2024 London Pride Parade as part of PRIDE month. The parade was a vibrant celebration with over 60 staff members in attendance. We also hosted a Pride themed cabaret event and movie screenings for patients, residents and staff, all of which received very positive feedback.

Race Equality Staff Network (REN)

The network celebrated East and South East Asian Heritage Month in September and Black History Month in October. These celebrations featured cultural food, music and guest speakers, attracting an average of 280 staff members per event. The network meets monthly and has collaborated with Reed's Café in the hospital to recognise and celebrate a broader range of religious festivals. Additionally, the network supported the RHN's accreditation as a Bronze Trailblazer (Race Equality Matters).

Women's Network

The recently launched Women's Network focuses on meaningful discussions around women's health, career growth, caring responsibilities, domestic violence, and other relevant topics. The network meets regularly and plans to participate in upcoming staff wellbeing and winter wellbeing events.

Wellbeing Council

Our Wellbeing Council, as part of our Pathway to Excellence accreditation, meets monthly and includes a multi professional team dedicated to developing wellbeing initiatives. One of our proudest achievements this year was the new recognition programme, "Celebrating Excellence: Recognising How People Demonstrate Our Values," which launched in January 2024 and runs quarterly. To date, we've received over 190 nominations, and winners of each quarter have been celebrated at afternoon tea events with CEO Paul Allen.

Learning and Organisational Development

Since the launch of the Insight Discovery profiling tool in May 2023, we have created profiles for 95 RHN staff members, including the executive team and all nursing and workforce leads. The tool has been recognised as valuable for fostering team relationships and is now recognised as a possible option for addressing employee relations issues.

To enhance management competency across departments, we provide in house courses covering coaching skills, managing performance, time and task management, and supervision skills. These courses maintain an attendance rate of over 90% and are usually fully booked, with absences primarily due to clinical incidents or illness. This approach has reduced our dependence on external training, resulting in lower external training costs.



Managing our risks (continued)

Pathway to Excellence

We successfully submitted evidence for Practice 6: Leadership and Management in line with the Pathway to Excellence accreditation. This outlined our strategy for developing direct care nurses and their involvement in shaping the learning and organisational development offerings at the RHN.

Compliance

For the past 28 months, the RHN has consistently surpassed the 90% compliance target for mandatory and statutory training, marking a strong recovery from COVID-19. We have also adjusted our refresher intervals to align with the Core Standards Training Framework, reducing the frequency for certain courses.

Learning Management System (LMS)

In September, we acquired the Perform module to streamline our annual performance review process. This system will provide more detailed reporting and a secure digital record, significantly reducing the manual workload associated with our current paper based process. User testing is underway, with a launch planned for January 2025.

Financial sustainability

In order to improve and provide the highest quality of care to patients and residents, the RHN recognises the need to maintain financial stability and to continue to attract donations, legacies and other fundraised income in order to invest in its facilities and equipment.

The RHN recorded a financial surplus for the financial year ended 30 September 2024 with year-end reserves considered sufficient to continue operations for between three and four months in the unlikely event that all funding ceased. Our budget for the financial year ending 30 September 2025 anticipates a surplus in income and expenditure and continued satisfactory reserve levels. Further to the budget for the forthcoming financial year, the five-year financial projection to the year ending 30 September 2029 presented to trustees sees improving surpluses and adequate cash balances as the RHN continues to alter its mix of services and invest in its infrastructure to improve services to patients and residents.

The RHN's primary sources of funding are NHSE, NHS Integrated Care Boards and Local Authorities. Notwithstanding additional funding promised to the NHS by the new government, NHS bodies receive annual increases with which to pay the RHN for its services. These are not sufficient to meet all the RHN's cost pressures so the RHN continues to work in partnership with commissioners to negotiate adequate contractual agreements whilst increasing efficiency. It is expected that the block contract for rehabilitation services with NHSE will be broken up with responsibility passed to Integrated Care Boards in the next twelve months.

The drive to maintain financial sustainability includes investment in technology, equipment and the estate and which to provide the highest standards of care and generate income. During 2023/24 essential work on Leonora ward, water and electrical infrastructure; lift repairs and the commencement of the refurbishment of Hunter ward have been carried out. On the technology front, considerable improvements have been made including work to upgrade and move servers to a secure location on the Putney site.

The RHN has sufficient reserves for the foreseeable future, and has a five-year financial projection supporting its corporate strategy. Further disclosures are available within the financial review and note 1.2 of our accounting policies.

The RHN's Committee with oversight of finances is the Finance Committee. The RHN is in the process of changing its investment manager so the committee met with the incumbent on one occasion to review the management of the RHN's investment portfolio.





Financial review

The RHN reported an overall net surplus in funds for the year of £4.8 million (2023: £1.7 million surplus) comprising the following:

	2024 £m	2023 £m
Hospital		
Hospital Activity Income	53.27	49.88
Hospital Activity Expenditure	(51.86)	(49.33)
Surplus from Hospital Activities	1.41	0.55
Voluntary and Other Activities		
Donations and Other Fundraising	2.57	2.47
Other Income	0.73	0.48
Income from Voluntary and Other Activities	3.30	2.95
Fundraising Expenditure	(0.86)	(0.96)
Voluntary and Other Expenditure	(1.13)	(1.14)
Expenditure of Voluntary and Other Activities	(1.99)	(2.10)
Surplus from Voluntary and Other Activities	1.31	0.85
Hospital and Charitable activities	2.72	1.40
Net Income on Pension Scheme	0.00	0.00
Net Gains on Investments and Fixed Assets	2.04	0.30
Net Surplus	4.76	1.70

The RHN receives the majority of its income for patient care from NHS England (for Brain Injury Services); and from Integrated Care Boards and some Local Authorities (for Continuing Care). The Charity has also seen an increase in donations and legacies of 5% (2023: 16% decrease)

Income from donations, legacies and fundraising events is £2.6 million (2023: £2.5 million) analysed as follows.

Donations, legacies and fundraising received for charitable expenditure during the year ended 30 September 2024

	30 September 2024		30 September 2023	
	£'000	£'000	£'000	£'000
Unrestricted		1,542		1,525
Restricted				
(1) Additional therapies and services	210		185	
(2) Purchase of specialist equipment	325		191	
(3) Research and education	96		47	
(4) Specific redevelopment and refurbishment of hospital buildings	447		523	
(5) COVID crisis response	-		1	
		1,078		947
		2,620		2,472

The RHN's fundraising activities are overseen by the Fundraising Regulator (FR) whose responsibilities include ensuring the charity records all complaints, completes an Annual Complaints Returns Report and displays the FR logo. These convey our commitment to complying with legislation as well as building trust with supporters of our charity.

Financial review (continued)

Expenditure on charitable activities

The continuation of successful recruitment campaigns overseas has seen the arrival of more nurses and healthcare assistants, mainly from the Philippines and the RHN has been successful in employing graduate nurses who obtained practical experience whilst at the hospital.

The RHN continues to demonstrate its commitment to its staff through paying competitively, ensuring nobody is paid below the London Living Wage; and in addition to providing staff development opportunities commenced a nursing associate programme that saw its first graduates in the autumn of 2023.

A values-based recruitment process commenced during 2022/23 and ward staff have been trained so that this can be comprehensively rolled out in 2023/24.

In terms of clinical and service development, the hospital increased ventilated bed capacity by 4 in the year and is on track to reprofile specialist nursing home beds as behavioural beds during 2023/24. The refurbishment of Wellesley ward was completed on time and to budget so improving the environment of the behavioural service.

Investments	30 September 2024 £ million	30 September 2023 £ million
Net gains during the year	2.04	0.30

The RHN invests surplus funds, beyond working capital requirements, in a portfolio managed by Cazenove Capital Management, the charity division of Schroder & Co Ltd. They place investments based on asset allocation ranges previously agreed by the RHN's Finance Committee, who review the Charity's investments during the course of the financial year, the target return was CPI + 3.5%. Investment income during the year was £0.73 million (2023: £0.48 million). The finance committee sets targets for the investment manager to meet and monitors performance, however, the overall performance of the portfolio reflects the general economic climate.

Staff pension scheme	30 September 2024 £ million	30 September 2023 £ million
Net actuarial gains on the defined benefit scheme	0.00	0.00

The results above pertain to the RHN's defined benefit pension scheme which was closed to new members in 2001 and existing members in 2006.

As at 30 September 2024, the defined benefit pension scheme was in surplus but as it is not recoverable, was restricted to zero in the disclosures (30 September 2023: zero). The surplus of £3.8 million (2023: £2.0m surplus) in the scheme is not available as a refund to the RHN and is therefore deemed to be irrecoverable under FRS102.

The RHN continues to run a defined contribution scheme for its employees which was transferred to an Aviva Master Trust in October 2019.

Financial review (continued)

Reserves

Reserves are held to help the charity operate effectively in accordance with the Charity Commission's guidance. The Board has carried out a detailed review of the charity's activities, identified the major risks the RHN is exposed to and produced a financial risk assessment.

Free reserves are intended to cover the following:

- Adverse movements in cash flow
- A shortfall in income net of fees payable
- A shortfall in voluntary income
- Falls in the realisable value of investments
- A contingency against business interruption

After carrying out a review of the risk areas stated above, the RHN Board of Trustees has determined a range of £13 million to £16 million (2023: range of £12 million to £14 million) of free reserves as being a minimum operating level for three months.

At 30 September 2024, the reserves were as follows:

- Free reserves of £17.3 million (2023 - £15.5 million) after accounting for the defined benefit pension scheme as per FRS102 are greater than the minimum operating level required for three months.
- Designated funds of £32.0 million (2023: £29.4 million) representing the net book value of the RHN's fixed assets of £24.4 million (2023: £22.4 million) together with £0.8 million (2023: £0.7 million) for planned maintenance and £6.8 million (2023: £6.3 million) for future capital expenditure on the hospital buildings and equipment.
- Combined restricted reserves of £1.72 million (2023: £1.46 million) include £0.95 million (2023: £0.78 million) in cash required to fund specific projects.
- Endowment funds are £0.87 million (2023: £0.78 million)

The sum of the above gave total reserves of £51.9million (2023: £47.2million).

Further details of these reserves are disclosed within the statement of financial activities and balance sheet on pages 28 and 29; and in note 17.



Going concern

The RHN is a public benefit entity, and its Board has set out a review of financial performance and the charity's reserves position. At 30 September 2024, the RHN reported free reserves of £17.3 million (2023: £15.5 million), net current assets of £7.4 million (2023: £6.7 million) and a net cash inflow of £0.2 million (2023: £2.0 million net cash outflow) for the year. The change in cash flow between the two years was due to capital outlay exceeding earnings before interest, tax, depreciation and amortisation; and movement in working capital in 2022/23.

As at 30 September 2024, the defined benefit pension scheme was in surplus but as it is not recoverable, was restricted to zero in the disclosures (30 September 2023: zero). The surplus in the scheme is not available as a refund to RHN and is therefore deemed to be irrecoverable under FRS102. The RHN's strategy of funding any residual obligation in order to eliminate any future deficit remains.

With regard to the year ending 30 September 2025, the most significant areas that are likely to affect the charity's net assets are levels of patient and fundraised income, operating revenue expenditure and capital investment.

The RHN's budget for 2024/25 and financial projection for 2025/26 were incorporated in its five year financial projection 2025/29 presented to the Board in July 2024 in support of and building on the organisational strategy for 2023/27. Prudent uplifts for patient income and an increase in the provision of ventilated and rehabilitation services are included.

In order to explore the sustainability of the RHN, a financial stress test exercise has been conducted with the above assumptions altered to model more adverse conditions in 2024/25 and 2025/26. With these changed assumptions, a consequent adverse impact was seen on income and expenditure, cash balances and reserves in those two years. In terms of cash, in order that the RHN retained desired cash balances at the end of the two financial years in question, without curtailing spend, it would be necessary to transfer £3.6 million and £3 million respectively from investments to the current bank account in 2024/25 and 2025/26.

The mitigating actions that would be taken would be to pause further major refurbishments after Hunter ward, reduce staffing where occupancy had fallen and transfer £1.7 million from investments to the current bank account in 2024/25.

It is anticipated that the mitigating actions would result in reserves being sufficient for three to four months of operations during the two years in question.

On its operational activities, the trustees believe that the current strategy for growth including some shift in the balance of services provided; and the associated rolling five-year financial projection have reasonably secured the future of the RHN to sufficiently meet the requirements of a going concern.

The hospital holds investments valued at £20.2 million (2023: £18.1 million) inclusive of cash available of £0.8 million (2023: £0.7 million). Unrealised gains amounted to £2.0 million in 2023/24 (2023: £0.3 million).

Like other healthcare providers the RHN faces inflationary pressures, the hospital continues to monitor developments

and take appropriate action. The trustees will continue to monitor plans with the RHN executive team to ensure that the RHN retains sufficient reserves to continue operating. The charity has a strong balance sheet, with unrestricted liquid reserves (general, capital and maintenance funds) of around £25 million (2023: £23 million) and so the trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

The trustees are satisfied that the RHN can continue operating for the foreseeable future and accounts have been prepared on the basis that the RHN is a going concern.

Neither the Trustees, nor any key persons within the charity, are aware of any further specific, nor general events which would change the charity's status as a going concern.

Structure, governance and management

The RHN's governing constitution is a Royal Charter and byelaws. On 19 July 2022 Her Late Majesty the Queen allowed the amendments to the Charter and the Privy Council approved the revised byelaws. The Board brought both these documents into force at its meeting on 20 October 2022. The new Charter provides for a single Board of Governors who are the trustees of the charity. The requirement for the Board to delegate the day-to-day management of the RHN to a Chief Executive continues.

The Board is a non-executive body that has four meetings each year. It sets the strategic direction of the RHN and in 2022 agreed the current 5-year strategic plan. 2023/24 was the second year of the plan. The Board appoints committees with responsibility for scrutinising the executive's delivery of the RHN's functions, such as patient safety and quality and finance. In 2023/24 the Board adopted the Board Assurance Framework which is now being considered at each Board meeting.

The Board follows the Charity Commission's Guidance on governance. It carries out an annual review of its governance processes, including review of the committee terms of reference. Board members and senior executives are required to complete an online declaration of interests and review this at least annually and to declare any gifts and hospitality received. All staff, volunteers and Board members are required to have DBS checks every three years. Board members, the Chief Executive and the Director of Finance sign annual declarations of fitness to hold office. This is being extended to all the executive directors for the year 2024/25.

The Board of Governors (Trustees)

In 2023/24 the constitution required that the Board must be made up of a minimum of 8 and a maximum of 15 members, who hold office for 4 years. They may not hold office for longer than 2 consecutive terms of 4 years unless the Board decides there are exceptional circumstances. Members of the Board are appointed and retire by rotation. The Nominations and Remuneration Committee regularly reviews the skills requirements of the Board. A formal recruitment process has been adopted where particular skills are being sought, which includes open advertisement and interview to ensure the appropriate skills and experience are identified and to extend the Board's ability to recruit a diverse Board. An induction programme and continuing trustee training is also in place.

3 new trustees were appointed in 2023/34 and a recruitment campaign was started for 2024/25.

reviewed. The component parts are basic pay and a market supplement reflecting the higher cost of inner London living.

The Board's Nominations and Remuneration Committee (comprising Board Members) is responsible for deciding the remuneration of the key management personnel constituting the executive directors. Chaired by the Chair of the Board, the committee considers directors' salaries and benefits. The Chief Executive's pay is determined by the committee and the Chief Executive provides advice to the Committee on the other directors' remuneration. The remuneration of the Executive team is disclosed in full in notes to the accounts.

Responsibilities of the Executive and Committees

The Board delegates certain functions to the Executive and Committees. The day to day running of the RHN is the responsibility of the Chief Executive. The Chief Executive carries out operations according to the strategy and the budget set by the Board and is assisted by the executive team which meets every week. A new Operational Management Committee was formed in 2024. It comprises senior managers and has delegated to it some operational matters thus freeing the executive team to concentrate on strategic matters.

Remuneration

Trustees (Board members) are not remunerated but may claim reasonable expenses.

As an employer, the charity operates the 'Putney Scale', a harmonised pay method which helps the RHN remain competitive within the healthcare industry. This is available to all nursing and therapy staff and is in line with the NHS Agenda for Change classifications and is periodically

Looking forward

The RHN is now in the third year of its 2022 to 2027 strategy 'The Path to Excellence'. We are on track to change our mix of activities with an expansion of ventilated, behavioural and young adults' services by 2027.

Objectives for the RHN fall under the headings of patient experience, people, clinical and service development, marketing, fundraising, estates, information and technology, finance and governance.

Aims for 2024/25 include widened participation in the patients' and relatives' survey, development of personalised information packs for patients and residents, further reductions in turnover and sickness levels, implementation of a new Specialist Nursing Home service model, digital monitoring of effectiveness/value metrics in all services, implementation of year 1 of the marketing strategy, achievement of the target of £3.1m of fundraised income, the refurbishment of Hunter ward, commencement of the refurbishment of Glyn ward, upgrade of the telephone system, achievement of the budgeted hospital surplus, ending the year with a cash balance of at least £2m, achievement of the Disability Confident Accreditation, maintained preparedness for the next CQC inspection and making significant progress on devising RHN strategy beyond 2027.

In 2023/24, successes included the launch of a new patient representative forum, the forging of new links with South West London ICB's patient experience lead, implementation of the first stage of a pay and reward review, achievement of the Pathway to Excellence accreditation, reviewing best interests decisions of people in persistent disorders of consciousness receiving clinically assisted nutrition and hydration, increased ventilated capacity to 32 beds, review of our marketing strategy, the completion of major infrastructure

improvements, commencing the refurbishing of Hunter ward, launching a sustainability project, carrying out major upgrades to computer servers, beating the hospital budget, signing off the 2022 triennial valuation of the defined benefit pension scheme, implementing a new board assurance framework and putting in place a CQC action plan and preparing for the next inspection.

2023/24 saw continued improvement in the net value of the RHN's defined benefit pension scheme and the value of investments the RHN holds.

With regard to the pension scheme, the RHN intends to work with the trustee, Dalriada on Guaranteed Minimum Pension (GMP) Equalisation and improving governance and cyber security.

The year saw the RHN run a competitive tendering process for investment management services for the charity. The outcome was that Mercer will take over from Cazenove as the provider to the RHN, the necessary due diligence is being carried out before the transfer is completed.

Once Mercer is in place, it is anticipated that the RHN's investment policy will be updated in 2024/25.



Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

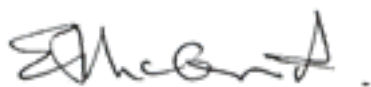
The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity; and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable 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 in business.

The trustees are responsible for keeping proper 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 Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Royal Charter.

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.

The trustees are responsible for the maintenance and integrity of the charity; and financial information included on the charity's website.



Jane McCormick
Chairman


Royal Hospital for Neuro-disability

22 January 2025




REGISTERED NURSING ASSOCIATE
 Charlotte Pit


REGISTERED NURSING ASSOCIATE
 Samuel Sequare


REGISTERED NURSING ASSOCIATE


REGISTERED NURSING ASSOCIATE
 Abigayle Daniels

Nilda

Independent Auditor's Report

to the trustees of the Royal Hospital for Neuro-disability

Opinion

We have audited the financial statements of Royal Hospital for Neuro-Disability for the year ended 30 September 2024 which comprise the Statement of Financial activities (SOFA) including income and expenditure account, 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 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 charity's affairs as at 30 September 2024 and of its 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 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 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 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; 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 require for our audit

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 24, 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 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 the Act and relevant regulations made or having effect thereunder.

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.

Independent Auditor's Report

to the trustees of the Royal Hospital for Neuro-disability (continued)

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:

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 charity 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 Charities Act 2011 together with the Charities SORP (FRS102) 2019. 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 fundamental to the charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity for fraud. The laws and regulations we considered in this context for the UK operations were CQC regulations for service providers and managers, taxation legislation, employment legislation and General Data Protection Regulation (GDPR).

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 identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Audit & Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and reading regulatory reports and 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.

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 charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Crowe U.K. LLP

Statutory Auditor

London

Date 6 February 2025

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

Statement of Financial activities (SOFA) including income and expenditure account

for the year ended 30 September 2024

	Notes	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2024 £'000	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2023 £'000
Income and endowments from:									
Donations and legacies	2.1	1,374	1,022	-	2,396	1,353	924	-	2,277
Other trading activities									
- Fundraising events		168	7	-	175	172	23	-	195
Investments									
- Dividends and Interest	2.2	716	14	-	730	466	14	-	480
		2,258	1,043	-	3,301	1,991	961	-	2,952
Charitable activities	3	53,219	49	-	53,268	49,875	-	-	49,875
Total Income and endowments		55,477	1,092	-	56,569	51,866	961	-	52,827
Expenditure on:									
Raising funds	4.1	1,180	-	3	1,183	1,148	-	3	1,151
Charitable activities	4.2	52,220	450	-	52,670	49,827	445	-	50,272
Total expenditure		53,400	450	3	53,853	50,975	445	3	51,423
Net surplus before gains and losses		2,077	642	(3)	2,716	891	516	(3)	1,404
Net gains /(losses) on Investments		1,874	75	95	2,044	279	9	10	298
Net income		3,951	717	92	4,760	1,170	525	7	1,702
Transfers between funds	17	461	(461)	-	-	731	(731)	-	-
		4,412	256	92	4,760	1,901	(206)	7	1,702
Other recognised gains									
Net actuarial gains on defined benefit pension scheme	6.5	-	-	-	-	-	-	-	-
Net movement in funds for the year		4,412	256	92	4,760	1,901	(206)	7	1,702
Reconciliation of funds									
Funds at 1 October		44,928	1,459	780	47,167	43,027	1,665	773	45,465
Total funds at 30 September		49,340	1,715	872	51,927	44,928	1,459	780	47,167

The RHN made no other unrealised gains or losses which do not appear on the SOFA. All the above are derived from continuing activities.

The notes on pages 32 to 47 form a part of these accounts.

Balance sheet

as at 30 September 2024

	Notes	Total 2024 £'000	Total 2023 £'000
Fixed assets			
Tangible assets	8	24,358	22,372
Investments	9	20,202	18,093
		44,560	40,465
Current assets			
Stocks	10	224	254
Debtors	11	6,105	6,063
Cash at bank and In hand		5,025	4,799
		11,354	11,116
Creditors - Amounts falling due within one year	12	(3,987)	(4,414)
Net Current assets		7,367	6,702
Net assets - Excluding pension		51,927	47,167
Defined benefit pension scheme asset	6.5	-	-
Total Net assets	17	51,927	47,167
The funds of the charity			
Capital funds			
Endowment funds	17 & 18	872	780
Restricted funds			
Income funds	17 & 18	951	784
Other Restricted funds	17 & 18	764	675
Total Restricted funds		1,715	1,459
Unrestricted funds			
Designated funds			
Fixed assets	17 & 18	24,358	22,372
Planned capital expenditure	17 & 18	6,848	6,339
Anticipated maintenance	17 & 18	787	737
Total Designated funds		31,993	29,448
Free reserves			
General funds	17 & 18	17,347	15,480
Total Unrestricted funds		49,340	44,928
Total charity funds		51,927	47,167

Approved and authorised for issue by the Board of Management on 22 January 2025 and signed on its behalf by:



Jane McCormick
Chairman



Hugh Rees
Treasurer

Cash Flow Statement

for the year ended 30 September 2024

	Total 2024	Total 2023
	£'000	£'000
Cash flows from Operating activities		
Net cash provided by operating activities	3,823	2,462
Cash flows from Investing activities		
Dividends, interest and rents from investments	730	480
Purchase of property, plant and equipment	(4,263)	(5,037)
Proceeds from sale of investments	5,745	4,273
Purchase of investments	(5,809)	(4,186)
Net Cash (used in) investing activities	(3,597)	(4,470)
Change in cash and cash equivalents in the reporting period	226	(2,008)
Cash and cash equivalents at the beginning of the reporting period	4,799	6,807
Cash and cash equivalents at the end of the reporting period	5,025	4,799
Reconciliation of cash flows from operating activities	2024	2023
	£'000	£'000
Net income for the reporting period	4,760	1,702
(as per the statement of financial activities)		
Adjustments for:		
Depreciation charges	2,276	2,119
(Gains) on investments	(2,044)	(298)
Dividends, interest and rents from Investments	(730)	(480)
Decrease in stocks	30	22
(Increase) in debtors	(42)	(737)
(Decrease)/Increase in creditors	(427)	134
Net cash provided by operating activities	3,823	2,462
Analysis of cash and cash equivalents	2024	2023
	£'000	£'000
Cash in hand	5,025	4,799
Total cash and cash equivalents	5,025	4,799

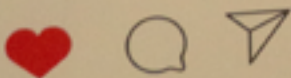


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Notes to the accounts

for the year ended 30 September 2024

Royal Hospital for Neuro-disability (Charity No. 205907)

1 Accounting Policies

1.1 The Royal Hospital for Neuro-disability is an unincorporated charity registered in England & Wales with the Charity Commission. The address of the registered office is shown on page 2 and the nature of its operations is set out in the report of the Trustees.

The principal accounting policies which have been adopted in the preparation of the financial statements are set out below and have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) effective 1 January 2019, and the Charities Act 2011.

The financial statements have been prepared to give a “true and fair view” and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a “true and fair view”. This departure has involved following the 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 (FRS102) issued on 1 January 2019 rather than the Statement of Recommended Practice: Accounting and Reporting by Charities which was effective from 1 April 2005 but which has since been withdrawn.

1.2 The RHN is a public benefit entity, and its Board has set out a review of financial performance and the charity's reserves position. At the 30 September 2024, the RHN reported free reserves of £17.3 million (2023: £15.5 million), net current assets of £7.4 million (2023: £6.7 million), and a net cash inflow of £0.2 million (2023: net cash outflow of £2.0 million) for the year.

Neither the Trustees, nor any key persons within the charity, were aware of any further specific, nor general events which would change the charity's status as a going concern.

1.3 The Statement of Financial Activities (SOFA) and Balance Sheet are the financial statements of the RHN. The subsidiary has been dormant in the financial year 2023-24.

1.4 Income and expenditure are accounted for on an accruals basis and expenditure includes Value Added Tax where this is not recoverable.

1.5 Grants Receivable are included in the SOFA in accordance with the terms of the grant agreement and the SORP criteria of entitlement, probability of receipt and reliability of measurement.

1.6 Donations of equipment and supplies are included within the appropriate expenditure at cost or estimated value to the donor and within gifts and donations.

1.7 Legacy income is recognised at the earlier of the charity being notified of an impending distribution or the legacy being received. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

1.8 Patient services comprise the costs of nursing, treatment, therapy, domestic and catering services and the costs of maintenance of buildings and equipment, heating, depreciation and other support services attributable to patient care.

1.9 Research expenditure comprises staff costs and direct costs of medical research projects instigated by the RHN and their associated support costs.

1.10 Grants are charged to the SOFA in the period in which beneficiaries are notified and so a constructive obligation is entered into by the RHN.

1.11 Support costs, comprising facility charges, governance, management and administrative costs, are allocated to activities based on employee headcount.

1.12 The RHN operates a pension scheme which includes a defined benefit section and a defined contribution section. The assets of the scheme are held by the scheme trustees separately from the assets of the RHN. Further information on the pension scheme can be found in notes 6.4 and 6.5.

Notes to the accounts

for the year ended 30 September 2024

1 Accounting Policies (continued)

1.13 Rentals payable under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

1.14 Depreciation is charged on all fixed assets except freehold land, on a straight line basis, at rates calculated to write off the assets over their estimated useful lives as follows:

Buildings	2% - 20%
Plant and Machinery	7% - 25%
Furniture and Equipment	7% - 50%

The depreciation charge begins from the first day of the month following either; the date of asset acquisition or the date that the asset comes into use.

Tangible fixed assets costing more than £2,500 are capitalised at cost and depreciated at the rates shown.

Impairment losses are included in the Statement of Financial Activities.

Fixed Asset Investments are included in the Balance Sheet at market value. Realised and unrealised gains and losses incurred during the year are included in the Statement of Financial Activities.

Assets in the course of construction, reflect fixed asset projects undertaken by the RHN which have not been completed as at the reporting date. Such assets when completed are transferred to the appropriate asset class and depreciated according to existing accounting policy. Any assets under construction which during review are considered to have declined in value are written off; to any extent identified to the Statement of Financial Activities.

1.15 Stocks are valued at the lower of cost and net realisable value.

1.16 Fees receivable and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discounts due.

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

1.18 Unrestricted funds are funds which are available for use at the discretion of the Board in furtherance of the general objectives of the RHN and which have not been designated for any other purpose. Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in note 17 to the accounts.

Endowment funds comprise monies that must be held indefinitely as capital. Related income is credited to general funds and applied for general purposes unless under the terms of the endowment such income must be used for specific purposes in which case it is credited to restricted funds.

Designated funds comprise unrestricted funds that have been set aside by the Board for particular purposes. The use of the designated funds is set out in note 17.

1.19 Taxation - The Charity is exempt from taxation in respect of income or capital gains received within categories covered by part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

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

With regard to FRS102 Section 28 (Retirement benefits) and the RHN's defined benefit pension scheme, the best estimates used are chosen from a range of possible actuarial assumptions. Further disclosures of the estimates governing these retirement benefits can be found within note 6.5 of this annual report.

Notes to the accounts

for the year ended 30 September 2024

1 Accounting Policies (continued)

- 1.21** The charity has financial assets and financial liabilities that qualify as basic financial instruments. These are recognised at transaction value and subsequently measured at either their settlement value or market value. The charity has taken reduced disclosure exemptions for sections 11 and 12 of FRS 102.

At the balance sheet date the charity held financial assets at amortised cost. Financial assets held at amortised cost comprise cash at bank, trade debtors and other debtors totalling £10.4 million (2023: £10.2 million). Financial liabilities held at amortised cost comprise trade creditors and other creditors totalling £3.8 million (2023: £4.2 million). Investments at £20.2 million (2023: £18.1 million) held as part of an investment portfolio, are held at fair value with gains and losses being recognised within income and expenditure.

2 Donations, Legacies and Investment Income

	Unrestricted funds £'000	Restricted funds £'000	Total 2024 £'000	Total 2023 £'000
2.1 Donations and Legacies				
Gifts & donations	275	998	1,273	1,391
Legacies	1,099	24	1,123	886
	1,374	1,022	2,396	2,277

As at 30 September 2024, the RHN has no bequeathed legacies in the financial statements (2023: £0).

2.2 Investment Income

Listed investments	338	7	345	199
Interest on deposits	378	7	385	281
	716	14	730	480

3 Income from Charitable Activities

	Note	Unrestricted funds £'000	Restricted funds £'000	Total 2024 £'000	Total 2023 £'000
Patient services	3.1	51,641	20	51,661	48,553
Staff accommodation		563	-	563	500
Wheelchair & technology services		120	-	120	138
Other income from charitable activities		895	-	895	684
Grants receivable	3.2	-	29	29	-
		53,219	49	53,268	49,875

3.1 Patient Services

National Health Service	48,075	-	48,075	45,747
Local Authority	1,320	-	1,320	960
Non-NHS patients	115	-	115	29
One to One Nursing	2,029	-	2,029	1,675
Other sources	102	20	122	142
	51,641	20	51,661	48,553

3.2 Grants Receivable

Funding research projects	-	29	29	-
	-	29	29	-

Notes to the accounts

for the year ended 30 September 2024

4 Total Expenditure

	Direct costs	Support costs	Total 2024	Total 2023
	£'000	£'000	£'000	£'000
4.1 Expenditure on raising funds				
Voluntary expenditure (fundraising staff and administration)	934	109	1,043	996
Fundraising events	44	5	49	68
Investment management	91	-	91	87
	1,069	114	1,183	1,151
4.2 Expenditure on charitable activities				
Patient Services	42,552	8,688	51,240	48,897
Staff accommodation	82	17	99	92
Wheelchair & technology services	474	97	571	492
Other charitable activities	631	129	760	678
Research	-	-	-	113
	43,739	8,931	52,670	50,272
Total expenditure	44,808	9,045	53,853	51,423

Expenditure on raising funds comprises staff and running costs of the fundraising department together with any other costs directly associated with raising funds for the group, including related publicity costs. This expenditure heading also includes other costs associated with generating funds such as investment management fees and expenditure directly related to trading income.

Patient services comprise the costs of nursing, treatment, therapy, domestic and catering services and the costs of buildings and equipment maintenance, heating, depreciation and other support services attributable to patient care.

5 Support costs

	Expenditure on raising funds	Expenditure on charitable activities	Total 2024	Total 2023
	£'000	£'000	£'000	£'000
Administration and management	38	2,955	2,993	2,649
Building expenses	35	2,753	2,788	2,608
Finance	9	689	698	616
Human resources	14	1,119	1,133	1,249
Information technology	15	1,198	1,213	1,087
Governance	1	90	91	49
Statutory audit	1	59	60	57
Internal Audit, Counter Fraud and Pension Audit	1	68	69	69
	114	8,931	9,045	8,384

Total expenditure includes the allocation of support costs to the various expenditure categories set out in the SOFA. These support costs relate to information technology, property and facilities management, human resources and finance, in addition to the support costs incurred by communications and other centralised departments that are not otherwise allocated directly. Support costs have been allocated to activities consistently based on employee headcount.

Notes to the accounts

for the year ended 30 September 2024

6 Employee Information

6.1 Staff costs during the year were as follows:

	Total 2024 £'000	Total 2023 £'000
Salaries and wages	35,379	34,085
Social security costs	3,043	2,672
Other pension costs and life assurance premiums	2,022	1,772
	40,444	38,529

Included within the wages and salaries figure above is the cost of employing agency staff £4,622,548 (2023 £6,879,037).

During the year, a total of £60,341 (2023: £76,007) has been recognised for termination payments, of which £0 remained payable at the year end (2023: £0).

6.2 Employees whose emoluments not including employers NI and pension costs exceeded £60,000 were as follows:

	Total 2024	Total 2023
£60,000 to £69,999	33	29
£70,000 to £79,999	14	11
£80,000 to £89,999	3	1
£90,000 to £99,999	-	1
£100,000 to £109,999	1	2
£110,000 to £119,999	1	-
£120,000 to £129,999	2	4
£130,000 to £139,999	3	-
£140,000 to £149,999	3	3
£150,000 to £159,999	1	1
£160,000 to £169,999	-	-
£220,000 to £229,999	1	1

59 employees (2023 - 50) earning more than £60,000 were members of the defined contribution section of the scheme. Employers' contributions payable during the year in respect of these employees amounted to £347,864 (2023 - £278,540).

Remuneration of key management personnel including employers NI and pensions payable during the year amounted to £1,264,050 for 6.6 FTE staff (2023 - £1,215,612 for 6.6 FTE staff). This group comprises the Executive team.

6.3 The average number of staff employed (excluding agency staff) was as follows:

	Total 2024	Total 2023
Patient services	812	733
Research	5	5
Other charitable activities	43	39
Generating funds	11	10
Governance	2	2
	873	789

Notes to the accounts

for the year ended 30 September 2024

6 Employee Information (continued)

6.4 The charity operates a pension scheme for those members of staff who are eligible.

The scheme has two sections:

- A defined contribution section which, since 1 October 2006, includes all active members of the scheme. An eligible jobholder will be automatically enrolled as a member of the scheme on his automatic enrolment date. The contribution by the employer depends on whether a member is in the first or second tier. If a member has been automatically enrolled or has opted to join the scheme on the first tier contribution basis, the percentage required will be the minimum required under section 20(1)(b) (taking into account the transitional periods under section 29) of the Pension Act 2008. If a member is already in a scheme prior to 1 January 2014 or if the member has opted to be a member on the second tier contribution basis, the percentage will be determined by the member's age as per the table below. A member can elect to move from the first tier to the second tier contribution basis on becoming a member or on providing one month's written notice, with the exception of a member who does not work under a contract of employment.
- A defined benefit section, which was closed to new members on 1 November 2001 and closed to future accrual on 30 September 2006, when members were invited to join the defined contribution section.

The assets of the scheme are held by the scheme trustees separately from the assets of the charity.

The rates of contribution to the defined contribution scheme on the second tier basis are:

	Defined Contribution 2024	Defined Contribution 2023
Employer contributions:		
age 18 to 35	4.0%	4.0%
age 36 to 50	7.0%	7.0%
age 51 to 65	10.0%	10.0%
Employee contributions	4.0%	4.0%

In addition the charity pays death in service insurance premiums in respect of members of the scheme in the second tier. Employers pension contributions payable to the defined contribution section of the scheme were as follows:

	Total 2024 £'000	Total 2023 £'000
Defined Contribution	1,757	1,538

Pension contributions outstanding at the end of the year under the defined contribution scheme are as follows:

	Total 2023 £'000	Total 2022 £'000
Pension contributions outstanding at year end	272	235

A stakeholder scheme is also available to employees of the charity, but no employer contributions are made to this scheme.

Notes to the accounts

for the year ended 30 September 2024

6 Employee Information (continued)

6.5 Staff Pension and Life Assurance Scheme

The assumptions used in calculating the liabilities were as follows:

	Total 2024	Total 2023	Total 2022
Inflation	3.10%	3.70%	4.30%
Salary escalation	n/a	n/a	n/a
Pension increases, subject to LPI	2.95%	3.50%	3.95%
Statutory revaluation in deferment	2.30%	2.90%	3.50%
Discount rate (pre and post retirement)	4.95%	5.40%	5.25%
Life expectancy for 65 year old male	87	87	87
Life expectancy for 65 year old female	89	89	90
Life expectancy for 45 year old male	68	68	69
Life expectancy for 45 year old female	71	71	71

The assumptions used by the actuary are the best estimate chosen from a range of possible actuarial assumptions which, due to the long time period covered, may not necessarily be borne out in practice. The fair value of the assets for each category of asset are as follows:

	Total 2024 £'000	Total 2023 £'000	Total 2022 £'000
Equities	5,338	7,532	7,857
Corporate bonds	5,739	6,511	6,953
Liability matching credit	22,755	24,382	31,778
Diversified growth fund	3,403	5,298	5,215
Alternatives	2,669	3,766	4,103
Liability driven investment, Government Bonds and Cash	26,424	15,957	13,211
Insured annuities	400	383	417
Total fair value of assets	66,728	63,829	69,534
Present value of scheme liabilities	62,959	61,792	60,961
	3,769	2,037	8,573
Restriction to the amount that can be recognised	(3,769)	(2,037)	(8,573)
Net pension asset	-	-	-

The actual return on Assets is 4.95% per annum which is set to equal the discount rate (2023 - 5.4%).

Assets in the scheme as a percentage of total scheme assets

	Total 2024	Total 2023
Equities	8.0%	11.8%
Corporate bonds	8.6%	10.2%
Liability matching credit	34.1%	38.2%
Diversified growth fund	5.1%	8.3%
Alternatives	4.0%	5.9%
Liability driven investment, Government Bonds and Cash	39.6%	25.0%
Insured annuities	0.6%	0.6%

Amounts included in the statement of financial activities:

	Total 2024 £'000	Total 2023 £'000
Interest income (excluding interest income on assets that are not recoverable)	3,244	3,121
Interest cost	(3,244)	(3,121)
Interest on the net defined benefit liability	-	-

Notes to the accounts

for the year ended 30 September 2024

6 Employee Information (continued)

6.5 Staff Pension and Life Assurance Scheme (continued)

Assets	Total 2024 £'000	Total 2023 £'000
Assets in scheme at beginning of year	63,829	69,534
Movement in year:		
Interest income	3,244	3,121
Benefits paid	(3,517)	(3,050)
Actuarial gains/(losses) on assets	3,172	(5,776)
Assets in scheme at end of year	66,728	63,829

Liabilities	Total 2024 £'000	Total 2023 £'000
Liabilities in scheme at beginning of year	61,792	60,961
Movement in year:		
Administration costs	29	-
Interest cost	3,244	3,121
Benefits paid	(3,517)	(3,050)
Actuarial (gains) on liabilities	1,411	760
Liabilities in scheme at end of year	62,959	61,792

History of experience gains and losses	Total 2024 £'000	Total 2023 £'000	Total 2022 £'000	Total 2021 £'000	Total 2020 £'000
Defined benefit obligation	(62,959)	(61,792)	(60,961)	(93,769)	(99,674)
Scheme assets	66,728	63,829	69,534	102,491	104,564
Surplus	3,769	2,037	8,573	8,722	4,890

Notes to the accounts

for the year ended 30 September 2024

7 Related Party Transactions

7.1 Trustees Remuneration and Expenses

Members of the Board of management are not entitled to and did not receive any remuneration during the year. Additionally, three members of the Board of management received £2,032 (2023 - four members, £1,861) for reimbursement of expenses. These expenses related to travel and accommodation costs for attending Board Meetings. Trustees' Indemnity Insurance of £6,720 was paid for the year 2024 (2023 - £6,160).

7.2 Other Related Party Transactions

Other than the expenses listed, there have been no other related party transactions (2023 - £0).

8 Tangible Fixed Assets

	Assets in the course of construction	Land and Buildings	Plant and Machinery	Furniture and Equipment	Total 2024
	£'000	£'000	£'000	£'000	£'000
Cost					
Opening balance	259	28,399	2,658	6,402	37,718
Additions	1,075	1,139	1,244	805	4,263
Transfers	(249)	85	160	4	-
Disposals	-	(557)	(112)	(593)	(1,262)
	1,085	29,066	3,950	6,618	40,719
Depreciation					
Opening balance	-	10,599	931	3,816	10,599
Disposals	-	(555)	(112)	(582)	(555)
Charge for the year	-	1,341	246	677	2,264
	-	11,385	1,065	3,911	16,361
Net book value 2024	1,085	17,681	2,885	2,707	24,358
Net book value 2023	259	17,800	1,727	2,586	22,372

All fixed assets are held for charitable use.

Notes to the accounts

for the year ended 30 September 2024

9 Investments	Total 2024 £'000	Total 2023 £'000
Market value at beginning of year	18,093	17,883
Purchases at cost	5,736	3,775
Proceeds from disposals	(5,745)	(4,273)
Net gains on investments	2,045	297
Increase in short term deposits	73	411
Market value at end of year	20,202	18,093

Historical cost at end of year	16,051	15,378
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Analysed by type	Total 2024 £'000	Total 2023 £'000
Investments		
Listed direct	14,210	12,385
Unlisted direct	118	118
Listed unit trusts	5,120	4,909
Term Deposits	754	681
	20,202	18,093

Geographical analysis	Total 2024 £'000	Total 2023 £'000
United Kingdom Investments	8,466	8,441
Overseas Investments	11,736	9,652
	20,202	18,093

Individual investments which have a market value of 5% or greater of the overall portfolio are:

Vanguard FTSE UK All Share Index
 iShares PLC - S&P 500 Index
 Schroder Global Sustainable Growth
 HSBC FTSE All World Index Fund

Short-term deposits under the management of the charity's professional investment managers are included in fixed asset Investments as they form part of the overall investment portfolio. The investment management fee for the year was £91,029 (2023 - £87,447).

10 Stocks	Total 2024 £'000	Total 2023 £'000
Medical consumables	224	254
	224	254

Notes to the accounts

for the year ended 30 September 2024

11 Debtors	Total 2024 £'000	Total 2023 £'000
Fees receivable	4,571	4,549
Other debtors	117	128
Prepayments	716	694
Accrued income	701	692
	6,105	6,063

12 Creditors - Amounts falling due within one year	Total 2024 £'000	Total 2023 £'000
Trade creditors	435	1,144
Other creditors	662	376
Taxation and social security	795	754
Accruals	1,938	1,945
Deferred income (note 12.1)	157	195
Provisions and contingencies (note 12.2)	-	-
	3,987	4,414

12.1 Analysis of Deferred income	Total 2024 £'000	Total 2023 £'000
Opening balance	195	195
Changes during the year:		
Amounts released to the statement of financial activities	(195)	(195)
New income deferrals	157	195
Closing balance as at 30 September	157	195

Deferred income largely relates to the provision of patients' services which will be recognised in the forthcoming year.

12.2 Analysis of Provisions

	Legal Settlement Provision £'000	Total 2024 £'000	Legal Settlement Provision £'000	Total 2023 £'000
Opening balance	-	-	248	248
Changes during the year:				
Additions	-	-	-	-
Charges against the provision	-	-	(118)	(118)
Unused amounts reversed	-	-	(130)	(130)
Closing balance as at 30 September	-	-	-	-

Notes to the accounts

for the year ended 30 September 2024

13 Funds held as agent

The charity holds funds as an agent on behalf of its patients and residents. During the year £89,831 (2023: £81,634) was received and £101,312 (2023: £90,689) was paid out of this account. At the year end the balance held in this account was £156,483 (2023: £167,964).

The charity holds funds as an agent on behalf of beneficiaries of deceased employees entitled to death in service lump sum payments, payable under the Life Assurance Scheme. During the year £0 (2023: £160) was received and £0 (2023: £140,758) was paid out of this account. At the year end the balance held in this account was £250,212 (2023: £250,212).

14 Operating Leases

	Total 2024	Total 2023
	£'000	£'000
Rentals charged in the year:		
Land and Buildings	8	7
Plant and Machinery	40	38
Equipment	48	147
	96	192

	Total 2024	Total 2024	Total 2024	Total 2023	Total 2023	Total 2023
	Land and Buildings £'000	Plant and Machinery £'000	Furniture and Equipment £'000	Land and Buildings £'000	Plant and Machinery £'000	Furniture and Equipment £'000
Payments due on operating lease obligations						
Within one year	8	29	48	6	38	48
Within two and five years	-	49	-	-	73	48
	8	78	48	6	111	96

15 Capital Commitments

	Total 2024	Total 2023
	£'000	£'000
Contracted for but not provided		
Ward refurbishment	2,406	-
Other works	375	22
	2,781	22

16 Subsidiary and Connected Entities

The RHN owns the whole of the issued share capital of Royal Hospital for Neuro-disability Services Limited, a company registered in England with a paid up share capital of £1. The subsidiary has been dormant in the trading year to 30 September 2024.

Notes to the accounts

for the year ended 30 September 2024

17 Statement of funds

As at 30 September 2024	Fund balance brought forward £'000	Incoming resources £'000	Resources expended £'000	Investment gains £'000	Transfers between funds £'000	Fund balance carried forward £'000
Unrestricted funds						
General funds	15,480	55,477	(53,400)	1,874	(2,084)	17,347
Fixed asset fund	22,372	-	-	-	1,986	24,358
Planned capital expenditure	6,339	-	-	-	509	6,848
Planned maintenance	737	-	-	-	50	787
Total unrestricted funds	44,928	55,477	(53,400)	1,874	461	49,340
Restricted funds						
John Howard Convalescent Home	675	14	-	75	-	764
Hunter Ward Refurb	-	405	-	-	-	405
Wheelchair Loan Store	56	-	(6)	-	-	50
Chapel Running Costs	2	36	(2)	-	-	36
Patient Gardens	15	-	(3)	-	18	30
Research - National Lottery Heritage Fund	-	29	-	-	-	29
Chatsworth Ward	3	26	(3)	-	-	26
SW Hardship Fund	42	7	(24)	-	1	26
PHD Research	113	-	(89)	-	-	24
Physio/Gym Equipment	22	-	(1)	-	-	21
Other	531	575	(322)	-	(480)	304
Total restricted funds	1,459	1,092	(450)	75	(461)	1,715
Endowment funds						
Lopes Chaplains Stipend fund	8	-	-	-	-	8
Other endowments	772	-	(3)	95	-	864
Total endowment funds	780	-	(3)	95	-	872
Totals	47,167	56,569	(53,853)	2,044	-	51,927

Notes to the accounts

for the year ended 30 September 2024

17 Statement of funds (continued)

As at 30 September 2023	Fund balance brought forward	Incoming resources	Resources expended	Investment gains	Transfers between funds	Fund balance carried forward
	£'000	£'000	£'000	£'000	£'000	£'000
Unrestricted funds						
General funds	13,597	51,866	(50,975)	279	713	15,480
Pension reserve	-	-	-	-	-	-
Fixed asset fund	19,453	-	-	-	2,919	22,372
Planned capital expenditure	8,835	-	-	-	(2,496)	6,339
Planned maintenance	1,142	-	-	-	(405)	737
Total unrestricted funds	43,027	51,866	(50,975)	279	731	44,928
Restricted funds						
John Howard Convalescent Home	653	13	-	9	-	675
Large Ambulance 2	63	65	-	-	-	128
Music Therapy Omega	188	-	(75)	-	-	113
Wheelchair Loan Store	53	9	(6)	-	-	56
Leonora Ward Ventilator Project	20	35	-	-	-	55
Sensory Equip & Ward Activity	45	2	(3)	-	-	44
SW Hardship Fund	36	3	(16)	-	19	42
Assembly Room Windows	32	-	(4)	-	-	28
Physio/Gym Equipment	25	-	(3)	-	-	22
Dental Equipment	29	-	(3)	-	(5)	21
Other	521	834	(335)	-	(745)	275
Total restricted funds	1,665	961	(445)	9	(731)	1,459
Endowment funds						
Lopes Chaplains Stipend fund	8	-	-	-	-	8
Other endowments	765	-	(3)	10	-	772
Total endowment funds	773	-	(3)	10	-	780
Totals	45,465	52,827	(51,423)	298	-	47,167

Notes to the accounts

for the year ended 30 September 2024

17 Statement of funds (continued)

A summary of definition and descriptions

Name of fund	Description, nature and purpose of the fund
General	These are the 'available' funds of the charity, after transfers to or from any other/designated funds and contributions to the pension reserve.
Designated	<p>Reviewed on a rolling year basis, these are amounts appropriated within the unrestricted category for the continued development and maintenance of the charity's assets for:</p> <ul style="list-style-type: none"> Fixed assets funds represent the net book value invested in fixed assets. During the year the RHN transferred £1,986,000 (2023 £2,919,000 to its designated funds) to its designated funds from general fund. Identified planned capital expenditure is for works to be utilised within the next five years. During the year the RHN transferred £509,000 (2023 £2,496,000 out of designated funds) into designated funds from general fund. During the year the RHN transferred £50,000 (2023 £405,000) back into designated funds from general fund in anticipation of maintenance expenditure in the coming year.
Restricted	These are funds available only for the purpose under which they were received, unless permitted by the donor. Further described below:

Restricted Fund Description	Purpose of the fund
John Howard Convalescent Home	To provide support for necessitous members of the middle class and persons generally who are only able to make a small payment in return for convalescence and care
Assembly Room Windows	Replacement of the Assembly room windows
Music Therapy Omega	Funding of Music Therapy research project. Re-assigned to PhD research with plans to use funds over the coming years
Wheelchair Loan Store	Wheelchairs for Bio-Medical department
Dental Equipment	Funding for dental equipment
Sensory Equip & Ward Activity	Funding for sensory equipment and ward activities
Large Ambulance 2	For maintenance of ambulances
SW Hardship Fund	For patients and relatives in financial need
Leonora Ward Ventilator Project	Funding for Ventilator Project
Physio/Gym Equipment	Funding for Physio/Gym equipment
Hunter Ward Refurb	Refurbishment of Hunter ward
Chapel Running Costs	Running costs of Chapel
Patient Gardens	Funding for Patient gardens and gardening
Research - National Lottery Heritage Fund	Funding of the RHN heritage archives
Chatsworth Ward	For Chatsworth ward needs
PHD Research	Funding of Music Therapy research

Other restricted funds is made up of 44 funds (2023 49 funds) none of whose balances are over £22,000 (2023 £20,000) and they are for a variety of specific purposes.

Restricted funds for the John Howard Convalescent Home relate to the proceeds received on the agreed sale of a convalescent home in prior years. The asset was originally provided to the charity as a restricted fund.

Notes to the accounts

for the year ended 30 September 2024

17 Statement of funds (continued)

A summary of definition and descriptions (continued)

Endowment

The income generated from these funds are used specifically to contribute towards the cost of chaplaincy services available at the Royal Hospital for Neuro-disability; and bequests which are required to be held as permanent endowments of the charity. Income generated on the latter is available for the general purposes of the charity.

Included under endowment funds are the following:

	2024 £'000	2023 £'000
Permanent endowment:		
Lopes Chaplains Stipend fund	8	8
Other Endowment funds	864	772
	872	780

Lopes Chaplains Stipend fund

This is a trust fund set up by the Rt. Hon. Sir Massey Lopes Bt to generate income to contribute towards the cost of chaplaincy services available at the Royal Hospital for Neuro-disability.

Other endowment funds

Other endowment funds represent several bequests which are required to be held as permanent endowments of the charity. The income generated by these funds is available for the general purposes of the Charity.

*Transfers are explained above with the exception of those in unrestricted funds which reflect the appropriation of pension reserves within unrestricted funds

18 Analysis of fund balances

	Unrestricted funds £'000	Designated funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2024 £'000
Tangible fixed assets	-	24,358	-	-	24,358
Fixed asset investments	10,931	7,635	764	872	20,202
Net current assets	6,416	-	951	-	7,367
Total funds at 30 September 2024	17,347	31,993	1,715	872	51,927

	Unrestricted funds £'000	Designated funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2023 £'000
Tangible fixed assets	-	22,372	-	-	22,372
Fixed asset investments	9,562	7,076	675	780	18,093
Net current assets	5,918	-	784	-	6,702
Total funds at 30 September 2023	15,480	29,448	1,459	780	47,167



Registration

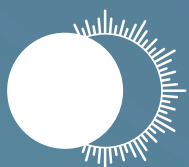
Under the registration system of the Care Quality Commission and the regulations laid down by the Health and Social Care Act 2008, the Royal Hospital for Neuro-disability achieved its registration in 2010 and is therefore licensed to provide services under the regulations.

The Royal Hospital for Neuro-disability

West Hill, Putney, London, SW15 3SW

telephone 020 8780 4500
email info@rhn.org.uk
website www.rhn.org.uk

Registered charity number 205907



Royal Hospital for
Neuro-disability

ROYAL HOSPITAL FOR NEURO-DISABILITY

England & Wales - Charity number 205907

Accounts

ANNUAL REPORT AND ACCOUNTS

2022/23

Financial year ended
30 September 2023



Royal Hospital for
Neuro-disability

Our patron

Her Majesty Queen Elizabeth II (Deceased 8 September 2022)

President

Leonora, Countess of Lichfield

Vice Presidents

Des Benjamin – appointed 19 April 2023

Ruth Maxwell

Shirley Palmer

Alan Sanders

The Mayor of Wandsworth (ex Officio)

Administrative details

Royal Hospital for Neuro-disability

Registered charity number – 205907

Companies House registration – RC00481

Royal Hospital for Neuro-disability (Services) Limited

Company registration number – 04570542 (Non Trading)

Principal address and registered office

Royal Hospital for Neuro-disability

West Hill

Putney

London SW15 3SW

Our Trustees and Executives

Board of Trustees

Des Benjamin – Chairman (retired 19 April 2023)

Previously Group Chief Executive at SimplyHealth for 13 years; and President of the Institute of Customer Service.

Jane McCormick – Chairman (from 19 April 2023)

Previously a senior partner at KPMG and a member of the global management team for KPMG International. Chairs and serves on the boards of a number of commercial and not for profit organisations.

Les Broude (retired 19 April 2023)

Worked at Mars Snacks Europe, Barclays Bank and Premier Foods PLC. Became a Non-Executive Director and Audit Committee Chair at Buckinghamshire Healthcare NHS Trust. He is an honorary independent member of the Trust's Charitable Funds Committee and he is a Non-Executive Director of South Central Ambulance Service NHS Foundation Trust and the honorary Lay member of the Buckinghamshire Healthcare Charity Committee.

Mark Cooke

Currently leading a Financial Services Risk Utility start up. Formerly, Group General Manager and Group Head of Operational Risk at HSBC and non-executive Chairman of ORX Association until 2020.

Dominic Fairclough

A partner in the personal injury and clinical negligence team at Russell-Cooke solicitors, whose expertise includes advocacy in Coroners Courts advising on clinical negligence and personal injury claims.

Christopher Foster

Retired as Bishop of Portsmouth in 2021 after over seven years as a member of the House of Lords. He has a lifelong concern for the wellbeing, support and care of the most vulnerable people in our communities, and for those closest to them. He is an independent non-exec director of NHS Somerset.

Julie Harding – Deputy Chair

An HR professional working locally and internationally with HSBC before specialising in culture and change management at the Co-operative Bank and more recently, the House of Commons.

Deborah Hill

Works as a Finance Director at Unilever PLC with international finance and risk management expertise.

Anna Marks (Resigned 20 October 2022)

A senior partner at Deloitte working with publicly listed corporates, Vice Chair of the UK Firm and a member of the Deloitte Global Board. She is also a member of the Board of the CBI.

Hugh Rees (Treasurer)

Previously a non-executive director at Enigma Healthcare based in Singapore and formerly the Chairman and CEO of Wilkinson Healthcare following an international career in finance and corporate strategy and general management in the pharmaceutical and medical devices industries.

Deborah Sanders – Deputy Chair

Chief Executive at Barnet Hospital and executive director of the Royal Free London NHS Foundation Trust. A registered nurse with 10 years' experience as a chief nurse and director of infection prevention and control.

Chris Streater (from 26 Jan 2022)

Regional Medical Director and CCIO NHSE London, previously Chief Medical Officer Royal Free London NHS Foundation Trust, Trustee Royal Free Charity

Shoaib Ali Shah

Extensive knowledge in Racial Equality, Equal Opportunity and Diversity; a champion with 25 years of work experience both at local and national level.

Dr Yen Fong Tai (retired 24 January 2023)

A consultant neurologist and honorary Clinical Senior Lecturer with a clinical and research interest in the treatment of movement disorders and neurodegenerative diseases.

Executive Directors

Paul Allen
Chief Executive

Jane Beaven
Director of Fundraising, Communications and Facilities

Frances Low
Director of Governance

Steven Luttrell
Medical Director

Lesley Mill
Director of Service Delivery

Nanda Ratnavel
Director of Finance

Della Warren
Director of Nursing

Our Trustees and Executives

Our Board committees

Audit and Risk Committee

Les Broude – Chairman (retired 19 April 2023)
Mark Cooke (from 19 April 2023)
Julie Harding
Jane McCormick (from 19 April 2023)

Board Medical Committee

Dr Yen Fong Tai – Chairman (retired 25 January 2023)
Chris Streater - Chairman (from 25 January 2023)
Dominic Fairclough
Deborah Sanders

The Executive and senior clinical staff are also members

Chairman's Committee

Des Benjamin – Chairman (retired 19 April 2023)
Jane McCormick – Chairman (from 19 April 2023)
Julie Harding
Hugh Rees- Treasurer
Deborah Sanders

Ethics Committee

Christopher Foster - Chair
Paul Allen – Chief Executive
Des Benjamin (retired 19 April 2023)
Geoff Coyne – Hospital Chaplain
Dominic Fairclough
Dr Andrew Hanrahan – RHN consultant nominated by the
Chief Executive
Jane McCormick (from 19 April 2023)
Laurence Oates (Co-optee)
Deborah Sanders
Shoaib Ali Shah

Other members of Executive are also members and staff,
GPs and others also attend

Finance Committee

Hugh Rees – Treasurer and Chairman
Deborah Hill
Anna Marks (retired October 2022)
Christopher Streater (from 20 October 2022)
Adam Barker (Co-optee) (from 20 October 2022)
Rebekah Fajemirokun (Co-optee) (from 20 October 2022)

Nominations and Remuneration Committee

Des Benjamin – Chairman (retired 19 April 2023)
Jane McCormick – Chairman (from 19 April 2023)
Julie Harding (retired 19 October 2023)
Hugh Rees
Deborah Sanders

Patient Safety and Quality Committee

Deborah Sanders – Chair
Julie Harding
Trudi Kemp
Shoaib Ali Shah
Chris Streater (from 19 April 2023)
Yen Fong Tai (retired 25 January 2023)

Our advisors

Auditor

BDO LLP (to 27 July 2023)
55 Baker Street London
W1U 7EU

Crowe UK LLP (from 27 July 2023)
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London EC4M 7JW

Banker

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Insurance Broker

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Theale
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Investment Custodian

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Investment Manager

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Kings Orchard
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Chairman's opening statement

In my first opening statement as Chairman of the RHN I must take the opportunity to thank my predecessor, Des Benjamin, not only for the many years of service he has given as Chairman but also for his generosity in helping me to step into his shoes and for agreeing to continue his connection to the Hospital as a Vice President. During the year, in addition to Des, three of our trustees, Les Broude, Anna Marks, and Dr Yen Fong Tai also stood down. We will miss their wisdom and experience and they leave with my sincere thanks. I am, however, delighted to welcome three new Board members who bring new skills and experience to complement what is already a strong and dedicated group of Trustees. Together we will continue to strive to achieve best practice in charity and healthcare governance.

2022/23 has been a year of significant achievements but one setback. Despite the challenges posed by inflation and the pressures on the NHS, the executive team have produced a good financial result and have continued to make progress on our Path to Excellence Strategy. This includes further progress in the program to refurbish our wards, working towards Pathway to Excellence accreditation and rolling out a new Patient and Resident Experience strategy co-designed with our patients and residents.

In March we were delighted to receive the Leaders in Safeguarding Gold Award. These achievements were offset by the fact that our most recent CQC inspection resulted in a rating adjustment from "Good" to "Requires Improvement". We were pleased that the CQC report commended our robust vision and strategic direction and the dedication and diligence of our staff. However, we recognise the need to take on board the findings of the report and have swiftly moved to address the concerns identified. The Board and Executive team remain determined to strive for excellence and to achieve a rating of "Outstanding" in due course.

My confidence in the organisation's ability to do this is based on the fact that I have found the RHN to have an open culture which prioritises learning and the sharing of knowledge in a constructive and generous manner. Since the end of the Covid we have picked up the pace on research (supporting 3 PhDs and several new projects) and hosted a number of conferences on a variety of topics. In this way the expertise that is

developed by our excellent staff at the RHN can be applied not just for our patients and residents but also for the benefit of those not directly in our care. This year, working with our university

partners we have also seen the qualification of our first cohort of home grown Nursing Associates and of our first two Advanced Care Practitioners specialising in ventilation and challenging behaviour. I am sure that is because of the opportunities which the RHN provides to our wonderful staff to develop their knowledge and progress in their careers that, as I write (subject to successful induction), we will have no vacancies for nursing staff - a situation very few hospitals can claim.

All charities have found the current financial situation challenging and the RHN is no exception. Nonetheless we have received support from many donors and a lot of volunteers and have particularly enjoyed hosting fundraising events at the hospital. Our fundraising and volunteering activities are key to our ability to give our patients and residents the best quality of life we can. It was a particular pleasure to see the joy on the faces of our patients and residents as they listened to live music performed by volunteers in our beautiful grounds on Founders Day in June.

The RHN recognises that the world of healthcare is changing. In the coming year we will be looking to the future, engaging with our commissioners and other stakeholders and developing new ways of working to deliver excellent care and value for money. It has been the history of the RHN to innovate and we will continue to do this to provide the best support possible to our patients and residents.



A handwritten signature in black ink, appearing to read 'Jane McCormick'.

Jane McCormick
Chairman
January 2024

Chief Executive's introduction

The last year has been another eventful one at the RHN. We have focussed on implementing the first year of the 5 year strategy which was published in November 2022. This included completion of the refurbishment of Wellesley ward and approval by the Board of the project to refurbish Hunter ward, which will commence in Spring 2024. On Leonora ward, which was opened this year by our President, Lady Leonora of Lichfield, we are midway through a project to expand the number of beds for patients requiring ventilation. When complete we will have 32 ventilated beds across Leonora and JEC wards.

Within our overall strategy, we have launched our Patient Experience Strategy. The group putting this together included a number of patients and it puts patients at the centre of everything that we do.

The financial result for the year ended September 2023 is particularly pleasing, with budget being exceeded at both hospital and bottom line levels. Within that, having exceeded budget in the previous year, fundraising fell below budget. Although the overall financial result has been positive, we continue to be challenged by high non pay and wage inflation (the latter pressurised by some significant settlements in the NHS, and the reluctance of commissioners to settle fees at anywhere close to the rate of inflation. This will be an ongoing challenge for the organisation.

We have had another year of stability with no changes to the executive team. Jane McCormick commenced her first term as Chairman in April 2023, replacing Des Benjamin who has now been appointed Vice President. Jane has led a significant programme of trustee recruitment.

We have had a very good year in terms of nurse recruitment. Successful recruitment overseas and a number of student nurses becoming permanent has brought our nurse vacancy rate down to an all time low. We have also been very pleased to recently celebrate the graduation of our first 4 nursing associates – former HCA's who have now trained to this regulated intermediate level. We have another 15 in training and this is excellent both for the hospital and for individuals who aspire to progress.

We received an unannounced inspection from our regulator, the CQC, in June 2023. They have downgraded our overall rating to "requires improvement". We have dealt with the actions that they required, and although disappointed by the result, I regard this as a setback that we will bounce back from as we continue our journey towards "outstanding". This will be helped by the external "Pathway to Excellence" accreditation which we expect to achieve in 2024.

Following the hiatus during Covid, we resumed our annual gala fundraising dinner in September 2023, holding the event for the first time on site at the RHN. The event was well attended (including many people who hadn't been to the site before) with a great atmosphere.

I would like to thank the executive team, all staff and volunteers for another year of excellent work, all focussed on the care of our patients whether in a direct clinical role or in a support function.



A handwritten signature in white ink that reads "Paul Allen".

Paul Allen
Chief Executive
January 2024

Report of the trustees

for the year ended 30 September 2023

The Trustees are pleased to present their annual report, together with the financial statements of the charity for the year ended 30 September 2023.

The financial statements comply with the Charities Act 2011 and the 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) (effective 1 January 2019).

Our purpose

The charity's object is to give permanent relief to such persons as are hopelessly disqualified for the duties of life by disease, accident or deformity. The charity aims to enable people with profound or complex disabilities, resulting from damage to the brain or other areas of the nervous system, to enjoy an optimal quality of life through enhanced independence.

Public benefit

The Royal Hospital for Neuro-disability's trustees have considered the Charity Commission's published guidance on public benefits requirements under the Charities Act 2011.

The Charity carries out its objects and activities through:

- contracts with NHS England to provide rehabilitation to adults following catastrophic brain injuries;
- contracts with Integrated Care Boards and others to provide care to adults who, following brain injury, require continuing specialist and complex care; and
- fundraising in order to enhance the care and wellbeing of patients and residents, by improving facilities available to them, developing and providing therapies such as occupational art and music therapies, offering recreational and social events, and providing pastoral care to all – whatever their faith or background.

Our charity

Founded by Andrew Reed in 1854, the Royal Hospital for Neuro-disability (RHN) is a charity hospital and research centre.

Our charitable status enables us to raise funds for a variety of specialist services that complement the NHS funded care package received by our patients and residents. These services broadly cover our Brain Injury Service and Continuing Care Service, both aimed at improving the quality of life for our patients and residents living with severe neurological disabilities.

As a medical charity with a holistic approach to treatment, we take great pride in delivering excellent work in the areas of assessment, rehabilitation and specialist care to some of the most disabled adults in the UK, as well as support to their families.



Fundraising

A year into our five year strategy – “The Path to Excellence”, Fundraising continues to play a crucial role in helping the hospital deliver its key objectives by raising vital funds in support of the therapeutic services that complement our care packages to patients and residents.

Some of the additional services we are able to fund include



Leisure and Families Service
(including disability sports)



Computer therapy and specialist communication aids

Nurse escorts and transport for patient trips



Onsite multi-faith chapel services



Specially adapted wheelchairs



Occupational art therapy



Music therapy

Though the amount fundraised did not meet the level we set out to achieve of £2.8 million, with over £2.2 million of voluntary income raised in 2022/23, services and items that were funded and helped optimise the quality of care provided, included;

- Music Therapy
- Occupational Art Therapy
- Physiotherapy equipment and hoists
- On site multi faith chaplaincy services
- Specialist adapted wheelchair services
- Hardship fund to help struggling families
- Nurse escorts and transport for patient trips
- Leisure and Families Services (including disability sports)

In addition to the above, Fundraising’s engagement with individuals, businesses and Trusts, enabled us to achieve the following:

- Over £500k towards the successful completion of the Wellesley Ward refurbishment capital project.
- Approximately £100k that contributed to the purchase of two ULEZ compliant ambulances.
- Refurbished ‘The View’, an area that offers patients, residents and their families a space to relax and enjoy quality time together.
- Successfully hosted our first on site gala dinner, which helped to raise awareness of our work and solicit funds for key services.

Our charitable status, undoubtedly plays a pivotal role in being able to secure funds from a variety of income channels to support the vital work of providing specialist care and rehabilitation to patients and residents.

We remain committed to delivering best practice in all of our fundraising activities and we adhere to the standards set by the Fundraising Regulator and the Charity Commission for England and Wales. With this, we are able to assure the public, our supporters and those in our care, of our ethical and transparent approach to fundraising and no complaints were received.

Activity at the RHN in 2022/23

Statistics	2023	2022
Admission to the hospital	195	168

Bed Capacity

Brain Injury Service (exc. DToC)	42	42
Delayed Transfer of care (DToC)	6	6
Continuing Care	185	188
Aggregate bed capacity	233	236

Annual Bed Occupancies

Brain Injury Service (exc. DTOC)	40	39
Delayed Transfer of Care	4	3
Continuing Care	179	174
Aggregate bed occupancy	223	216

Patients treated within the BIS	173	143
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Percentage occupancy rate BIS inc. DTOC	92%	88%
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Percentage occupancy rate BIS excl. DTOC	95%	93%
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Percentage occupancy rate CC	97%	93%
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The RHN consists two core services, the Brain Injury Service and Continuing Care. In 2023, the RHN accepted 195 admissions, which is an increase of 27 from 168 admissions accepted in 2022.

The aggregate bed capacity for the RHN in 2023 was 233, a decrease of 3 bed spaces from 236 in 2022 as a result of closures for refurbishment and to reduce capacity on one ward to save costs. Of the 233 beds, the Brain Injury Service had a capacity of 48 beds and Continuing Care 185.

Brain Injury Services

Of the 48 beds in the Brain Injury Service, 42 beds were used as part of the NHSE contract for the provision of specialist rehabilitation level 1/2a, with an additional 6 contingency beds to accommodate delayed transfers of care, pressure alleviation from NHS bed blocking and spot purchase packages for both NHS and private patients with Level 1 and Level 2b rehabilitation needs.

The average length of stay in the Brain Injury Service was 17.5 weeks, the same as 2022. The percentage occupancy was 95%, an increase of 2% on 93% in 2022. The data for length of stay and percentage occupancy does not include delayed transfers of care.

The RHN is committed to continuously improving responsiveness to referrals and aims to process referrals within 14 days of receipt. Furthermore, the RHN dedicates its resources to maintain its ability to admit patients with considerably high complex needs, which is recorded on admission and discharge and is reflected in our UK Rehabilitation Outcomes Collaborative (UKROC) data. The RHN continues to be a leader in the industry with its ability to accept patients who are severely impaired in comparison to other providers of complex neuro-rehabilitation.

Continuing Care

The RHN's Continuing Care offers care packages to patients and residents requiring a variety of complex care needs including specialist nursing home care, ventilation and neuro-behavioural services. The RHN also accommodates young adults (18+) transitioning from longer term paediatric to adult care services.

In 2023 there were 23 discharges from Continuing Care, a decrease of 3 from 26 in 2022. This data is inclusive of discharges to home and other services, and excludes deaths and discharges to acute hospitals.

In 2023 there were 133 unplanned temporary discharges to acute services, a decrease of 1 from 134 in 2022.

In 2023, the occupancy rate of Continuing Care was 97%, an increase of 4% on 93% in 2022.

Research and innovation

We place great emphasis on research and recognise the importance of researching the best treatment and care for people living with severe and complex neuro-disability.

In the course of the last year, we have supported our staff as follows:

- to undertake masters and PhDs for instance on improving the diagnosis of emergence from a Disorder of Consciousness (DoC), the assessment of mood and wellbeing in severe brain injury and in nurse training and Augmentative & Alternative Communication.
- to develop and carry out research projects, for example developing FOCUS, an outcome measure for specialist clinical management of patients with Persistent Disorder of Consciousness (PDOC).
- to collaborate with researchers from academia, healthcare and industry, for example our partnership with an AI and health technology solution company, aiming to develop an early warning system for patients and a research tool for clinical fellows.

Through research we aim to gain knowledge and expertise that we are keen to share with a range of audiences. This is why we have developed a comprehensive programme of courses for clinicians (29 training events), as well as a number of open lectures accessible by all (9 new open lectures). All our online open lectures are also available on the RHN YouTube channel.

This year we also hosted two conferences to bring together experts to share good practice and discuss the latest developments in Neuropalliation and the End of Life and on Interventions in Disorders of Consciousness.

As well as numerous teaching interventions at universities, peer reviewing articles and grants, our researchers are also actively engaged nationally as experts as:

- A member of the NICE guideline development for Rehabilitation for chronic neurological disorders including acquired brain injury
- A member of the committee of the World Federation of Neurorehabilitation Neuropsychological Rehabilitation Special Interest Group
- Chair for the British Society of Gerodontology
- National Advisor for adults in PDOC for the Royal College of Speech and Language Therapists

Publications during 2022/23 are listed below.

Articles:

Magee WL, Narayanan A, O'Connor R, Haughey F, Wegener E, Chu BHL, Delargy M, Gray D, Seu AD, Siegert RJ, Tyas RJ, Yelden KC, Schnakers C "Validation of the Music Therapy Assessment Tool for Awareness in Disorders of Consciousness With the Coma Recovery Scale-Revised." *Arch Phys Med Rehabil.* 2023 Jul;104(7):1107-1114.

Rose AE, Cullen B, Crawford S, Evans JJ "A systematic review of mood and depression measures in people with severe cognitive and communication impairments following acquired brain injury." *Clin Rehabil.* 2023 May;37(5):679-700.

Clark T, Lewko A, Calestani M. "The circular paradox of including people with severe brain injuries and reduced decisional capacity in research: A feasibility study exploring randomized research, consent-based recruitment biases, and the resultant health inequities." *Physiother Theory Pract.* 2023 Jul 21:1-17.

Paterson H, Jayes M, Lancaster J and Murray J. "Users and Nursing Staff's Thoughts and Perceptions of Current AAC Training With Content Considerations for Future Training Interventions." *Communications Matters journal* 2023 August vol 37 n2: 21-27

Book editing:

Oral Health and Dental Care in the Ageing Population edited by Mili Doshi, and Andrew Geddis-Regan Publisher Springer

Book chapters:

Cultivated Therapeutic Landscapes "Gardening for Prevention, Restoration, and Equity" 1 edition Edited by Pauline Marsh, Allison Williams- Chap 7. Creating a therapeutic garden for people with Huntington's Disease and other neurological conditions by Josephine Spring

Rare Conditions, Diagnostic Challenges, and Controversies in Clinical Neuropsychology Out of the Ordinary. 1st Edition Edited By Jessica Fish, Shai Betteridge, Barbara A. Wilson:

Chap 10 - Neuropsychological, Neuropsychiatric and Functional Neurological Symptoms: The Challenges of Overlapping and Evolving Presentations by Alexandra E. Rose & Michael Dilley

Chap 22 - The importance of accuracy when diagnosing Locked-in-syndrome (LIS) by Sarah Crawford, Sal Connolly & Alexandra E. Rose

Chap 23 - Ethical and practical issues for the psychologist working with patients with a disorder of consciousness by Elena Olgjati, Andrew Hanrahan, Paolo Mantovani, Jonathan Hinchliffe & Sarah Crawford

Leisure and family services LaFS

We continue to develop LaFS into a Therapeutic Leisure Service, focusing on facilitating activity groups within the wards, based on residents' needs and interests. These groups and one on one sessions are largely focused in our Specialist Nursing Home.

Following a service restructure, we have added two permanent Ward Based Activity Coordinator roles to the team. Additionally, we have introduced a new Bereavement Support role offering practical support, advice and guidance to relatives in the days leading up to and following the passing of a family member.

Within our volunteer pool, we now have three Pet As Therapy (PAT) dogs also visiting weekly. Staff and residents have been keenly awaiting the return of a PAT therapy dog since our last PAT dog retired so these visits have been very welcome and bring a smile not only to our patients and residents but to staff as well.

CoDA is now into the second of a three year lottery funding grant to provide sessions to residents and patients. The CoDA team performed at Founders Day this year, enabling them to showcase the amazing work they do with our patients and residents. Working in collaboration with LaFS, CoDA are now offering 6 sessions a week to different wards across the RHN. These sessions have been well received by patients, residents, family members and staff; participation for each session runs at full capacity.

For the first time last year, we brought our Christmas tree decorating in house. We ran four workshops over November creating decorations for the trees and with a team of volunteers, the trees were put up in the first week of December.

Church services now follow a well established routine. The traditional morning service for the Continuing Care wards has seamlessly returned on Sunday mornings in the Assembly Room, with a dedicated team of volunteers escorting residents.

A notable addition, absent before the pandemic, is the introduction of afternoon services tailored to specific wards unable to attend the morning session. Chatsworth, Haberdashers, JEC, Leonora, and Devonshire wards now regularly host these services.

In the Chatsworth Day Room, the Thursday informal service and quiz continue, attracting participants from various wards. Additionally, the Holy Communion service on Fridays in the Chapel has a growing number of residents, joined by family members.

Furthermore, St. Thomas A Becket, Wandsworth's parish priest has reinstated a monthly Mass on the premises and the "bank" Imam conducts bi-weekly "One to Ones" with Muslim residents.

The Chaplain's commitment extends to providing spiritual and pastoral care on and off the wards. This encompasses individual Holy Communion for those unable to attend services, personalised readings and prayers, one on one spiritual counsel and appropriate end of life support. When suitable, the Chaplain visits patients during their acute

hospital stays.

The live concerts introduced on Wednesdays for patients and residents last year were such a hit that we kept them going this year, along with the Saturday Live concerts. To maximise patient/resident attendance we have several volunteers helping with both Wednesday and Saturday concerts.

The LaFS team manages the booking of an on site 3 bedroom flat that is available for families to book to stay overnight. With more patients and residents that are from out of the area, visits from family and friends are often difficult due to the distances needed to travel. Having access to affordable on site accommodation allows such families to see their loved ones more often.

Over the past year, our hairdresser facilitated 273 appointments for patients and residents. The impact of having this service for our patients and residents is invaluable. Recognising the continued demand, we have sought to enhance our team to sustain weekly salon operations and have appointed a new hairdresser to our bank staff. Remarkably, she returns to the RHN after a 30 year hiatus, bringing a wealth of experience and renewed passion to our salon services.

We continue to have four external Registered Massage and Beauty Therapists visiting on different days offering complimentary therapy services to patients and residents at the RHN. New referrals are accepted and passed on via the LaFS team.

Through collaborative efforts between LaFS and the Social Work Team, we have implemented a biweekly benefit advice clinic. Run by staff from our local job centre, patients, residents, and their family members have received invaluable advice and insights into their entitlements, coupled with dedicated assistance in navigating communications with the DWP. This proactive approach underscores our commitment to empowering individuals with the knowledge and support they need for their financial future.

The booking of leisure based community outings and home visits is now successfully embedded at ward level allowing a more individual approach to the planning of outing activities and trips. While LaFS maintains its support for ward administrators in managing these bookings, we are also continuing to expand our directory of wheelchair accessible venues.

The RHN received a donation of £20,000 from the Benjamin Weir Trust. The generous contribution was utilised to transform 'The View,' a dedicated space for patients and residents' families, and visitors within the hospital, which is managed and maintained by LaFS. 'The View' has undergone a comprehensive renovation to ensure a comfortable and uplifting atmosphere for residents, patients and their visitors.

Leisure and family services LaFS (continued)

We have been really excited to have recruited a wonderful and ever expanding volunteer team to support our patients and residents during 2022/23 including some who have been drawn from our own staff.

In terms of time, volunteers freely gave up 7,030 hours during the year averaging 135 hours per week (this is a new metric with comparatives shown in future). The numbers of volunteers are given below.

Volunteers

Number of active volunteers as at 1 October 2022 was 87

Number of volunteers active in the year to 30 September 2023 was 206 (2022: 122)

Number of new volunteers recruited between 1 October 2022 and 30 September 2023 was 116 (2022: 79)

Number of active volunteers at 1 October 2023 was 169



‘The View’ (an area for patients’ families) was refurbished following a generous donation from The Benjamin Weir Trust

Managing our risks

In order to minimise or eliminate risks to the charity during the 2022/23 financial year, potential risks were (and continue to be) identified and regularly reviewed by both the Executive team and Trustees. The online risk management system has improved the efficiency of recording, assessing and reporting risks.

In 2022/23 the RHN identified its principal risks as: patient safety and wellbeing, and financial risks. During the year the patient safety risks were well mitigated and the principle safeguarding risk continues to be well controlled. We have a stable team leading safeguarding across the RHN and a stable team leading safety and quality assurance who collaborate in managing patient safety risks through the Patient Safety Incident Response Framework (PSIRF) which we have fully adopted, our safeguarding training is in line with the Intercollegiate training requirements, our Chief Executive, Director of Nursing and Head of Safeguarding are all trained to level 5 safeguarding training, we continued to demonstrate full compliance with the NHS Safeguarding Accountability and Assurance Framework and in February 2023 we were awarded the Leaders in Safeguarding Gold Award, a registered Quality Mark, following an external independent audit of our safeguarding arrangements and sixteen safeguarding standards.

Quality of care

We are a regulated healthcare provider with The Care Quality Commission (CQC) and The Charity Commission. Following our unplanned CQC Quality Inspection between 14th and 16th June 2023 which focussed on the Safe and Well Led Key Lines of Enquiry, our rating in these two domains went down to Requires Improvement. We remain rated as Good in the other three domains. Our overall rating has however now gone down to Requires Improvement. The areas that we are focussing on improving are in medicines management, National Patient Safety Alerts, infection prevention and control relating to equipment management and obtaining laboratory specimens; and oversight of risks associated with National Patient Safety Alerts.

The RHN has robust controls in place to ensure that it implements high standards of quality and safety, including quality of care, with an increased focus on the areas identified in the current CQC report. We do this through the delivery of an action plan that specifically addresses each of the areas identified for improvement in the quality report, which we monitor internally through our Executive Management Team and Board and externally through NHS England's Clinical Quality and Review Group (CQRG).

The controls we have in place are numerous and include robust clinical leadership at board level and across the hospital, a named board level trustee for quality and safety, a Patient Safety and Quality Committee, a named executive director for quality and safety, a dedicated team to drive quality and safety, robust management of the Datix recording and incident management system (we are implementing the new Patient Safety Incident Response Framework (PSIRF), review of clinical risks and trends by the Clinical Risk and Incident Committee, review of patient deaths by the Mortality Review Committee, excellent safeguarding leadership, structures and processes with robust analysis of decision making and management, membership of the Safeguarding Adult National Network (SANN), high levels of mandatory training compliance (exceeding 90%), a competence framework to underpin nursing and Health Care Assistants' practice and a Clinical Skills Team to support practice on the wards, a robust student supervision framework including mentorship and preceptorship led by the Clinical Skills Team, Linkages with the South West London (SWL) Integrated Care System including membership of the SWL Quality

Council; and the introduction of new roles into the clinical workforce to enhance patient and resident safety including Nursing Associates and Enhanced and Advanced Care Practitioners in 2023.

We have an ambitious Patient and Resident Experience Strategy, which underpins the RHN Strategy 2022 to 2027, A Path to Excellence. We also encourage feedback and involvement from patients, residents and their families through multiple formats including through the Annual Patient Survey and through participation in a number of forums and through our comprehensive complaints and compliments process. We have a Patient Representative Committee (chaired by a Trustee, which includes representatives from patients, residents and families from all wards) which is a forum to receive feedback on experiences hospital wide and to share information. We are in the process of introducing service based forums in response to our patients', residents' and families' feedback.

Our clinical risk registers (Clinical and Medicines) are updated monthly by the named clinical directors responsible for each of the risks on the registers and clinical risks are incorporated in the organisational risk register (ORR) if they meet the threshold. The Executive Management Team (EMT) also reviews the risk registers monthly. A new risk management system has been introduced to strengthen our management, which is operational across the hospital. The Patient Safety and Quality Committee (a board Committee) has oversight of clinical risks.

Our Director of Nursing and Head of Safeguarding are recipients of NHS Safeguarding Medals, awarded by SANN for our excellence in safeguarding practice and the RHN have been awarded a prestigious "Leaders in Safeguarding" discretionary Gold Award in recognition of our outstanding safeguarding provision, practice and commitment to patients' and residents' safety.

We are embarking on Pathway To Excellence® with the American Nurse Credentialing Center (ANCC), which provides us with a framework for nursing excellence through the development of positive practice environments for all of our clinicians and where nursing can excel. Led by our Director of Nursing and Pathway Director, through the senior nurse leadership and clinical skills teams across the RHN, we are on track to achieve this accreditation by early 2024.

Managing our risks (continued)

Recruitment and Retention of Staff

During this financial year we have continued with the recruitment of nurses from overseas. There have been a total of 32 overseas nurses from the Philippines and Africa during this financial year, which is just over double the number for the previous year.

As well as this, we have recruited 178 Nurses and Healthcare Assistants including Bank workers. Continuous recruitment, assessment days and collaboration with the clinical recruiting managers have resulted in vacancies being lower than any time since Covid.

Staff engagement, Wellbeing and Inclusion



Staff Engagement and Wellness Roadshow

Our annual staff roadshow took place on the first day of the RHN Festival in June. This was a popular event with over 300 staff during the day and 120 staff at night attending and taking part. Staff booked onto various options including health and wellbeing checks, massage, yoga, puppy therapy, healthy juice and smoothie bar. There was also a walk through roadshow in the Assembly Room, where staff were able to gather information about staff networks, sustainability, freedom to speak up, the employee assistance programme, mental health first aid and more. We received very positive feedback regarding the roadshow with 64% of staff rating it 4 or 5 on a scale from 1 (very bad) to 5 (very good), in a survey taken after the roadshow.

Mental Health and Wellbeing

We have over 25 staff from a range of departments and wards across the hospital, who have qualified as Mental Health First Aiders in 2023. This is a crucial aspect of our People Strategy. In addition to this 10 Mental Health First Aiders (MHFA) are continuing their learning to build their confidence and strengthen their skills by undertaking the RSPH Level 3 Award in Mental Health First Aid e-assessment in November. This program is a vital component of our commitment to wellbeing and will play a key role in our ongoing journey to Pathway to Excellence designation. Our goal is to equip our staff with the necessary tools and resources to effectively address mental health concerns and provide much needed support to colleagues. We are confident that this initiative will promote a culture of awareness and compassion which will benefit the whole RHN. We have already received feedback from our MHFA network of the positive impact this is having for staff receiving support.

Inclusion and Staff Networks



PRIDE@RHN

(The RHN LGBT+ Staff Network) took part in the 2023 London Pride Parade as part of the annual PRIDE month 2023. The parade was a fantastic event attended by over 50 staff. We also had our first LGBT+ themed Schwartz round which was widely attended.

Race Equality Staff Network (REN)

We have now launched the REN, previously known as BAME network. This took place on 24th July and as part of the launch we celebrated South Asian Heritage Month. The network also celebrated East and South East Asian Heritage in September and Black History Month in October. These events involved cultural food, music and guest speakers. Both events received positive feedback. The network has monthly meetings with plans to launch quarterly meetings for night staff in the next quarter. The network also liaised with Reed's Café in the hospital to celebrate and acknowledge a larger range of religious festivals.

Women's Network

We are working towards launching a Women's Network, which aims to engage in meaningful conversations on topics such as women's health, career growth, caring responsibilities, domestic violence and more.



Wellbeing Council

This year we started a Wellbeing Council as part of our commitment to Pathway to Excellence accreditation. This council invites a multi-professional team to discuss and implement wellbeing initiatives. The council is well attended and is currently working on a range of initiatives to improve staff wellbeing, one initiative we are particularly proud of is our new recognition programme; 'Celebrating Excellence: recognising how people demonstrate our values' to launch in January 2024.



Managing our risks (continued)



Learning and Organisational Development

The Learning and Development Department has been rebranded as the Learning and Organisational Development Department to reflect the organisational development activities working with RHN leaders to support strategies to improve organisational culture and overall performance. To that end, we have introduced Insights Discovery. This profiling tool enables participants to understand how they may appear to their colleagues, possible blind spots, and how to use this understanding to build productive relationships. It is being introduced across leadership teams and is already included in the RHN Preceptorship programme.

Compliance

The RHN has exceeded the 90% target for its statutory and mandatory training each month since June 2022. This is the longest period on record; we have systems to ensure this endures.

We have also achieved 100% compliance with the Care Certificate, which includes all staff in the targeted roles for the first time, including those working since before this became a regulatory requirement.

Compliance training was identified as an area of good practice in the recent CQC inspection.

Learning Management System (LMS)

We have enhanced the digital learning offer to our nursing staff, who now have access to a suite of eLearning courses offered by the Royal College of Nursing (RCN). Alongside this, we have now made the RCN revalidation portal available to all RNs to enable them to collate and track their CPD requirements.

Individual Performance Reviews (IPRs)

For most RHN roles, we have moved to an anniversary approach to IPRs to support larger teams and to enable staff to have their first IPR no later than 12 months after they start their career with us. This approach is managed by the Learning and Organisational Development team, supported by our LMS.

Financial sustainability

In order to improve and provide the highest quality of care to patients and residents, the RHN recognises the need to maintain financial stability and to continue to attract donations, legacies and other fundraised income in order to invest in its facilities and equipment.

The RHN recorded a financial surplus for the financial year ended 30 September 2023 with year end reserves considered sufficient to continue operations for between three and four months in the unlikely event that all funding ceased. Our budget for the financial year ending 30 September 2024 anticipates a surplus in income and expenditure and continued satisfactory reserve levels. Further to the budget for the forthcoming financial year, the five year financial projection to the year ending 30 September 2028 presented to trustees sees improving surpluses and cash balances as the RHN gradually alters and grows its mix of services and continues to invest in its infrastructure to improve services to patients and residents.

The RHN's primary sources of funding are NHS England, NHS Integrated Care Boards and Local Authorities. Though NHS bodies receive annual increases with which to pay the RHN for its services, these are not sufficient to meet all the RHN's cost pressures. In order to mitigate such funding shortfalls, the RHN continues to work in partnership with commissioners to negotiate adequate contractual agreements whilst increasing efficiency. It had been expected that the block contract for rehabilitation services with NHS England would be broken up with responsibility passed to either a lead or multiple Integrated Care Boards. This devolution of budget is still anticipated within the next two years.

The drive to maintain financial sustainability includes investment in technology, equipment and the estate with which to provide the highest standards of care and generate income. During 2022/23 important work on Wellesley ward, roof repairs, installation of solar panels, asbestos removal, water infrastructure, lift repairs and detailed planning for the refurbishment of Hunter ward in 2023/24 has been carried out.

The RHN has sufficient reserves for the foreseeable future, and has a five year financial projection supporting its corporate strategy. Further disclosures are available within the financial review and note 1.2 of our accounting policies.

The RHN's Committee with oversight of finances is the Finance Committee. During the year the Committee met with the RHN's investment managers on three occasions to review the management of the RHN's investment portfolio.



Financial review

The RHN reported an overall net surplus in funds for the year of £1.70 million (2022: £0.18 million surplus) comprising the following:

	2023 £m	2022 £m
Hospital		
Patient Income	49.88	45.84
Patient Expenditure	(49.33)	(45.32)
Surplus from Hospital Activities	0.55	0.52
Voluntary and Other Activities		
Income		
Donations and Other Fundraising	2.47	2.89
Other Income	0.48	0.42
Income from Voluntary and Other Activities	2.95	3.32
Expenditure		
Fundraising Expenditure	(0.96)	(0.89)
Voluntary and Other Expenditure	(1.14)	(1.02)
Expenditure of Voluntary and Other Activities	(2.10)	(1.91)
Surplus from Voluntary and Other Activities	0.85	1.40
Hospital and Charitable activities	1.40	1.92
Net Income on Pension Scheme	0.00	-
Net Gains / (Losses) on Investments and Fixed Assets	0.30	(1.74)
Net Surplus	1.70	0.18

The RHN receives the majority of its income for patient care from NHS England (for Brain Injury Services); and from Integrated Care Boards and some Local Authorities (for Continuing Care). The Charity has also seen a decrease in donations and legacies of 16% (2022: 51% decrease)

Income from donations, legacies and fundraising events is £2.5 million (2022: £3.2 million) analysed as follows.

Donations, legacies and fundraising received for charitable expenditure during the year ended 30 September 2023

	30 September 2023		30 September 2022	
	£'000	£'000	£'000	£'000
Unrestricted		1,525		2,233
Restricted				
(1) Additional therapies and services	185		188	
(2) Purchase of specialist equipment	191		357	
(3) Research and education	47		253	
(4) Specific redevelopment and refurbishment of hospital buildings	523		204	
(5) COVID crisis response	1		-	
		947		1,002
		2,472		3,235

The RHN's fundraising activities are overseen by the Fundraising Regulator (FR) whose responsibilities include ensuring the charity records all complaints, completes an Annual Complaints Returns Report and displays the FR logo. These convey our commitment to complying with legislation as well as building trust with supporters of our charity.

Financial review (continued)

Expenditure on charitable activities (i.e. hospital activities)

The continuation of successful recruitment campaigns overseas has seen the arrival of more nurses and healthcare assistants, mainly from the Philippines and the RHN has been successful in employing graduate nurses who obtained practical experience whilst at the hospital.

The RHN continues to demonstrate its commitment to its staff through paying competitively, ensuring nobody is paid below the London Living Wage; and in addition to providing staff development opportunities commenced a nursing associate programme that saw its first graduates in the autumn of 2023.

A values based recruitment process commenced during 2022/23 and ward staff have been trained so that this can be comprehensively rolled out in 2023/24.

In terms of clinical and service development, the hospital increased ventilated bed capacity by 4 in the year and is on track to reprofile specialist nursing home beds as behavioural beds during 2023/24. The refurbishment of Wellesley ward was completed on time and to budget so improving the environment of the behavioural service.

Investments	30 September 2023 £ million	30 September 2022 £ million
Net gains / (losses) during the year	0.30	(1.74)

The RHN invests funds surplus to working capital requirements in a portfolio managed by Cazenove Capital Management, Schroder & Co Ltd.'s charity division. They place investments based on asset allocation ranges previously agreed by the RHN's Finance Committee, who review the Charity's investments during the course of the financial year, the target return was CPI + 3.5%. Investment income during the year was £0.48 million (2022: £0.42 million). The finance committee sets targets for the investment manager to meet and monitors performance, however, the overall performance of the portfolio reflects the general economic climate. CPI for the year to 30 September 2023 was 6.7% making the target return 10.2%. Though performance of 3.3% for the year was below target, it is important to bear in mind that the portfolio is managed against the target over rolling three and five year periods.

Staff pension scheme	30 September 2023 £ million	30 September 2022 £ million
Net actuarial gains on the defined benefit scheme	-	-

The results above pertain to the RHN's defined benefit pension scheme which was closed to new members in 2001 and existing members in 2006.

As at 30 September 2023, the defined benefit pension scheme was in surplus but as it is not recoverable, was restricted to zero in the disclosures (30 September 2022: zero). The surplus of £2.0 million (2022: £8.6m surplus) in the scheme is not available as a refund to the RHN and is therefore deemed to be irrecoverable under FRS102.

The RHN continues to run a defined contribution scheme for its employees which was transferred to an Aviva Master Trust in October 2019.

Financial review (continued)

Reserves

Reserves are held to help the charity operate effectively in accordance with the Charity Commission's guidance. The Board has carried out a detailed review of the charity's activities, identified the major risks the RHN is exposed to and produced a financial risk assessment.

Free reserves are intended to cover the following:

- Adverse movements in cash flow
- A shortfall in income net of fees payable
- A shortfall in voluntary income
- Falls in the realisable value of investments
- A contingency against business interruption

After carrying out a review of the risk areas stated above, the RHN Board of Trustees has determined a range of £12 million to £14 million (2022: range of £12 million to £14 million) of free reserves as being a minimum operating level for three months.

At 30 September 2023, the reserves were as follows:

- Free reserves of £15.5 million (2022 - £13.6 million) after accounting for the defined benefit pension scheme as per FRS102 are greater than the minimum operating level required for three months.
- Designated funds of £29.4 million (2022: £29.4 million) representing the net book value of the RHN's fixed assets of £22.4 million (2022: £19.5 million) together with £0.7 million (2022: £1.1 million) for planned maintenance and £6.3 million (2022: £8.8 million) for future capital expenditure on the hospital buildings and equipment.
- Combined restricted reserves of £1.46 million (2022: £1.67 million) include £0.78 million (2022: £1.01 million) in cash required to fund specific projects.
- Endowment funds of £0.78 million (2022: £0.77 million).

The sum of the above gave total reserves of £47.2million (2022: £45.5million).

Further details of these reserves are disclosed within the statement of financial activities and balance sheet on pages 28 and 29.



Going concern

The RHN is a public benefit entity, and its Board has set out a review of financial performance and the charity's reserves position. At 30 September 2023, the RHN reported free reserves of £15.5 million (2022: £13.6 million), net current assets of £6.7 million (2022: £8.1 million) and a net cash outflow of £2.0 million (2022: £2.0 million net cash inflow) for the year. The change in cash flow between the two years was due to capital outlay exceeding earnings before interest, tax, depreciation and amortisation; and movement in working capital.

As at 30 September 2023, the defined benefit pension scheme was in surplus but as it is not recoverable, was restricted to zero in the disclosures (30 September 2022: zero). The surplus in the scheme is not available as a refund to RHN and is therefore deemed to be irrecoverable under FRS102. The RHN's strategy of funding any residual obligation in order to eliminate any future deficit remains.

With regard to the year ending 30 September 2024, the most significant areas that are likely to affect the charity's net assets are levels of patient and fundraised income, operating revenue expenditure and capital investment.

The RHN's budget for 2023/24 and financial projection for 2024/25 were incorporated in its five year financial projection 2023/28 presented to the Board in July 2023 in support of and building on the organisational strategy for 2022/27. Prudent uplifts for patient income and an increase in the provision of ventilated and rehabilitation services are included.

In order to explore the sustainability of the RHN, a financial stress test exercise has been conducted with the above assumptions altered to model more adverse conditions in 2023/24 and 2024/25. With these changed assumptions, a consequent adverse impact was seen on income and expenditure, cash balances and reserves in those two years. In terms of cash, in order that the RHN retained desired cash balances at the end of the two financial years in question, without curtailing spend, it would be necessary to transfer from investments to the current bank account in 2023/24 and 2024/25.

The mitigating actions that would be taken to offset the above adverse impacts would be to hold back major ward refurbishment and to reduce staffing where occupancy had fallen.

It is anticipated that the mitigating actions would result in investments being replenished towards the end of the five year financial projection and that reserves would be sufficient throughout the course of the projection.

On its operational activities, the trustees believe that the current strategy for growth including some shift in the balance of services provided; and the associated rolling five year financial projection have reasonably secured the future of the RHN to sufficiently meet the requirements of a going concern.

The hospital holds investments valued at £18.1 million (2022: £17.9 million) inclusive of cash available of £0.7 million (2022: £0.3 million). Unrealised gains amounted to £0.3 million in 2022/23 (2022: £1.7 million loss), judicious management of funds aims to minimise adverse market fluctuations.

Like other healthcare providers the RHN faces inflationary pressures, the hospital continues to monitor developments and take appropriate action. The trustees will continue to monitor plans with the RHN executive team to ensure that the RHN retains sufficient reserves to continue operating. The charity has a strong balance sheet, with unrestricted liquid reserves (general, capital and maintenance funds) of around £23 million (2022: £24 million) and so the trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

The trustees are satisfied that the RHN can continue operating for the foreseeable future and accounts have been prepared on the basis that the RHN is a going concern.

Neither the Trustees, nor any key persons within the charity, are aware of any further specific, nor general events which would change the charity's status as a going concern.

Structure, governance and management

The RHN's governing constitution is a Royal Charter and byelaws. On 19 July 2022 Her Late Majesty the Queen allowed the amendments to the Charter and the Privy Council approved the revised Byelaws. The Board brought both these documents into force at its meeting on 20 October 2022. The new Charter provides for a single Board of Governors who are the trustees of the charity, with the same functions as the previous Board of Management. The existing members of the Board of Management became members of the Board of Governors. The requirement for the Board to delegate the day to day management of the RHN to a Chief Executive continues.

The Board is a non-executive body that has four meetings each year. It sets the strategic direction of the RHN and in 2022 agreed the next 5 year strategic plan. It appoints committees with responsibility for scrutinising the executive's delivery of the RHN's functions, such as patient safety and quality and finance. Throughout 2022/23 the executive has worked with the Board on a Board Assurance Framework which will be used in 2023/24.

The Board aims to follow the Governance Code for Larger Charities recommended by the Charity Commission. It carries out an annual review of its governance processes, including review of the committee terms of reference. Board members and senior executives are required to complete an online declaration of interests and review this at least twice a year, and to declare any gifts and hospitality received. All staff, volunteers and Board members are required to have DBS checks every three years. Board members, the Chief Executive and the Director of Finance sign annual declarations of fitness to hold office.

The Board of Governors (Trustees)

In 2022/23 the constitution required that the Board must be made up of a minimum of eight and a maximum of 15 members, who hold office for four years. They may not hold office for longer than two consecutive terms of four years unless the Board decides there are exceptional circumstances. Members of the Board are appointed and retire by rotation. The Nominations and Remuneration Committee regularly reviews the skills requirements of the Board. A formal recruitment process has been adopted where particular skills are being sought, which includes open advertisement and interview to ensure the appropriate skills and experience are identified and to extend the Board's ability to recruit a diverse Board. An induction programme and continuing trustee training is also in place.

In 2022/23 the previous chairman's term of office came to an end and a new chair was appointed with effect from the April 2023 board meeting.

The Board's Nominations and Remuneration Committee (comprising Board Members) is responsible for deciding the remuneration of the key management personnel constituting the executive directors. Chaired by the Chairman of the Board, the committee considers directors' salaries and benefits. The Chief Executive's pay is determined by the committee and the Chief Executive provides advice to the Committee on the other directors' remuneration. The remuneration of the Executive team is disclosed in full in notes to the accounts.

Responsibilities of the Executive and Committees

The Board delegates certain functions to the Executive and Committees. The day to day running of the RHN is the responsibility of the Chief Executive. The Chief Executive carries out operations according to the strategy and the budget set by the Board and is assisted by the executive team which meets every week.

Remuneration

Trustees (Board members) are not remunerated but may claim reasonable expenses.

As an employer, the charity operates the 'Putney Scale', a harmonised pay method which helps the RHN remain competitive within the healthcare industry. This is available to all nursing and therapy staff and is in line with the NHS Agenda for Change classifications and is periodically reviewed. The component parts are basic pay and a market supplement reflecting the higher cost of inner London living.

Looking forward

The RHN's launched its 2022 to 2027 strategy entitled 'The Path to Excellence' in 2022. Our objectives focus on the patient experience, our people, clinical and service development, fundraising, the estate, our facilities, information and technology, finance and governance and leadership. Our plan remains to change our mix of activities over the next five years with the expansion of ventilated, behavioural and young adults' services.

In 2023/24 we intend to achieve Pathway to Excellence® accreditation, improve signage and communication with patients, residents and visitors including using patient stories when we can, streamline our staff recruitment process, reduce sickness and implement the first stage of a pay and reward review, develop a new clinical pathway for people with persistent disorders of consciousness (PDOC), complete consultations for best interest decisions about clinically assisted nutrition and hydration (CANH) for all long term care residents, increase the number of staff participating in research, increase the number of beds in our ventilated service, end the year in surplus, with a healthy cash balance and increased fundraised income, sign off the triennial review of the defined benefit pension scheme with the trustee, review our marketing strategy, develop a sustainability strategy for the hospital and make long term decisions on the future of our staff accommodation.

As a result of our CQC grading, we will focus on improving medicines management, infection prevention and control relating to equipment management and obtaining laboratory specimens; and oversight of risks associated with National Patient Safety Alerts. We will do this by delivering on an action plan that addresses each of the areas identified for improvement by the CQC.

2022/23 saw the RHN complete the refurbishment of Wellesley ward and further expand capacity on Leonora ward. In 2023/24 we will upgrade Hunter ward and continue with planned investment in buildings, equipment, information and technology infrastructure, digital transformation, replacement of legacy systems and the introduction of more innovative technologies.

We will achieve an increased fundraising target by running a full range of engagement and income generating activities with donors and sponsors so that we can reinvest in services for patients and residents.

2022/23 saw some stabilisation in the net value of the RHN's defined benefit pension funds and the value of investments the RHN holds. In the case of the defined benefit scheme, the RHN has replaced its previous pension trustee board with a corporate sole trustee taking responsibility for scheme governance; the net value of the scheme remained in surplus. Plans for the future include work on Guaranteed Minimum Pension (GMP) Equalisation, more effective governance and enhanced cyber security.

We will continue working with investment managers of both pension fund assets and the RHN's investments to minimise the impacts of market volatility and to maximise returns. The RHN has previously considered whether all of its investment portfolio is ethical. Apart from fossil fuels in which the hospital holds significant assets, there are no "sin stocks" which we feel we should disinvest from urgently. The RHN through its investment managers will continue encouraging the development of alternatives to fossil fuels.



Trustees’ responsibilities

The Trustees are responsible for preparing the Trustees’ Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity; and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable 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 in business.

The trustees are responsible for keeping proper 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 Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Royal Charter.

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.

The trustees are responsible for the maintenance and integrity of the charity; and financial information included on the charity’s website.



Jane McCormick
Chairman

Royal Hospital for Neuro-disability

24 January 2024



Independent Auditor's Report

to the trustees of the Royal Hospital for Neuro-disability

Opinion

We have audited the financial statements of Royal Hospital for Neuro-disability ('the charity') for the year ended 30 September 2023 which comprise Statement of Financial Activities (SOFA) including income and expenditure account, Balance Sheet, 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 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 charity's affairs as at 30 September 2023 and of 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 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 trustee's 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 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient and proper accounting records have not been kept by the charity; 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 require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 24, 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 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 151 of the Charities Act 2011, and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

Independent Auditor's Report

to the trustees of the Royal Hospital for Neuro-disability (continued)

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 charity 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 Charities Act 2011 together with the Charities SORP (FRS102) 2019. 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 fundamental to the charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity for fraud. The laws and regulations we considered in this context for the UK operations were CQC regulations for service providers and managers, taxation legislation, employment legislation and General Data Protection Regulation (GDPR).

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 identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of grant, contract and legacy income, recording the impact of the CQC regulatory review and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, the Director of Governance, the Chief Executive and the Audit & Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and reading regulatory reports and 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 charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Crowe U.K. LLP

Statutory Auditor

London

Date: 2 February 2024

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

Statement of Financial activities (SOFA) including income and expenditure account

for the year ended 30 September 2023

	Notes	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2023 £'000	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2022 £'000
Income and endowments from:									
Donations and legacies	2.1	1,353	924	-	2,277	2,092	625	-	2,717
Other trading activities									
- Fundraising events		172	23	-	195	141	35	-	176
Investments									
- Dividends and Interest	2.2	466	14	-	480	412	12	-	424
		1,991	961	-	2,952	2,645	672	-	3,317
Charitable activities	3	49,875	-	-	49,875	45,842	-	-	45,842
Total Income and endowments		51,866	961	-	52,827	48,487	672	-	49,159
Expenditure on:									
Raising funds	4.1	1,148	-	3	1,151	1,043	-	4	1,047
Charitable activities	4.2	49,827	445	-	50,272	45,632	562	-	46,194
Total expenditure		50,975	445	3	51,423	46,675	562	4	47,241
Net surplus before gains and losses		891	516	(3)	1,404	1,812	110	(4)	1,918
Net gains / (losses) on Investments		279	9	10	298	(1,589)	(64)	(83)	(1,736)
Net income/(losses)		1,170	525	7	1,702	223	46	(87)	182
Transfers between funds	17	731	(731)	-	-	157	(157)	-	-
		1,901	(206)	7	1,702	380	(111)	(87)	182
Other recognised gains									
Net actuarial gains on defined benefit pension scheme	6.5	-	-	-	-	-	-	-	-
Net movement in funds for the year		1,901	(206)	7	1,702	380	(111)	(87)	182
Reconciliation of funds									
Funds at 1 October		43,027	1,665	773	45,465	42,647	1,776	860	45,283
Total funds at 30 September		44,928	1,459	780	47,167	43,027	1,665	773	45,465

The RHN made no other unrealised gains or losses which do not appear on the SOFA. All the above are derived from continuing activities.

The notes on pages 32 to 47 form a part of these accounts.

Balance sheet

for the year ended 30 September 2023

	Notes	Total 2023 £'000	Total 2022 £'000
Fixed assets			
Tangible assets	8	22,372	19,453
Investments	9	18,093	17,883
		40,465	37,336
Current assets			
Stocks	10	254	276
Debtors	11	6,063	5,326
Cash at bank and In hand		4,799	6,807
		11,116	12,409
Creditors - Amounts falling due within one year	12	(4,414)	(4,280)
Net Current assets		6,702	8,129
Net assets - Excluding pension		47,167	45,465
Defined benefit pension scheme asset	6.5	-	-
Total Net assets	17	47,167	45,465
The funds of the charity			
Capital funds			
Endowment funds	17 & 18	780	773
Restricted funds			
Income funds	18	784	1,012
Other Restricted funds	18	675	653
Total Restricted funds		1,459	1,665
Unrestricted funds			
Designated funds			
Fixed assets	17	22,372	19,453
Planned capital expenditure	17	6,339	8,835
Anticipated maintenance	17	737	1,142
Total Designated funds		29,448	29,430
Free reserves			
General funds		15,480	13,597
Total Unrestricted funds		44,928	43,027
Total charity funds		47,167	45,465

Approved by the Board of Management on 24 January 2024 and signed on its behalf by:



Jane McCormick
Chairman



Hugh Rees
Treasurer

Cash Flow Statement

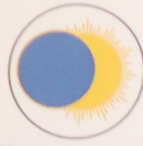
for the year ended 30 September 2023

	Total 2023	Total 2022
Cash flows from Operating activities	£'000	£'000
Net cash provided by operating activities	2,462	3,257
Cash flows from Investing activities		
Dividends, interest and rents from investments	480	424
Purchase of property, plant and equipment	(5,037)	(1,692)
Proceeds from sale of investments	4,273	4,840
Purchase of investments	(4,186)	(4,815)
Net Cash (used in) investing activities	(4,470)	(1,243)
Change in cash and cash equivalents in the reporting period	(2,008)	2,014
Cash and cash equivalents at the beginning of the reporting period	6,807	4,793
Cash and cash equivalents at the end of the reporting period	4,799	6,807
Reconciliation of cash flows from operating activities	2023	2022
	£'000	£'000
Net income for the reporting period	1,702	182
(as per the statement of financial activities)		
Adjustments for:		
Depreciation charges	2,119	1,923
Pension fund contributions and finance costs	-	-
(Gains) / losses on investments	(298)	1,736
Dividends, interest and rents from Investments	(480)	(424)
Decrease / (increase) in stocks	22	(61)
(Increase) / decrease in debtors	(737)	186
Increase / (decrease) in creditors	134	(285)
Net cash provided by operating activities	2,462	3,257
Analysis of cash and cash equivalents	2023	2022
	£'000	£'000
Cash in hand	4,799	6,807
Total cash and cash equivalents	4,799	6,807

	As of 30 Sep 2022 £'000	Cash outflows £'000	As of 30 Sep 2023 £'000
Cash	6,807	(2,008)	4,799
Cash equivalents	-	-	-
Overdraft facility repayable on demand	-	-	-
	6,807	(2,008)	4,799
Loans falling due within one year	-	-	-
Loans falling due after more than one year	-	-	-
Finance lease obligations	-	-	-
Total	6,807	(2,008)	4,799

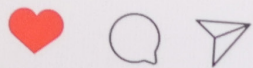


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Notes to the accounts

for the year ended 30 September 2023

Royal Hospital for Neuro-disability (Charity No. 205907)

1 Accounting Policies

1.1 The Royal Hospital for Neuro-disability is an unincorporated charity registered in England & Wales with the Charity Commission. The address of the registered office is shown on page 2 and the nature of its operations is set out in the report of the Trustees.

The principal accounting policies which have been adopted in the preparation of the financial statements are set out below and have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) effective 1 January 2019, and the Charities Act 2011.

The financial statements have been prepared to give a “true and fair view” and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a “true and fair view”. This departure has involved following the 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 (FRS102) issued on 1 January 2019 rather than the Statement of Recommended Practice: Accounting and Reporting by Charities which was effective from 1 April 2005 but which has since been withdrawn.

1.2 The RHN is a public benefit entity, and its Board has set out a review of financial performance and the charity's reserves position. At the 30 September 2023, the RHN reported free reserves of £15.5 million (2022: £13.6 million), net current assets of £6.7 million (2022: £8.1 million), and a net cash outflow of £2.0 million (2022: net cash inflow of £2.0 million) for the year.

Neither the Trustees, nor any key persons within the charity, were aware of any further specific, nor general events which would change the charity's status as a going concern.

1.3 The Statement of Financial Activities (SOFA) and Balance Sheet are the financial statements of the RHN. The subsidiary has been dormant in the financial year 2022 - 23.

1.4 Income and expenditure are accounted for on an accruals basis and expenditure includes Value Added Tax where this is not recoverable.

1.5 Grants Receivable are included in the SOFA in accordance with the terms of the grant agreement and the SORP criteria of entitlement, probability of receipt and reliability of measurement.

1.6 Donations of equipment and supplies are included within the appropriate expenditure at cost or estimated value to the donor and within gifts and donations.

1.7 Legacy income is recognised at the earlier of the charity being notified of an impending distribution or the legacy being received. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

1.8 Patient services comprise the costs of nursing, treatment, therapy, domestic and catering services and the costs of maintenance of buildings and equipment, heating, depreciation and other support services attributable to Patient care.

1.9 Research expenditure comprises staff costs and direct costs of medical research projects instigated by the RHN and their associated support costs.

1.10 Grants are charged to the SOFA in the period in which beneficiaries are notified and so a constructive obligation is entered into by the RHN.

1.11 Support costs, comprising facility charges, governance, management and administrative costs, are allocated to activities based on employee headcount.

1.12 The RHN operates a pension scheme which includes a defined benefit section and a defined contribution section. The assets of the scheme are held by the scheme trustees separately from the assets of the RHN. Further information on the pension scheme can be found in notes 6.4 and 6.5.

Notes to the accounts

for the year ended 30 September 2023

1 Accounting Policies (continued)

1.13 Rentals payable under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

1.14 Depreciation is charged on all fixed assets except freehold land, on a straight line basis, at rates calculated to write off the assets over their estimated useful lives as follows:

Buildings	2% - 20%
Plant and Machinery	7% - 25%
Furniture and Equipment	7% - 50%

The depreciation charge begins from the first day of the month following either; the date of asset acquisition or the date that the asset comes into use.

Tangible fixed assets costing more than £2,500 are capitalised at cost and depreciated at the rates shown.

Impairment losses are included in the Statement of Financial Activities.

Fixed Asset Investments are included in the Balance Sheet at market value. Realised and unrealised gains and losses incurred during the year are included in the Statement of Financial Activities.

Assets in the course of construction, reflect fixed asset projects undertaken by the RHN which have not been completed as at the reporting date. Such assets when completed are transferred to the appropriate asset class and depreciated according to existing accounting policy. Any assets under construction which during review are considered to have declined in value are written off; to any extent identified to the Statement of Financial Activities.

1.15 Stocks are valued at the lower of cost and net realisable value.

1.16 Fees receivable and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discounts due.

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

1.18 Unrestricted funds are funds which are available for use at the discretion of the Board in furtherance of the general objectives of the RHN and which have not been designated for any other purpose. Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in note 17 to the accounts.

Endowment funds comprise monies that must be held indefinitely as capital. Related income is credited to general funds and applied for general purposes unless under the terms of the endowment such income must be used for specific purposes in which case it is credited to restricted funds.

Designated funds comprise unrestricted funds that have been set aside by the Board for particular purposes. The use of the designated funds is set out in note 17.

1.19 Taxation - The Charity is exempt from taxation in respect of income or capital gains received within categories covered by part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

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

With regard to FRS102 Section 28 (Retirement benefits) and the RHN's defined benefit pension scheme, the best estimates used are chosen from a range of possible actuarial assumptions. Further disclosures of the estimates governing these retirement benefits can be found within note 6.5 of this annual report.

Notes to the accounts

for the year ended 30 September 2023

1 Accounting Policies (continued)

1.21 The charity has financial assets and financial liabilities that qualify as basic financial instruments. These are recognised at transaction value and subsequently measured at either their settlement value or market value. The charity has taken reduced disclosure exemptions for sections 11 and 12 of FRS 102.

At the balance sheet date the charity held financial assets at amortised cost. Financial assets held at amortised cost comprise cash at bank, trade debtors and other debtors totalling £10.2 million (2022: £11.9 million). Financial liabilities held at amortised cost comprise trade creditors and other creditors totalling £4.2 million (2022: £3.8 million). Investments at £18.1 million (2022: £17.9 million) held as part of an investment portfolio, are held at fair value with gains and losses being recognised within income and expenditure.

2 Donations, Legacies and Investment Income

	Unrestricted funds	Restricted funds	Total 2023	Total 2022
	£'000	£'000	£'000	£'000
2.1 Donations and Legacies				
Gifts & donations	469	922	1,391	1,040
Legacies	884	2	886	1,677
	1,353	924	2,277	2,717

As at 30 September 2023, the RHN has no bequeathed legacies in the financial statements (2022: £0). The RHN has interests in two legacies which do not meet the recognition criteria to include in the financial statements. These legacies have an estimated value of £417,000.

2.2 Investment Income

Listed investments	192	7	199	220
Interest on deposits	274	7	281	204
	466	14	480	424

3 Income from Charitable Activities

	Note	Unrestricted funds	Restricted funds	Total 2023	Total 2022
		£'000	£'000	£'000	£'000
Patient services	3.1	48,553	-	48,553	44,707
Staff accommodation		500	-	500	426
Wheelchair & technology services		138	-	138	122
Other income from charitable activities		684	-	684	587
		49,875	-	49,875	45,842

3.1 Patient Services

National Health Service	45,747	-	45,747	41,858
Local Authority	960	-	960	756
Non-NHS patients	29	-	29	148
One to One Nursing	1,675	-	1,675	1,943
Other sources	142	-	142	2
	48,553	-	48,553	44,707

Notes to the accounts

for the year ended 30 September 2023

4 Total Expenditure

	Direct costs £'000	Support costs £'000	Total 2023 £'000	Total 2022 £'000
4.1 Expenditure on raising funds				
Voluntary expenditure (fundraising staff and administration)	895	101	996	928
Fundraising events	61	7	68	27
Investment management	87	-	87	92
	1,043	108	1,151	1,047
4.2 Expenditure on charitable activities				
Patient Services	40,848	8,049	48,897	44,866
Staff accommodation	77	15	92	57
Wheelchair & technology services	411	81	492	484
Other charitable activities	566	112	678	667
Research	94	19	113	120
	41,996	8,276	50,272	46,194
Total expenditure	43,039	8,384	51,423	47,241

Expenditure on raising funds comprises staff and running costs of the fundraising department together with any other costs directly associated with raising funds for the group, including related publicity costs. This expenditure heading also includes other costs associated with generating funds such as investment management fees and expenditure directly related to trading income.

Patient services comprise the costs of nursing, treatment, therapy, domestic and catering services and the costs of buildings and equipment maintenance, heating, depreciation and other support services attributable to patient care.

5 Support costs

	Expenditure on raising funds £'000	Expenditure on charitable activities £'000	Total 2023 £'000	Total 2022 £'000
Administration and management	34	2,615	2,649	2,433
Building expenses	33	2,575	2,608	1,976
Finance	8	608	616	589
Human resources	16	1,233	1,249	787
Information technology	14	1,073	1,087	1,091
Governance	1	48	49	53
Statutory audit	1	56	57	57
Internal Audit, Counter Fraud and Pension Audit	1	68	69	48
	108	8,276	8,384	7,034

Total expenditure includes the allocation of support costs to the various expenditure categories set out in the SOFA. These support costs relate to information technology, property and facilities management, human resources and finance, in addition to the support costs incurred by communications and other centralised departments that are not otherwise allocated directly. Support costs have been allocated to activities consistently based on employee headcount.

Notes to the accounts

for the year ended 30 September 2023

6 Employee Information

6.1 Staff costs during the year were as follows:

	Total 2023 £'000	Total 2022 £'000
Salaries and wages	34,085	31,738
Social security costs	2,672	2,540
Other pension costs and life assurance premiums	1,772	1,691
	38,529	35,969

Included within the wages and salaries figure above is the cost of employing agency staff £6,879,037 (2022 £6,710,453).

During the year, a total of £76,007 (2022: £0) has been recognised for termination payments, of which £0 remained payable at the year end (2022: £0).

6.2 Employees whose emoluments not including employers NI and pension costs exceeded £60,000 were as follows:

	Total 2023	Total 2022
£60,000 to £69,999	29	17
£70,000 to £79,999	11	11
£80,000 to £89,999	1	3
£90,000 to £99,999	1	-
£100,000 to £109,999	2	1
£110,000 to £119,999	-	1
£120,000 to £129,999	4	3
£130,000 to £139,999	-	2
£140,000 to £149,999	3	2
£150,000 to £159,999	1	-
£200,000 to £209,999	1	1

50 employees (2022 - 39) earning more than £60,000 were members of the defined contribution section of the scheme. Employers' contributions payable during the year in respect of these employees amounted to £278,540 (2022 - £212,306).

Remuneration of Key Management Personnel including employers NI and pensions payable during the year amounted to £1,215,612 for 6.6 FTE staff (2022 - £1,197,642 for 6.6 FTE staff). This group comprises the Executive team.

6.3 The average number of staff employed (excluding agency staff) was as follows:

	Total 2023	Total 2022
Patient services	733	682
Research	5	6
Other charitable activities	39	36
Generating funds	10	8
Governance	2	2
	789	734

Notes to the accounts

for the year ended 30 September 2023

6 Employee Information (continued)

6.4 The charity operates a pension scheme for those members of staff who are eligible.

The scheme has two sections:

- A defined contribution section which, since 1 October 2006, includes all active members of the scheme. An eligible jobholder will be automatically enrolled as a member of the scheme on his automatic enrolment date. The contribution by the employer depends on whether a member is in the first or second tier. If a member has been automatically enrolled or has opted to join the scheme on the first tier contribution basis, the percentage required will be the minimum required under section 20(1)(b) (taking into account the transitional periods under section 29) of the Pension Act 2008. If a member is already in a scheme prior to 1 January 2014 or if the member has opted to be a member on the second tier contribution basis, the percentage will be determined by the member's age as per the table below. A member can elect to move from the first tier to the second tier contribution basis on becoming a member or on providing one month's written notice, with the exception of a member who does not work under a contract of employment.

- A defined benefit section, which was closed to new members on 1 November 2001 and closed to future accrual on 30 September 2006, when members were invited to join the defined contribution section.

The assets of the scheme are held by the scheme trustees separately from the assets of the charity.

The rates of contribution to the defined contribution scheme on the second tier basis are:

	Defined Contribution 2023	Defined Contribution 2022
Employer contributions:		
age 18 to 35	4.0%	4.0%
age 36 to 50	7.0%	7.0%
age 51 to 65	10.0%	10.0%
Employee contributions	4.0%	4.0%

In addition the charity pays death in service insurance premiums in respect of members of the scheme in the second tier. Employers pension contributions payable to the defined contribution section of the scheme were as follows:

	Total 2023 £'000	Total 2022 £'000
Defined Contribution	1,538	1,404

Pension contributions outstanding at the end of the year under the defined contribution scheme are as follows:

	Total 2023 £'000	Total 2022 £'000
Pension contributions outstanding at year end	235	200

A stakeholder scheme is also available to employees of the charity, but no employer contributions are made to this scheme.

Notes to the accounts

for the year ended 30 September 2023

6 Employee Information (continued)

6.5 Staff Pension and Life Assurance Scheme

The assumptions used in calculating the liabilities were as follows:

	Total 2023	Total 2022	Total 2021
Inflation	3.7%	4.3%	3.8%
Salary escalation	n/a	n/a	n/a
Pension increases, subject to LPI	3.5%	4.0%	3.5%
Statutory revaluation in deferment	2.9%	3.5%	2.9%
Discount rate (pre and post retirement)	5.4%	5.3%	1.9%
Life expectancy for 65 year old male	87	87	87
Life expectancy for 65 year old female	89	90	90
Life expectancy for 45 year old male	68	69	69
Life expectancy for 45 year old female	71	71	71

The assumptions used by the actuary are the best estimate chosen from a range of possible actuarial assumptions which, due to the long time period covered, may not necessarily be borne out in practice. The fair value of the assets for each category of asset are as follows:

	Total 2023 £'000	Total 2022 £'000	Total 2021 £'000
Equities	7,532	7,857	12,401
Corporate bonds	6,511	6,953	11,172
Liability matching credit	24,382	31,778	38,946
Diversified growth fund	5,298	5,215	8,609
Alternatives	3,766	4,103	6,457
Liability driven investment, Government Bonds and Cash	15,957	13,211	24,291
Insured annuities	383	417	615
Total fair value of assets	63,829	69,534	102,491
Present value of scheme liabilities	61,792	60,961	93,769
	2,037	8,573	8,722
Restriction to the amount that can be recognised	(2,037)	(8,573)	(8,722)
Net pension asset	-	-	-

The actual return on Assets is 5.4% per annum which is set to equal the discount rate (2022 - 5.3%).

Assets in the scheme as a percentage of total scheme assets

	Total 2023	Total 2022
Equities	11.8%	11.3%
Corporate bonds	10.2%	10.0%
Liability matching credit	38.2%	45.7%
Diversified growth fund	8.3%	7.5%
Alternatives	5.9%	5.9%
Liability driven investment, Government Bonds and Cash	25.0%	19.0%
Insured annuities	0.6%	0.6%

Amounts included in the statement of financial activities:

	Total 2023 £'000	Total 2022 £'000
Interest income (excluding interest income on assets that are not recoverable)	3,121	1,751
Interest cost	(3,121)	(1,751)
Interest on the net defined benefit liability	-	-

Notes to the accounts

for the year ended 30 September 2023

6 Employee Information (continued)

6.5 Staff Pension and Life Assurance Scheme (continued)

Assets	Total 2023 £'000	Total 2022 £'000
Assets in scheme at beginning of year	69,534	102,491
Movement in year:		
Interest income	3,121	1,751
Benefits paid	(3,050)	(3,316)
Actuarial losses on assets	(5,776)	(31,392)
Assets in scheme at end of year	63,829	69,534

Liabilities	Total 2023 £'000	Total 2022 £'000
Liabilities in scheme at beginning of year	60,961	93,769
Movement in year:		
Interest cost	3,121	1,751
Benefits paid	(3,050)	(3,316)
Actuarial gains / (losses) on liabilities	760	(31,243)
Liabilities in scheme at end of year	61,792	60,961

History of experience gains and losses

	Total 2023 £'000	Total 2022 £'000	Total 2021 £'000	Total 2020 £'000	Total 2019 £'000
Defined benefit obligation	(61,792)	(60,961)	(93,769)	(99,674)	(96,462)
Scheme assets	63,829	69,534	102,491	104,564	106,219
Surplus	2,037	8,573	8,722	4,890	9,757

The movement during the year is as follows (unless otherwise specified, the figures calculated are based on the assumptions as at the beginning of the year):

	Total 2023 £'000	Total 2022 £'000
Surplus in the scheme at beginning of year	-	-
Movement in year:		
Contributions	-	-
Net return on pension scheme	-	-
Actuarial gains	-	-
Surplus in the scheme at end of year	-	-

Notes to the accounts

for the year ended 30 September 2023

7 Related Party Transactions

7.1 Trustees Remuneration and Expenses

Members of the Board of management are not entitled to and did not receive any remuneration during the year. Additionally, four members of the Board of management received £1,861 (2022 - one member, £1,255) for reimbursement of expenses. These expenses related to travel and accommodation costs for attending Board Meetings. Trustees' Indemnity Insurance of £6,160 was paid for the year 2023 (2022 - £5,600).

7.2 Other Related Party Transactions

Other than the expenses listed, there have been no other related party transactions (2022 - £0).

8 Tangible Fixed Assets

	Assets in the course of construction	Land and Buildings	Plant and Machinery	Furniture and Equipment	Total 2023
	£'000	£'000	£'000	£'000	£'000
Cost					
Opening balance	165	32,726	2,186	6,689	41,766
Additions	259	2,981	629	1,168	5,037
Transfers	(165)	150	-	15	-
Disposals	-	(7,458)	(157)	(1,470)	(9,085)
	259	28,399	2,658	6,402	37,718
Depreciation					
Opening balance	-	16,797	910	4,606	22,313
Transfers	-	-	-	-	-
Disposals	-	(7,433)	(156)	(1,455)	(9,044)
Charge for the year	-	1,235	177	665	2,077
	-	10,599	931	3,816	15,346
Net book value 2023	259	17,800	1,727	2,586	22,372
Net book value 2022	165	15,929	1,276	2,083	19,453

All fixed assets are held for charitable use.

	Assets in the course of construction	Land and Buildings	Plant and Machinery	Furniture and Equipment	Total 2022
	£'000	£'000	£'000	£'000	£'000
Cost					
Opening balance	76	32,284	1,796	6,114	40,270
Additions	119	423	390	760	1,692
Transfers	(30)	30	-	-	-
Disposals	-	(11)	-	(185)	(196)
	165	32,726	2,186	6,689	41,766
Depreciation					
Opening balance	-	15,600	769	4,217	20,586
Transfers	-	-	-	-	-
Disposals	-	(11)	-	(185)	(196)
Charge for the year	-	1,208	141	574	1,923
	-	16,797	910	4,606	22,313
Net book value 2022	165	15,929	1,276	2,083	19,453
Net book value 2021	76	16,684	1,027	1,897	19,684

Notes to the accounts

for the year ended 30 September 2023

9 Investments

	Total 2023 £'000	Total 2022 £'000
Market value at beginning of year	17,883	19,644
Purchases at cost	3,775	5,384
Proceeds from disposals	(4,273)	(4,840)
Net gains / (losses) on investments	297	(1,735)
Increase / (decrease) in short term deposits	411	(570)
Market value at end of year	18,093	17,883
Historical cost at end of year	15,378	15,093

Analysed by type

	Total 2023 £'000	Total 2022 £'000
Investments		
- Listed direct	12,385	13,697
- Unlisted direct	118	118
- Listed unit trusts	4,909	3,798
Term Deposits	681	270
	18,093	17,883

Geographical analysis

	Total 2023 £'000	Total 2022 £'000
United Kingdom Investments	8,441	7,963
Overseas Investments	9,652	9,920
	18,093	17,883

Individual investments which have a market value of 5% or greater of the overall portfolio are:

iShares PLC - S&P 500 Index
HSBC FTSE All World Index Fund

Short term deposits under the management of the charity's professional investment managers are included in fixed asset Investments as they form part of the overall investment portfolio. The investment management fee for the year was £87,447 (2022 - £92,294).

10 Stocks

	Total 2023 £'000	Total 2022 £'000
Medical consumables	254	276
	254	276

Notes to the accounts

for the year ended 30 September 2023

11 Debtors	Total 2023 £'000	Total 2022 £'000
Fees receivable	4,549	4,352
Other debtors	128	155
Prepayments	694	604
Accrued income	692	215
	6,063	5,326

12 Creditors - Amounts falling due within one year	Total 2023 £'000	Total 2022 £'000
Trade creditors	1,144	732
Other creditors	376	378
Taxation and social security	754	687
Accruals	1,945	2,051
Deferred income (note 12.1)	195	184
Provisions and contingencies (note 12.2)	-	248
	4,414	4,280

12.1 Analysis of Deferred income	Total 2023 £'000	Total 2022 £'000
Opening balance	184	897
Changes during the year:		
Amounts released to the statement of financial activities	(184)	(897)
New income deferrals	195	184
Closing balance as at 30 September	195	184

Deferred income largely relates to the provision of patients' services which will be recognised in the forthcoming year.

12.2 Analysis of Provisions and contingencies

	Legal Settlement Provision £'000	Total 2023 £'000	Legal Settlement Provision £'000	Total 2022 £'000
Opening balance	248	248	349	349
Changes during the year:				
Additions	-	-	-	-
Charges against the provision	(118)	(118)	(101)	(101)
Unused amounts reversed	(130)	(130)	-	-
Closing balance as at 30 September	-	-	248	248

It is not expected that there will be any more costs relating to the previous legal settlement provision. Therefore, the remaining provision has been released.

Notes to the accounts

for the year ended 30 September 2023

13 Funds held as agent

The charity holds funds as an agent on behalf of its patients and residents. During the year £81,634 (2022: £64,938) was received and £90,689 (2022: £68,382) was paid out of this account. At the year end the balance held in this account was £167,964 (2022: £177,019).

The charity holds funds as an agent on behalf of beneficiaries of deceased employees entitled to death in service lump sum payments, payable under the Life Assurance Scheme. During the year £160 (2022: £0) was received and £140,758 (2022: £0) was paid out of this account. At the year end the balance held in this account was £250,212 (2022: £390,810).

14 Operating Leases

	Total 2023	Total 2022
	£'000	£'000
Rentals charged in the year:		
Land and Buildings	7	6
Plant and Machinery	38	34
Equipment	147	151
	192	191

	Total 2023	Total 2023	Total 2023	Total 2022	Total 2022	Total 2022
	Land and Buildings	Plant and Machinery	Furniture and Equipment	Land and Buildings	Plant and Machinery	Furniture and Equipment
	£'000	£'000	£'000	£'000	£'000	£'000
Payments due on operating lease obligations						
Within one year	6	38	48	6	34	124
Within two and five years	-	73	48	-	92	1
Over five years	-	-	-	-	11	-
	6	111	96	6	137	125

15 Capital Commitments

	Total 2023	Total 2022
	£'000	£'000
Contracted for but not provided	22	296

16 Subsidiary and Connected Entities

The RHN owns the whole of the issued share capital of Royal Hospital for Neuro-disability Services Limited, a company registered in England with a paid up share capital of £1. The subsidiary has been dormant in the trading year to 30 September 2023 (Year end 2022 balance owed to parent £0).

Notes to the accounts

for the year ended 30 September 2023

17 Statement of funds

As at 30 September 2023	Fund balance brought forward	Incoming resources	Resources expended	Investment gains	Pension scheme actuarial gains	Transfers between funds	Fund balance carried forward
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Unrestricted funds							
General funds	13,597	51,866	(50,975)	279	-	713	15,480
Pension reserve	-	-	-	-	-	-	-
Fixed asset fund	19,453					2,919	22,372
Planned capital expenditure	8,835					(2,496)	6,339
Planned maintenance	1,142	-	-	-	-	(405)	737
Total unrestricted funds	43,027	51,866	(50,975)	279	-	731	44,928
Restricted funds							
John Howard Convalescent Home	653	13	-	9	-	-	675
Large Ambulance 2	63	65	-	-	-	-	128
Music Therapy Omega	188	-	(75)	-	-	-	113
Wheelchair Loan Store	53	9	(6)	-	-	-	56
Leonora Ward Ventilator Project	20	35	-	-	-	-	55
Sensory Equip & Ward Activity	45	2	(3)	-	-	-	44
SW Hardship Fund	36	3	(16)	-	-	19	42
Assembly Room Windows	32	-	(4)	-	-	-	28
Physio/Gym Equipment	25	-	(3)	-	-	-	22
Dental Equipment	29	-	(3)	-	-	(5)	21
Other	521	834	(335)	-	-	(745)	275
Total restricted funds	1,665	961	(445)	9	-	(731)	1,459
Endowment funds							
Lopes Chaplains Stipend fund	8	-	-	-	-	-	8
Other endowments	765	-	(3)	10	-	-	772
Total endowment funds	773	-	(3)	10	-	-	780
Totals	45,465	52,827	(51,423)	298	-	-	47,167

Notes to the accounts

for the year ended 30 September 2023

17 Statement of funds (continued)

As at 30 September 2022	Fund balance brought forward £'000	Incoming resources £'000	Resources expended £'000	Investment gains £'000	Pension scheme actuarial gains £'000	Transfers between funds £'000	Fund balance carried forward £'000
Unrestricted funds							
General funds	14,608	48,487	(46,675)	(1,589)	-	(1,234)	13,597
Pension reserve	-	-	-	-	-	-	-
Fixed asset fund	19,684	-	-	-	-	(231)	19,453
Planned capital expenditure	6,305	-	-	-	-	2,530	8,835
Planned maintenance	2,050	-	-	-	-	(908)	1,142
Total unrestricted funds	42,647	48,487	(46,675)	(1,589)	-	157	43,027
Restricted funds							
John Howard Convalescent Home	706	11	-	(64)	-	-	653
Research Department	104	9	(102)	-	-	-	11
Assembly Room Windows	44	38	-	-	-	(50)	32
Music Therapy Omega	188	-	-	-	-	-	188
Circadian Rhythm	25	-	(13)	-	-	-	12
Patient Beds	6	74	(6)	-	-	(9)	65
IT Suite	1	-	(1)	-	-	-	-
Pergola Garden Project	19	1	-	-	-	-	20
Training - HEE Mouthcare	14	-	(9)	-	-	-	5
Escorts	61	8	(10)	-	-	-	59
Patients Amenities/Patients without Relatives	18	2	-	-	-	-	20
Wheelchair Loan Store	55	1	(3)	-	-	-	53
Dental Equipment	29	-	-	-	-	-	29
Treatment of Mood & Wellbeing	30	-	(30)	-	-	-	-
Wellesley Ward Refurbishment	92	21	-	-	-	-	113
Habs House Equipment	35	5	-	-	-	(40)	-
DoC Emergence	34	-	(15)	-	-	-	19
Sensory Equip & Ward Activity	67	4	(13)	-	-	(13)	45
Shower Chairs	-	41	(2)	-	-	-	39
Large Ambulance 2	8	55	-	-	-	-	63
SW Hardship Fund	19	23	(6)	-	-	-	36
Other	221	379	(352)	-	-	(45)	203
Total restricted funds	1,776	672	(562)	(64)	-	(157)	1,665
Endowment funds							
Lopes Chaplains Stipend fund	8	-	-	-	-	-	8
Other endowments	852	-	(4)	(83)	-	-	765
Total endowment funds	860	-	(4)	(83)	-	-	773
Totals	45,283	49,159	(47,241)	(1,736)	-	-	45,465

Notes to the accounts

for the year ended 30 September 2023

17 Statement of funds (continued)

A summary of definition and descriptions

Name of fund	Description, nature and purpose of the fund
General	These are the 'available' funds of the charity, after transfers to or from any other/designated funds and contributions to the pension reserve.
Designated	<p>Reviewed on a rolling year basis, these are amounts appropriated within the unrestricted category for the continued development and maintenance of the charity's assets for:</p> <ul style="list-style-type: none"> Fixed assets funds represent the net book value invested in fixed assets . During the year the RHN transferred £2,919,000 (2022: £231,000 out of designated funds) to its designated funds from general fund. Identified planned capital expenditure is for works to be utilised within the next five years, During the year the RHN transferred £2,496,000 (2022: £2,530,000 into designated funds) from its designated funds to general fund). During the year the RHN transferred £405,000 (2022: £908,000) back to its general fund from designated funds in anticipation of maintenance expenditure in the coming year
Restricted	These are funds available only for the purpose under which they were received, unless permitted by the donor. Further described below:

Restricted Fund Description	Purpose of the fund
John Howard Convalescent Home	To provide support for necessitous members of the middle class and persons generally who are only able to make a small payment in return for convalescence and care
Research Department	Running costs of Research department
Assembly Room Windows	Replacement of the Assembly room windows
Music Therapy Omega	Funding of Music Therapy research project. Re-assigned to PhD research with plans to use funds over the coming years
Circadian Rhythm	Funding of research into prolonged disorder of consciousness
Patient Beds	Replacement of hospital beds and parts
IT Suite	Running costs of Compass department
Pergola Garden Project	Funding for grounds renovation projects
Training - HEE Mouthcare	Training in Dentistry provided by Mouthcare
Escorts	Funding for nurse escorts for leisure
Patients Amenities/Patients without Relatives	Funding for personal expenses of patients
Wheelchair Loan Store	Wheelchairs for Bio-Medical department
Dental Equipment	Funding for dental equipment
Treatment of Mood & Wellbeing	Funding for Research PHD
Wellesley Ward Refurbishment	Refurbishment of Wellesley ward
Habs House Equipment	Funding for Haberdashers House equipment
DoC Emergence	Funding for Research projects
Sensory Equip & Ward Activity	Funding for sensory equipment and ward activities
Shower Chairs	Funding for shower chairs
Large Ambulance 2	For maintenance of ambulances
SW Hardship Fund	For patients and relatives in financial need
Leonora Ward Ventilator Project	Funding for Ventilator Project
Physio/Gym Equipment	Funding for Physio/Gym equipment

Notes to the accounts

for the year ended 30 September 2023

17 Statement of funds (continued)

A summary of definition and descriptions (continued)

Restricted (continued) Other restricted funds is made up of 49 funds (2022: 37 funds) none of whose balances are over £20,000 (2022: £26,000) and they are for a variety of specific purposes.

Restricted funds for the John Howard Convalescent Home relate to the proceeds received on the agreed sale of a convalescent home in prior years. The asset was originally provided to the charity as a restricted fund.

Endowment

The income generated from these funds are used specifically to contribute towards the cost of chaplaincy services available at the Royal Hospital for Neuro-disability; and bequests which are required to be held as permanent endowments of the charity. Income generated on the latter is available for the general purposes of the charity.

Included under endowment funds are the following:

	2023	Total 2022
	£'000	£'000
Permanent endowment:		
Lopes Chaplains Stipend fund	8	8
Other Endowment funds	772	765
	780	773

Lopes Chaplains Stipend fund

This is a trust fund set up by the Rt. Hon. Sir Massey Lopes Bt to generate income to contribute towards the cost of chaplaincy services available at the Royal Hospital for Neuro-disability.

Other endowment funds

Other endowment funds represent several bequests which are required to be held as permanent endowments of the charity. The income generated by these funds is available for the general purposes of the Charity.

*Transfers are explained above with the exception of those in unrestricted funds which reflect the appropriation of pension reserves within unrestricted funds

18 Analysis of fund balances

	Unrestricted funds	Designated funds	Restricted funds	Endowment funds	Total 2023
	£'000	£'000	£'000	£'000	£'000
Tangible fixed assets	-	22,372	-	-	22,372
Fixed asset investments	9,562	7,076	675	780	18,093
Net current assets	5,918	-	784	-	6,702
Total funds at 30 September 2023	15,480	29,448	1,459	780	47,167

	Unrestricted funds	Designated funds	Restricted funds	Endowment funds	Total 2022
	£'000	£'000	£'000	£'000	£'000
Tangible fixed assets	-	19,453	-	-	19,453
Fixed asset investments	6,480	9,977	653	773	17,883
Net current assets	7,117	-	1,012	-	8,129
Total funds at 30 September 2022	13,597	29,430	1,665	773	45,465

Registration

Under the registration system of the Care Quality Commission and the regulations laid down by the Health and Social Care Act 2008, the Royal Hospital for Neuro-disability achieved its registration in 2010 and is therefore licensed to provide services under the regulations.

The Royal Hospital for Neuro-disability

West Hill, Putney, London, SW15 3SW

telephone 020 8780 4500
email info@rhn.org.uk
website www.rhn.org.uk

Registered charity number 205907



Royal Hospital for
Neuro-disability

ROYAL HOSPITAL FOR NEURO-DISABILITY

England & Wales - Charity number 205907

Accounts

ANNUAL REPORT AND ACCOUNTS

2021/22

Financial year ended
30 September 2022



Royal Hospital for
Neuro-disability

Our patron

Her Majesty Queen Elizabeth II (Deceased 8 September 2022)

President

Leonora, Countess of Lichfield

Vice Presidents

Ruth Maxwell
Shirley Palmer
Alan Sanders
The Mayor of Wandsworth (ex Officio)

Administrative details

Royal Hospital for Neuro-disability
Registered charity number – 205907
Royal Hospital for Neuro-disability (Services) Limited
Company registration number – 04570542 (Non Trading)

Principal address and registered office

Royal Hospital for Neuro-disability
West Hill
Putney
London SW15 3SW

Our Trustees and Executives

Board of Trustees

Des Benjamin – Chairman

Previously Group Chief Executive at SimplyHealth for 13 years; and President of the Institute of Customer Service.

Les Broude

Worked at Mars Snackfoods Europe, Barclays Bank, Premier Foods PLC; and became a Non-Executive Director and Audit Committee Chair at Buckinghamshire Healthcare NHS Trust where he remains an honorary lay member of the Charitable Funds Committee. He is a Non-Executive Director of South Central Ambulance Service NHS Foundation Trust.

Mark Cooke

Currently leading a Financial Services Risk Utility start up, in conjunction with the ORX Association. Formerly, Group General Manager and Group Head of Operational Risk at HSBC and non-executive Chairman of ORX Association until 2020.

Dominic Fairclough

A partner in the personal injury and clinical negligence team at Russell-Cooke solicitors, whose expertise includes advocacy in Coroners Courts advising on clinical negligence and personal injury claims.

Christopher Foster

Retired as Bishop of Portsmouth in 2021 after over seven years as a member of the House of Lords. He has a lifelong concern for the wellbeing, support and care of the most vulnerable people in our communities, and for those closest to them. He is an independent non-exec director of NHS Somerset.

Julie Harding – Deputy Chair

An HR professional working locally and internationally with HSBC before specialising in culture and change management at the Co-operative Bank and more recently, the House of Commons.

Deborah Hill

Works as a Finance Director at Unilever PLC with international finance and risk management expertise.

Jane McCormick (from 20 October 2022) – Chair designate

Previously a senior partner at KPMG and a member of the global management team for KPMG International. Chairs the Diocesan Board of Finance for the Diocese of Salisbury and sits on other boards.

Anna Marks (Resigned 20 October 2022)

A senior partner at Deloitte working with publicly listed corporates, Vice Chair of the UK Firm and a member of the Deloitte Global Board. She is also a member of the Board of the CBI.

Dr David Mitchell – Deputy Chair (until 26 January 2022)

Medical Director and the Responsible Officer for the Hospital of St John and St Elizabeth, David was previously Medical Director at Imperial College Healthcare NHS Trust and Consultant in General and Chest Medicine at St Mary's Hospital London.

Hugh Rees (Treasurer)

Previously a non-executive director at Enigma Healthcare based in Singapore and formerly the Chairman and CEO of Wilkinson Healthcare. Following an international career in finance and corporate strategy in the pharmaceutical industry.

Deborah Sanders – Deputy Chair (from 14 April 2022)

Chief Executive at Barnet Hospital and executive director of the Royal Free London NHS Foundation Trust. A registered nurse with 10 years' experience as a chief nurse and director of infection prevention and control.

Chris Streather (from 26 Jan 2022)

Regional Medical Director and CCIO NHSE London, previously Chief Medical Officer Royal Free London NHS Foundation Trust, Trustee Royal Free Charity

Shoab Ali Shah

Extensive knowledge in Racial Equality, Equal Opportunity and Diversity; a champion with 25 years of work experience both at local and national level.

Dr Yen Foung Tai

A consultant neurologist and honorary Clinical Senior Lecturer with a clinical and research interest in the treatment of movement disorders and neurodegenerative diseases.

Executive Directors

Paul Allen
Chief Executive

Ashraff Ali
Interim Medical Director
(From 1 August 2021 to 2 November 2021)

Jane Beaven
Director of Fundraising, Communications and Facilities

Frances Low
Director of Governance

Steven Luttrell
Medical Director
(From 2 November 2021)

Lesley Mill
Director of Service Delivery

Nanda Ratnavel
Director of Finance

Della Warren
Director of Nursing

Our Trustees and Executives

Our Board committees

Audit and Risk Committee

Les Broude – Chairman
Mark Cooke
Julie Harding

Board Medical Committee

Dr David Mitchell – Chair to 26 January 2022
Dr Yen Fung Tai – Chair from 27 January 2022
Dominic Fairclough
Deborah Sanders
Chris Streater

The Executive and senior clinical staff are also members

Chairman's Committee

Des Benjamin – Chairman
Julie Harding
Jane McCormick (from 20 October 2022)
David Mitchell – (to 26 January 2022)
Hugh Rees- Treasurer
Deborah Sanders (from 14 April 2022)

Ethics Committee

Christopher Foster - Chair
Paul Allen – Chief Executive
Des Benjamin
Geoff Coyne – Hospital Chaplain
Dominic Fairclough
Dr Andrew Hanrahan – RHN consultant nominated by the Chief Executive
Laurence Oates (Co-optee)
Deborah Sanders
Shoaib Ali Shah

Other members of Executive are also members and staff, GPs and others also attend

Finance Committee

Hugh Rees – Treasurer and Chairman
Adam Barber (Co-optee, from 3 October 2022)
Rebekah Farjemirokun (Co-optee, from 3 October 2022)
Stephen Ford (Co-optee, to 15 July 2022)
Deborah Hill
Anna Marks (to 20 October 2022)
Christopher Streater (from 20 October 2022)

Nominations and Remuneration Committee

Des Benjamin – Chairman
Julie Harding
Jane McCormick (from 20 October 2022)
David Mitchell (to 26 January 2022)
Hugh Rees
Deborah Sanders

Patient Safety and Quality Committee

Deborah Sanders – Chair (from 27 January 2022)
Julie Harding
Trudi Kemp
David Mitchell – Chairman (to 26 January 2022)
Shoaib Ali Shah
Yen Fung Tai

Our advisors

Auditor

BDO LLP
55 Baker Street London
W1U 7EU

Banker

National Westminster Bank plc 153 Putney High Street
Putney
London
SW15 1RX

Insurance Broker

Marsh Ltd
Merlin House
Brunel Road
Theale
RG7 4BY

Investment Custodian

Schroder & Co Bank AG
Central 2
8021 Zurich
Switzerland

Investment Manager

Cazenove Capital Management
1 London Wall Place
London
EC2Y 5AU

Solicitors

Capsticks
1 St George's Road
London
SW19 4DR

Fieldfisher
Riverbank House
2 Swan
London
EC4R 3TT

Bevan Brittan LLP
Kings Orchard
1 Queen Street
Bristol
BS2 0HQ

Our Trustees and Executives

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Chairman's welcome

For most of the population of the United Kingdom and perhaps many people overseas too, 2022 will become a time stamped year in their memories, as the year in which, very sadly, we were all affected by the passing of Her Majesty, Queen Elizabeth II.

Her Majesty has been our Patron at the RHN since she ascended to the throne in 1953 and for that we would all like to express our unreserved gratitude and respect for the invaluable contribution she made to us.

We made sure to pass on the condolences of everyone involved with the RHN to His Majesty King Charles and wished him and all the Royal Family well.

So to the affairs of the RHN over the last twelve months and I would like to start this year's annual report with some quite uplifting news of the very considerable achievements of the hospital in yet another COVID-19 recovery year.

The first thing to say, with great applause to our staff, is that we have not suffered a single patient or resident death from COVID-19 at the hospital since January 2021, two years now.

On our Jack Emerson ward, which is a high dependency ward where all patients have a ventilator to help them breathe, we have not had a single patient become infected with the virus throughout the entire pandemic.

For a year, we have been open for family visiting and we have been able to hold many events in our grounds and wonderful community rooms. All of this changes the atmosphere of the hospital for the better and has been achieved through the diligence of everyone in our community working together to protect our patients and residents.

Our clinical teams of Doctors, Nurses, Healthcare Assistants, Allied Health Professionals, Pharmacists, Adaptive Technology and Infection Control people have worked tirelessly in concert with our Porters, Facilities, Estates, Catering, Security and Grounds staff to make this happen safely and for that I am most thankful. A truly great achievement.

All of this supported as always by our HR, Finance, Secretariat, IT, Communications, Fundraising, Contracts and Learning and Development teams who give such fundamental support to the operating of the hospital, it simply wouldn't happen without them all.

And as ever our team of Volunteers come in to make so much possible to enhance the lives of our patients and residents that otherwise would not take place, my thanks goes to all of them.

It means that many of our annual celebrations have been reinstated including Founders Day and Festival Week, recruitment drives, lectures and hospital tours, events which encourage many of our sponsors, funders, prospective employees and volunteers to come and experience our world and really get to appreciate the extraordinary work we do.

This year we have exceeded our charity fundraising target, which is an extraordinary achievement by our fundraising team given the difficulties of the last few years. The funding of vital patient and resident treatments and therapies; and important capital developments come out of these funds.

Our bed occupancy is very close to capacity which reflects the phenomenally hard work of our outreach teams in what is still a confused and stressed world of healthcare. This is a better position than we expected to be in at this stage of the pandemic recovery.

Despite inflation gripping the whole country, we have achieved a satisfactory financial result at the hospital operating level through diligent work on income negotiation, cost control and high levels of bed occupancy. While many have contributed to this success, I would like to pass my thanks to the finance team for the clarity with which they both presented the financial challenges and then played their part in tackling them.

Although financial markets are in some difficulty, our strong reserves mean that our investment programme has progressed further this year with the Board agreeing to the refurbishment of Wellesley Ward, a £3 million project that has

Chairman's welcome (continued)

just commenced and will complete during 2023. We have also continued to add ventilator beds to Leonora ward and this has now given us one of the pre-eminent ventilator care facilities in the United Kingdom with 26 operational beds and capacity for more in the years ahead.

This year we have updated our Royal Charter, signed by Royal consent of Her Majesty the Queen on 19 July 2022. Our new documents of Constitution now reflect up to date corporate governance and best practice with a strong historical connection to the intent of our founder Andrew Reed and the universal values of the RHN that travel with us through time. It is difficult to appreciate just what a strong foundation this is for the RHN in the truest sense, unseen but relied upon by everyone, every day.

Our disciplines around patient and resident safeguarding continue to improve, even from last year's high standard. The result of this is we are seeing fewer events that can adversely affect the wellbeing of those we care for and when we do see them, we are quick to resolve them and to learn from our experience.

At our October Board meeting this year our inspector from the Care Quality Commission reflected their view to the Board that the RHN's progress in respect of safeguarding was noteworthy on a national basis and that they had been truly impressed at both how we had implemented improvements and the speed with which we had done it. Everyone involved in this assessment should be rightly proud.

Our continuous programme of improvements to the unseen parts of our infrastructure has been maintained and we have continued to upgrade many aspects of our computer technologies, as well as managing the ongoing programme of improvements to the infrastructure of the RHN's land and buildings.

Together with our ward improvement programme, it means we are keeping pace with our goal of having first class infrastructure to support our first class services for patients. These two go hand in hand and neither is achievable without the other.

Our programme of education continues unabated with more events now happening in person rather than via video conferencing and our staffing recruitment initiatives have successfully recruited from an increasing diverse number of places, helping us greatly in the incredibly competitive environment for good quality staff.

I think it is worth mentioning that although this year has been a great deal steadier than the previous two years, I think it will take time for many staff who have been submerged in COVID-19 to recover their strength and energy as well as their full mental fortitude. I expect us all to fully recover more slowly over the next few years, we must afford people time and consideration in this regard.

So to the road ahead for the RHN in 2023.

What is clear is that the road ahead will be bumpy for a good while yet. External pressures of inflation, national debt, staffing shortages, political uncertainty and a legacy of COVID-19 fatigue will all adversely impact the RHN in the months and years ahead.

I take great comfort in our ability to meet these challenges from our rootedness in the purpose for which the hospital was formed, to look after the most vulnerable in society.

From the calibre and skill of our management teams and dedicated staff who, every year, display their willingness to learn and unfailing desire to care for our patients and residents to the best of their ability.

I would like to give my personal thanks to the RHN's executive team whose courage, balance, resolve and integrity in all of their work, combined with leading by example and fostering such an inclusive approach to the whole community, really do bring such strength to the hospital.

My thanks go as they always do to my fellow trustees for their generous contribution in overseeing the RHN. As volunteers operating in a set of very difficult circumstances, to me, it says much about them as people.

And it is with great pleasure that I am also able to announce that we have successfully recruited my successor as Chair of the RHN, Mrs Jane McCormick will take over from me as Chair in April this year and I am sure Jane will bring great skill and heart to a new period of stewardship of this most important Institution.

So, this year after eight years, I sign myself off into the archives of those who have been fortunate enough to Chair the RHN with some words I have been repeating since very soon after I arrived here.

It has been the great privilege of my life to have served at the RHN and, working with this caring family of people who have such a clear and selfless purpose, the RHN has done more for me than I ever could have done for it. I am most grateful.

My thanks and best wishes to everyone.

Take care,

Des Benjamin
Chairman

25 January 2023

Chief Executive's Introduction



The financial year 2021/22 has been a successful year for the RHN. The hospital has emerged from the main part of the COVID pandemic in good shape and has returned to “business as usual” in many respects, not the least of which has been returning to unrestricted visiting of patients by their relatives and the resumption of face to face meetings, including activities for patients. Lifting of COVID restrictions meant that we were able hold the RHN festival week and founders’ day in June 2022 for the first time since 2019.

Occupancy within the hospital has improved significantly such that all available capacity is essentially full. The financial performance has improved in tandem: we have exceeded budget for the year at hospital and operating levels, delivering surpluses. Fundraising has had a particularly good year, exceeding budgeted income by some £600k.

I am very pleased to be able to report that we have been able to restart our programme of ward refurbishments, delayed by two years because of COVID. The £3m refurbishment of Wellesley ward commenced in October 2022. Subject to board approval, the refurbishment programme will be completed over the next few years

In November we published a new strategy for the RHN, titled The Path to Excellence. This document sets out a roadmap for the next 5 years with patient experience at its heart. The development of our people is also key and we have specific plans to develop our clinical strategy. Happily, the lifting of COVID restrictions has meant that development of the strategy has included open engagement sessions with all staff.

In November 2022 we saw a significant change to the arrangements for the management of the historic defined benefit pension scheme. The scheme trustees (a mixture of hospital appointed and member appointed), expertly chaired by Eric Stobart, stepped down and handed over trusteeship of the scheme to a sole corporate trustee, Dalriada Ltd. This change ensures that trusteeship of the scheme is sustainable on the long term basis.

There have been no changes to the executive team over the last year and I am very grateful for the excellent work carried out by this talented and experienced team. Our Chair, Des Benjamin, steps down in April 2023 after 8 years in post. Jane McCormick has been recruited to replace him and I look forward to working with Jane in the future. I would like to record special thanks

to Des for the numerous achievements at the RHN under his leadership and the enormous support he has given me. He has been a pleasure to work with and he definitely hands over the RHN in a better place than when he started.

The governance of our hospital has been improved by the revision of our Royal Charter, which was approved by Her Majesty the Queen in July 2022 and adopted at the October 2022 board meeting. We were of course deeply saddened by the death of our Royal Patron, HM Queen Elizabeth II in September and await the appointment of a new Royal Patron by Buckingham Palace.

Looking ahead, although the RHN is in good shape and has an ambitious strategy, it is faced with many of the same pressures affecting other organisations. Inflation of both costs and wages is well documented and the RHN will have to manage the challenge of squeezed commissioning budgets, general cost increases and the impact of wage increases. On the last of these points, the RHN remains committed to paying the London Living Wage.

In conclusion, many thanks to all our staff for another year of hard work with great commitment and passion, all for the benefit of our patients and residents. Thanks also to our growing number of volunteers and to the continued support of our Board of Trustees.

Paul Allen
CEO

25 January 2023



Fundraising events made a comeback in 2022.

Report of the trustees

for the year ending 30 September 2022

The Trustees are pleased to present their annual report, together with the financial statements of the charity for the year ended 30 September 2022.

The financial statements comply with the Charities Act 2011 and the 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) (effective 1 January 2019).

Our purpose

The charity's object is to give permanent relief to such persons as are hopelessly disqualified for the duties of life by disease, accident or deformity. The charity aims to enable people with profound or complex disabilities, resulting from damage to the brain or other areas of the nervous system, to enjoy an optimal quality of life through enhanced independence.

Public benefit

The Royal Hospital for Neuro-disability's trustees have considered the Charity Commission's published guidance on public benefits requirements under the Charities Act 2011.

The Charity carries out its objects and activities through:

- contracts with NHS England to provide rehabilitation to adults following catastrophic brain injuries;
- contracts with Integrated Care Boards and others to provide care to adults who, following brain injury, require continuing specialist and complex care; and
- fundraising in order to enhance the care and wellbeing of patients and residents, by improving facilities available to them, developing and providing therapies such as occupational art and music therapies, offering recreational and social events, and providing pastoral care to all – whatever their faith or background.

Our charity

Founded by Andrew Reed in 1854, the Royal Hospital for Neuro-disability (RHN) is one of the oldest independent hospitals and charities in the UK; today we are a charity hospital and research centre.

Our charitable status enables us to raise funds for a variety of specialist services that complement the NHS funded care package received by our patients and residents. These services broadly cover our Brain Injury Service and Continuing Care Service, both aimed at improving the quality of life for our patients and residents living with severe neurological disabilities.

As a medical charity with a holistic approach to treatment, we take great pride in delivering excellent work in the areas of assessment, rehabilitation and specialist care to some of the most disabled adults in the UK, as well as support to their families.

Fundraising

As a charity, the RHN raises vital funds for our patients and residents from a variety of generous supporters and organisations.

With the influence of Fundraising and the generosity of supporters, the RHN is better placed to provide additional therapies and recreational services that help to boost the quality of life for patients and residents at the hospital, as well as provide support for families.

Some of the additional services we are able to fund include



Leisure and Families Service
(including disability sports)



Computer therapy and specialist communication aids

Nurse escorts and transport for patient trips



Onsite multi-faith chapel services



Specially adapted wheelchairs



Occupational art therapy



Music therapy

With the lifting of all national restrictions brought on by the impact of the global COVID-19 pandemic, Fundraising was able to deliver on the following objectives:

- Increase income significantly to support activities and services across the RHN.
- Introduce new income generation tools that support growth and attract new supporters.
- Raise awareness of the RHN's work locally, regionally and nationally through external Direct Marketing communications.

As we emerge from the challenges caused by COVID-19, Fundraising is open to adopting alternative ways of raising funds which has led to our Events team taking a more tailored approach to some of its work and fully utilising the beautiful grounds of the hospital.

One of the key contributors to delivering our objectives, is our supporter centric approach to fundraising, a service that serves and supports all fundraising disciplines and helps us to deliver an effective supporter engagement and stewardship programme in order to retain their support and increase their financial contributions.

As a charity we are still committed in delivering best practice in all our Fundraising activities; as such we remain registered with the Fundraising Regulator and continue to adhere to its code of practice for charitable fundraising in the UK.

Furthermore, with our compliance to the Data Protection Act of 2018 and our online privacy notice (www.rhn.org.uk/help/privacy), we are able to lawfully support our need to gather, process and store personal data in a way that assures the public, our supporters and those in our care of our respectful, accountable, open and transparent approach to fundraising.

Activity at the RHN in 2021/22

Statistics	2022	2021
Admission to the hospital	168	203
Bed Capacity		
Brain Injury Service (exc. DToC)	42	42
Delayed Transfer of care (DToC)	6	6
Continuing Care	188	187
Aggregate bed capacity	236	235
Annual Bed Occupancies		
Brain Injury Service (exc. DTOC)	39	40
Delayed Transfer of Care	3	1
Continuing Care	174	164
Aggregate bed occupancy	216	205
Patients treated within the BIS	143	143
Percentage occupancy rate BIS inc. DTOC	88%	85%
Percentage occupancy rate BIS excl. DTOC	93%	95%
Percentage occupancy rate CC	93%	88%

The RHN had 168 admissions in 2022 (2021: 203). The hospital splits its services into two main categories; The Brain Injury Service and Continuing Care.

The aggregate bed capacity for the RHN in 2022 was 236 (2021: 235) of which Brain Injury Service was 48 (2021: 48) and Continuing Care 188 (2021: 187). The aggregated bed occupancy for the RHN was 216 (2021: 205).

Brain Injury Services

The Brain Injury Unit has 6 beds available for use outside of the NHSE contract. They can accommodate any delayed transfers of care and spot purchase rehabilitation packages for both the NHS and private patients with rehabilitation requirements.

Excluding Delayed Transfers of Care, the average length of stay in the Brain Injury Service was 17.5 weeks (2021: 17.2 weeks) and percentage occupancy was 93% (2021: 95%).

In terms of responsiveness we continue to aim to process referrals within the 14 day target. The complexity of our patients is recorded on admission and our scores show that we continue to take patients who are more severely impaired when compared with many other units.

Continuing Care

There were 26 discharges from Continuing Care (2021: 23). The data for discharges only includes home discharges and discharges to other services. It excludes deaths and discharges to acute hospitals.

There were 134 unplanned temporary admissions made to acute services (2021: 77) and Continuing Care had a percentage occupancy rate of 93% (2021: 88%).

Research and innovation

Research

After the disruption of the COVID-19 pandemic, our research projects have started again with two new dental projects, two collaborative studies with the dietetics department, one COVID review and two projects on long term ventilation on top of the three existing PhD projects.

Our PhDs were invited to present their work at international events as follows:

- Amy Pundole gave a presentation on Assessing Language in Severely Brain Injured Patients to the IBIA (International Brain Injury Association) Inaugural Conference on Disorders of Consciousness that took place virtually on December 2021.
- Alexandra Rose presented at the ASSBI (Australasian Society for the Study of Brain Impairment) 2022 Conference on "Assessment of low mood, distress and depression in people with severe brain injury: a systematic review."

Education

We organised 23 courses and 9 open lectures. We have successfully migrated our courses online and when restrictions were lifted were able to organise face to face training again.

The open lectures are recorded and made available on the RHN Youtube channel thus made available to a broad range of people. Our recorded webinars have been viewed by around 2,000 people and is a great way to reach a wider audience. Our online courses are also very popular and attract a national and international audience.



Heritage

We have completed the National Lottery Heritage Fund project by organising an online and onsite exhibition in the RHN gardens. The exhibition was complemented by open days and tours that were very popular. The feedback from the Fund was "It is impressive to see the contribution to disability history, high standards of archiving, promotion of heritage skills and the level of engagement with the archives, which can be a difficult process to do. It is also good to see the organisational impact and project legacy."

Publications during this period

Yelden, K., James, L.M., Duport, S., Kempny, A., Farmer, S.F., Leff, A.P. and Playford, E.D., 2022. A simple intervention for disorders of consciousness - is there a light at the end of the tunnel? *Frontiers in neurology*, 13.

da Conceição Teixeira, L., Blacker, D., Campos, C., Garrett, C., Duport, S. and Rocha, N.B., 2021. Repeated Clinical Assessment Using Sensory Modality Assessment and Rehabilitation Technique for Diagnosis in Prolonged Disorders of Consciousness. *Frontiers in human neuroscience*, p.729.

Gill - Thwaites, H.L., Elliott, K.E. and Morrissey, A.M., 2021. LOCCATE: A tool to identify the diagnostic spectrum profile of motor function and functional communication responses for the individual with a prolonged disorder of consciousness. *Neuropsychological Rehabilitation*, pp.1-21.

Gallagher, L., 2021. Dental nursing in a neuro-disability hospital. *BDJ Team*, 8(10), pp.26-27.

Leisure and family services LaFS



We are continuing to reimagine LaFS as a Therapeutic Leisure Service with a focus on offering ward based activity groups based on the needs and interests of residents.

The groups and one to one sessions continue to be based within the Specialist Nursing Home wards and led by the LaFS coordinators and volunteers. Over the past year the number of volunteers within the organisation has continued to grow and we aim to expand the service in the coming months.

During the repeat COVID-19 outbreak between December 2021 and February 2022 the LaFS team and volunteers, once again, helped with "Red Running" within the RHN. Red Runners helped with receiving, moving and delivering essential supplies and equipment during this period. Visiting remained open across all wards with stringent infection control compliance during this period.

Since family visiting started after the initial COVID-19 outbreak in July 2020, LaFS and volunteers have supported family visiting, initially just doing lateral flow testing for visitors and then moving to registering all visitors, checking LFT results and issuing visitors with masks. Support for family visiting continued up until the end of January 2022 when the automated visitor checking in system was installed. There are several visiting check in points across the site and these have worked smoothly since installation.

With help from the Fundraising department, the CoDA Dance Group had previously secured a three year lottery grant. We are now into the second year of the grant. Year 2 has allowed an increase from three to four sessions per week to be run. There are currently two sessions per week on our Continuing Care wards, one in Goodman house and one in the Brain Injury Unit. In addition to the CoDA Dance Group, staff, ward staff and volunteers facilitate all sessions

which are greatly enjoyed by residents and staff. Year 3 will see an increase to six sessions per week.

Church services continue to be adapted to how they run on a Sunday. Since March 2021, the Chaplain, LaFS staff and volunteers have been running eight separate ward based Sunday services. Since March 2022 when COVID restrictions were further relaxed, Sunday services were able to recommence in the Assembly room but with reduced maximum capacity. The Chaplain, LaFS staff and volunteers have been able to facilitate a service for up to fifty residents in the Assembly room every Sunday morning, separate services continue to be held on a Sunday afternoon in Chatsworth, Haberdashers, JEC, Devonshire and Drapers Wards.

The Thursday informal service and quiz is now held in the Chatsworth Day Room with a few residents from other wards joining in. The holy communion service on Fridays, for a small number of residents, continues to take place in the chapel. Wednesday afternoons see group Bible Study for a small number of residents.

The parish priest from St Thomas A Becket, Wandsworth has recommenced a monthly Mass on the premises on the first Wednesday of each month. This restarted in May 2022.

An Imam visits twice a week to conduct "one to ones" with Muslim residents and patients.

The Chaplain continues to offer spiritual and pastoral care both on and off the wards (including individual holy communion for those residents and patients not able to get to a service), one to one readings and prayers; and one to one spiritual counsel.

Saturday concerts resumed after August 2021 but with reduced capacity. Due to this, with support from Fundraising, we were successful with an application for a COVID funding grant from Wandsworth council. With the

Leisure and family services LaFS (continued)

grant, we have been able to offer a Wednesday afternoon concert for patients and residents to attend. To help support the running of the concerts we have partnered with a volunteer programme for year 12 students from the local Ark Academy. As the Wednesday afternoon sessions have been so well received we aim to continue running them in 2023.

Massage and Beauty Therapy services continue to run. Four external massage therapists registered to work with the RHN visit on different days in the week and continue to accept new referrals via the LaFS team.

Hairdressing services resumed in March 2022. The hairdresser is available one day a week and has been running at full capacity. We will consider an additional day per week if demand increases.

After the refurbishment of the Assembly Room, the audio/visual equipment was removed and quotes were obtained for new equipment with the Fundraising team securing a donor to fund the purchase and installation of the new equipment in June 2022. The curtains in the room were replaced by blinds in July 2022 and alternative light and sound filters within the doors were installed.

In conjunction with the Brain Injury Group we were able to reinstate our on site free Legal and Welfare Advice clinics. These clinics run every six weeks and are open to patients, residents and family members to discuss any legal query relating to brain injury. We hope to continue to run these clinics throughout 2023. In addition, with the social work department we have been liaising with the DWP and hope to set up a separate Benefits Advice Clinic as there has been a growing need for support in this area.

Community outings have recommenced in a new way. To ensure an individual approach to the planning of outing activities and trips, they are now arranged and booked by Ward Administrators. LaFS continues to support the ward administrators with these bookings and have created a directory of wheelchair accessible venues that have been enjoyed and successfully visited by residents in the past; we will continue to expand the directory.

The hydrotherapy pool remains closed, significant repairs and refurbishment is required in order for it to reopen. We are currently putting together a proposal for the required work; as the work is likely to be significant, there is no clear timeline for when this will happen.

Volunteers

Number of active volunteers as of 1 October 2021	39
Total number of volunteers active in the year to 30 September 2022	122 (2021: 51)
Total number of new volunteers recruited in the period 1 October 2021 – 30 September 2022	79 (2021: 21) (4 withdrew before starting)
Total number of volunteers on 30 September 2022	87 (54 Regular, 33 ad hoc)

Donated services received from volunteers are not included in our Statement of Financial Activities as the charity does not pay to obtain these services in the course of carrying out core activities. There is no economic benefit that requires the value of this gift to be recognised.

Managing our risks

In order to minimise or eliminate risks to the charity during the 2020/21 financial year, potential risks are and continue to be identified and regularly reviewed by both the Executive team and Trustees.

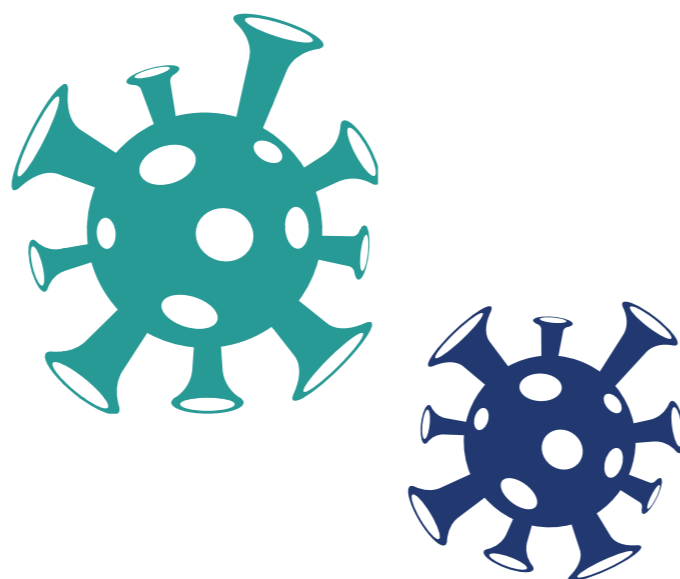
In 2021/22 the RHN identified its principal risks as: patient safety and wellbeing, COVID, and financial risks. The principle safeguarding risk is now well controlled. The RHN's response to the COVID pandemic has demonstrated the robustness of its infection control measures, but vigilance continues to be crucial. The RHN's finances were impacted by events in particular the challenges of the pandemic, but have proved resilient, and robust plans are in place to ensure continued stability and growth. Board committees keep these risks under review, and the Audit and Risk Committee reviews all significant risks quarterly before consideration by the Board.

The Coronavirus and COVID-19

The hospital is now operating in line with the "Living with COVID-19" government plan. This means that COVID-19 cases are closely monitored and escalated in line with best clinical practise guidelines. A rolling programme for patient vaccinations is in place.

We continue to have a routine screening programme in place for patient facing staff and all staff are strongly encouraged to continue to be up to date with their vaccines.

Our business continuity planning has enabled us to return to delivering the full range of services for our patients and residents and our occupancy levels have improved significantly over the last year. We are well prepared for any future iterations of COVID-19 and as such the risks around this are considered to be well mitigated.



Managing our risks (continued)

Quality of care

We are a regulated healthcare provider with The Care Quality Commission (CQC) and The Charity Commission. Following our unplanned CQC Quality Inspection in 2021, which focussed on the Safe and Well Led Key Lines of Enquiry, we have been rated Good in all domains with an overall rating of Good by the CQC.

The RHN has robust controls in place to ensure that it implements high standards of quality and safety, including quality of care. These include the following:

- Robust clinical leadership at board level, executive management and across the hospital.
- A named Board level trustee for quality and safety.
- A Patient Safety and Quality Committee.
- A named executive director for quality and safety.
- A dedicated team to drive quality and safety across the hospital, led by the Head of Patient Safety and Quality Assurance.
- A robust governance structure.
- Policies and procedures which are reviewed and updated.
- Robust processes for disseminating national alerts and guidance.
- A clinical audit schedule.
- Robust management of the Datix recording and management system.
- Review of clinical risks and trends by the Clinical Risk and Incident Committee.
- Review of patient deaths by the Mortality Review Committee (now the Palliative Care and Mortality Committee).
- Excellent safeguarding leadership, structures and processes with robust analysis of decision making and management led by the Head of Safeguarding.
- Membership of the Safeguarding Adult National Network (SANN).
- High levels of mandatory training compliance, exceeding 90%.
- A competence framework to underpin nursing and Health Care Assistants' practice.
- A robust student supervision framework, including mentorship and preceptorship.
- Linkages with the South West London (SWL) Integrated Care System, including membership of the SWL Quality Council.

Rated 'good' in all areas for the first time!



We have an ambitious Patient and Resident Experience Strategy, which underpins the RHN Strategy 2022 to 2027, A Path to Excellence. We also encourage feedback and involvement from patients, residents and their families through multiple formats including through the Annual Patient Survey and through participation in a number of forums and through our comprehensive complaints and compliments process. We have a Patient Representative Committee (chaired by a Trustee, which includes representatives from patients, residents and families from all wards) which is a forum to receive feedback on experiences hospital wide and to share information.

We are a regulated healthcare provider with The Care Quality Commission (CQC) and The Charity Commission. Following our unplanned CQC Quality Inspection in 2021, which focussed on the Safe and Well Led Key Lines of Enquiry, we have been rated Good in all domains with an overall rating of Good by the CQC.

Our clinical risk registers (Clinical and Medicines) are updated monthly by the named clinical directors responsible for each of the risks on the registers and clinical risks are incorporated into the organisational risk register (ORR) if they meet the threshold. The Executive Management Team (EMT) also reviews the risk registers monthly. A new risk management system is in the process of introduction to strengthen our management. The Patient Safety and Quality Committee (a board Committee) has oversight of clinical risks

As well as our overall quality rating of Good with our regulator, CQC, our Director of Nursing and Head of Safeguarding are recipients of NHS Safeguarding Medals, awarded by SANN for our excellence in safeguarding practice.

We are embarking on Pathway To Excellence™ with the American Nurse Credentialing Center (ANCC), which provides us with a framework for nursing excellence through the development of positive practice environments for all of our clinicians and where nursing can excel. We aim to achieve this accreditation by 2023/24, which is led through our Director of Nursing and the senior nurse leadership and clinical skills teams across the RHN.



Recruitment and retention of staff

During the financial year, we continued seeing the benefits of the overseas nurse recruitment campaigns from 2019 and various online campaigns conducted remotely. Whilst the impact of COVID-19 could still be felt during the year, the lifting of restrictions allowed fifteen further overseas to join during 2021/22 which is a slight increase on the previous year. Another two overseas nurses arrived in December 2022.

We have also begun extending visas for those nurses that came in 2019 for a further 3 years, which is real evidence of return on investment. So far, twelve visas have been extended in this way.

As well as the above, during 2021/22, seven permanent RNs, six bank RNs, 40 permanent HCAs and 21 bank HCAs were recruited. The RHN is now far less dependent on agency nurses and HCAs than previously, greatly helped by the success of the Putney bank (the RHN's internal agency).

It is anticipated that more overseas nurses will be recruited from the Philippines after a campaign in August 2022 resulted in fifty - six offers of employment.

Staff engagement

The RHN held a staff engagement roadshow led by the staff engagement lead during the year. The roadshow was for all staff and ran during the day as well as a night session to ensure night staff had the opportunity to attend. The roadshow's aim was to increase employee understanding and awareness of the various ways the RHN seeks to engage and support its employees. There were the following stalls:

- Wellbeing – 'Here for you' (signposting from our intranet).
- CIC – Employee Assistance Programme.
- Pride at RHN (The LGBTQI+ Staff Network).
- BAME staff network.
- Speak Up.
- Staff mediation service.
- Medigold (occupational health wellness and health checks).

We also had the following activities available for staff:

- Massage.
- Yoga.
- Singing therapy.
- Reflexology.

We received very positive feedback about the roadshow and plan to have targeted and focused quarterly roadshows in the future.

In response to the feedback our staff surveys in the last two years, videos have now been planned for workshop delivery. They will be used across the RHN in training and discussion groups to help us consider how we address the issues presented. The videos were shot using actors portraying RHN staff members. The focus is on bullying, harassment and equal opportunities.

We are planning a CIC employee assistance awareness campaign to launch the CIC employee assistance programme mobile app and to provide workshops to people managers to support signposting and awareness to their staff of this valuable service. We will also be running workshops for staff to get an update on the many resources and support that are available via this service. The EAP service advised us that, since the roadshow, there had been an increase in usage across the services they provide. We held an additional wellness/health check day in July for staff who had not been successful in reserving a place at the roadshow. This was provided by Medigold (occupational health) for which we have a waiting list. This was a very popular initiative and staff have commented positively about it.

Pride at RHN (The LGBTQI+ Staff Network) continues to meet monthly and is working on various initiatives such as LGBTQI+ awareness training and LGBTQI+ history months. We have also received feedback about other networks that staff would like at the RHN and are planning focus groups to gauge support for further rollout throughout the hospital.

Learning and development

The Learning Management System (LMS) is being updated to make it easier to navigate and to provide at a glance reporting with clear dashboards for those with directly managed staff. We are also looking at the system hierarchies to ensure required learning is easier to manage and staff groups in clinical, corporate, allied health professional, estates and facilities areas can easily be identified along with departmental compliance levels.

Our annual performance reviews are to be moved online, either through an addition to our LMS system or as part of the new HR system being developed. There will be an automatic course reminder function for courses where completion is mandatory.

The RHN Academy (Learning and Development's vocational learning centre) has partnered with Kingston University and the University of Roehampton to introduce a trainee nurse associate programme to the hospital. Supported by the Director of Nursing and Matron for Long Term Care, healthcare assistants are being provided with an opportunity which will see them embark on an apprenticeship that results in them becoming nurse associates.

The RHN Academy continues to receive applications for Adult Care Levels 2 and 3, and also functional skills in English and mathematics; and as part of the new initiative for developing skills in relation to the delivery of Safer People Handling, staff will be offered the opportunity to complete the Level 3 Award in Education and Training (AET).

Financial sustainability

In order to improve and provide the highest quality of care to patients and residents, the RHN recognises the need to maintain financial stability and to continue to attract donations, legacies and other fundraised income in order to invest in its facilities and equipment.

The RHN recorded a financial surplus for the financial year ending 30 September 2022 with year end reserves at satisfactory levels. Our budget for the financial year ending 30 September 2023 anticipates a return to pre COVID-19 occupancy levels with a surplus in income and expenditure and continued satisfactory reserve levels. Further to the budget for the forthcoming financial year, the five year financial plan to the year ending 30 September 2027 approved by trustees sees improving surpluses and cash balances as the RHN gradually alters its mix of existing services and continues to invest in its infrastructure to improve services to patients and residents.

The RHN's primary sources of funding are NHS England, NHS Integrated Care Boards and Local Authorities. Though NHS bodies receive annual increases with which to pay the RHN for its services, these are not sufficient to meet all the RHN's cost pressures. In order to mitigate such funding shortfalls, the RHN continues to work in partnership with commissioners to negotiate adequate contractual agreements whilst increasing efficiency. It is expected that the block contract for rehabilitation services with NHS England will be broken up with responsibility passed to either a lead or multiple Integrated Care Boards.

The drive to maintain financial sustainability includes investment in technology, equipment and the estate with which to provide the highest standards of care and generate income. During 2021/22 important work on water infrastructure, lifts, staff accommodation, HR and payroll systems; and detailed planning for the refurbishment of Wellesley ward in 2022/23 has been carried out.

The RHN has sufficient reserves for the foreseeable future, and has a five year financial plan supporting its corporate strategy. Further disclosures are available within the financial review and note 1.2 of our accounting policies.

The RHN's Committee with oversight of finances is the Finance Committee. In the year the Committee has updated the RHN's Investment Policy. It received a presentation from the investment managers of sustainable (ie socially responsible) investing, following which it held a joint meeting with the Ethics Committee so that they could jointly understand the issues and advise the Board on a way forward.

Financial review

The RHN reported an overall net surplus in funds for the year of **£0.18 million (2021: £0.96 million)** comprising the following:

	2022 £m	2021 £m
Hospital		
Patient Income	45.84	41.00
Patient Expenditure	(45.32)	(42.85)
Surplus/(Deficit) from Hospital Activities	0.52	(1.85)
Voluntary and Other Activities		
Income		
Donations and Other Fundraising	2.89	1.88
Other Income	0.42	0.29
Income from Voluntary and Other Activities	3.32	2.17
Expenditure		
Fundraising Expenditure	(0.89)	(0.78)
Voluntary and Other Expenditure	(1.02)	(1.06)
Expenditure of Voluntary and Other Activities	(1.91)	(1.84)
Surplus from Voluntary and Other Activities	1.40	0.33
Hospital and Charitable activities	1.92	(1.53)
Net Income on Pension Scheme	-	-
Net Gains / (Losses) on Investments and Fixed Assets	(1.74)	2.48
Net Surplus / (Deficit)	0.18	0.96

The RHN receives the majority of its income for patient care from NHS England (for Brain Injury Services) and from Clinical Commissioning Groups and some Local Authorities (for Continuing Care). COVID 19 has compromised occupancy levels and adversely affected income for patient care. The Charity has also seen an increase in donations and legacies of 51% (2021: 1% decrease)

Income from donations, legacies and fundraising events is £3.2 million (2021: £1.9 million) analysed as follows.

Donations, legacies and fundraising received for charitable expenditure during the year ended 30 September 2022

	30 September 2022		30 September 2021	
	£'000	£'000	£'000	£'000
Unrestricted		2,233		1,261
Restricted				
(1) Additional therapies and services	188		167	
(2) Purchase of specialist equipment	357		132	
(3) Research and education	253		67	
(4) Specific redevelopment and refurbishment of hospital buildings	204		221	
(5) COVID crisis response	-		33	
		1,002		620
		3,235		1,881

The RHN's fundraising activities are overseen by the Fundraising Regulator (FR) whose responsibilities include ensuring the charity records all complaints, completes an Annual Complaints Returns Report and displays the FR logo. These convey our commitment to complying with legislation as well as building trust with supporters of the charity.

Financial review (continued)

Expenditure on charitable activities (i.e. hospital activities)

The campaigns by the RHN to recruit nurses from overseas in recent years has resulted in more of them commencing employment during 2021/22. A recent recruitment drive in the Philippines in the autumn of 2022 will see more arrive in 2023. Allied to the successful operation of our own bank of nurses, reliance on agency staffing continues to be successfully managed.

The RHN continues to demonstrate its commitment to its staff through paying competitively, ensuring nobody is paid below the London Living Wage; and by providing staff development opportunities.

Investments	30 September 2022 £ million	30 September 2021 £ million
Net (losses)/gains during the year	(1.74)	2.48

The RHN invests funds surplus to working capital requirements in a portfolio managed by Cazenove Capital Management, Schroder & Co Ltd.'s charity division. They place investments based on asset allocation ranges previously agreed by the RHN's Finance Committee, who review the Charity's investments during the course of the financial year. Investment income during the year was £0.42 million (2021: £0.29 million). The overall performance reflects the general economic climate and is much in line with the performance of stock and other investment markets.

Staff pension scheme	30 September 2022 £ million	30 September 2021 £ million
Net actuarial gains on the defined benefit scheme	-	-

The results above pertain to the RHN's defined benefit pension scheme which was closed to new members in 2001 and existing members in 2006.

As at 30 September 2022, the defined benefit pension scheme was in surplus but as it is not recoverable, was restricted to zero in the disclosures (30 September 2021: zero). The surplus of £8.6 million (2021: £8.7m surplus) in the scheme is not available as a refund to the RHN and is therefore deemed to be irrecoverable under FRS102.

The RHN continues to run a defined contribution scheme for its employees which was transferred to an Aviva Master Trust in October 2019.

Reserves

Reserves are held to help the charity operate effectively in accordance with the Charity Commission's guidance. The Board has carried out a detailed review of the charity's activities, identified the major risks the RHN is exposed to and produced a financial risk assessment.

Free reserves are intended to cover the following:

- Adverse movements in cash flow.
- A shortfall in income net of fees payable.
- A shortfall in voluntary income.
- Falls in the realisable value of investments.
- A contingency against business interruption.

After carrying out a review of the risk areas stated above, the RHN Board of Trustees has determined a range of £12 million to £14 million (2021: range of £11 million to £13 million) of free reserves as being a minimum operating level for three months.

At 30 September 2022, the reserves were as follows:

- Free reserves of £13.6 million (2021 - £14.6 million) after accounting for the defined benefit pension scheme as per FRS102 are greater than the minimum operating level required for three months.
- Designated funds of £29.3 million (2021: £28.0 million) representing the net book value of the RHN's fixed assets of £19.5 million (2021: £19.7 million) together with £1.1 million (2021: £2.1 million) for planned maintenance and £8.8 million (2021: £6.3 million) for future capital expenditure on the hospital buildings and equipment.
- Combined restricted reserves of £1.67 million (2021: £1.78 million) include £1.01 million (2021: £1.07 million) in cash required to fund specific projects.
- Endowment funds of £0.77 million (2021: £0.86 million).

The sum of the above gave total reserves of £45.4million (2021: £45.2million).

Further details of these reserves are disclosed within the statement of financial activities and balance sheet on pages 30 and 31; and in note 17.

Going concern

The RHN is a public benefit entity, and its Board has set out a review of financial performance and the charity's reserves position. At the 30 September 2022, the RHN reported free reserves of £13.6 million (2021: £14.6 million), net current assets of £8.1 million (2021: £6.0 million), and a net cash inflow of £2.0 million (2021: £1.3 million net cash outflow) for the year. The change in cash flow between the two years was largely because of improved patient and fundraised income as the hospital emerged from the COVID-19 pandemic which had adversely affected both streams.

As at 30 September 2022, the defined benefit pension scheme was in surplus but as it is not recoverable, was restricted to zero in the disclosures (30 September 2021: zero). The surplus in the scheme is not available as a refund to RHN and is therefore deemed to be irrecoverable under FRS102. The RHN's strategy of funding any residual obligation in order to eliminate any future deficit remains.

With regard to the year ending 30 September 2023, the most significant areas that are likely to affect the charity's net assets are levels of patient and fundraised income, operating revenue expenditure and capital investment. Occupancy levels will have returned to pre pandemic levels.

In setting the budget for 2022/23, the trustees have deferred some costs but less so than the prior year. In the event of another wave of COVID-19, continued and further social distancing measures and rigorous hygiene procedures will be followed once again.

The RHN's budget for 2022/23 and financial plan for 2023/24 were incorporated in its five year financial plan 2022/27 presented to the Board in October 2022 in support of the organisational strategy over the same period. Prudent uplifts for patient income and an increase in the provision of ventilated services are included.

In order to explore the sustainability of the RHN, a financial stress test exercise was conducted with the above assumptions altered to model more adverse conditions in 2022/23 and 2023/24. With these changed assumptions, a consequent adverse impact was seen on income and expenditure, cash balances and reserves in those two years.

In terms of cash, in order that the RHN retained desired cash balances at the end of the two financial years in question, without curtailing spend, it would be necessary to transfer from investments to the current bank account. It is anticipated that investments would be fully replenished towards the end of the five year financial plan.

Reserves would be sufficient throughout the course of the plan.

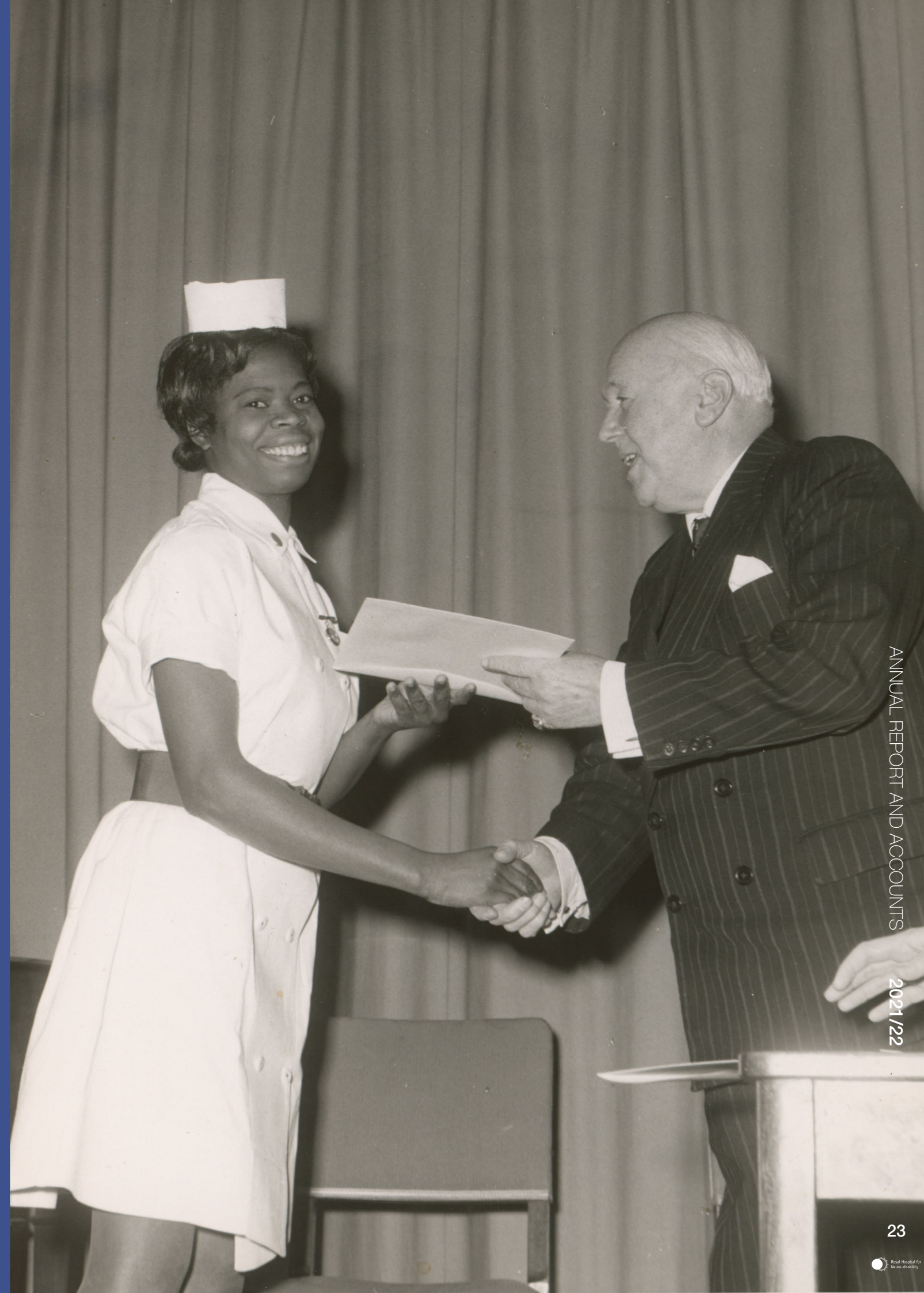
On its operational activities, the trustees believe that the current strategy for growth including some shift in the balance of services provided; and the associated rolling five year financial plan has reasonably secured the future of the RHN to sufficiently meet the requirements of a going concern.

The hospital holds investments valued at £17.9 million (2021: £19.6 million) inclusive of cash available of £0.3 million (2021: £0.8 million). Though unrealised losses amounted to £1.7 million in 2021/22 (2021: £2.4 million gain), judicious management of funds aims to minimise adverse market fluctuations.

Like other healthcare providers the RHN faces inflationary pressures, the hospital continues to monitor developments and take appropriate action. The trustees will continue to monitor plans with the RHN executive team to ensure that the RHN retains sufficient reserves to continue operating. The charity has a strong balance sheet, with unrestricted liquid reserves of around £24 million and so the trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

The trustees are satisfied that the RHN can continue operating for the foreseeable future and accounts have been prepared on the basis that the RHN is a going concern.

Neither the Trustees, nor any key persons within the charity, are aware of any further specific, nor general events which would change the charity's status as a going concern.



Structure, governance and management



The RHN's governing constitution is a Royal Charter and byelaws. Amendments to the Royal Charter and revised byelaws were approved by the Board of Management in January 2022 and by the AGM in April 2022. On 19 July 2022 Her Late Majesty the Queen allowed the amendments to the Charter and the Privy Council approved the revised Byelaws. The Board brought both these documents into force at its meeting on 20 October 2022, thus completing the project to update the RHN's constitutional document which began in January 2019.

The arrangements under the version of the Charter current in 2021/2022 were as follows. Members of the Board of Management acted as trustees of the charity. They were elected by the Governors at their Annual General Meeting (AGM) to act on behalf of the charity in the management of its business, property and affairs.

The Board is a non-executive body that has four meetings each year and sets the strategic direction of the RHN.

The Board aims to follow the Governance Code for Larger Charities recommended by the Charity Commission. It carries out an annual review of its governance processes. Board members and senior executives are required to complete a declaration of interests and review this at least twice a year, and to declare any gifts and hospitality received. All staff, volunteers and Board members are required to have regular DBS checks every three years. Board members, the Chief Executive and the Director of Finance sign annual declarations of fitness to hold office.

From 20 October 2022, the Board of Management was abolished and replaced by the Board of Governors, with the same functions as the previous Board of Management. The existing members of the Board of Management became members of the Board of Governors and the arrangements above continue to apply to the executive and the new Board.

Structure, governance and management (continued)

The Board of Trustees

In 2021/22 the constitution required that the Board must be made up of a minimum of twelve members, who hold office for four years. They may not hold office for longer than two consecutive terms of four years unless the Board decides there are exceptional circumstances. Members of the Board are appointed and retire by rotation, usually at the Annual General Meeting. The Nominations and Remuneration Committee regularly reviews the skills requirements of the Board. A formal recruitment process has been adopted where particular skills are being sought, which includes open advertisement and interview to ensure the appropriate skills and experience are identified and to extend the Board's ability to recruit a diverse Board. An induction programme and continuing trustee training is also in place.

From 20 October 2022 the revised byelaws set the number of Board members as a minimum of 8 and a maximum of 15.

Responsibilities of the Executive and Committees

The Board delegates certain functions to the Executive and Committees. The day to day running of the RHN is the responsibility of the Chief Executive. The Chief Executive carries out operations according to the strategy and the budget set by the Board and is assisted by the executive team which meets every week.

Remuneration

Trustees (Board members) are not remunerated but may claim reasonable expenses.

As an employer, the charity operates the 'Putney Scale', a harmonised pay method which helps the RHN remain competitive within the healthcare industry. This is available to all nursing and therapy staff and is in line with the NHS Agenda for Change classifications and is periodically reviewed. The components parts are basic pay and a market supplement reflecting the higher cost of inner London living.

The Board's Nominations and Remuneration Committee (comprising Board Members) is responsible for deciding the remuneration of the key management personnel constituting the executive directors. Chaired by the Chairman of the Board, the committee considers directors' salaries and benefits. The Chief Executive's pay is determined by the committee and the Chief Executive provides advice to the Committee on the other directors' remuneration. The remuneration of the Executive team is disclosed in full in notes to the accounts.

Managing our risks

In order to minimise or eliminate risks to the charity during the 2021/22 financial year, potential risks are and continue to be identified and regularly reviewed by both the Executive team and Trustees.

During the year Covid was removed from the top risks to the RHN. The RHN has robust infection control measures, and vigilance continues to be crucial. The principle safeguarding risk is now well controlled and the RHN's safeguarding processes have been recognised as exemplary by stakeholders. The RHN's finances were adversely impacted by the events of the past two years but have proved resilient. The RHN recovered well from the financial effects of the pandemic and the effects of Brexit were well managed. The effects of the Ukraine conflict and the general world economic situation are now posing a different risk, in particular to the ability of staff to live and work in London and the increased pressure on the RHN's costs. However, robust plans are in place to ensure continued stability and growth, including a successful overseas recruitment campaign for nurses, reconsideration of our pay and reward structure for staff; and analysis of energy costs to preemptively obtain as favourable contracts as possible for the future. Board committees keep these risks under review, and the Audit and Risk Committee reviews all significant risks quarterly before consideration by the Board.

Looking forward

The RHN's launched its 2022 to 2027 strategy entitled 'The Path to Excellence' in November 2022.

Our objectives focus on the patient experience, our people, clinical and service development, fundraising, the estate, our facilities, IT, finance and governance and leadership. Our plan is for changes in our mix of activities over the next five years with expansion of our ventilated, behavioural and young adults' services.

In support of our plan to expand of our behavioural, ventilated, and young adults' services, 2022/23 will see the RHN complete the refurbishment of Wellesley ward and further expand capacity on Leonora ward. Additionally, the rolling programme of upgrades and investment in buildings, equipment and information technology will continue.

In 2022/23 we expect to see occupancy back at pre pandemic levels and though COVID-19 had an impact on staff absence in 2021/22, this was much diminished from 2020/21. There were no deaths from the disease amongst patients, residents and staff during the year and visiting has returned to normal with suitable precautions being taken. COVID-19 hygiene measures remain however for all patient facing staff.

Fundraising saw a return to pre pandemic levels of income in 2021/22 and the target for 2022/23 is to achieve similar levels in order to reinvest in our services for patients and residents. Being able to run the full range of engagement and income generating activities with donors and sponsors makes this a realistic ambition.

2021/22 was a challenging year with falls in the asset values of the RHN's defined benefit pension funds and the value of investments the RHN holds. In the case of the defined benefit scheme, the value of liabilities fell commensurately resulting in a net surplus close to the surplus in 2020/21. Work is ongoing with investment managers of both pension fund assets and the RHN's investments to minimise the impacts of market volatility and to maximise returns.



Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity; and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 in business.

The trustees are responsible for keeping proper 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 Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Royal Charter.

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.

The trustees are responsible for the maintenance and integrity of the charity; and financial information included on the charity's website.

Des Benjamin
Chairman

Royal Hospital for Neuro-disability

25 January 2023

Independent Auditor's Report

to the trustees of the Royal Hospital for Neuro-disability

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 30 September 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.

We have audited the financial statements of Royal Hospital for Neuro-Disability ("the Charity") for the year ended 30 September 2022 which comprise the Statement of Financial Activities, the balance sheet, the 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).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Charity in accordance with the ethical requirements 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.

Conclusions related 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 Trustees are responsible for the other information. The other information comprises the information included in the Annual Report and Accounts, other than the financial statements and our auditor's report thereon. The other information comprises: The Chairman's Welcome, The Chief Executive's Introduction and the Trustees' 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 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.

Matters on which we are required to report by exception

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

the information given in the Trustees' Report for the financial year for which the financial statements are prepared is inconsistent in any material respect with the financial statements; or

- adequate accounting records have not been kept; 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 require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, 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 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 the Act and relevant regulations made or having effect thereunder.

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

Independent Auditor's Report

to the trustees of the Royal Hospital for Neuro-disability (continued)

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.

Extent to which the audit was 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:

- Based on our understanding of the charity and the sector in which it operates, we identified that the principal laws and regulations that directly affect the financial statements to be relevant Charities Acts in the UK and Northern Ireland. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.
- In addition, the charity is subject to many other laws and regulations such as the Care Quality Commission regulations, Health and Safety regulations, and NHS Counter Fraud Authority regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. The operations of the Charity can also be affected where there are any significant breaches. 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.

Audit procedures performed by the engagement team included the following:

- We agreed the financial statement disclosures to applicable financial reporting standards – FRS 102, Charities Act 2011 and SORP
- We determined that the most significant laws and regulations which are directly relevant to specific assertions in the financial statements are those related to the financial reporting framework including but not limited to United Kingdom Generally Accepted Accounting Practice and the Charities Act 2011, and Statement of Recommended Practice for Accounting Reporting by Charities (SORP FRS 102)
- We reviewed Serious Incident Reports submitted to the Charity Commission
- We understood how the charity is complying with those legal and regulatory frameworks that are significant to their activities by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of minutes and correspondence with relevant bodies such as the Care Quality Commission –
- We reviewed the Local Counter Fraud Specialist (LCFS) report
- We obtained and reviewed reported health and safety

incidents

- We challenged assumptions made by management in their significant accounting estimates in particular in relation to pension liability valuations and cash flow forecasts used in going concern assessments and
- In addressing the risk of fraud through management override of controls; testing the appropriateness of journal entries and other adjustments; testing the application of cut-off and revenue recognition, particularly around patient services income, donations and legacies, and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.
- performed audit procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that 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, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:

<https://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 Charity's trustees, as a body, in accordance with 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 anyone other than the Charity and the Charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

BDO LLP

Heather Wheelhouse (Senior Statutory Auditor)
BDO LLP, statutory auditor
55 Baker Street
W1U 7EU

Date **30 January 2023**

BDO LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Statement of Financial activities (SOFA) including income and expenditure account

for the year ended 30 September 2022

	Notes	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2022 £'000	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2021 £'000
Income and endowments from:									
Donations and legacies	2.1	2,092	625	-	2,717	1,181	613	-	1,794
Other trading activities									
- Fundraising events		141	35	-	176	80	7	-	87
Investments									
- Dividends and Interest	2.2	412	12	-	424	280	9	-	289
		2,645	672	-	3,317	1,541	629	-	2,170
Charitable activities	3	45,842	-	-	45,842	40,986	13	-	40,999
Total Income and endowments		48,487	672	-	49,159	42,527	642	-	43,169
Expenditure on:									
Raising funds	4.1	1,043	-	4	1,047	1,010	-	4	1,014
Charitable activities	4.2	45,632	562	-	46,194	43,162	519	-	43,681
Total expenditure		46,675	562	4	47,241	44,172	519	4	44,695
Net surplus / (losses) before gains and losses		1,812	110	(4)	1,918	(1,645)	123	(4)	(1,526)
Net (losses) / gains on Investments		(1,589)	(64)	(83)	(1,736)	2,279	92	112	2,483
Net income/(losses)		223	46	(87)	182	634	215	108	957
Transfers between funds	17	157	(157)	-	-	33	(33)	-	-
		380	(111)	(87)	182	667	182	108	957
Other recognised gains									
Net actuarial gains on defined benefit pension scheme	6.5	-	-	-	-	-	-	-	-
Net movement in funds for the year		380	(111)	(87)	182	667	182	108	957
Reconciliation of funds									
Funds at 1 October		42,647	1,776	860	45,283	41,980	1,594	752	44,326
Total funds at 30 September		43,027	1,665	773	45,465	42,647	1,776	860	45,283

The RHN made no other unrealised gains or losses which do not appear on the SOFA. All the above are derived from continuing activities.

The notes on pages 34 to 49 form a part of these accounts.

Balance sheet

for the year ended 30 September 2022

	Notes	Total 2022 £'000	Total 2021 £'000
Fixed assets			
Tangible assets	8	19,453	19,684
Investments	9	17,883	19,644
		37,336	39,328
Current assets			
Stocks	10	276	215
Debtors	11	5,326	5,512
Cash at bank and In hand		6,807	4,793
		12,409	10,520
Creditors - Amounts falling due within one year	12	(4,280)	(4,565)
Net Current assets		8,129	5,955
Net assets - Excluding pension		45,465	45,283
Defined benefit pension scheme asset	6.5	-	-
Total Net assets	17	45,465	45,283
The funds of the charity			
Capital funds			
Endowment funds	17 & 18	773	860
Restricted funds			
Income funds	18	1,012	1,070
Other Restricted funds	18	653	706
Total Restricted funds		1,665	1,776
Unrestricted funds			
Designated funds			
Fixed assets	17	19,453	19,684
Planned capital expenditure	17	8,835	6,305
Anticipated maintenance	17	1,142	2,050
Total Designated funds		29,430	28,039
Free reserves			
General funds		13,597	14,608
Total Unrestricted funds		43,027	42,647
Total charity funds		45,465	45,283

Approved by the Board of Management on 23 January and signed on its behalf by:

Des Benjamin
Chairman

Hugh Rees
Treasurer

The notes on pages 34 to 49 form a part of these accounts.

Cash Flow Statement

for the year ended 30 September 2022

	Total 2022	Total 2021
	£'000	£'000
Cash flows from Operating activities		
Net cash provided by (used in) operating activities	3,257	(626)
Cash flows from Investing activities		
Dividends, interest and rents from investments	424	289
Purchase of property, plant and equipment	(1,692)	(1,069)
Proceeds from sale of investments	4,840	4,550
Purchase of investments	(4,815)	(4,457)
Net Cash (used in) investing activities	(1,243)	(687)
Change in cash and cash equivalents in the reporting period	2,014	(1,313)
Cash and cash equivalents at the beginning of the reporting period	4,793	6,106
Cash and cash equivalents at the end of the reporting period	6,807	4,793
Reconciliation of cash flows from operating activities	2022	2021
	£'000	£'000
Net income for the reporting period	182	957
(as per the statement of financial activities)		
Adjustments for:		
Depreciation charges	1,923	1,812
Pension fund contributions and finance costs	-	-
Losses / (gains) on investments	1,736	(2,483)
Dividends, interest and rents from Investments	(424)	(289)
(Increase) in stocks	(61)	(97)
Decrease / (increase) in debtors	186	(86)
(Decrease) in creditors	(285)	(440)
Net cash (used in) / provided by operating activities	3,257	(626)
Analysis of cash and cash equivalents	2022	2021
	£'000	£'000
Cash in hand	6,807	4,793
Total cash and cash equivalents	6,807	4,793

	As of 1 Oct 2021	Cash inflows	Acquisition / disposal of subsidiaries	New finance leases	Other non cash changes	As of 30 Sep 2022
	£'000	£'000	£'000	£'000	£'000	£'000
Cash	4,793	2,014	-	-	-	6,807
Cash equivalents	-	-	-	-	-	-
Overdraft facility repayable on demand	-	-	-	-	-	-
	4,793	2,014	-	-	-	6,807
Loans falling due within one year	-	-	-	-	-	-
Loans falling due after more than one year	-	-	-	-	-	-
Finance lease obligations	-	-	-	-	-	-
Total	4,793	2,014	-	-	-	6,807



Notes to the accounts

for the year ended 30 September 2022

Royal Hospital for Neuro-disability (Charity No. 205907)

1 Accounting Policies

- 1.1 The Royal Hospital for Neuro-disability is an unincorporated charity registered in England & Wales with the Charity Commission. The address of the registered office is shown on page 2 and the nature of its operations is set out in the report of the Trustees.
- The principal accounting policies which have been adopted in the preparation of the financial statements are set out below and have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) effective 1 January 2019, and the Charities Act 2011.
- The financial statements have been prepared to give a "true and fair view" and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a "true and fair view". This departure has involved following the 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 (FRS102) issued on 1 January 2019 rather than the Statement of Recommended Practice: Accounting and Reporting by Charities which was effective from 1 April 2005 but which has since been withdrawn.
- 1.2 The RHN is a public benefit entity, and its Board has set out a review of financial performance and the charity's reserves position. At the 30 September 2022, the RHN reported free reserves of £13.6 million (2021: £14.6 million), net current assets of £8.1 million (2021: £6.0 million), and a net cash inflow of £2.0 million (2021: net cash outflow of £1.3 million) for the year.
- Neither the Trustees, nor any key persons within the charity, were aware of any further specific, nor general events which would change the charity's status as a going concern.
- 1.3 The Statement of Financial Activities (SOFA) and Balance Sheet are the financial statements of the RHN. The subsidiary has been dormant in the financial year 2021 - 22.
- 1.4 Income and expenditure are accounted for on an accruals basis and expenditure includes Value Added Tax where this is not recoverable.
- 1.5 Grants Receivable are included in the SOFA in accordance with the terms of the grant agreement and the SORP criteria of entitlement, probability of receipt and reliability of measurement.
- 1.6 Donations of equipment and supplies are included within the appropriate expenditure at cost or estimated value to the donor and within gifts and donations.
- 1.7 Legacy income is recognised at the earlier of the charity being notified of an impending distribution or the legacy being received. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.
- 1.8 Patient services comprise the costs of nursing, treatment, therapy, domestic and catering services and the costs of maintenance of buildings and equipment, heating, depreciation and other support services attributable to Patient care.
- 1.9 Research expenditure comprises staff costs and direct costs of medical research projects instigated by the RHN and their associated support costs.
- 1.10 Grants are charged to the SOFA in the period in which beneficiaries are notified and so a constructive obligation is entered into by the RHN.
- 1.11 Support costs, comprising facility charges, governance, management and administrative costs, are allocated to activities based on employee headcount.
- 1.12 The RHN operates a pension scheme which includes a defined benefit section and a defined contribution section. The assets of the scheme are held by the scheme trustees separately from the assets of the RHN. Further information on the pension scheme can be found in notes 6.4 and 6.5.

Notes to the accounts

for the year ended 30 September 2022

1 Accounting Policies (continued)

- 1.13 Rentals payable under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.
- 1.14 Depreciation is charged on all fixed assets except freehold land, on a straight line basis, at rates calculated to write off the assets over their estimated useful lives as follows:

Buildings	2% - 20%
Plant and Machinery	7% - 25%
Furniture and Equipment	7% - 50%

The depreciation charge begins from the first day of the month following either; the date of asset acquisition or the date that the asset comes into use.

Tangible fixed assets costing more than £2,500 are capitalised at cost and depreciated at the rates shown.

Impairment losses are included in the Statement of Financial Activities.

Fixed Asset Investments are included in the Balance Sheet at market value. Realised and unrealised gains and losses incurred during the year are included in the Statement of Financial Activities.

Assets in the course of construction, reflect fixed asset projects undertaken by the RHN which have not been completed as at the reporting date. Such assets when completed are transferred to the appropriate asset class and depreciated according to existing accounting policy. Any assets under construction which during review are considered to have declined in value are written off; to any extent identified to the Statement of Financial Activities.

- 1.15 Stocks are valued at the lower of cost and net realisable value.
- 1.16 Fees receivable and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discounts due.
- 1.17 Creditors and provisions are recognised where the RHN has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. The RHN recognises Creditors and provisions at their settlement amount after allowing for any trade discounts due.
- 1.18 Unrestricted funds are funds which are available for use at the discretion of the Board in furtherance of the general objectives of the RHN and which have not been designated for any other purpose. Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in note 17 to the accounts.
- Endowment funds comprise monies that must be held indefinitely as capital. Related income is credited to general funds and applied for general purposes unless under the terms of the endowment such income must be used for specific purposes in which case it is credited to restricted funds.
- Designated funds comprise unrestricted funds that have been set aside by the Board for particular purposes. The use of the designated funds is set out in note 17.
- 1.19 Taxation - The Charity is exempt from taxation in respect of income or capital gains received within categories covered by part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.
- 1.20 Estimates and judgements are continually evaluated and are based on historical evidence and other factors, including expectations of future events that are believed to be reasonable under the circumstances.
- With regard to FRS102 Section 28 (Retirement benefits) and the RHN's defined benefit pension scheme, the best estimates used are chosen from a range of possible actuarial assumptions. Further disclosures of the estimates governing these retirement benefits can be found within note 6.5 of this annual report.

Notes to the accounts (continued)

for the year ended 30 September 2022

1 Accounting Policies (continued)

1.21 The charity has financial assets and financial liabilities that qualify as basic financial instruments. These are recognised at transaction value and subsequently measured at either their settlement value or market value. The charity has taken reduced disclosure exemptions for sections 11 and 12 of FRS 102.

At the balance sheet date the charity held financial assets at amortised cost. Financial assets held at amortised cost comprise cash at bank, trade debtors and other debtors totalling £11.9 million (2021: £9.7 million). Financial liabilities held at amortised cost comprise trade creditors and other creditors totalling £3.8 million (2021: £3.3 million). Investments at £17.9 million (2021: £19.6 million) held as part of an investment portfolio, are held at fair value with gains and losses being recognised within income and expenditure.

2 Donations, Legacies and Investment Income

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Total 2021 £'000
2.1 Donations and Legacies				
Gifts & donations	415	625	1,040	1,256
Legacies	1,677	-	1,677	538
	2,092	625	2,717	1,794

At 30 September 2022, the RHN has no bequeathed legacies in the financial statements (2021: £0).

2.2 Investment Income

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Total 2021 £'000
Listed investments	214	6	220	142
Interest on deposits	198	6	204	147
	412	12	424	289

3 Income from Charitable Activities

	Note	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Total 2021 £'000
Patient services	3.1	44,707	-	44,707	40,150
Staff accommodation		426	-	426	360
Wheelchair & technology services		122	-	122	118
Other income from charitable activities		587	-	587	358
Grants receivable	3.2	-	-	-	13
		45,842	-	45,842	40,999

3.1 Patient Services

National Health Service	41,858	-	41,858	37,701
Local Authority	756	-	756	867
Non-NHS patients	148	-	148	161
One to One Nursing	1,943	-	1,943	1,418
Other sources	2	-	2	3
	44,707	-	44,707	40,150

3.2 Grants Receivable

Funding research projects	-	-	-	13
	-	-	-	13

Notes to the accounts (continued)

for the year ended 30 September 2022

4 Total Expenditure

	Direct costs £'000	Support costs £'000	Total 2022 £'000	Total 2021 £'000
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4.1 Expenditure on raising funds

Voluntary expenditure (fundraising staff and administration)	851	77	928	904
Fundraising events	25	2	27	19
Investment management	92	-	92	91
	968	79	1,047	1,014

4.2 Expenditure on charitable activities

Patient Services	38,111	6,755	44,866	42,451
Staff accommodation	48	9	57	57
Wheelchair & technology services	411	73	484	455
Other charitable activities	567	100	667	595
Research	102	18	120	123
Other Finance Costs (see note 6.5)	-	-	-	-
	39,239	6,955	46,194	43,681

Total expenditure

	40,207	7,034	47,241	44,695
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Expenditure on raising funds comprises staff and running costs of the fundraising department together with any other costs directly associated with raising funds for the group, including related publicity costs. This expenditure heading also includes other costs associated with generating funds such as investment management fees and expenditure directly related to trading income.

Patient services comprise the costs of nursing, treatment, therapy, domestic and catering services and the costs of buildings and equipment maintenance, heating, depreciation and other support services attributable to patient care.

5 Support costs

	Expenditure on raising funds £'000	Expenditure on charitable activities £'000	Total 2022 £'000	Total 2021 £'000
Administration and management	27	2,406	2,433	2,267
Building expenses	22	1,954	1,976	2,118
Finance	6	583	589	504
Human resources	9	778	787	631
Information technology	12	1,079	1,091	1,004
Governance	1	52	53	48
Statutory audit	1	56	57	44
Internal Audit, Counter Fraud and Pension Audit	1	47	48	68
	79	6,955	7,034	6,684

Total expenditure includes the allocation of support costs to the various expenditure categories set out in the SOFA. These support costs relate to information technology, property and facilities management, human resources and finance, in addition to the support costs incurred by communications and other centralised departments that are not otherwise allocated directly. Support costs have been allocated to activities consistently based on employee headcount.

Notes to the accounts (continued)

for the year ended 30 September 2022

6 Employee Information

6.1 Staff costs during the year were as follows:

	Total 2022 £'000	Total 2021 £'000
Salaries and wages	31,738	29,728
Social security costs	2,540	2,434
Other pension costs and life assurance premiums	1,691	1,721
	35,969	33,883

Included within the wages and salaries figure above is the cost of employing agency staff £6,710,453 (2021: £4,827,712).

During the year, a total of £0 (2021: £0) has been recognised for termination payments, of which £0 remained payable at the year end (2021: £0).

6.2 Employees whose emoluments not including employers NI and pension costs exceeded £60,000 were as follows:

	Total 2022	Total 2021
£60,000 to £69,999	17	11
£70,000 to £79,999	11	11
£80,000 to £89,999	3	1
£90,000 to £99,999	-	-
£100,000 to £109,999	1	3
£110,000 to £119,999	1	-
£120,000 to £129,999	3	2
£130,000 to £139,999	2	3
£140,000 to £149,999	2	2
£150,000 to £159,999	-	-
£160,000 to £169,999	-	-
£200,000 to £209,999	1	1
	41	34

The increase in numbers by 7 is due to the inclusion of members of staff who had increases in pay related to bank work to cover staff vacancies as a result of increase in activities.

39 employees (2021 - 31) earning more than £60,000 were members of the defined contribution section of the scheme. Employers' contributions payable during the year in respect of these employees amounted to £212,306 (2021 - £166,641).

Remuneration of Key Management Personnel including employers NI and pensions payable during the year amounted to £1,197,642 for 6.6 FTE staff (2021 - £1,140,016 for 6.5 FTE staff). This group comprises the Executive team.

6.3 The average number of staff employed (excluding agency staff) was as follows:

	Total 2022	Total 2021
Patient services	682	682
Research	6	5
Other charitable activities	36	38
Generating funds	8	8
Governance	2	2
	734	735

Notes to the accounts (continued)

for the year ended 30 September 2022

6 Employee Information (continued)

6.4 The charity operates a pension scheme for those members of staff who are eligible.

The scheme has two sections:

- A defined contribution section which, since 1 October 2006, includes all active members of the scheme. An eligible jobholder will be automatically enrolled as a member of the scheme on his automatic enrolment date. The contribution by the employer depends on whether a member is in the first or second tier. If a member has been automatically enrolled or has opted to join the scheme on the first tier contribution basis, the percentage required will be the minimum required under section 20(1)(b) (taking into account the transitional periods under section 29) of the Pension Act 2008. If a member is already in a scheme prior to 1 January 2014 or if the member has opted to be a member on the second tier contribution basis, the percentage will be determined by the member's age as per the table below. A member can elect to move from the first tier to the second tier contribution basis on becoming a member or on providing one month's written notice, with the exception of a member who does not work under a contract of employment.

- A defined benefit section, which was closed to new members on 1 November 2001 and closed to future accrual on 30 September 2006, when members were invited to join the defined contribution section.

The assets of the scheme are held by the scheme trustees separately from the assets of the charity.

The rates of contribution to the defined contribution scheme on the second tier basis are:

	Defined Contribution 2022	Defined Contribution 2021
Employer contributions:		
age 18 to 35	4.0%	4.0%
age 36 to 50	7.0%	7.0%
age 51 to 65	10.0%	10.0%
Employee contributions	4.0%	4.0%

In addition the charity pays death in service insurance premiums in respect of members of the scheme in the second tier. Employers pension contributions payable to the defined contribution section of the scheme were as follows:

	Total 2022 £'000	Total 2021 £'000
Defined Contribution	1,404	1,400

Pension contributions outstanding at the end of the year under the defined contribution scheme are as follows:

	Total 2022 £'000	Total 2021 £'000
Pension contributions outstanding at year end	200	194

A stakeholder scheme is also available to employees of the charity, but no employer contributions are made to this scheme.

Notes to the accounts (continued)

for the year ended 30 September 2022

6 Employee Information (continued)

6.5 Staff Pension and Life Assurance Scheme

The assumptions used in calculating the liabilities were as follows:

	Total 2022	Total 2021	Total 2020
Inflation	4.3%	3.8%	3.1%
Salary escalation	n/a	n/a	n/a
Pension increases, subject to LPI	4.0%	3.5%	3.0%
Statutory revaluation in deferment	3.5%	2.9%	2.4%
Discount rate (pre and post retirement)	5.3%	1.9%	1.5%
Life expectancy for 65 year old male	87	87	87
Life expectancy for 65 year old female	90	90	90

The assumptions used by the actuary are the best estimate chosen from a range of possible actuarial assumptions which, due to the long time period covered, may not necessarily be borne out in practice. The fair value of the assets for each category of asset are as follows:

	Total 2022 £'000	Total 2021 £'000	Total 2020 £'000
Equities	7,857	12,401	13,489
Corporate bonds	6,953	11,172	11,293
Liability matching credit	31,778	38,946	22,481
Diversified growth fund	5,215	8,609	9,202
Equity linked bond fund	-	-	-
Alternatives	4,103	6,457	7,319
Liability driven investment, Government Bonds and Cash	13,211	24,291	40,153
Insured annuities	417	615	627
Total fair value of assets	69,534	102,491	104,564
Present value of scheme liabilities	60,961	93,769	99,674
	8,573	8,722	4,890
Restriction to the amount that can be recognised	(8,573)	(8,722)	(4,890)
Net pension asset	-	-	-

The actual return on Assets is 5.3% per annum which is set to equal the discount rate (2021 - 1.9%).

Assets in the scheme as a percentage of total scheme assets

	Total 2022	Total 2021
Equities	11.3%	12.1%
Corporate bonds	10.0%	10.9%
Liability matching credit	45.7%	38.0%
Diversified growth fund	7.5%	8.4%
Alternatives	5.9%	6.3%
Liability driven investment, Government Bonds and Cash	19.0%	23.7%
Insured annuities	0.6%	0.6%

Amounts included in the statement of financial activities:

	Total 2022 £'000	Total 2021 £'000
Interest income (excluding interest income on assets that are not recoverable)	1,751	1,472
Interest cost	(1,751)	(1,472)
Interest on the net defined benefit liability	-	-

Notes to the accounts (continued)

for the year ended 30 September 2022

6 Employee Information (continued)

6.5 Staff Pension and Life Assurance Scheme (continued)

	Total 2022 £'000	Total 2021 £'000
Assets		
Assets in scheme at beginning of year	102,491	104,564
Movement in year:		
Interest income	1,751	1,472
Employer contributions	-	-
Benefits paid	(3,316)	(3,047)
Actuarial (losses) on assets	(31,392)	(498)
Assets in scheme at end of year	69,534	102,491

	Total 2022 £'000	Total 2021 £'000
Liabilities		
Liabilities in scheme at beginning of year	93,769	99,674
Movement in year:		
Interest cost	1,751	1,472
Benefits paid	(3,316)	(3,047)
Actuarial (gains) on liabilities	(31,243)	(4,330)
Liabilities in scheme at end of year	60,961	93,769

History of experience gains and losses

	Total 2022 £'000	Total 2021 £'000	Total 2020 £'000	Total 2019 £'000	Total 2018 £'000
Defined benefit obligation	(60,961)	(93,769)	(99,674)	(96,462)	(85,535)
Scheme assets	69,534	102,491	104,564	106,219	92,558
Surplus	8,573	8,722	4,890	9,757	7,023

The movement during the year is as follows (unless otherwise specified, the figures calculated are based on the assumptions as at the beginning of the year):

	Total 2022 £'000	Total 2021 £'000
Surplus in the scheme at beginning of year	-	-
Movement in year:		
Contributions	-	-
Net return on pension scheme	-	-
Actuarial gains	-	-
Surplus in the scheme at end of year	-	-

Notes to the accounts (continued)

for the year ended 30 September 2022

7 Related Party Transactions

7.1 Trustees Remuneration and Expenses

Members of the Board of management are not entitled to and did not receive any remuneration during the year. Additionally, one member of the Board of management received £1,255 (2021: no member, £0) for reimbursement of expenses. These expenses related to travel and accommodation costs for attending Board Meetings. Trustees' Indemnity Insurance of £5,600 was paid for the year 2022 (2021: £5,042).

7.2 Other Related Party Transactions

Other than the expenses listed, there have been no other related party transactions (2021: £0).

8 Tangible Fixed Assets

	Assets in the course of construction	Land and Buildings	Plant and Machinery	Furniture and Equipment	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
Opening balance	76	32,284	1,796	6,114	40,270
Additions	119	423	390	760	1,692
Transfers	(30)	30	-	-	-
Disposals	-	(11)	-	(185)	(196)
	165	32,726	2,186	6,689	41,766
Depreciation					
Opening balance	-	15,600	769	4,217	20,586
Disposals	-	(11)	-	(185)	(196)
Charge for the year	-	1,208	141	574	1,923
Impairment	-	-	-	-	-
	-	16,797	910	4,606	22,313
Net book value 2022	165	15,929	1,276	2,083	19,453
Net book value 2021	76	16,684	1,027	1,897	19,684

All fixed assets are held for charitable use.

	Assets in the course of construction	Land and Buildings	Plant and Machinery	Furniture and Equipment	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
Opening balance	565	31,440	1,730	5,798	39,533
Additions	45	361	205	458	1,069
Transfers	(534)	491	2	41	-
Disposals	-	(8)	(141)	(183)	(332)
	76	32,284	1,796	6,114	40,270
Depreciation					
Opening balance	-	14,439	783	3,884	19,106
Transfers	-	-	-	-	-
Disposals	-	(8)	(141)	(183)	(332)
Charge for the year	-	1,169	127	516	1,812
Impairment	-	-	-	-	-
	-	15,600	769	4,217	20,586
Net book value 2021	76	16,684	1,027	1,897	19,684
Net book value 2020	565	17,001	947	1,914	20,427

Notes to the accounts (continued)

for the year ended 30 September 2022

9 Investments

	Total 2022	Total 2021
	£'000	£'000
Market value at beginning of year	19,644	17,254
Purchases at cost	5,384	3,760
Proceeds from disposals	(4,840)	(4,550)
Net (losses) / gains on investments	(1,735)	2,482
(Decrease) / Increase in short term deposits	(570)	698
Market value at end of year	17,883	19,644
Historical cost at end of year	15,093	14,506

Analysed by type

	Total 2022	Total 2021
	£'000	£'000
Investments		
- Listed direct	13,697	14,897
- Unlisted direct	118	95
- Listed unit trusts	3,798	3,812
Term Deposits	270	840
	17,883	19,644

Geographical analysis

	Total 2022	Total 2021
	£'000	£'000
United Kingdom Investments	7,963	7,961
Overseas Investments	9,920	11,683
	17,883	19,644

Individual investments which have a market value of 5% or greater of the overall portfolio are:

iShares PLC - S&P 500 Index
HSBC FTSE All World Index Fund

Short term deposits under the management of the charity's professional investment managers are included in fixed asset Investments as they form part of the overall investment portfolio. The investment management fee for the year was £92,294 (2021: £90,975).

10 Stocks

	Total 2022	Total 2021
	£'000	£'000
Dispensing stocks	276	215
Other consumables	-	-
	276	215

Notes to the accounts (continued)

for the year ended 30 September 2022

11 Debtors	Total 2022 £'000	Total 2021 £'000
Fees receivable	4,352	4,391
Other debtors	155	91
Prepayments	604	462
Accrued income	215	568
	5,326	5,512

12 Creditors - Amounts falling due within one year	Total 2022 £'000	Total 2021 £'000
Trade creditors	732	430
Other creditors	378	365
Taxation and social security	687	650
Accruals	2,051	1,874
Deferred income (note 12.1)	184	897
Provisions and contingencies (note 12.2)	248	349
	4,280	4,565

12.1 Analysis of Deferred income	Total 2022	Total 2021
Opening balance	897	1,054
Changes during the year:		
Amounts released to the statement of financial activities	(897)	(1,054)
New income deferrals	184	897
Closing balance as at 30 September	184	897

Deferred income largely relates to the provision of patients' services which will be recognised in the forthcoming year.

12.2 Analysis of Provisions and contingencies	Legal Settlement Provision £'000	Total 2022 £'000	Legal Settlement Provision £'000	Total 2021 £'000
Opening balance	349	349	-	-
Changes during the year:				
Additions	-	-	349	349
Charges against the provision	(101)	(101)	-	-
Unused amounts reversed	-	-	-	-
Closing balance as at 30 September 2022	248	248	349	349

It is expected that the charity will be liable to pay the remaining legal costs £7k (2021: £103k) and settlement £241k (2021: £246k) relating to an existing court case within the next 12 months, for which a provision has been made.

Notes to the accounts (continued)

for the year ended 30 September 2022

13 Funds held as agent

The charity holds funds as an agent on behalf of its patients and residents. During the year £64,938 (2021: £50,093) was received and £68,382 (2021: £38,322) was paid out of this account. At the year end the balance held in this account was £177,019 (2021: £180,463).

The charity holds funds as an agent on behalf of beneficiaries of deceased employees entitled to death in service lump sum payments, payable under the Life Assurance Scheme. During the year £0 (2021: £374,834) was received and £0 (2021: £326,375) was paid out of this account. At the year end the balance held in this account was £390,810 (2021: £390,810).

14 Operating Leases	Total 2022 £'000	Total 2021 £'000
Rentals charged in the year:		
Land and Buildings	6	6
Plant and Machinery	34	32
Equipment	151	151
	191	189

	Total 2022 £'000	Total 2022 £'000	Total 2022 £'000	Total 2021 £'000	Total 2021 £'000	Total 2021 £'000
	Land and Buildings	Plant and Machinery	Furniture and Equipment	Land and Buildings	Plant and Machinery	Furniture and Equipment
Payments due on operating lease obligations						
Within one year	6	34	124	6	32	146
Within two and five years	-	92	1	-	113	74
Over five years	-	11	-	-	13	-
	6	137	125	6	158	220

15 Capital Commitments	Total 2022 £'000	Total 2021 £'000
Contracted for but not provided	296	108

16 Subsidiary and Connected Entities

The RHN owns the whole of the issued share capital of Royal Hospital for Neuro-disability Services Limited, a company registered in England with a paid up share capital of £1. The subsidiary has been dormant in the trading year to 30 September 2022 (Year end 2021 balance owed to parent £0).

Notes to the accounts (continued)

for the year ended 30 September 2022

17 Statement of funds

As at 30 September 2022	Fund balance				Pension scheme actuarial gains	Transfers between funds	Fund balance carried forward
	brought forward	Incoming resources	Resources expended	Investment gains			
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Unrestricted funds							
General funds	14,608	48,487	(46,675)	(1,589)	-	(1,234)	13,597
Pension reserve	-	-	-	-	-	-	-
Fixed asset fund	19,684	-	-	-	-	(231)	19,453
Planned capital expenditure	6,305	-	-	-	-	2,530	8,835
Planned maintenance	2,050	-	-	-	-	(908)	1,142
Total unrestricted funds	42,647	48,487	(46,675)	(1,589)	-	157	43,027
Restricted funds							
John Howard Convalescent Home	706	11	-	(64)	-	-	653
Research Department	104	9	(102)	-	-	-	11
Assembly Room Windows	44	38	-	-	-	(50)	32
Music Therapy Omega	188	-	-	-	-	-	188
Circadian Rhythm	25	-	(13)	-	-	-	12
Patient Beds	6	74	(6)	-	-	(9)	65
IT Suite	1	-	(1)	-	-	-	-
Pergola Garden Project	19	1	-	-	-	-	20
Training - HEE Mouthcare	14	-	(9)	-	-	-	5
Escorts	61	8	(10)	-	-	-	59
Patients Amenities/Patients without Relatives	18	2	-	-	-	-	20
Wheelchair Loan Store	55	1	(3)	-	-	-	53
Dental Equipment	29	-	-	-	-	-	29
Treatment of Mood & Wellbeing	30	-	(30)	-	-	-	-
Wellesley Ward Refurbishment	92	21	-	-	-	-	113
Habs House Equipment	35	5	-	-	-	(40)	-
DoC Emergence	34	-	(15)	-	-	-	19
Sensory Equip & Ward Activity	67	4	(13)	-	-	(13)	45
Shower Chairs	-	41	(2)	-	-	-	39
Large Ambulance 2	8	55	-	-	-	-	63
SW Hardship Fund	19	23	(6)	-	-	-	36
Other	221	379	(352)	-	-	(45)	203
Total restricted funds	1,776	672	(562)	(64)	-	(157)	1,665
Endowment funds							
Lopes Chaplains Stipend fund	8	-	-	-	-	-	8
Other endowments	852	-	(4)	(83)	-	-	765
Total endowment funds	860	-	(4)	(83)	-	-	773
Totals	45,283	49,159	(47,241)	(1,736)	-	-	45,465

Notes to the accounts (continued)

for the year ended 30 September 2022

17 Statement of funds (continued)

As at 30 September 2021	Fund balance				Pension scheme actuarial gains	Transfers between funds	Fund balance carried forward
	brought forward	Incoming resources	Resources expended	Investment losses			
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Unrestricted funds							
General funds	12,587	42,527	(44,172)	2,279	-	1,387	14,608
Pension reserve	-	-	-	-	-	-	-
Fixed asset fund	20,427	-	-	-	-	(743)	19,684
Planned capital expenditure	6,185	-	-	-	-	120	6,305
Planned maintenance	2,781	-	-	-	-	(731)	2,050
Total unrestricted funds	41,980	42,527	(44,172)	2,279	-	33	42,647
Restricted funds							
John Howard Convalescent Home	610	4	-	92	-	-	706
Research Department	184	24	(104)	-	-	-	104
Assembly Room Windows	42	2	-	-	-	-	44
Music Therapy Omega	188	-	-	-	-	-	188
Circadian Rhythm	54	-	(29)	-	-	-	25
Patient Beds	9	-	(3)	-	-	-	6
IT Suite	10	15	(24)	-	-	-	1
Pergola Garden Project	19	-	-	-	-	-	19
Training - HEE Mouthcare	23	-	(9)	-	-	-	14
Escorts	70	1	(10)	-	-	-	61
Patients Amenities/Patients without Relatives	27	-	(9)	-	-	-	18
Wheelchair Loan Store	39	29	(13)	-	-	-	55
Dental Equipment	29	-	-	-	-	-	29
Treatment of Mood & Wellbeing	30	-	-	-	-	-	30
Wellesley Ward Refurbishment	-	92	-	-	-	-	92
Habs House Equipment	35	-	-	-	-	-	35
DoC Emergence	20	31	(17)	-	-	-	34
Sensory Equip & Ward Activity	2	76	(11)	-	-	-	67
Other	203	368	(290)	-	-	(33)	248
Total restricted funds	1,594	642	(519)	92	-	(33)	1,776
Endowment funds							
Lopes Chaplains Stipend fund	8	-	-	-	-	-	8
Other endowments	744	-	(4)	112	-	-	852
Total endowment funds	752	-	(4)	112	-	-	860
Totals	44,326	43,169	(44,695)	2,483	-	-	45,283

Notes to the accounts (continued)

for the year ended 30 September 2022

17 Statement of funds (continued)

A summary of definition and descriptions

Name of fund	Description, nature and purpose of the fund
General	These are the 'available' funds of the charity, after transfers to or from any other/designated funds and contributions to the pension reserve.
Designated	<p>Reviewed on a rolling year basis, these are amounts appropriated within the unrestricted category for the continued development and maintenance of the charity's assets for:</p> <ul style="list-style-type: none"> Fixed assets funds represent the net book value invested in fixed assets. During the year the RHN transferred £231,000 (2021: £707,000 from) to its general fund from these designated funds. Identified planned capital expenditure is for works to be utilised within the next five years, During the year the RHN transferred £2,530,000 (2021: £120,000) from its general fund to these designated funds). During the year the RHN transferred £908,000 back to its general fund from designated funds (2021: £731,000) in anticipation of maintenance expenditure in the coming year.
Restricted	These are funds available only for the purpose under which they were received, unless permitted by the donor. Further described below:

Restricted Fund Description	Purpose of the fund
John Howard Convalescent Home	To provide support for necessitous members of the middle class and persons generally who are only able to make a small payment in return for convalescence and care
Research Department	Running costs of Research department
Assembly Room Windows	Replacement of the Assembly room windows
Music Therapy Omega	Funding of Music Therapy research project. Re-assigned to PhD research with plans to use funds over the coming years
Circadian Rhythm	Funding of research into prolonged disorder of consciousness
Patient Beds	Replacement of hospital beds and parts
IT Suite	Running costs of Compass department
Pergola Garden Project	Funding for grounds renovation projects
Training - HEE Mouthcare	Training in Dentistry provided by Mouthcare
Escorts	Funding for nurse escorts for leisure
Patients Amenities/Patients without Relatives	Funding for personal expenses of patients
Wheelchair Loan Store	Wheelchairs for Bio-Medical department
Dental Equipment	Funding for dental equipment
Treatment of Mood & Wellbeing	Funding for Research PHD
Wellesley Ward Refurbishment	Refurbishment of Wellesley ward
Habs House Equipment	Funding for Haberdashers House equipment
DoC Emergence	Funding for Research projects
Sensory Equip & Ward Activity	Funding for sensory equipment and ward activities
Shower Chairs	Funding for shower chairs
Large Ambulance 2	For maintenance of ambulances
SW Hardship Fund	For patients and relatives in financial need

Notes to the accounts (continued)

for the year ended 30 September 2022

17 Statement of funds (continued)

A summary of definition and descriptions (continued)

Restricted (continued) Other restricted funds is made up of 37 funds (2021: 41 funds) none of whose balances are over £26,000 (2021: £26,000) and they are for a variety of specific purposes.

Restricted funds for the John Howard Convalescent Home relate to the proceeds received on the agreed sale of a convalescent home in prior years. The asset was originally provided to the charity as a restricted fund.

Endowment

The income generated from these funds are used specifically to contribute towards the cost of chaplaincy services available at the Royal Hospital for Neuro-disability; and bequests which are required to be held as permanent endowments of the charity. Income generated on the latter is available for the general purposes of the charity.

Included under endowment funds are the following:

	Total 2022 £'000	Total 2021 £'000
Permanent endowment:		
Lopes Chaplains Stipend fund	8	8
Other Endowment funds	765	852
	773	860

Lopes Chaplains Stipend fund

This is a trust fund set up by the Rt. Hon. Sir Massey Lopes Bt to generate income to contribute towards the cost of chaplaincy services available at the Royal Hospital for Neuro-disability.

Other endowment funds

Other endowment funds represent several bequests which are required to be held as permanent endowments of the charity. The income generated by these funds is available for the general purposes of the Charity.

*Transfers are explained above with the exception of those in unrestricted fund which reflect the appropriation of pension reserves within unrestricted funds

18 Analysis of fund balances

	Unrestricted funds £'000	Designated funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2022 £'000
Tangible fixed assets	-	19,453	-	-	19,453
Fixed asset investments	6,480	9,977	653	773	17,883
Net current assets	7,117	-	1,012	-	8,129
Total funds at 30 September 2022	13,597	29,430	1,665	773	45,465

	Unrestricted funds £'000	Designated funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2021 £'000
Tangible fixed assets	-	19,684	-	-	19,684
Fixed asset investments	9,723	8,355	706	860	19,644
Net current assets	4,885	-	1,070	-	5,955
Total funds at 30 September 2021	14,608	28,039	1,776	860	45,283



Registration

Under the registration system of the Care Quality Commission and the regulations laid down by the Health and Social Care Act 2008, the Royal Hospital for Neuro-disability achieved its registration in 2010 and is therefore licensed to provide services under the regulations.

The Royal Hospital for Neuro-disability

West Hill, Putney, London, SW15 3SW

telephone 020 8780 4500
email info@rhn.org.uk
website www.rhn.org.uk

Registered charity number 205907



Royal Hospital for
Neuro-disability

ROYAL HOSPITAL FOR NEURO-DISABILITY

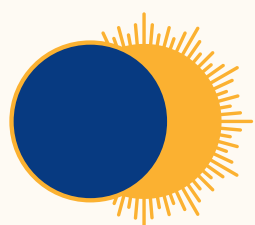
England & Wales - Charity number 205907

Accounts

ANNUAL REPORT AND ACCOUNTS

2020/21

Financial year ended
30 September 2021



Royal Hospital for
Neuro-disability

Our patron

Her Majesty Queen Elizabeth II

President

Leonora, Countess of Lichfield

Vice Presidents

Peter Malpas (deceased 29/06/21)

Ruth Maxwell

Shirley Palmer

Alan Sanders

The Mayor of Wandsworth (ex Officio)

Administrative details

Royal Hospital for Neuro-disability

Registered charity number – 205907

Royal Hospital for Neuro-disability (Services) Limited

Company registration number – 04570542 (Non Trading)

Principal address and registered office

Royal Hospital for Neuro-disability

West Hill

Putney

London SW15 3SW

Our Trustees and Executives

Board of Trustees

Des Benjamin – Chairman

Previously Group Chief Executive at SimplyHealth for 13 years; and President of the Institute of Customer Service.

Les Broude

Worked at Mars Snackfoods Europe, Barclays Bank and Premier Foods PLC, then became a Non-Executive Director and Audit Committee Chair at Buckinghamshire Healthcare NHS Trust. He is an honorary independent member of the Trust's Charitable Funds Committee. In addition, he is a Non-Executive Director of South Central Ambulance Service NHS Foundation Trust.

Mark Cooke

Currently leading a Financial Services Risk Utility start up, in conjunction with the ORX Association. Formerly, Group General Manager and Group Head of Operational Risk at HSBC and non-executive Chairman of ORX Association until 2020.

Dominic Fairclough

A partner in the personal injury and clinical negligence team at Russell-Cooke solicitors, whose expertise includes advocacy in Coroners Courts advising on clinical negligence and personal injury claims.

Christopher Foster (from 29 July 2021)

Retired as Bishop of Portsmouth in 2021 after over seven years as a member of the House of Lords. He has a lifelong concern for the wellbeing, support and care of the most vulnerable people in our communities, and for those closest to them.

Lynda Hamlyn CBE (from 29 January 2020 – until 26 April 2021)

Worked in and possesses extensive NHS and local government experience; she has been the Chief Executive of NHS Blood and Transplant until 2014 and before that, the Chief Executive at a number of NHS organisations.

Julie Harding – Vice Chairman

An HR professional working locally and internationally with HSBC before specialising in culture and change management at the Co-operative Bank and more recently, the House of Commons.

The Right Reverend Dr Christopher Herbert (until 29 July 2021)

Retired as Bishop of St Albans in 2009; now a respected lecturer in the ethics of end-of-life care, he was a member of the House of Lords Select Committee on Assisted Dying for the Terminally Ill. He is Visiting Professor of Christian Ethics at the University of Surrey.

Deborah Hill (from 22 April 2021)

Works as a Finance Director at Unilever PLC with international finance and risk management expertise

Anna Marks

A senior partner at Deloitte working with publicly listed corporates, and a member of the Deloitte Board and the Board of the CBI.

Dr David Mitchell – Vice Chairman

Medical Director and the Responsible Officer for the Hospital of St John and St Elizabeth, David was previously Medical Director at Imperial College Healthcare NHS Trust and Consultant in General and Chest Medicine at St Mary's Hospital London.

Hugh Rees (Treasurer)

Previously a non-executive director at Enigma Healthcare based in Singapore and formerly the Chairman and CEO of Wilkinson Healthcare.

Deborah Sanders

Chief Executive at Barnet Hospital, an executive director of the Royal Free London, and a registered nurse.

Shoib Ali Shah (from 22 April 2021)

Extensive knowledge in Racial Equality, Equal Opportunity and Diversity. A champion with 25 years of work experience both at local and national level.

Dr Yen Foung Tai

A consultant neurologist and honorary Clinical Senior Lecturer with a clinical and research interest in the treatment of movement disorders and neurodegenerative diseases.

Executive Directors

Paul Allen – Chief Executive

Ashraff Ali – Interim Medical Director (From 1 August 2021 to 2 November 2021)

Jane Beaven – Director of Fundraising and Communications

Frances Low – Director of Governance

Steven Luttrell – Medical Director (From 2 November 2021)

Michael Marrinan – Medical Director (until 31 July 2021)

Lesley Mill – Director of Service Delivery

Nanda Ratnavel – Director of Finance

Della Warren – Director of Nursing

Our Board committees

Audit and Risk Committee

Les Broude – Chairman
Mark Cooke
Julie Harding

Board Medical Committee

Dominic Fairclough
Dr Yen Fung Tai
Dr David Mitchell – Chair
Deborah Sanders

The Executive and senior clinical staff are also members

Chairman's Committee

Des Benjamin – Chairman
Julie Harding
David Mitchell – Deputy Chairman
Hugh Rees – Treasurer

Ethics Committee

Paul Allen – Chief Executive
Des Benjamin
Geoff Coyne – Hospital Chaplain
Dominic Fairclough
Christopher Foster (Chairman from July 2021)
Dr Andrew Hanrahan – RHN consultant nominated by the Chief Executive
Christopher Herbert – Chairman (until April 2021)
Michael Marrinan – Medical Director
Laurence Oates
Ali Shah
Della Warren – Director of Nursing

Finance Committee

Stephen Ford
Debbie Hill
Anna Marks
Hugh Rees – Chairman

Nominations and Remuneration Committee

Des Benjamin – Chairman
Julie Harding – Deputy Chairman
David Mitchell – Deputy Chairman
Hugh Rees

Patient Safety and Quality Committee

Yen Fung Tai
Julie Harding
Trudi Kemp
David Mitchell – Chairman
Deborah Sanders
Ali Shah

Research Advisory Committee

Professor Christine Collin (Chair) (Co-optee)
Mark Edwards (Co-optee)
Peter Garrard (Co-optee)
Jolanta Opacka-Juffr (Co-optee)
Mike Smith (Co-optee)

Our advisors

Auditors

BDO LLP
55 Baker Street London
W1U 7EU

Bankers

National Westminster Bank plc 153 Putney High Street Putney
London SW15 1RX

Insurance Brokers

Marsh Ltd,
Merlin House,
Brunel Road,
Theale,
RG7 4BY

Investment Custodians

Schroder & Co Bank AG Central 2
8021 Zurich Switzerland

Investment Manager

Cazenove Capital Management 1 London Wall Place
London EC2Y 5AU

Solicitors

Capsticks
1 St George's Road London SW19 4DR

Fieldfisher

Riverbank House 2 Swan Lane London EC4R 3TT

Stephensons

Wigan Investment Centre
Waterside Drive
Wigan
WN3 5BA

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Chairman's welcome

I had expected last year to be an extraordinary 'one off' year. I thought that we would see our way of life return to normal quickly during 2021. Well, that didn't happen. The global events that had disrupted most of the world's normal functioning continued for the whole of this financial year and are set to last well into 2022.



The COVID-19 pandemic has taken its toll on people across the globe. Nearly five million people have lost their lives and many times that number having suffered from longer term health issues that have persisted well after the virus has wrought its damage.

Countries have taken differing defensive strategies depending on where they are in the infection cycle and the consequent disruption to travel, trade and just about every other aspect of our lives has been unending.

As an example of how this impacts staff at a personal level, many come to us from all over the world and there has been no opportunity to travel to see family in their country of origin. It has been very hard on them, especially when relatives overseas have had health issues and travel has been prohibited.

However, at the RHN we are better off than last year in many ways. We have had a constant supply of all medical and protective equipment, indeed very few shortages of supply thanks to the efforts of our own teams and the heroic efforts of many of our suppliers, we thank them.

Also, we have had a better understanding of the transmission characteristics and sicknesses caused by the Covid-19 virus. We have therefore been more effective with our infection control measures: we had only one patient test positive for the virus between February and December 2021, although we are now dealing with infections arising from the Omicron variant. That is a remarkable achievement by our infection control team and all of our staff for the diligence with which they went about their duties.

We were particularly privileged to be able to access the new vaccines for our patients and staff in December last year. This has been an enormous help in resisting infection in the hospital and continues to be so to this day. All of our patients have been able to access booster shots to support their ongoing immunity.

In battling the pandemic this year we have therefore had a thoroughly successful year for our patients and residents, a true testament to the dedication of some fantastic RHN staff and volunteers.

Despite all the pressures of the COVID-19 situation we have also been able to make good progress elsewhere. I mentioned last year how disappointed we were to have our overall CQC rating reduced from 'Good' to 'Requires Improvement' but that we had resolved to earn back our 'Good' rating again by examining all our processes to see how we could make improvements across the board, especially in those areas that were considered sub par.

Well I am delighted to say that after our most recent inspection we have successfully achieved our 'Good' rating across all five areas that the CQC measures. It is in fact the best CQC inspection result we have achieved with the CQC since we were first inspected in 2014.

The Executive team, management and staff should be proud of their achievements, especially in the areas of Safeguarding and Leadership and particularly as they were achieved during the height of this pandemic with a myriad of other challenges facing them.

We are all keen to maintain this high standard of care and make further improvements that benefit our patients, residents and their families.

Financially, the pressures have continued during 2020 - 21. Achieving the bed occupancy we hoped for has been difficult and we have had to close bays in one ward to keep our costs down as income is bed occupancy dependent.

With extra costs for nursing and other support services as Covid sickness and isolation continued to be a feature of our staffing challenges this year, the ability to make a positive financial return at the 'hospital operating level' has eluded us this year.

Our fundraising team are also operating in a tough environment but they have still managed to raise close to £2 million despite having to suspend or cancel so many of our normal annual fundraising events. They pursue their challenge with great heart and resilience.

It is a testament to the finance team and their stewardship of our reserves that at no time have we had to make short term decisions that would prejudice our longer term prospects.

We expect these same challenges to persist next year but we are robust enough to meet them. Next year we also anticipate an inflation of wages and cost of supplies as is the case in all the world's markets. It helps that we are not financially leveraged, that our pension financing pressures are under control and that we have built solid reserves over the past five years.

Thankfully, because of our financial stability and the continuing support of our donors, we have been able to continue to invest in the provision of services to our patients and residents.

Our estate has benefited again this year from the completion of some of capital investment projects. Leonora ward has had eight bedrooms converted to being suitable for ventilated patients and combining it with the same management team that oversees Jack Emerson ward, we have created one of London's

Chairman's welcome (continued)

biggest units for patients who require a ventilator. We are really keen to continue to build this expertise in the years ahead.

Our continuous programme of improvements to our mechanical and electrical infrastructure has been maintained and we have continued to make improvements to our computer technologies such as the asset tracking database, our water systems, building roofs, car parks and many other important parts of our estates. When coupled with our ward development programme, it means we are keeping pace with our goal of having first class infrastructure to support our first class services for patients.

It has been a difficult year in which to govern the RHN through our committee and management structures.

For most of the year we have had to blend the use of face to face meetings with video conferencing in order to facilitate the ongoing management of the Hospital. Thankfully in October 2021 the Board of Trustees were able to meet in person for the first time since March 2020. While video conferencing has been a great enabler that has allowed things to keep progressing during the pandemic, the ability for us to meet each other in person has been extraordinarily refreshing.

That has been a very similar experience for many of the executive and management team meetings but we have learned to accommodate the short comings of video and operate the best we can in the circumstances.

One consequence of this is that we have differed progressing our strategic discussions during the last 18 months as it is difficult to progress meaningful discussions without being together in a single room. Thankfully, these discussions have now recommenced and we are actively engaged in setting the new framework for the next five years.

Pleasingly, we have lost little momentum during the Covid period as so much work was already underway but we will need to pick up the pace now on the important work of the strategy that has not had the dedicated attention it needs.

Let me turn now to a more fulsome vote of thanks to our staff, our volunteers, our suppliers and everyone else who has assisted the Hospital this year to achieve so much for our patients, residents and their families.

As they did last year, staff have stepped up to the mark this year right across the board. Our community of patients and residents have had the most fantastic year of care and support. With our fully established complement of specialist nurses covering areas like continence, end of life care, enteral feeding, tracheostomies and other disciplines; and therapists covering splint management, we are ever improving our skills in each of these important patient services.

They have complemented and supported our extensive range of rehabilitation therapies such as music therapy, art therapy, physiotherapy, speech and language therapy, occupational therapy, augmented assistive therapy, our dietetics, dental services, hair and podiatry services and of course our wheelchair and computer/technology services all of which do so much to enhance the lives of our patients and all of which have been so fundamental to keeping us going during the pandemic period.

Our research and training teams have delivered some outstanding courses and lectures this year, most of them on line. Our specialist conferences have been better attended than any we have had when attending in person was the only way people could take advantage of them. Some of our collaboration work has been delayed as face to face meetings

have not been possible but they will come back on track as society begins to open up.

We have continued to graduate more Putney Nurses and Healthcare Assistants through their specialist rehabilitation qualifications and we have a clearly defined pathway of progression for those Healthcare Assistants wishing to take their full nursing qualification.

So, in the round we have had a successful 2020 - 21 with regard to our patients, residents and families. We have continued pressures around our finances, bed occupancy and charity fundraising. We will push forward again with our strategy for the next five years and we will continue to work with the NHS, our regulators and local safeguarding teams to further improve our skills and standing within the healthcare system.

Next year it would be a bonus if we are able to get back to some of our 'normals'. For example we have missed out on our yearly RHN events and celebrations like Founders day and the Summer Festival, gatherings where we enjoy being able to congregate as a Hospital community. These events have been sorely missed as they are a part of the fabric that helps define our community.

I have already mentioned that restricted travel opportunities have kept staff from seeing their distant families but it has also prevented many people from having a well earned holiday and a lifting of travel restrictions would help lift spirits I am sure.

It is our goal to steer the RHN back to operating profitability even with the pressures I referred to earlier.

I also believe it will enhance everything that we do when we can reopen the Hospital to more frequent visiting for our very patient and tolerant families and it will be good to press forward with our strategy for the next five years.

We entered this pandemic ahead of others as we perceived the threat to our patients was extremely serious. Breaking out of our defensive systems and controls that have kept people safe is not as easy as it first appears and we will do it with due caution. Protecting our patients will continue to be our number one priority.

I am confident we have an incredibly capable and competent executive and management team in the RHN who will navigate the issues that arise with skill and dexterity, so that we can begin again to enjoy so much of what makes the RHN such a special place.

As always, everyone who has made a contribution to our difficult but undoubtedly successful year, has my profound thanks.

Take care,



Des Benjamin
Chairman

8 February 2022

Chief Executive's introduction



At the start of the financial year in October 2020, the RHN was going through a difficult period with its regulator, the CQC, having had its overall rating downgraded to “requires improvement”; and having come through the first phase of the COVID-19 pandemic, was stable but in a position of uncertainty as to what the impact of a second wave of COVID-19 would be.

With another year having gone by, the RHN is in a very strong place and we can look back with great pride with what has been achieved in respect of each of the above areas over the last twelve months.

As far as the CQC is concerned, we have put much effort into addressing the issues raised in their report arising from the February 2020 comprehensive inspection, in particular in the area of safeguarding, where we appointed a new safeguarding lead and implemented a new safeguarding policy.

In September 2021 the CQC returned to the RHN, unannounced, to reinspect the two domains that had been rated as “requires improvement” – Safe and Well led. I am delighted that in the recently published inspection report, these two domains have now been rated as “good”, meaning that all five domains now have a “good” rating, giving us an overall rating of “good”. I think this result is well deserved and is a testament to the hard work and effort put in by all our staff.

As far as the 2nd wave of Covid was concerned, the RHN did suffer some infections, and sadly deaths, although the mortality rate was lower than in the first wave and our infection control measures prevented a hospital wide outbreak. When the first vaccine arrived in December 2020 we were early adopters both for patients and staff, and

I am pleased to be able to report that we only had one patient infection between February 2021 and December 2021, which in my opinion illustrates the benefit of the widespread vaccination of both patients and staff. At the time of writing, 94% of staff have had at least one dose of a vaccine. In December 2021 we were then affected by the new COVID variant, Omicron, which has resulted in over 30 patient infections and 120 staff infections. However, the clinical impact has been far less than in the previous waves of infection, with many positive cases being asymptomatic, and no serious illnesses or deaths. COVID-19 has of course had a massive impact on the extent to which relatives have been able to visit their loved ones: our patients and residents. I am pleased to report that during the year, we have been able to progress from a position of no visiting (other than exceptions) to visits being possible three times per week. This limitation remains whilst COVID-19 continues to circulate in the community.

The COVID-19 pandemic has had an inevitable negative effect on RHN finances, although prudent management of our finances has resulted in a slightly positive figure for earnings before interest, tax, depreciation and amortisation at the year end when depreciation is excluded from the net loss before gains and losses. Under the circumstances, this is an extraordinary result. One significant reason for the negative impact



Chief Executive's introduction (continued)

is the reduction in patient volume, for various reasons. In the short term this led to the partial closure of two wards and recent focus has been on filling spare capacity, with some gradual success.

The impact of COVID has meant a slowdown but not a halt, to our programme of investing in our infrastructure. Six, soon to become eight beds on our Andrew Reed ward have been converted to beds for patients requiring ventilation. Adding this to the capacity in the Jack Emerson Centre means that we now have twenty - four ventilated beds in a service in which we have great expertise and for which there is growing demand.

One project which has been on hold for more than a year now is the refurbishment of Wellesley ward, which is due to be the next major project in our ward refurbishment programme. This work is now anticipated to start in the spring of 2022.

There has only been one change to the executive management team during the year 2020/21, with the retirement of medical director Dr Michael Marrinan at the end of July 2021. Dr Ashraff Ali took the post on an interim basis until 1 November 2021, when the new permanent medical director Dr Steven Luttrell took up his post.

I am delighted that within the new matron structure of five matrons, four have been promoted from within, internal promotions are always a sign of the organisation's people development programme being in good health.

Twenty - five senior managers (largely directors and their direct reports) took part in a one week leadership development course run by the University of East London. This important personal development initiative with focus on strategy creation has been particularly timely because the board, executive team, senior managers and others have commenced the creation of a revised strategy for the RHN which should be published in the first half of 2022.



I believe the RHN is coming out of an extremely challenging twelve months, part of a very difficult two years starting with regulatory action and the COVID-19 pandemic, in very good shape. For many members of staff, working through the pandemic has presented unprecedented challenges but all our staff have risen both to this and the requirements

of the regulator, to get the RHN into a strong position. I believe that morale is generally good and has been undoubtedly buoyed by the CQC inspection result.

The RHN is now in a place where it can look forward to an exciting future. This is a perfect time to be refreshing our strategy which I think will be a 'resetting of the sails', rather than a change in direction as we take account of everything we have experienced and learned over the last two years.

I would like to thank all our staff for their hard work and commitment in the last year. Similarly, our many volunteers should be thanked. Many thanks to our Board of Trustees, who have been extremely supportive of the executive team and myself during this period. And special thanks to my excellent team of executive directors, who have led the RHN into the position it is now in.

Paul Allen
Chief Executive

8 February 2022

Report of the trustees

for the year ending 30 September 2021

The Trustees are pleased to present their annual report, together with the financial statements of the charity for the year ended 30 September 2021.

The financial statements comply with the Charities Act 2011 and the 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) (effective 1 January 2019).

Our purpose

The charity's object is to give permanent relief to such persons as are hopelessly disqualified for the duties of life by disease, accident or deformity. The charity aims to enable people with profound or complex disabilities, resulting from damage to the brain or other areas of the nervous system, to enjoy an optimal quality of life through enhanced independence.

Public benefit

The Royal Hospital for Neuro-disability's trustees have considered the Charity Commission's published guidance on public benefits requirements under the Charities Act 2011.

The Charity carries out its objects and activities through:

- contracts with NHS England to provide rehabilitation to adults following catastrophic brain injuries;
- contracts with Clinical Commissioning Groups and others to provide care to adults who, following brain injury, require continuing specialist and complex care; and
- fundraising in order to enhance the care and wellbeing of patients and residents, by improving facilities available to them, developing and providing therapies such as occupational art and music therapies, offering recreational and social events, and providing pastoral care to all – whatever their faith or background.

Our charity

Founded by Andrew Reed in 1854, the Royal Hospital for Neuro-disability (RHN) is one of the oldest independent hospitals and charities in the UK; today we are a charity hospital and research centre.

Our charitable status enables us to raise funds for a variety of specialist services that complement the NHS funded care package received by our patients and residents. These services broadly cover our Brain Injury Service and Continuing Care Service, both aimed at improving the quality of life for our patients and residents living with severe neurological disabilities.

As a medical charity with a holistic approach to treatment, we take great pride in delivering excellent work in the areas of assessment, rehabilitation and specialist care to some of the most disabled adults in the UK, as well as support to their families.

Fundraising

As a charity we receive donations from a range of supporters including individuals, trusts and foundations and companies as well as those who choose to leave a gift in their will.

Voluntary donations play a vital role in enabling us to provide additional therapy and recreational services that boost quality of life for patients and residents at the hospital, as well as providing support for families. Some of these additional services include:



**assistive technology
service**



**music
therapy**



**occupational
art therapy**



**leisure and family
services**



**specially-adapted
wheelchairs and mobility
equipment**



chaplaincy service

Voluntary income raised also goes towards training our invaluable volunteers, funding research and specific refurbishment works. 2020/21 was a challenging period for fundraising, as the ongoing impact of the COVID-19 pandemic meant some of our income streams continued to be hit hard, resulting in a reduction in income.

However, grant giving has seen some recovery, with income through this stream up by 48% on the previous year and individual support through our direct mail programme saw an 18% increase on the previous year's achievement. Correlating to the increased support in individual giving we saw growth in income related to gift aid, online initiatives and Christmas card sales. We are hugely grateful to the donors who have responded to our calls for support through this challenging time.

We would like to give a special mention to The National Lottery Community Fund which awarded a £206,222 Reaching Communities grant to CoDa Dance Company in partnership with the RHN, to expand the provision of neurology dance sessions for patients and residents across the hospital over the next three years. We also acknowledge the support of funding from the National Lottery Heritage Fund.

We continue to be committed in delivering best practice in our Fundraising and as such are registered with the Fundraising Regulator (FR) and continue to adhere to its code of practice for charitable fundraising in the UK. Furthermore, with our compliance to the GDPR guidelines and our online privacy notice (www.rhn.org.uk/help/privacy), we are able to give much more information about the gathering, handling and use of personal data by the RHN; all aimed at assuring the public, our supporters and those in our care of our respectful, accountable, open and transparent approach to fundraising. With continuing awareness of the importance of supporter engagement and the processing of personal data, we are pleased to report that there has been no complaints made in this period, with reference to our work.

Activity at the RHN in 2020/21

Statistics	2021	2020
Admission to the hospital	203	198
Bed Capacity		
Brain Injury Service (exc. DToC)	42	42
Delayed Transfer of care (DToC)	6	6
Continuing Care	187	188
Aggregate bed capacity	235	236
Annual Bed Occupancies		
Brain Injury Service (exc. DTOC)	40	39
Delayed Transfer of Care	1	3
Continuing Care	164	168
Aggregate bed occupancy	205	210
Patients treated within the BIS	143	123
Percentage occupancy rate BIS inc. DTOC	85%	88%
Percentage occupancy rate BIS excl. DTOC	95%	93%
Percentage occupancy rate CC	88%	89%

The RHN had 203 admissions in 2021 (2020: 198). The hospital splits its services into two main categories; The Brain Injury Service and Continuing Care.

The aggregate bed capacity for the RHN in 2021 was 235 (2020: 236) of which Brain Injury Service was 48 (2020: 48) and Continuing Care 187 (2020: 188). The decrease in Continuing Care bed occupancy is due to the impact of COVID-19 on admission and discharge flow. The aggregated bed occupancy for RHN was 205 (2020: 210).

The Brain injury unit has 6 beds available for use outside of the NHSE contract. They can accommodate any delayed transfers of care and spot purchase rehabilitation packages for both the NHS and private patients with rehabilitation requirements.

Excluding Delayed Transfers of Care, the average length of stay in the Brain Injury Service was 17.2 weeks (2020: 17.9 weeks) and percentage occupancy was 95%. (2020: 93%).

The last reconciled annual outcome data for the Brain Injury Service is for the period April 2020 to March 2021.

In terms of responsiveness we continue to aim to process referrals within the 14 day target. Infection control procedures in place for COVID-19, along with an increase in demand for beds particularly in the London area resulted in a slightly longer assessment to admission timescale.

The complexity of our patients is recorded on admission and our scores show we continue to take severely impaired patients when compared with many other units.

Continuing Care Indicators

There were 23 discharges from Continuing Care (2020: 25). The data for discharges only includes home discharges and excludes respite discharges, deaths, discharges to acute hospitals and discharges to other services.

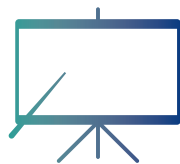
There were 77 unplanned temporary admissions made to acute service (2020: 163) and Continuing Care had a percentage occupancy rate of 88% (2020: 89%).

Research and innovation

The research and education work at the RHN, continues to be impacted by the COVID-19 pandemic. However, we have successfully migrated our events, training and lectures online. Online events enable us to reach a wider audience.

The open lectures are recorded and made available on the RHN YouTube channel thus available to a broad range of people. Our recorded webinars have been viewed by around 2,000 people. Due to these successes, we are planning to continue to run most of our events online in the next year.

During this year, we hosted:



eleven
open lectures



ten training
courses



over 1,900 delegates
on courses

This year we also successfully ran our first SMART online course. The Sensory Modality Assessment and Rehabilitation Technique (SMART) is an award winning standardised, clinical investigative tool, pioneered at the RHN.

The SMART has been clinically designed and developed for the assessment and rehabilitation of people with prolonged disorders of consciousness following severe brain injury. It provides a detailed assessment and investigation of behavioural responses to a range of stimuli that enables the development of a measurable intervention and/or management strategy. Its precision has made it one of the assessment tools of choice as recommended in the Royal College of Physicians (RCP) national clinical guidelines (2020).

The RHN took part in the Association of Medical Research Charities' (AMRC) 5 year peer review audit. As a condition of membership, all members are expected to have high quality funding mechanisms. This is done by adhering to the principles of peer review. External organisations look to AMRC membership as a hallmark of quality in research funding.

The outcome was delivered in May 2021 and the RHN successfully passed the audit showing that we adhere to best practice in medical and health research peer review.

Research

Dr Elena Olgiati, one of our Clinical Psychologists, has been successfully accepted onto a London wide postdoctoral research scheme at London South Bank University. The aim is to help Dr Olgiati prepare a competitive research application to submit to the National Institute for Health Research so that she can develop a career that combines clinical practice with academic work. Dr Olgiati is hoping to develop a project that will benefit patients in disorders of consciousness and their families.

Papers published during the year:

Wilford S, Howard A (2020:) How do we build a picture of a patient in prolonged disorder of consciousness? *Neuropsychol Rehabil.* Dec;30(10):2067-2077.

Pundole A, Varley R, Beeke S. (2021) Assessing emergence from a prolonged disorder of consciousness: Current opinion and practice in the UK. *Neuropsychol Rehabil.* Aug;31(7):1003-1027.

Leisure and Families Service (LaFS)

Due to the COVID-19 pandemic, LaFS has been unable to continue many of the larger group activities it used to run such as aquability, the gardening group and moving to music.

Since March 2020, members of the LaFS team were instead, usefully redeployed as urgent 'RED Runners' within the RHN receiving, moving and delivering essential supplies and equipment during a very busy period with a number of other staff either isolating or working from home.

We have begun a process of reimagining LaFS as a Therapeutic Leisure Service with a focus on offering ward based activity groups based on the interests of residents. Currently, the groups and one to one sessions are based within the Specialist Nursing Home wards and led by the LaFS coordinators. As greater numbers of volunteers are brought into the building the plan is to roll the new service out across the hospital.

With help from the fundraising department we have managed to secure ongoing funding for the CoDa dance group and they are currently able to offer weekly groups on five wards across the RHN and have recently secured funding for a trial at Haberdashers House our young persons' centre.

Church services had to adapt and change the way they were delivered across the hospital over the year. During the 2020 lockdown, services were run using teleconferencing technology however since March 2021 the Chaplain and his team of volunteers have run a Thursday church service on Chatsworth ward and delivered separate ward based church services to eight wards on Sundays. The Chaplain has also recently restarted a Friday service for a small group of residents.

Saturday concerts resumed in August 2021 but at a reduced capacity to maintain social distancing, these are run on a three weekly rolling rota for different wards to attend and are held from 2 to 3 pm in the Assembly Room.

Massage therapy services started again in June 2021 and are continuing to accept new referrals.

The hairdresser has reopened services two days per week.

During the recent refurbishment of the Assembly Room the audio/visual equipment was removed but not reinstalled, therefore it currently cannot be used for film screenings. Quotes have been obtained for new equipment and the Fundraising team currently is running an appeal to help raise funds for this purchase and installation. Curtains or alternative light and sound filters for the glass within the doors to the Assembly Room are also being considered.

At the time of writing, we are still planning to resume some outings when it is safe to do so as these were very popular.

The pool remains closed and although we would like to reopen it, there is no clear timeline for when this will happen.



Volunteers

The number of active volunteers as of 1st October 2020 was 14.

The total number of volunteers in the year to 30 September 2021 was 51 (2020: 133), including 21 new recruits.

The current number of active volunteers as of 30 September 2021 was 39 (2020: 49).

Donated services received from volunteers are not included in our Statement of Financial Activities as the charity does not pay to obtain these services in the course of carrying out core activities. There is no economic benefit that requires the value of this gift to be recognised.

Managing our risks

In order to minimise or eliminate risks to the charity during the 2020/21 financial year, potential risks are and continue to be identified and regularly reviewed by both the Executive team and Trustees.

The RHN identifies its principal risks as: patient safety and wellbeing, COVID-19, and financial risks. The principle safeguarding risk is now well controlled. The RHN's response to the COVID-19 pandemic has demonstrated the robustness of its infection control measures, but vigilance continues to be crucial. The RHN's finances have been impacted by events in particular the challenges of the pandemic, but have proved resilient, and robust plans are in place to ensure continued stability and growth. Board committees keep these risks under review, and the Audit and Risk Committee reviews all significant risks quarterly before consideration by the Board.

The Coronavirus and COVID-19

The hospital is managing the effects of the coronavirus, thanks to the imposition of strict rules for staff and visitors. Building on its experience of the first wave of the pandemic in early 2020, the RHN continues with robust infection control measures in order to keep patients and residents safe while at the same time ensuring that they can enjoy visits from their families and access to recreational activities.

The majority of RHN staff are fully vaccinated against COVID but a small minority are not. The RHN will continue to provide the highest level of encouragement and support to staff to accept the vaccine. The RHN will be required to comply with regulatory requirements as they are brought in. Risk assessments have been done, and unvaccinated staff will only be allowed to work where additional safeguards, such as daily lateral flow tests, have been put in place which protect patients and other staff members.

We identified staff wellbeing as a particular risk and this continues to be addressed through a staff wellbeing and support programme.

The pandemic led to a reduction in occupancy levels but these are recovering steadily. The impact on fundraising in the year, was severe but since the year end this has also begun to improve.

While our ability to respond to the challenges of the pandemic so far leads us to be optimistic that we will be able to react positively to any further developments, given the uncertainties of the situation we continued to rate this as one of our top risks throughout the year. We are keeping the situation under constant review.

Quality of care

The RHN has numerous controls to ensure that it implements appropriate standards of safety and care. These include:

- policies and guidance which are regularly reviewed and updated;
- processes for disseminating national alerts and guidance;
- weekly ward quality audits;
- clinical audits which are reviewed by the Clinical Audit Committee;
- reporting of incidents on the Datix recording system;
- reviews of trends by the Clinical Risk and Incident Committee;
- reviews of all patient deaths by the Mortality Review Committee;
- appropriate mandatory learning for all levels of staff (including agency staff); and
- external assurance through processes involving the Wandsworth Adult Safeguarding, NHS England, and the commissioners of the RHN's services.

The RHN encourages feedback from patients, residents and visitors, and conducts and learns from the annual Patient and Relative survey.

The RHN as a regulated healthcare provider is required to be subject to periodic inspections by the Care Quality Commission (CQC). A comprehensive inspection conducted in February 2020 resulted in the RHN being awarded a rating of 'Requires Improvement' but with no "must do" actions. An action plan was swiftly implemented and a further CQC inspection in September 2021 has resulted in the two "requires improvement" domains being rated "good" and the overall reinstatement of the RHN's "Good" rating.

Risk registers (clinical and medicines) are updated monthly and incorporated in the corporate risk register which is reviewed monthly by the Executive Management team. The RHN has introduced a further level of scrutiny with a six monthly presentation to a wider management team on specific areas of risk. The RHN's Board Committee with oversight of safety and quality of care and the review of the clinical risk register is the Patient Safety and Quality Committee. The Patient Representative Committee (chaired by a trustee and including representatives from patients and families of all wards) raises concerns which are then acted upon and reported back to the committee.

Managing our risks – continued

Recruitment and retention of staff

During this financial year, we are still seeing the benefits of the overseas nurse recruitment campaigns from 2019. However, with the COVID-19 pandemic, recruitment from overseas slowed considerably with only 14 nurses coming on board in the year. We have also lost 5 and further 7 are due to leave to work for other hospitals. Out of a sum total of 55 nurses brought in from abroad, our overall total will drop to 43.

In addition to registered nurse recruitment, health care assistant (HCA) recruitment continued throughout 2020/21 with the addition of a fast track process to onboard HCAs quickly to keep agency costs down. 36 HCAs have been recruited in 2020/21. The RHN is now far less dependent on agency nurses and HCAs than previously.

It is anticipated that more overseas nurses will be recruited from within the existing pipeline from the Philippines campaign; other areas including India, are being considered.

As well as overseas campaigns we have a pipeline for newly qualified nurses, which is constantly under review.

Staff Support

During 2020/2021 the RHN has continued to place great importance on engagement amongst its workforce. Various initiatives have now been launched and proving successful in supporting and engaging our workforce. An example is Pride@RHN (The LGBTQI+ staff network) which is working on various campaigns to support staff.

The RHN has introduced a mediation service for staff who can now request direct access for mediation. Cases that were mediated have ended with positive outcomes.

Work is ongoing with introducing a series of bespoke training videos addressing specific issues that have arisen from the last two years' staff surveys. These will be rolled out to the organisation in the first quarter of 2022.

The RHN launched a wellbeing hub 'Here for you and your wellbeing' on the intranet in the first quarter of 2021 where staff are able to access various support made available from both internally and externally to the RHN.

Planning is underway for a staff engagement roadshow to take place in January 2022, which aims to increase employee understanding of the various ways the RHN seeks to engage and support its employees. Stalls will include the following:

- Mental health first aiders
- Wellbeing – 'Here for you' (signposting from our intranet)
- CIC – EAP service
- Pride@RHN (The LGBTQI+ staff network)
- BAME staff network
- Chaplaincy (pastoral care)
- Speak up
- Staff mediation service





The Putney Nurse and Healthcare Assistant programmes continue to thrive. This year the programme had a short break due to the pandemic but the time was used to refresh the programme, taking a blended approach. The programme relaunched in the new format in May 2021 for registered nurses and July 2021 for healthcare assistants with resounding success and the feedback has been both complimentary and informative with regard to future improvements.

Preference has now been expressed for the programmes to be conducted in person rather than a blended approach and this will be discussed and explored further during the first quarter of 2022. An important consideration is that the blended approach not only ensures sustainability of information but is also a response to the changing nature of organisational learning.

The Learning Management System celebrated its first birthday in October 2021 and continues to push the opportunities available to all staff. This year has seen the introduction of clinical skills – IV Therapy and Safe Medicines Management. All training is now housed on the LMS, meaning that there are over 50 live modules, with many more being developed in the coming year. The second phase of the project will see the introduction of non - mandatory training focussing on staff wellbeing, leadership and management and the development of Microsoft office skills, as well as access to the RHN Blinklist library.

Speak Up Guardian

The annual staff survey shows that awareness of how to raise concerns is high. To facilitate the opportunities further for staff to raise issues, we have identified a confidential phone line service, and Protect has been appointed to provide safe and confidential advice to staff in raising concerns. Training will take place throughout 2021/22 for the Speak Up Guardian and for Managers.

Financial sustainability

In order to improve and provide the highest quality of care to patients and residents, the RHN recognises the need to maintain financial stability and to continue to attract donations, legacies and other fundraised income in order to invest in its facilities and equipment.

The RHN recorded net losses before gains and losses for the financial year ending 30 September 2021 but year end reserves continued at satisfactory levels. Our budget for the financial year ending 30 September 2022 again anticipates the residual impact of COVID-19 with a deficit between income and expenditure anticipated but continued satisfactory reserve levels. Further to the budget for the forthcoming financial year, the five year financial plan to the year ending 30 September 2025 approved by trustees sees improving surpluses and cash balances while the RHN continues to invest in its infrastructure in order to improve services to patients and residents.

The RHN's primary sources of funding are NHS England, NHS Clinical Commissioning Groups and Local Authorities. Though NHS bodies receive annual increases with which to pay the RHN for its services, these are not sufficient to meet all the RHN's cost pressures. In order to mitigate such funding shortfalls, the RHN continues to work in partnership with commissioners to negotiate adequate contractual agreements over time spans of greater than a year that help provide financial stability whilst the RHN reduces or defers costs and increases efficiency. A remaining uncertainty is that the block contract for rehabilitation services with NHS England is likely to be broken up with effect from April 2022 with responsibility passed to proposed Integrated Care Systems. The RHN aims to fully engage in negotiation with these new commissioners.

The drive to maintain financial sustainability includes investment in technology, equipment and the estate, with which to provide the highest standards of care and generate income. During 2020/21, the RHN brought into use the expanded ventilated and medical gas capacity on Leonora ward, completed important roofing and drainage repairs, started comprehensive asset tagging across the organisation; and has commenced feasibility studies to improve water infrastructure, lifts and staff accommodation.

The RHN has sufficient reserves for the foreseeable future, and has a five year financial plan as part of its corporate strategy. Further disclosures are available within the financial review and note 1.2 of our accounting policies.

The RHN's Committee with oversight of finances is the Finance Committee.

Financial review

The RHN reported an overall net surplus in funds for the year of £0.96 million (2020: £1.28 million net deficit) comprising the following

	2021 £m	2020 £m
Hospital		
Patient Income	41.00	40.63
Patient Expenditure	(42.85)	(42.08)
Deficit from Hospital Activities	(1.85)	(1.45)
Voluntary and Other Activities		
Income		
Donations and Other Fundraising	1.88	1.96
Other Income	0.29	0.40
Income from Voluntary and Other Activities	2.17	2.36
Expenditure		
Fundraising Expenditure	(0.78)	(0.96)
Voluntary and Other Expenditure	(1.06)	(1.13)
Expenditure of Voluntary and Other Activities	(1.84)	(2.09)
Surplus from Voluntary and Other Activities	0.33	0.27
Hospital and Charitable activities	(1.52)	(1.18)
Net Income on Pension Scheme	-	-
Net Gains / (Losses) on Investments and Fixed Assets	2.48	(0.10)
Net Surplus / (Deficit)	0.96	(1.28)

The RHN receives the majority of its income for patient care from NHS England (for Brain Injury Services) and from Clinical Commissioning Groups and some Local Authorities (for Continuing Care). COVID-19 has compromised occupancy levels and adversely affected income for patient care. The charity has also seen a decrease in donations and legacies of 1%.

Income from donations, legacies and fundraising events is £1.9 million (2020: £2.0 million) analysed as follows.

Donations, legacies and fundraising received for charitable expenditure during the year ended 30 September 2021

	30 September 2021		30 September 2020	
	£'000	£'000	£'000	£'000
Unrestricted		1261		1,251
Restricted				
(1) Additional therapies and services	167		260	
(2) Purchase of specialist equipment	132		32	
(3) Research and education	67		105	
(4) Specific redevelopment and refurbishment of hospital buildings	221		149	
(5) Covid crisis response	33		161	
		620		707
		1,881		1,958

The RHN's fundraising activities are overseen by the Fundraising Regulator (FR) whose responsibilities include ensuring the charity records all complaints, completes an Annual Complaints Returns Report and displays the FR logo. These convey our commitment to complying with legislation as well as building trust with supporters of the charity.

Expenditure on charitable activities

The RHN was very successful in recruiting nurses from overseas during 2018/19 and these staff commenced their employment with the hospital during 2019/20. Furthermore, some more overseas nurses were recruited in 2019/20 who commenced their employment during 2020/21. Together, this has meant a significant reduction on reliance on agency staff and associated commission premiums notwithstanding the continued challenges posed by COVID-19.

The RHN continues to demonstrate its commitment to its staff through paying competitively, ensuring nobody is paid below the London Living Wage; and by providing staff development opportunities.

Investments	30 September 2021 £ million	30 September 2020 £ million
Net gains/(losses) during the year	2.48	(0.10)

The RHN invests funds surplus to working capital requirements in a portfolio managed by Cazenove Capital Management, Schroder & Co Ltd.'s charity division. They place investments based on asset allocation ranges previously agreed by the RHN's Finance Committee, who review the Charity's investments during the course of the financial year. Investment income during the year was £0.29 million (2020: £0.40 million). The overall performance reflects the general economic climate and remains largely outside the day to day control of the RHN.

Staff pension scheme	30 September 2021 £ million	30 September 2020 £ million
Net actuarial gains on the defined benefit scheme	0.00	0.00

The results above pertain to the RHN's defined benefit pension scheme which was closed to new members in 2001 and existing members in 2006.

As at 30 September 2021, the defined benefit pension scheme was in surplus but as it is not recoverable, was restricted to zero in the disclosures (30 September 2020: zero). The surplus of £8.7 million (2020: £4.9m surplus) in the scheme is not available as a refund to the RHN and is therefore deemed to be irrecoverable under FRS102.

The RHN continues to run a defined contribution scheme for its employees which was transferred to an Aviva Master Trust in October 2019.

Reserves

Reserves are held to help the charity operate effectively in accordance with the Charity Commission's guidance. The Board has carried out a detailed review of the charity's activities, identified the major risks the RHN is exposed to and produced a financial risk assessment.

Free reserves are intended to cover the following:

- Adverse movements in cash flow.
- A shortfall in income net of fees payable.
- A shortfall in voluntary income.
- Falls in the realisable value of investments.
- A contingency against business interruption.

After carrying out a review of the risk areas stated above, the RHN Board of Trustees has determined a range of £11 million to £13 million (2020: range of £11 million to £12 million) of free reserves as being a minimum operating level for three months.

At 30 September 2021, the reserves were as follows:

- Free reserves of £14.6 million (2020: £12.6 million) after accounting for the defined benefit pension scheme as per FRS102 are greater than the minimum operating level required for three months.
- Designated funds of £28.0 million (2020: £29.4 million) representing the net book value of the RHN's fixed assets of £19.7 million (2020: £20.4 million) together with £2.0 million (2020: £2.8 million) for planned maintenance and £6.3 million (2020: £6.2 million) for future capital expenditure on the hospital buildings and equipment.
- Combined restricted reserves of £1.78 million (2020: £1.59 million) include £1.07 million (2020: £0.98 million) in cash required to fund specific projects.
- Endowment funds of £0.86 million (2020: £0.75 million).

The sum of the above gave total reserves of £45.3 million (2020: £44.3 million).

Further details of these reserves are disclosed within the statement of financial activities and balance sheet on pages 28 and 29; and in note 17.

Going concern

The RHN is a public benefit entity, and its Board has set out a review of financial performance and the charity's reserves position. At the 30 September 2021, the RHN reported free reserves of £14.6 million (2020: £12.6 million), net current assets of £6.0 million (2020: £6.6 million), and a net cash outflow of £1.3 million (2020: £3.1 million inflow) for the year. The change in cash flow between the two years was largely because of the closure of the deposit account at the investment bank and the transfer of funds to the hospital's current account in 2019/20. Further to this, the hospital has reported an operating deficit before interest and investment gains in 2020/21.

As at 30 September 2021, the defined benefit pension scheme was in surplus but as it is not recoverable, was restricted to zero in the disclosures (30 September 2020: zero). The surplus in the scheme is not available as a refund to RHN and is therefore deemed to be irrecoverable under FRS102. The RHN's strategy of funding any residual obligation in order to eliminate any future deficit remains.

The ongoing effect of COVID-19 has also been assessed by the trustees prior to January 2022, reviewing the organisation's ongoing forecasts and projections to ensure that the organisation remains financially viable. This assessment is described more fully below.

With regard to the year ending 30 September 2022, the most significant areas that are likely to affect the charity's net assets are levels of income, expenditure on services and capital investment.

Occupancy levels that saw falls during the height of the pandemic and some recovery during 2020/21 are expected to return to normal but only during the latter part of 2021/22. Lower than full occupancy will adversely affect patient related income though it will be partly offset by reduced patient related expenditure. Further ventilated beds are being added to Leonora ward which provide even more opportunity to accept patients with complex respiratory needs that will bring additional income.

Fundraised income continued to be adversely affected in 2020/21 because of the pandemic. It is likely that there will be some recovery during 2021/22 but not to pre pandemic levels.

In setting the budget for 2021/22, the trustees have again made some difficult decisions to defer costs. As a key service, we will ensure that the Brain Injury and Continuing Care services will operate as normal. In the event of another wave of COVID-19, continued and further social distancing measures and rigorous hygiene procedures will be followed.

The RHN's budget for 2021/22 and financial plan for 2022/23 were incorporated in its five year financial plan 2021/26 approved by the Board in July 2021. The assumption relating to patient income and related costs in the first two years of the plan was that having seen an adverse impact on occupancy in 2020/21 due to COVID-19, it would take all of 2021/22 before occupancy returned to normal levels. Patient income and related costs were modelled accordingly. In addition, the success of a cost deferral programme was assumed as was achieving a more modest level of fundraised income.

In order to explore the sustainability of the RHN, a financial stress test exercise was conducted with the above assumptions altered to model more adverse conditions in 2021/22 and 2022/23. With these changed assumptions, a consequent impact was seen on income and expenditure, cash balances and reserves in 2021/22 and 2022/23.

In terms of cash, in order that the RHN retained desired cash balances at the end of the two financial years in question, without curtailing spend, it would be necessary to transfer from investments to the current bank account. It is anticipated that investments would be fully replenished towards the end of the five year financial plan.

With the above measures, the RHN continues to be on a sustainable footing in 2021/22 and 2022/23. The adverse scenario painted above is unlikely to happen and the RHN at the start of 2021/22 is already seeing occupancy levels recovering from 2020/21. The organisation's well-rehearsed plans to combat further waves of COVID-19 puts it in a good position to compete with other providers less well placed to satisfy demand.

On its operational activities, the trustees believe that the current strategy for growth and the associated rolling five year financial plan including obtaining higher funding for the provision of services, controlled spending and cost deferral has reasonably secured the future of the RHN to sufficiently meet the requirements of a going concern.

The hospital holds investments valued at £19.6 million (2020: £17.3 million) inclusive of cash available of £0.8 million (2020: 0.1 million). Performance was positive during 2020/21. Judicious management of funds ensures they are subject to minimal market fluctuations.

The trustees will continue to monitor plans with the RHN executive team to ensure that the RHN retains sufficient reserves to continue operating. The charity has a strong balance sheet, with unrestricted liquid reserves of around £23 million and so the trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. As such, they remain satisfied that the RHN can continue operating for the foreseeable future and accounts have been prepared on the basis that the RHN is a going concern.

The hospital has a significant number of staff originating from EU nations, the biggest volumes being in domestic services and in bank nurses and healthcare assistants. With the UK's departure from the EU and the consequent impact on the employment status of some EU nationals, the RHN continues to monitor developments and to advise staff appropriately. With additional challenges in delivery chains, the hospital continues to review its supply chains and external contracts in order that clinical supplies, pharmaceuticals, enteral feeds and essential buildings and maintenance supplies continue to be available.

Neither the Trustees, nor any key persons within the charity, were aware of any further specific, nor general events which would change the charity's status as a going concern.



The local community supported the RHN's fundraising events as soon as national COVID-19 restrictions eased

Structure, governance and management

The RHN's governing constitution is a Royal Charter and byelaws.

Members of the Board of Management (the Board) act as trustees of the charity. They are elected by the Governors at their Annual General Meeting (AGM) to act on behalf of the charity in the management of its business, property and affairs. The Board is a non-executive body that has four meetings each year and sets the strategic direction of the RHN.

The Board aims to follow the Governance Code for Larger Charities recommended by the Charity Commission. It carries out an annual review of its governance processes. Board members and senior executives are required to complete a declaration of interests and review this at least twice a year, and to declare any gifts and hospitality received. All staff, volunteers and Board members are required to have regular DBS checks every three years. Board members, the Chief Executive and the Director of Finance sign annual declarations of fitness to hold office.

The Board of Trustees

The Board must be made up of a minimum of twelve members, who hold office for four years. They may not hold office for longer than two consecutive terms of four years unless the Board decides there are exceptional circumstances. Members of the Board are appointed and retire by rotation, usually at the Annual General Meeting. The Nominations and Remuneration Committee regularly reviews the skills requirements of the Board. A formal recruitment process has been adopted where particular skills are being sought, which includes open advertisement and interview to ensure the appropriate skills and experience are identified and to extend the Board's ability to recruit a diverse Board. An induction programme and continuing trustee training is also in place.

Responsibilities of the Executive and Committees

The RHN board delegates certain functions to the Executive and Committees. The day-to-day running of the RHN is the responsibility of the Chief Executive. The Chief Executive carries out operations according to the strategy and the budget set by the Board and is assisted by the executive team which meets every week.

Remuneration

Trustees are not remunerated but may claim reasonable expenses.

The charity operates the 'Putney Scale', a harmonised pay method which helps the RHN remain competitive within the healthcare industry. This is available to all nursing and therapy staff and is in line with the NHS Agenda for Change classifications and is periodically reviewed. The components parts of, basic pay and a market supplement reflecting the higher cost of inner London living.

The Board's Nominations and Remuneration Committee (comprising Board Members) is responsible for deciding the remuneration of the key management personnel constituting the executive directors. Chaired by the Chairman of the Board, the committee considers directors' salaries and benefits. The Chief Executive's pay is determined by the committee and the Chief Executive provides advice to the Committee on the other directors' remuneration. The remuneration of the Executive team is disclosed in full in notes to the accounts.

Looking forward

In 2021/22, the RHN looks forward to the bringing into use of the expanded Leonora ward, buildings and information technology investment, continued fire prevention and maintenance work around the estate; and the next ward refurbishment.

2021/22 will see new integrated self-service human resource and payroll systems with added resources to aid recruitment and applicant tracking.

In terms of staff accommodation on site, whilst the RHN is considering upgrade options for its low rise flats, this project is likely to be part of a longer term estate strategy. Of more immediate impact could be modifications to its high rise accommodation to create self-contained flats that will result in an increase in occupancy.

The COVID-19 pandemic continued to have an impact on the hospital during 2020/21 but less so than in 2019/20 with eight deaths amongst patients and residents compared to eighteen reported last year. No deaths occurred after January 2021.

Though visitors are now allowed on site, the hospital continues to enforce essential hygiene measures. Working from home for non-patient facing staff has been replaced by flexible working and zoning across the hospital has ceased. The double vaccination of staff, patients and residents was a great success.


The hospital has incurred additional pandemic related costs but not on the scale experienced in 2019/20. There was no access to reimbursement from the NHS this year.

Unlike 2019/20, markets were more stable in the year and investments and pension fund assets saw gains in line with the recovery in market values. The hospital will continue to monitor these and take necessary actions as and when required.

The RHN's patients have unique needs that cannot be satisfied in less high dependency units and therefore has confidence that it will continue to retain its patients and see continued demand for its services. Our intention is to look at our services and reprioritise them to better match patterns of demand and adapt our facilities in such a way as to satisfy commissioners with a high quality service.



Occupational art therapy in action



The RHN welcomed new cat Simba to the hospital, after sadly losing Sox earlier in the year. Simba is another rescue from Battersea.

Trustees’ Responsibilities

The Trustees are responsible for preparing the Trustees’ Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity; and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 in business.

The trustees are responsible for keeping proper 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 Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Royal Charter.

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.

The trustees are responsible for the maintenance and integrity of the charity; and financial information included on the charity’s website.



Des Benjamin
Chairman
Royal Hospital for Neuro-disability

8 February 2022

Independent Auditor's Report

to the trustees of the Royal Hospital for Neuro-disability

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 30 September 2021 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.

We have audited the financial statements of Royal Hospital for Neuro-Disability ("the Charity") for the year ended 30 September 2021 which comprise the Statement of Financial Activities, the balance sheet, the 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).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the charity in accordance with the ethical requirements 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.

Conclusions related 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 Trustees are responsible for the 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 other information comprises: The Chairman's Welcome, The Chief Executive's Introduction and the Trustees' 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 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.

Matters on which we are required to report by exception

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

- the information contained in the financial statements is inconsistent in any material respect with the Trustees' Annual Report; or
- adequate accounting records have not been kept; 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 require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, 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 the Act and relevant regulations made or having effect thereunder.

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.

Extent to which the audit was 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:

Based on our understanding of the group and charity and the sector in which it operates, we identified that the principal laws and regulations that directly affect the financial statements to be relevant Charities Acts in the UK and Northern Ireland. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

In addition, the charity is subject to many other laws and regulations such as the Care Quality Commission regulations, Health and Safety regulations, and NHS Counter Fraud Authority regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. The operations of the Charity can also be affected where there are any significant breaches. 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.

Audit procedures performed by the engagement team included the following:

- We agreed the financial statement disclosures to applicable legislation.
- We determined that the most significant laws and regulations which are directly relevant to specific assertions in the financial statements are those related to the financial reporting framework including but not limited to United Kingdom Generally Accepted Accounting Practice and the Charities Act 2011, and Statement of Recommended Practice for Accounting Reporting by Charities (SORP FRS 102).
- We reviewed Serious Incident Reports submitted to the Charity Commission.
- We understood how the charity is complying with those legal and regulatory frameworks that are significant to their activities by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of minutes

and correspondence with relevant bodies such as the Care Quality Commission.

- We reviewed the Local Counter Fraud Specialist (LCFS) report.
- We obtained and reviewed reported health and safety incidents.
- We challenged assumptions made by management in their significant accounting estimates in particular in relation to pension liability valuations and cash flow forecasts used in going concern assessments.
- In addressing the risk of fraud through management override of controls; testing the appropriateness of journal entries and other adjustments; testing the application of cut-off and revenue recognition, particularly around patient services income, donations and legacies, and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.
- Performed audit procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that 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, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at (this description forms part of our auditor's report):

<https://www.frc.org.uk/auditorsresponsibilities>

Use of our report

This report is made solely to the Charity's trustees, as a body, in accordance with 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 anyone other than the Charity and the Charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Heather Wheelhouse (Senior Statutory Auditor)

BDO LLP, statutory auditor
55 Baker Street
London W1U 7EU

14 February 2022

BDO LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Statement of financial activities (SOFA) including income and expenditure account

for the year ended 30 September 2021

	Notes	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2021 £'000	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2020 £'000
Income and endowments from:									
Donations and legacies	2.1	1,181	613	-	1,794	1,146	665	-	1,811
Other trading activities									
- Fundraising events		80	7	-	87	105	42	-	147
Investments									
- Dividends and Interest	2.2	280	9	-	289	392	12	-	404
		1,541	629	-	2,170	1,643	719	-	2,362
Charitable activities	3	40,986	13	-	40,999	40,624	-	-	40,624
Total Income and endowments		42,527	642	-	43,169	42,267	719	-	42,986
Expenditure on:									
Raising funds	4.1	1,010	-	4	1,014	994	-	-	994
Charitable activities	4.2	43,162	519	-	43,681	42,539	629	-	43,168
Total expenditure		44,172	519	4	44,695	43,533	629	-	44,162
Net (losses) before gains and losses		(1,645)	123	(4)	(1,526)	(1,266)	90	-	(1,176)
Net gains / (losses) on Investments		2,279	92	112	2,483	(89)	(6)	(7)	(102)
Net income / (losses)		634	215	108	957	(1,355)	84	(7)	(1,278)
Transfers between funds	17	33	(33)	-	-	949	(949)	-	-
		667	182	108	957	(406)	(865)	(7)	(1,278)
Other recognised gains									
Net actuarial gains on defined benefit pension scheme	6.5	-	-	-	-	-	-	-	-
Net movement in funds for the year		667	182	108	957	(406)	(865)	(7)	(1,278)
Reconciliation of funds									
Funds at 1 October		41,980	1,594	752	44,326	42,386	2,459	759	45,604
Total funds at 30 September		42,647	1,776	860	45,283	41,980	1,594	752	44,326

The RHN made no other unrealised gains or losses which do not appear on the SOFA. All the above are derived from continuing activities.

The notes on pages 32 to 49 form part of these accounts.

Balance sheet

as at 30 September 2021

	Notes	Total 2021 £'000	Total 2020 £'000
Fixed assets			
Tangible assets	8	19,684	20,427
Investments	9	19,644	17,254
		39,328	37,681
Current assets			
Stocks	10	215	118
Debtors	11	5,512	5,426
Cash at bank and In hand		4,793	6,106
		10,520	11,650
Creditors - Amounts falling due within one year	12	(4,565)	(5,005)
Net Current assets		5,955	6,645
Net assets - Excluding pension		45,283	44,326
Defined benefit pension scheme asset	6.5	-	-
Total Net assets	17	45,283	44,326
The funds of the charity			
Capital funds			
Endowment funds	17 & 18	860	752
Restricted funds			
Income funds	17	1,070	984
Other Restricted funds	17	706	610
Total Restricted funds		1,776	1,594
Unrestricted funds			
Designated funds			
Fixed assets	18	19,684	20,427
Planned capital expenditure	17	6,305	6,185
Anticipated maintenance	17	2,050	2,781
Total Designated funds		28,039	29,393
Free reserves			
General funds		14,608	12,587
Total Unrestricted funds		42,647	41,980
Total charity funds		45,283	44,326

Approved by the Board of Management on 8 February 2022 and signed on its behalf by:



Des Benjamin
Chairman



Hugh Rees
Treasurer

Cash flow statement

for the year ended 30 September 2021

	Total 2021	Total 2020
	£'000	£'000
Cash flows from Operating activities		
Net movement in (deficit)/fund	(626)	248
Cash flows from Investing activities		
Dividends, interest and rents from investments	289	404
Purchase of property, plant and equipment	(1,069)	(4,980)
Proceeds from sale of investments	4,550	3,693
(Purchase of investments) / Drawdown on Investments	(4,457)	3,752
Net Cash (used in) / provided by investing activities	(687)	2,869
Change in cash and cash equivalents in the reporting period	(1,313)	3,117
Cash and cash equivalents at the beginning of the reporting period	6,106	2,989
Cash and cash equivalents at the end of the reporting period	4,793	6,106
Reconciliation of cash flows from operating activities	2021	2020
	£'000	£'000
Net income / (expenditure) for the reporting period	957	(1,278)
(as per the statement of financial activities)		
Adjustments for:		
Depreciation charges	1,812	1,644
Pension fund contributions and finance costs	-	-
(Gains) / losses on investments	(2,483)	102
Dividends, interest and rents from Investments	(289)	(404)
(Increase) in stocks	(97)	(31)
(Increase) in debtors	(86)	(72)
(Decrease) / Increase in creditors	(440)	287
Net cash (used in) / provided by operating activities	(626)	248
Analysis of cash and cash equivalents	2021	2020
	£'000	£'000
Cash in hand	4,793	6,106
Total cash and cash equivalents	4,793	6,106

	As of 1 Oct 2020	Cash flows	Acquisition/ disposal of subsidiaries	New finance leases	Other non cash changes	As of 30 Sep 2021
	£'000	£'000	£'000	£'000	£'000	£'000
Cash	6,106	(1,313)	-	-	-	4,793
Cash equivalents	-	-	-	-	-	-
Overdraft facility repayable on demand	-	-	-	-	-	-
	6,106	(1,313)	-	-	-	4,793
Loans falling due within one year	-	-	-	-	-	-
Loans falling due after more than one year	-	-	-	-	-	-
Finance lease obligations	-	-	-	-	-	-
Total	6,106	(1,313)	-	-	-	4,793



The RHN worked with Google to beta test a new feature on the Android Accessibility Suite and residents even featured in the promotional campaign

Notes to the accounts

for the year ended 30 September 2021

Royal Hospital for Neuro-disability (Charity No. 205907)

1 Accounting Policies

- 1.1 The Royal Hospital for Neuro-disability is an unincorporated charity registered in England & Wales with the Charity Commission. The address of the registered office is shown on page 2 and the nature of its operations is set out in the report of the Trustees.

The principal accounting policies which have been adopted in the preparation of the financial statements are set out below and have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) effective 1 January 2019, and the Charities Act 2011.

The financial statements have been prepared to give a “true and fair view” and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a “true and fair view”. This departure has involved following the 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 (FRS102) issued on 1 January 2019 rather than the Statement of Recommended Practice: Accounting and Reporting by Charities which was effective from 1 April 2005 but which has since been withdrawn.”

- 1.2 The RHN is a public benefit entity, and its Board has set out a review of financial performance and the charity's reserves position. At the 30 September 2021, the RHN reported free reserves of £14.6 million (2020: £12.6 million), net current assets of £6.0 million (2020: £6.6 million), and a net cash outflow of £1.3 million (2020: net cash inflow of £3.1 million) for the year. Neither the Trustees, nor any key persons within the charity, were aware of any further specific, nor general events which would change the charity's status as a going concern.
- 1.3 The Statement of Financial Activities (SOFA) and Balance Sheet are the financial statements of the RHN. The subsidiary has been dormant in the financial year 2020 - 21.
- 1.4 Income and expenditure are accounted for on an accruals basis and expenditure includes Value Added Tax where this is not recoverable.
- 1.5 Grants Receivable are included in the SOFA in accordance with the terms of the grant agreement and the SORP criteria of entitlement, probability of receipt and reliability of measurement.
- 1.6 Donations of equipment and supplies are included within the appropriate expenditure at cost or estimated value to the donor and within gifts and donations.
- 1.7 Legacy income is recognised at the earlier of the charity being notified of an impending distribution or the legacy being received. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.
- 1.8 Patient services comprise the costs of nursing, treatment, therapy, domestic and catering services and the costs of maintenance of buildings and equipment, heating, depreciation and other support services attributable to Patient care.
- 1.9 Research expenditure comprises staff costs and direct costs of medical research projects instigated by the RHN and their associated support costs.
- 1.10 Grants are charged to the SOFA in the period in which beneficiaries are notified and so a constructive obligation is entered into by the RHN.
- 1.11 Support costs, comprising facility charges, governance, management and administrative costs, are allocated to activities based on employee headcount.

Accounting Policies (continued)

- 1.12 The RHN operates a pension scheme which includes a defined benefit section and a defined contribution section. The assets of the scheme are held by the scheme trustees separately from the assets of the RHN. Further information on the pension scheme can be found in notes 6.4 and 6.5.
- 1.13 Rentals payable under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.
- 1.14 Depreciation is charged on all fixed assets except freehold land, on a straight line basis, at rates calculated to write off the assets over their estimated useful lives as follows:

Buildings	2% - 20%
Plant and Machinery	7% - 25%
Furniture and Equipment	7% - 50%

The depreciation charge begins from the first day of the month following either; the date of asset acquisition or the date that the asset comes into use.

Tangible fixed assets costing more than £2,500 are capitalised at cost and depreciated at the rates shown.

Impairment losses are included in the Statement of Financial Activities.

Fixed Asset Investments are included in the Balance Sheet at market value. Realised and unrealised gains and losses incurred during the year are included in the Statement of Financial Activities.

Assets in the course of construction, reflect fixed asset projects undertaken by the RHN which have not been completed as at the reporting date. Such assets when completed are transferred to the appropriate asset class and depreciated according to existing accounting policy. Any assets under construction which during review are considered to have declined in value are written off; to any extent identified to the Statement of Financial Activities.

- 1.15 Stocks are valued at the lower of cost and net realisable value.
- 1.16 Fees receivable and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discounts due.
- 1.17 Creditors and provisions are recognised where the RHN has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. The RHN recognises Creditors and provisions at their settlement amount after allowing for any trade discounts due.
- 1.18 "Unrestricted funds are funds which are available for use at the discretion of the Board in furtherance of the general objectives of the RHN and which have not been designated for any other purpose. Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in note 17 to the accounts.
- Endowment funds comprise monies that must be held indefinitely as capital. Related income is credited to general funds and applied for general purposes unless under the terms of the endowment such income must be used for specific purposes in which case it is credited to restricted funds.
- Designated funds comprise unrestricted funds that have been set aside by the Board for particular purposes. The use of the designated funds is set out in note 17.
- 1.19 Taxation - The Charity is exempt from taxation in respect of income or capital gains received within categories covered by part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Accounting Policies (continued)

- 1.20 "Estimates and judgements are continually evaluated and are based on historical evidence and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

With regard to FRS102 Section 28 (Retirement benefits) and the RHN's defined benefit pension scheme, the best estimates used are chosen from a range of possible actuarial assumptions. Further disclosures of the estimates governing these retirement benefits can be found within note 6.5 of this annual report.

- 1.21 "The charity has financial assets and financial liabilities that qualify as basic financial instruments. These are recognised at transaction value and subsequently measured at either their settlement value or market value. The charity has taken reduced disclosure exemptions for sections 11 and 12 of FRS 102.

At the balance sheet date the charity held financial assets at amortised cost. Financial assets held at amortised cost comprise cash at bank, trade debtors and other debtors totalling £9.7 million (2020: £11.1 million). Financial liabilities held at amortised cost comprise trade creditors and other creditors totalling £3.3 million (2020: £4.0 million). Investments at £19.6 million (2020: £17.2 million) held as part of an investment portfolio, are held at fair value with gains and losses being recognised within income and expenditure.



2 Donations, Legacies and Investment Income

	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Total 2020 £'000
2.1 Donations and Legacies				
Gifts & donations	657	599	1,256	1,079
Legacies	524	14	538	732
	1,181	613	1,794	1,811

At 30 September 2021, the RHN has no bequeathed legacies in the financial statements (2020: £0).

2.2 Investment Income

Listed investments	137	5	142	105
Interest on deposits	143	4	147	299
	280	9	289	404

3 Income from Charitable Activities

	Note	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Total 2020 £'000
Patient services	3.1	40,150	-	40,150	39,365
Staff accommodation		360	-	360	442
Wheelchair & technology services		118	-	118	136
Other income from charitable activities		358	-	358	681
Grants receivable	3.2	-	13	13	-
		40,986	13	40,999	40,624

3.1 Patient Services

National Health Service		37,701	-	37,701	36,995
Local Authority		867	-	867	922
Prescription reimbursement		-	-	-	3
Non-NHS patients		161	-	161	290
One to One Nursing		1,418	-	1,418	1,151
Other sources		3	-	3	4
		40,150	-	40,150	39,365

3.2 Grants Receivable

Funding research projects		-	13	13	-
		-	13	13	-

4 Total Expenditure

	Direct costs £'000	Support costs £'000	Total 2021 £'000	Total 2020 £'000
4.1 Expenditure on raising funds				
Voluntary expenditure (fundraising staff and administration)	829	75	904	892
Fundraising events	17	2	19	23
Investment management	91	-	91	79
	937	77	1,014	994
4.2 Expenditure on charitable activities				
Patient Services	36,031	6,420	42,451	41,843
Staff accommodation	48	9	57	54
Wheelchair & technology services	386	69	455	423
Other charitable activities	505	90	595	704
Research	104	19	123	144
Other Finance Costs (see note 6.5)	-	-	-	-
	37,074	6,607	43,681	43,168
Total expenditure	38,011	6,684	44,695	44,162

Expenditure on raising funds comprises staff and running costs of the fundraising department together with any other costs directly associated with raising funds for the group, including related publicity costs. This expenditure heading also includes other costs associated with generating funds such as investment management fees and expenditure directly related to trading income.

Patient services comprise the costs of nursing, treatment, therapy, domestic and catering services and the costs of buildings and equipment maintenance, heating, depreciation and other support services attributable to patient care.

5 Support costs

	Expenditure on raising funds £'000	Expenditure on charitable activities £'000	Total 2021 £'000	Total 2020 £'000
Administration and management	26	2,241	2,267	2,571
Building expenses	24	2,094	2,118	2,162
Finance	6	498	504	502
Human resources	7	624	631	672
Information technology	11	993	1,004	941
Governance	1	47	48	112
Statutory audit	1	43	44	49
Internal Audit, Counter Fraud and Pension Audit	1	67	68	43
	77	6,607	6,684	7,052

Total expenditure includes the allocation of support costs to the various expenditure categories set out in the SOFA. These support costs relate to information technology, property and facilities management, human resources and finance, in addition to the support costs incurred by communications and other centralised departments that are not otherwise allocated directly. Support costs have been allocated to activities consistently based on employee headcount.

6 Employee Information

6.1 Staff costs during the year were as follows:

	Total 2021 £'000	Total 2020 £'000
Salaries and wages	29,728	29,202
Social security costs	2,434	2,282
Other pension costs and life assurance premiums	1,721	1,625
	33,883	33,109

Included within the wages and salaries figure above is the cost of employing agency staff £4,827,712 (2020: £5,089,153).

During the year, a total of £0 (2020: £0) has been recognised for termination payments, of which £0 remained payable at the year end (2020: £0).

6.2 Employees whose emoluments not including employers NI and pension costs exceeded £60,000 were as follows:

	Total 2021	Total 2020
£60,000 to £69,999	11	10
£70,000 to £79,999	11	3
£80,000 to £89,999	1	-
£90,000 to £99,999	-	3
£100,000 to £109,999	3	-
£110,000 to £119,999	-	2
£120,000 to £129,999	2	1
£130,000 to £139,999	3	2
£140,000 to £149,999	2	2
£150,000 to £159,999	-	-
£160,000 to £169,999	-	1
£200,000 to £209,999	1	1
	34	25

The increase in numbers by 9 is due to the inclusion of members of staff who had increases in pay related to bank work to cover Covid related absences (4) and reorganisation resulting in existing staff promoted to new senior management posts such as for improved patient care and safeguarding (5).

31 employees (2020: 22) earning more than £60,000 were members of the defined contribution section of the scheme. Employers' contributions payable during the year in respect of these employees amounted to £166,641 (2020: £141,053).

Remuneration of Key Management Personnel including employers NI and pensions payable during the year amounted to £1,140,016 for 6.5 FTE staff (2020: £1,252,108 for 7.4 FTE staff). This group comprises the Executive team.

6.3 The average number of staff employed (excluding agency staff) was as follows:

	Total 2021	Total 2020
Patient services	682	679
Research	5	5
Other charitable activities	38	35
Generating funds	8	8
Governance	2	2
	735	729

Employee Information (continued)

6.4 The charity operates a pension scheme for those members of staff who are eligible.

The scheme has two sections:

- A defined contribution section which, since 1 October 2006, includes all active members of the scheme. An eligible jobholder will be automatically enrolled as a member of the scheme on his automatic enrolment date. The contribution by the employer depends on whether a member is in the first or second tier. If a member has been automatically enrolled or has opted to join the scheme on the first tier contribution basis, the percentage required will be the minimum required under section 20(1)(b) (taking into account the transitional periods under section 29) of the Pension Act 2008. If a member is already in a scheme prior to 1 January 2014 or if the member has opted to be a member on the second tier contribution basis, the percentage will be determined by the member's age as per the table below. A member can elect to move from the first tier to the second tier contribution basis on becoming a member or on providing one month's written notice, with the exception of a member who does not work under a contract of employment.

- A defined benefit section, which was closed to new members on 1 November 2001 and closed to future accrual on 30 September 2006, when members were invited to join the defined contribution section.

The assets of the scheme are held by the scheme trustees separately from the assets of the charity.

The rates of contribution to the defined contribution scheme on the second tier basis are:

	Defined Contribution 2021	Defined Contribution 2020
Employer contributions:		
age 18 to 35	4.0%	4.0%
age 36 to 50	7.0%	7.0%
age 51 to 65	10.0%	10.0%
Employee contributions	4.0%	4.0%

In addition the charity pays death in service insurance premiums in respect of members of the scheme in the second tier. Employers pension contributions payable to the defined contribution section of the scheme were as follows:

	Total 2021 £'000	Total 2020 £'000
Defined Contribution	1,400	1,349

Pension contributions outstanding at the end of the year under the defined contribution scheme are as follows:

	Total 2021 £'000	Total 2020 £'000
Pension contributions outstanding at year end	194	194

A stakeholder scheme is also available to employees of the charity, but no employer contributions are made to this scheme.

6.5 Staff Pension and Life Assurance Scheme

The assumptions used in calculating the liabilities were as follows:

	Total 2021	Total 2020	Total 2019
Inflation	3.8%	3.1%	3.4%
Salary escalation	n/a	n/a	n/a
Pension increases, subject to LPI	3.5%	3.0%	3.3%
Statutory revaluation in deferment	2.9%	2.4%	2.4%
Discount rate (pre and post retirement)	1.9%	1.5%	1.8%
Life expectancy for 65 year old male	87	87	87
Life expectancy for 65 year old female	90	90	89

The assumptions used by the actuary are the best estimate chosen from a range of possible actuarial assumptions which, due to the long time period covered, may not necessarily be borne out in practice. The fair value of the assets for each category of asset are as follows:

	Total 2021 £'000	Total 2020 £'000	Total 2019 £'000
Equities	12,401	13,489	15,083
Corporate bonds	11,172	11,293	6,161
Liability matching credit	38,946	22,481	23,050
Diversified growth fund	8,609	9,202	9,453
Equity linked bond fund	-	-	-
Alternatives	6,457	7,319	13,808
Liability driven investment, Government Bonds and Cash	24,291	40,153	38,133
Insured annuities	615	627	531
Total fair value of assets	102,491	104,564	106,219
Present value of scheme liabilities	93,769	99,674	96,462
	8,722	4,890	9,757
Restriction to the amount that can be recognised	(8,722)	(4,890)	(9,757)
Net pension asset	-	-	-

The actual return on Assets is 1.9% per annum which is set to equal the discount rate (2020: - 1.5%).

Assets in the scheme as a percentage of total scheme assets

	Total 2021	Total 2020
Equities	12.1%	12.9%
Corporate bonds	10.9%	10.8%
Liability matching credit	38.0%	21.5%
Diversified growth fund	8.4%	8.8%
Alternatives	6.3%	7.0%
Liability driven investment, Government Bonds and Cash	23.7%	38.4%
Insured annuities	0.6%	0.6%

Amounts included in the statement of financial activities:

	Total 2021 £'000	Total 2020 £'000
Interest income (excluding interest income on assets that are not recoverable)	1,472	1,706
Interest cost	(1,472)	(1,706)
Interest on the net defined benefit liability	-	-

6.5 Staff Pension and Life Assurance Scheme (continued)

Assets	Total 2021 £'000	Total 2020 £'000
Assets in scheme at beginning of year	104,564	106,219
Movement in year:		
Interest income	1,472	1,706
Employer contributions	-	-
Benefits paid	(3,047)	(3,339)
Actuarial (losses) on assets	(498)	(22)
Assets in scheme at end of year	102,491	104,564

Liabilities	Total 2021 £'000	Total 2020 £'000
Liabilities in scheme at beginning of year	99,674	96,462
Movement in year:		
Interest cost	1,472	1,706
Benefits paid	(3,047)	(3,339)
Past service costs including curtailments	-	-
Actuarial (gains) / losses on liabilities	(4,330)	4,845
Liabilities in scheme at end of year	93,769	99,674

History of experience gains and losses	Total 2021 £'000	Total 2020 £'000	Total 2019 £'000	Total 2018 £'000	Total 2017 £'000
Defined benefit obligation	(93,769)	(99,674)	(96,462)	(85,535)	(89,343)
Scheme assets	102,491	104,564	106,219	92,558	89,019
Surplus / (Deficits)	8,722	4,890	9,757	7,023	(324)

The movement during the year is as follows (unless otherwise specified, the figures calculated are based on the assumptions as at the beginning of the year):

	Total 2021 £'000	Total 2020 £'000
Deficit in the scheme at beginning of year	-	-
Movement in year:		
Contributions	-	-
Net return on pension scheme	-	-
Actuarial gains/(losses)	-	-
Deficit in the scheme at end of year	-	-

7 Related Party Transactions

7.1 Trustees Remuneration and Expenses

Members of the Board of management are not entitled to and did not receive any remuneration during the year. Additionally, members of the Board of management received £0 (2020: - £0) for reimbursement of expenses. These expenses related to travel and accommodation costs for attending Board Meetings. Trustees' Indemnity Insurance of £5,042 was paid for the year 2021 (2020: - £4,872).

7.2 Other Related Party Transactions

Other than the expenses listed, there have been no other related party transactions (2020: - £0).

8 Tangible Fixed Assets

	Assets in the course of construction £'000	Land and Buildings £'000	Plant and Machinery £'000	Furniture and Equipment £'000	Total 2021 £'000
Cost					
Opening balance	565	31,440	1,730	5,798	39,533
Additions	45	361	205	458	1,069
Transfers	(534)	491	2	41	-
Disposals	-	(8)	(141)	(183)	(332)
	76	32,284	1,796	6,114	40,270
Depreciation					
Opening balance	-	14,439	783	3,884	19,106
Disposals	-	(8)	(141)	(183)	(332)
Charge for the year	-	1,169	127	516	1,812
Impairment	-	-	-	-	-
	-	15,600	769	4,217	20,586
Net book value 2021	76	16,684	1,027	1,897	19,684
Net book value 2020	565	17,001	947	1,914	20,427

All fixed assets are held for charitable use.

	Assets in the course of construction £'000	Land and Buildings £'000	Plant and Machinery £'000	Furniture and Equipment £'000	Total 2020 £'000
Cost					
Opening balance	1,993	26,248	1,386	5,284	34,911
Additions	552	3,497	272	659	4,980
Transfers	(1,980)	1,903	72	5	-
Disposals	-	(208)	-	(150)	(358)
	565	31,440	1,730	5,798	39,533
Depreciation					
Opening balance	-	13,620	691	3,509	17,820
Transfers	-	8	(5)	(3)	-
Disposals	-	(182)	-	(150)	(332)
Charge for the year	-	993	97	528	1,618
Impairment	-	-	-	-	-
	-	14,439	783	3,884	19,106
Net book value 2020	565	17,001	947	1,914	20,427
Net book value 2019	1,993	12,628	695	1,775	17,091

9 Investments	Total 2021 £'000	Total 2020 £'000
Market value at beginning of year	17,254	24,801
Purchases at cost	3,760	3,651
Proceeds from disposals	(4,550)	(3,693)
Net gains / (losses) on investments	2,482	(101)
Increase / (Decrease) in short term deposits	698	(7,404)
Market value at end of year	19,644	17,254
Historical cost at end of year	14,506	13,573

Analysed by type	Total 2021 £'000	Total 2020 £'000
Investments		
- Listed direct	14,897	12,690
- Unlisted direct	95	95
- Listed unit trusts	3,812	4,328
Term Deposits	840	141
	19,644	17,254

Geographical analysis	Total 2021 £'000	Total 2020 £'000
United Kingdom Investments	7,961	8,011
Overseas Investments	11,683	9,243
	19,644	17,254

Individual investments which have a market value of 5% or greater of the overall portfolio are:

Polar UK Value Opportunities Fund
iShares PLC - S&P 500 Index

Short term deposits under the management of the charity's professional investment managers are included in fixed asset Investments as they form part of the overall investment portfolio. The investment management fee for the year was £90,975 (2020: £78,762).

10 Stocks	Total 2021 £'000	Total 2020 £'000
Dispensing stocks	215	116
Other consumables	-	2
	215	118

11 Debtors	Total 2021 £'000	Total 2020 £'000
Fees receivable	4,391	4,539
Other debtors	91	57
Prepayments	462	453
Accrued income	568	377
	5,512	5,426

12 Creditors - Amounts falling due within one year

	Total 2021 £'000	Total 2020 £'000
Trade creditors	430	716
Other creditors	365	392
Taxation and social security	650	624
Accruals	1,874	2,219
Deferred income (note 12.1)	897	1,054
Provisions and contingencies (note 12.2)	349	-
	4,565	5,005

12.1 Analysis of deferred income

	Total 2021 £'000	Total 2020 £'000
Opening balance	1,054	914
Changes during the year:		
Amounts released to the statement of financial activities	(1,054)	(914)
New income deferrals	897	1,054
Closing balance as at 30 September	897	1,054

Deferred income largely relates to the provision of patients' services which will be recognised in the forthcoming year.

12.2 Analysis of provisions

	Legal Settlement provision £'000	Total 2021 £'000
Opening balance	-	-
Changes during the year:		
Additions	349	349
Charges against the provision	-	-
Unused amounts reversed	-	-
Closing balance as at 30 September	349	349

It is expected that the charity will be liable to pay the legal costs (£103k) and settlement (£246k) relating to an existing court case within the next 12 months, for which a provision has been made.

13 Funds held as agent

The charity holds funds as an agent on behalf of its patients and residents. During the year £50,093 (2020: £86,964) was received and £38,322 (2020: £187,512) was paid out of this account. At the year end the balance held in this account was £180,463 (2020: £168,692).

The charity holds funds as an agent on behalf of beneficiaries of deceased employees entitled to death in service lump sum payments, payable under the Life Assurance Scheme. During the year £374,834 (2020: £342,351) was received and £326,375 (2020: £0) was paid out of this account. At the year end the balance held in this account was £390,810 (2020: £342,351).

14 Operating Leases

	Total 2021 £'000	Total 2020 £'000
Rentals charged in the year:		
Land and Buildings	6	6
Plant and Machinery	32	26
Equipment	151	146
	189	178

	Total 2021 £'000	Total 2021 £'000	Total 2021 £'000	Total 2020 £'000	Total 2020 £'000	Total 2020 £'000
	Land and Buildings	Plant and Machinery	Furniture and Equipment	Land and Buildings	Plant and Machinery	Furniture and Equipment
Payments due on operating lease obligations						
Within one year	6	32	146	6	26	142
Within two and five years	-	113	74	-	85	162
Over five years	-	13	-	-	10	-
	6	158	220	6	121	304

15 Capital Commitments

	Total 2021 £'000	Total 2020 £'000
Contracted for but not provided	108	99



Trees planted in memory of the staff, patients and residents who died during the pandemic

16 Subsidiary and Connected Entities

The RHN owns the whole of the issued share capital of Royal Hospital for Neuro-disability Services Limited, a company registered in England with a paid up share capital of £1. The subsidiary has been dormant in the trading year to 30 September 2021 (Year end 2020 balance owed to parent £0).

17 Statement of funds

As at 30 September 2021	Fund balance brought forward £'000	Incoming resources £'000	Resources expended £'000	Investment gains £'000	Pension scheme actuarial gains £'000	Transfers between funds £'000	Fund balance carried forward £'000
Unrestricted funds							
General funds	12,587	42,527	(44,172)	2,279	-	1,387	14,608
Pension reserve	-	-	-	-	-	-	-
Designated funds	29,393	-	-	-	-	(1,354)	28,039
Total unrestricted funds	41,980	42,527	(44,172)	2,279	-	33	42,647
Restricted funds							
John Howard Convalescent Home	610	4	-	92	-	-	706
Research Department	184	24	(104)	-	-	-	104
Assembly Room Windows	42	2	-	-	-	-	44
Music Therapy Omega	188	-	-	-	-	-	188
Circadian Rhythm	54	-	(29)	-	-	-	25
Patient Beds	9	-	(3)	-	-	-	6
IT Suite	10	15	(24)	-	-	-	1
Pergola Garden Project	19	-	-	-	-	-	19
Training - HEE Mouthcare	23	-	(9)	-	-	-	14
Escorts	70	1	(10)	-	-	-	61
Patients Amenities/Patients without Relatives	27	-	(9)	-	-	-	18
Wheelchair Loan Store	39	29	(13)	-	-	-	55
Dental Equipment	29	-	-	-	-	-	29
Treatment of Mood & Wellbeing	30	-	-	-	-	-	30
Wellesley Ward Refurbishment	-	92	-	-	-	-	92
Habs House Equipment	35	-	-	-	-	-	35
DoC Emergence	20	31	(17)	-	-	-	34
Sensory Equip & Ward Activity	2	76	(11)	-	-	-	67
Other	203	368	(290)	-	-	(33)	248
Total restricted funds	1,594	642	(519)	92	-	(33)	1,776
Endowment funds							
Lopes Chaplains Stipend fund	8	-	-	-	-	-	8
Other endowments	744	-	(4)	112	-	-	852
Total endowment funds	752	-	(4)	112	-	-	860
Totals	44,326	43,169	(44,695)	2,483	-	-	45,283

Statement of funds (continued)

As at 30 September 2020	Fund balance brought forward	Incoming resources	Resources expended	Investment losses	Pension scheme actuarial gains	Transfers between funds	Fund balance carried forward
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Unrestricted funds							
General funds	12,747	42,267	(43,533)	(89)	-	1,195	12,587
Pension reserve	-	-	-	-	-	-	-
Designated funds	29,639	-	-	-	-	(246)	29,393
Total unrestricted funds	42,386	42,267	(43,533)	(89)	-	949	41,980
Restricted funds							
John Howard Convalescent Home	607	9	-	(6)	-	-	610
Cathcart and Evitt Refurbishment	533	15	-	-	-	(548)	-
Research Department	236	70	(122)	-	-	-	184
Assembly Room Windows	192	53	(1)	-	-	(202)	42
Music Therapy Omega	188	-	-	-	-	-	188
Circadian Rhythm	84	-	(30)	-	-	-	54
Patient Beds	78	-	(9)	-	-	(60)	9
IT Suite	67	19	(76)	-	-	-	10
Drapers Refurbishment	56	-	-	-	-	(56)	-
Pergola Garden Project	54	-	-	-	-	(35)	19
Training - HEE Mouthcare	45	-	(22)	-	-	-	23
Escorts	5	77	(12)	-	-	-	70
Patients Amenities/Patients without Relatives	13	22	(8)	-	-	-	27
Wheelchair Loan Store	30	14	(5)	-	-	-	39
Dental Equipment	29	-	-	-	-	-	29
Treatment of Mood & Wellbeing	-	30	-	-	-	-	30
Other	242	410	(344)	-	-	(48)	260
Total restricted funds	2,459	719	(629)	(6)	-	(949)	1,594
Endowment funds							
Lopes Chaplains Stipend fund	8	-	-	-	-	-	8
Other endowments	751	-	-	(7)	-	-	744
Total endowment funds	759	-	-	(7)	-	-	752
Totals	45,604	42,986	(44,162)	(102)	-	-	44,326

Statement of funds (continued)

A summary of definition and descriptions

Name of fund	Description, nature and purpose of the fund.
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General	These are the 'available' funds of the charity, after transfers to or from any other/designated funds and contributions to the pension reserve.
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Designated	Reviewed on a rolling year basis, these are amounts appropriated within the unrestricted category for the continued development and maintenance of the charity's assets for:
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Fixed assets funds represent the net book value invested in fixed assets. During the year the RHN transferred £707,000 to its general fund from these designated funds (2020: £3,336,000 from its general fund to these designated funds).

Identified planned capital expenditure is for works to be utilised within the next five years, During the year the RHN transferred £120,000 from its general fund to these designated funds (2020: £2,379,000 to general fund from these designated funds).

During the year the RHN transferred £731,000 back to its general fund from designated funds (2020: £1,203,000 to its general fund from these designated funds) in anticipation of maintenance expenditure in the coming year.

Restricted	These are funds available only for the purpose under which they were received, unless permitted by the donor. Further described below:
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Restricted Fund Description	Purpose of the fund
John Howard Convalescent Home	To provide support for necessitous members of the middle class and persons generally who are only able to make a small payment in return for convalescence and care
BIS Refurbishment	Refurbishment of Brain Injury Service
Cathcart and Evitt Refurbishment	Refurbishment of Evitt and Cathcart wards
Research Department	Running costs of Research department
Assembly Room Windows	Replacement of the Assembly room windows
Music Therapy Omega	Funding of Music Therapy research project
Circadian Rhythm	Funding of research into prolonged disorder of consciousness
Patient Beds	Replacement of hospital beds and parts
IT Suite	Running costs of Compass department
Drapers Refurbishment	Refurbishment of Drapers ward
Pergola Garden Project	Funding for grounds renovation projects
Training - HEE Mouthcare	Training in Dentistry provided by Mouthcare
Escorts	Funding for nurse escorts for leisure
Patients Amenities/Patients without Relatives	Funding for personal expenses of patients
Wheelchair Loan Store	Wheelchairs for Bio-Medical department
Dental Equipment	Funding for dental equipment
Treatment of Mood & Wellbeing	Funding for Research PHD
Wellesley Ward Refurbishment	Refurbishment of Wellesley ward
Habs House Equipment	Funding for Haberdashers House equipment
DoC Emergence	Funding for Research projects
Sensory Equip & Ward Activity	Funding for sensory equipment and ward activities

Other restricted funds is made up of 41 funds (2020: 41 funds) none of whose balances are over £26,000 (2020: £27,000) and they are for a variety of specific purposes.

Summary of descriptions (continued)

Restricted funds for the John Howard Convalescent Home relate to the proceeds received on the agreed sale of a convalescent home in prior years. The asset was originally provided to the charity as a restricted fund.

Endowment The income generated from these funds are used specifically to contribute towards the cost of chaplaincy services available at the Royal Hospital for Neuro-disability; and bequests which are required to be held as permanent endowments of the charity. Income generated on the latter is available for the general purposes of the charity.

Included under endowment funds are the following:

	Total 2021 £'000	Total 2020 £'000
Permanent endowment:		
Lopes Chaplains Stipend fund	8	8
Other Endowment funds	852	744
	860	752

Lopes Chaplains Stipend fund

This is a trust fund set up by the Rt. Hon. Sir Massey Lopes Bt to generate income to contribute towards the cost of chaplaincy services available at the Royal Hospital for Neuro-disability.

Other endowment funds

Other endowment funds represent several bequests which are required to be held as permanent endowments of the charity. The income generated by these funds is available for the general purposes of the charity.

*Transfers are explained above with the exception of those in unrestricted fund which reflect the appropriation of pension reserves within unrestricted funds.

18 Analysis of fund balances	Unrestricted funds £'000	Designated funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2021 £'000
Tangible fixed assets	-	19,684	-	-	19,684
Fixed asset investments	9,723	8,355	706	860	19,644
Net current assets	4,885	-	1,070	-	5,955
Total funds at 30 September 2021	14,608	28,039	1,776	860	45,283
	Unrestricted funds £'000	Designated funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2020 £'000
Tangible fixed assets	-	20,427	-	-	20,427
Fixed asset investments	6,926	8,966	610	752	17,254
Net current assets	5,661	-	984	-	6,645
Total funds at 30 September 2020	12,587	29,393	1,594	752	44,326





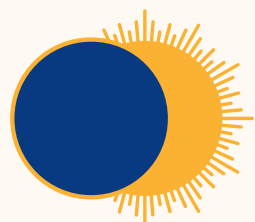
Registration

Under the registration system of the Care Quality Commission and the regulations laid down by the Health and Social Care Act 2008, the Royal Hospital for Neuro-disability achieved its registration in 2010 and is therefore licensed to provide services under the regulations.

The Royal Hospital for Neuro-disability West Hill, Putney, London, SW15 3SW

telephone 020 8780 4500
email info@rhn.org.uk
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Registered charity number 205907



Royal Hospital for
Neuro-disability