



of University College London Hospitals

reg. charity no. 266669

Annual Report and Accounts for the year ended 31 March 2021

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funding extras for patients and staff

1. Legal and administrative information

Name of the Charity

The full name of the Charity is the Friends of University College London Hospitals ('the **friends**'). The Charity is registered with the Charity Commission for England and Wales, registration number 266669.

Trustees and Officers

During the year, Gillian Vaughan Hudson was President of the **friends**, Diana Scarrott was Chair and Mike Shipley was Honorary Treasurer. The Trustees holding office during the year were:

Susan Aird (retired January 2021)
Jo Baktis (co-opted April 2020, elected November 2020)
Leslie Brantingham (co-opted March 2021)
Katie Ginger
Maggie Gormley
Peter Harries
Tom Hughes, Vice Chair
Ros Jacobs, Vice Chair
Diana Scarrott, Chair
Mike Shipley, Honorary Treasurer
John Sparrowhawk (elected November 2020, previously co-opted)
Angela Wedgwood

The Trustees record their appreciation of retiring Trustee Susie Aird's work over thirteen years as well as welcoming Jo Baktis and Leslie Brantingham as new Trustees.

Office

The Charity's office is on the 2nd floor, Maple House, 149 Tottenham Court Road, London W1P 9LL. The address for correspondence is Friends of UCLH, c/o UCLH Charity, 5th Floor East, 250 Euston Road, London NW1 2PG.

Advisors

The Charity's bankers are Coutts and Co, 440 Strand, London WC2R 0QS.

The Independent Examiner is Geoff Frost BSc(Hons) FCA, Blue Spire Limited, Cawley Priory, South Pallant, Chichester, West Sussex PO19 1SY.

The Charity's Investment advisor is Tim Lavis, working with:

- CCLA Investment Management Limited, Senator House, 85 Queen Victoria Street, London EC4V 4ET

- Schroders Investments Limited, 31 Gresham Street, London EX2V 7QA
- Black Rock Fund Managers Limited, 12 Throgmorton Avenue, London EC2N 2D
- M&G Securities Limited, 10 Fenchurch Avenue, London EC3M 5AG.

2. Structure, governance and management

The charity is an unincorporated association of Members governed by a constitution first approved by the Charity Commission on 19 November 1973 and most recently amended and adopted on 11 November 2013. The possibility of becoming a charitable incorporated organisation is being investigated but this work has been delayed by the pandemic.

Decisions are made by the Trustees acting in committee. New Trustees are proposed by the committee of Trustees and elected by the Members at an Annual General Meeting. Additional Trustees may be co-opted by the committee of Trustees at any time.

The **friends'** financial activities are administered on behalf of the Trustees by the accounting staff of University College London Hospitals Charity (charity registration number 1165398). The Trustees remain very grateful to UCLH Charity for this help, especially through 2020-21 when the **friends** were especially active. The **friends** are also indebted to UCLH NHS Foundation Trust which provides office accommodation and IT support.

3. Objectives and activities

The objectives of the **friends**, as set out in its constitution, are to '*relieve patients, former patients, staff and former staff of the hospitals within the UCLH NHS Foundation Trust and other persons in the community who are sick, convalescent, disabled, handicapped, infirm or in need of financial assistance and, generally, to support the charitable work of the hospitals*'. In pursuing these objectives, the Trustees have regard to the guidance of the Charity Commission on public benefit. The Charity's aim, registered with the Charity Commission, is to '*help the hospitals, their patients and staff by providing facilities and amenities which are not available from the National Health Service*'. The **friends** are registered with the UCLH Trust's Charitable Funds Management Committee, as one of the Trust's 'associated' charities.

The **friends** invite requests for grants from hospital staff at all levels and across all UCLH hospital sites. Grants must fall within the object and powers of the **friends** as specified in its constitution. In practice, the only restriction is that grants are not given for individual staff or patient use. The **friends** would not, for example, give a grant to a staff member for attendance at a conference.

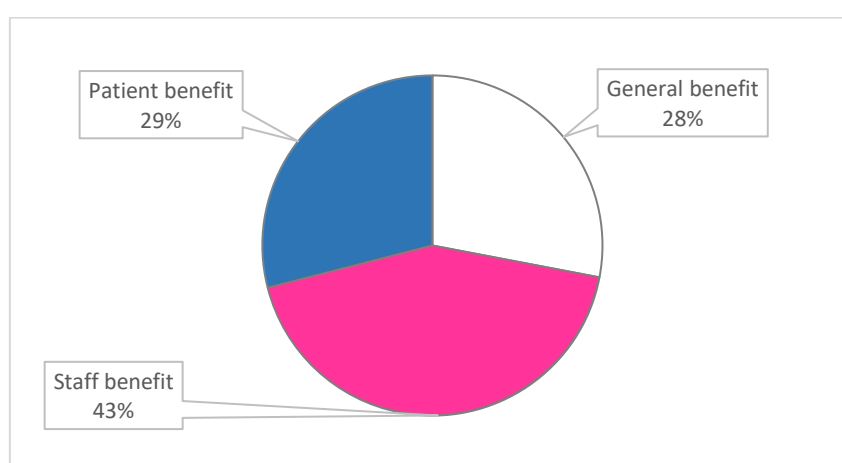
4. Achievements, performance and plans

Inevitably, the charity's work during 2020-21 was dominated by the Covid 19 pandemic and the need to keep grants flowing. A fast track process was introduced for dealing with requests costing less than £1,000 and decisions are now routinely made after email discussion rather than at face to face meetings of Trustees. The interval between request and decision was frequently under a week for small grant applications.

Altogether, 102 grants were approved in 2020-21 (33 in 2019-20). The statement of financial activities (page 7) shows charitable activities at £132,849 (£148,475 in 2019-20). The reduction

resulted partly from writing back grants which could not be progressed because of the pandemic – ward entertainments, for example. Where this happened, applicants were assured that grants can be reinstated once circumstances allow. The Trustees are especially grateful to the Staff Experience Team and Chief Nurse Flo Panel Coates for helping the **friends** find opportunities to help the Trust through the pandemic crisis. To further raise awareness of the **friends**, a quarterly newsletter was launched in March 2020. This is another pandemic innovation which has proved its usefulness and will continue.

The largest grant approval in 2020-21 was £31,000 on team fleeces, each personalised with staff first names. £30,000 was given to the Trust's Arts and Heritage Programme, this grant being matched by UCLH Charity. We greatly value this partnership with UCLH Charity to support the arts at UCLH. A special appeal resulted in spending of £19,368 on an MRI-Safe DVD player to relax and distract child patients having scans at the RNENTEDH. A further substantial grant, £9,122, went to the Exemplar Ward Programme, activity which the **friends** have supported since the programme's inception. If approvals are grouped into just three categories – staff, patient or general benefit – just under half the charity's grants in 2020-21 were to benefit staff:



Using more detailed categories, grant approvals were distributed as follows in 2020-21:

| | |
|--|-----|
| Personalised fleeces for 35 teams | 19% |
| Grant to the Trust's Arts and Heritage Programme | 19% |
| An MRI-safe DVD player to relax patients at the RNENTEDH – by special appeal | 12% |
| Helping managers show appreciation of staff – shopping vouchers, chocolate, etc | 11% |
| Improving patient experience – shopping for patients, online entertainments etc | 9% |
| Service improvement – support for Exemplar programme, monitoring software etc | 9% |
| Equipment for patient care – chairs, activity monitors, training video equipment etc | 8% |
| Staff facilities – coffee machines, fridges, televisions, plants etc | 8% |
| Exercise and yoga classes | 3% |
| Team-building events | 2% |

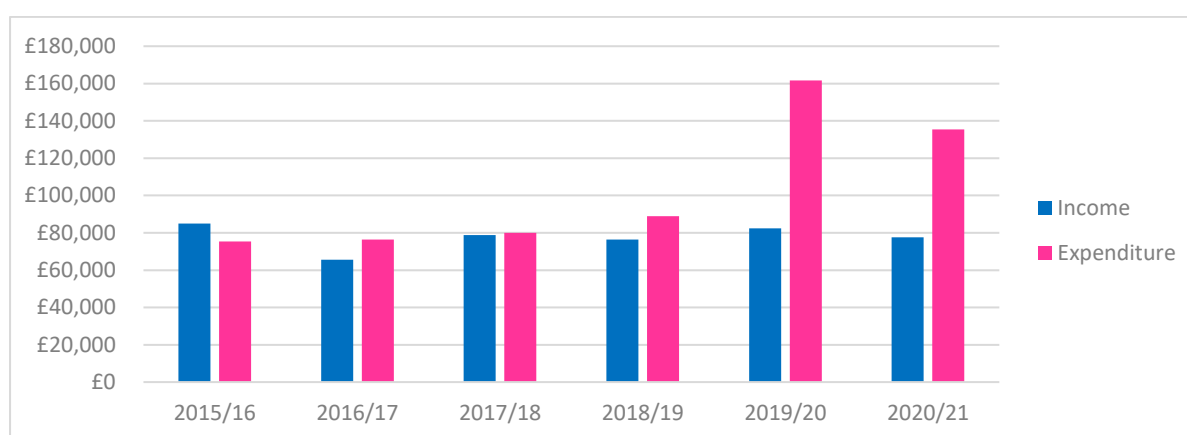
At the **friends** forthcoming AGM prizes will again be awarded for the 2020-21 grant applications judged the most imaginative in improving staff experience (the Harding Jackson Prize) and patient experience (the Gilmore Prize). The winners in 2020-21, for applications made in 2019-20, were Jo Cunningham-Davis who set up a patient forum to inform allied health professionals on service development: and Anna Swift who applied for two 'safety pods' to help Emergency Department staff restrain patients less forcibly.

5. Financial review

At £77,525, income in 2020-21 fell slightly. There was no income from book sales because of the pandemic but donations held up at £47,821 (£42,096 in 2019-20) – see page 7. Donations include £20,000 from UCLH Charity (£25,000 in 2019-20) and £5,000 from the Astor Foundation, also a regular and generous supporter. Donations were encouraged by the special appeal for an MRI-safe DVD player (see above). The Trustees encouraged appeal donations by offering to match them £ for £ from reserves. This appeal model will probably be used again. Increasing donations from patients, family and friends remains a priority for the charity with better communication about friends activity the key.

At £735,398, the value of the charity's investments was low at the start of the year because of the Covid-19 fall in share prices and also because of a sale of investments in 2019-20 when the market was higher. Dividend income fell to £29,704 (£37,309 in 2019-20). The balance sheet shows the value of investments recovering by the end of 2020-21.

This chart uses statements of financial activity over six years to show that spending greatly exceeded income in 2020-21 for the second year running.



The Trustees aim to maintain a level of reserves sufficient to meet the charity's ongoing commitments, allowing for fluctuations in the returns that these generate. 2020-21 was the charity's first year without staff and therefore without ongoing salary commitments. The Trustees therefore decided that investments should no longer be treated as designated. The charity is now run entirely by volunteers, apart from the financial management help provided by UCLH Charity. This increases the opportunity for charitable spending and further spending in excess of income can be expected. At 31 March 2021 the level of reserves was £867,777. The statement of financial activities shows charitable spending in 2020-21 accounting for 98% of total spending (92% in 2019-20).

A formal review of the friends' investments is made once a year, overseen by the Honorary Treasurer and the charity's independent advisor. The balance sheet on page 8 shows that at 31 March 2021, £890,927 was held in investment funds and £82,918 in cash (£735,398 and £86,215 a year earlier). Creditors (£113,702) represent accrued grants awarded during the year, trade creditors and other accruals (£62,139 in 2019).

The Trustees hold units in common investment funds which meet two key requirements of the reserves policy outlined above: provision of a regular income to supplement donation income, and protection of the capital value of the investments consistent with policies on grant giving.

6. Statement of Trustees' responsibilities

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; prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation'*.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the 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 constitution. 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.

Approved by the Trustees on 17 November 2021

and signed on their behalf by:

Chair

A handwritten signature in blue ink, appearing to read 'Diane Smith', is written over a faint horizontal line.

7. Independent examiner's report to the Trustees of the Friends of University College London Hospitals

I report to the charity Trustees on my examination of the accounts of the charity for the year ended 31 March 2021 which are set out on pages 7 to 13.

Responsibilities and basis of report

As the charity's Trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act;
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of the accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirements that the accounts give a 'true and fair view' which is not a matter considered as part of an inspection.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

07 January 2022



Geoff Frost BSc FCA

Blue Spire Limited

Cawley Priory

South Pallant

Chichester

West Sussex PO19 1SY

8. Statement of financial activities for the year ended 31 March 2021

| | Note | Unrestricted total funds 2020-21 £ | Unrestricted total funds 2019-20 £ |
|---|-----------|---|---|
| Income and endowments from: | | | |
| Donations and legacies | 2 | 47,821 | 42,096 |
| Investments | 3 | 29,704 | 37,309 |
| Other income – book sales | | - | 3,056 |
| Total | | 77,525 | 82,461 |
| Expenditure on: | | | |
| Office costs | 4 | 1,962 | 4,914 |
| Promotion/fundraising | | 585 | 8,513 |
| Charitable activities | 5 | 132,849 | 148,475 |
| Total | | 135,396 | 161,902 |
| Net income/(expenditure) | | (57,871) | (79,441) |
| Net gains/(losses) on investments | | 155,529 | (101,079) |
| Net income/(expenditure) and movement in funds | | 97,658 | (180,520) |
| Reconciliation of funds: | | | |
| Total funds brought forward at start of year | 11 | 770,119 | 950,639 |
| Total funds carried forward at end of year | 11 | 867,777 | 770,119 |

9. Balance sheet

| | Note | Unrestricted total funds 31 Mar 2021 £ | Unrestricted total funds 31 Mar 2020 £ |
|--|------|---|---|
| Fixed assets | | | |
| Investments | 8 | 890,927 | 735,398 |
| Current assets | | | |
| Debtors | 9 | 7,634 | 10,645 |
| Cash at bank and in hand | | 82,918 | 86,215 |
| Total current assets | | <u>90,552</u> | <u>96,860</u> |
| Creditors: amounts falling due within one year | 10 | (113,702) | (62,139) |
| Net current assets | | <u>(23,150)</u> | <u>34,721</u> |
| Net assets | | <u>867,777</u> | <u>770,119</u> |
| Funds | 11 | | |
| Designated funds | | - | 735,398 |
| General funds | | 867,777 | 34,721 |
| | | <u>867,777</u> | <u>770,119</u> |

The notes numbered 1-11 form part of these accounts.

Approved by the Trustees on 17 November 2021

and signed on their behalf by:

Chair



10. Notes to the financial statements

1. Accounting policies

1.1 Basis of accounting

The **friends** of UCLH is an unincorporated charity registered in England and governed by a constitution. The charity's operations and principal activities are set out in the Trustees' report.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with:

- Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019.
- the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102)
- the Charities Act 2011
- UK Generally Accepted Practice

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

1.2 Statement of cash flows

The charity does not include a cash flow statement on the grounds that it is applying FRS 102 Section 1A.

1.3 Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Investment income is earned through holding assets for investment purposes such as shares. It includes dividends and interest. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised because of the charity's right to receive payment.

1.4 Recognition of expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, where it is probable that the settlement will be required and where the amount of the obligation can be measured reliably. It is categorised under expenditure on charitable activities and includes upkeep of the charity's properties and the cost of administering the activity of the charity.

Support costs are those that assist the work of the charity but do not directly represent charitable activities. They include office costs and governance costs incurred directly in support of expenditure

on the objects of the charity and on raising funds for the charity. Support costs are allocated to expenditure on charitable activities and raising funds on a basis consistent with the use of those funds.

1.5 VAT

The charity is not registered for VAT and is unable to recover VAT incurred. On this basis costs are recorded inclusive of VAT within the SoFA.

1.6 Fixed asset investments

Investments are recognised initially at fair value, which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains/(losses) on investments' in the SoFA where investments are publicly traded or their fair value can otherwise be measured reliably.

1.7 Debtors receivable and creditors payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

1.8 Taxation

The charity is considered to pass the tests set out in sections 521 to 536 Income Tax Act 2007 (ITA 2007). As such, no income tax is payable on the charity's activities.

1.9 Funds structure

Unrestricted income funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes. Designated funds are a portion of unrestricted funds set aside by the Trustees for a particular purpose and represent the investment assets of the charity.

1.10 Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to continue as a going concern.

2. Voluntary income

| | Unrestricted total funds 2020-21 £ | Unrestricted total funds 2019-20 £ |
|-------------------------------|---|---|
| Donations and subscriptions | 25,475 | 14,850 |
| Grant from UCLH Charity | 20,000 | 25,000 |
| Donated professional services | 2,346 | 2,246 |
| | <u>47,821</u> | <u>42,096</u> |

Donated professional services are accountancy services provided by UCLH Charity. The equivalent amount is allocated to the 'support' costs, the costs of generating voluntary income – see note 4.

3. Investment income

| | Unrestricted total funds 2020-21 £ | Unrestricted total funds 2019-20 £ |
|---------------------------------------|---|---|
| Common investment funds within the UK | 29,630 | 36,972 |
| Bank deposit income | 74 | 337 |
| | <u>29,704</u> | <u>36,318</u> |

4. Cost of generating voluntary income

Spending on raising funds in the SoFA, £1,962 (£4,914 in 2019/20) is based on the following apportionment. The residual amount is counted as 'charitable activity'. Together with grants of £130,841, charitable activity then totalled £132,849 in 2020/21 (£148,475 in 2019/20).

| Expenditure type | 2020/21 total costs £ | Basis of apportionment | Cost of generating funds £ | Residual £ |
|----------------------|--------------------------------|--|-------------------------------------|---------------|
| Office costs | 1,141 | Split equally, other than specific items | 570 | 570 |
| Independent examiner | 660 | Split equally, other than specific items | 330 | 330 |
| Insurance | 324 | Split equally, other than specific items | 162 | 162 |
| Donated accountancy | 2,346 | Allocated on time | 900 | 1,446 |
| | <u>4,471</u> | | <u>1,962</u> | <u>2,508</u> |

5. Analysis of charitable expenditure

| | Grant funded activity £ | Support costs £ | Unrestricted total funds 2020-21 £ | Unrestricted total funds 2019-20 £ |
|------------------------------|----------------------------------|-----------------------|---|---|
| Improving environment | 34,534 | 559 | 35,093 | 64,407 |
| Equipment for patient care | 28,223 | 457 | 28,680 | 33,913 |
| Improving patient experience | 13,191 | 213 | 13,404 | 32,888 |
| Support for staff activities | 60,764 | 982 | 61,746 | 15,844 |
| Equipment for staff use | 18,342 | 297 | 18,639 | 2,796 |
| Grants written back | (24,713) | - | (24,713) | - |
| | <u>130,341</u> | <u>2,508</u> | <u>132,849</u> | <u>148,475</u> |

6. Grants awarded during the year

| | 2020-21 | | 2019-20 | |
|------------------------------|------------------|----------------------------|------------------|----------------------------|
| | Number of grants | Aggregate amount paid £ | Number of grants | Aggregate amount paid £ |
| Improving environment | 2 | 34,534 | 1 | 62,061 |
| Equipment for patient care | 10 | 28,223 | 9 | 32,677 |
| Improving patient experience | 13 | 13,191 | 8 | 30,316 |
| Support for staff activities | 58 | 60,764 | 11 | 15,267 |
| Equipment for staff use | 19 | 18,342 | 4 | 2,694 |
| Grants written back | - | (24,713) | - | - |
| | <u>102</u> | <u>130,341</u> | <u>33</u> | <u>143,015</u> |

The **friends** approved grants of £130,341 during the year, ranging in size from £22 to £31,000. An analysis of grants appears in section 4 of the annual report. All grants were paid to UCLH NHS Foundation Trust.

7. Staff costs and trustee remuneration

No staff are currently employed. In the comparative year, the charity employed a part-time office manager at a cost of £5,680.

None of the charity's trustees received remuneration. No trustees (2019-20: none) were reimbursed expenses during the year under review.

8. Fixed asset investments

| | 2020-21 £ | 2019-20 £ |
|--------------------------------|----------------|------------------|
| Market value at start of year | 735,398 | 916,477 |
| Additions at cost | - | - |
| Disposals at market value | - | (76,695) |
| Net gain/(loss) on revaluation | <u>155,529</u> | <u>(104,384)</u> |
| Market value at end of year | <u>890,927</u> | <u>735,398</u> |

| | | |
|---------------|---------|---------|
| Historic cost | 633,912 | 633,912 |
|---------------|---------|---------|

All investments are held in the UK in common investment funds:

| | Market value at 31 March 2021 £ |
|--|---------------------------------------|
| COIF Charities Investment Fund Income Units | 225,956 |
| Schroder Charity Equity Fund Income Units | 141,824 |
| Charishare Restricted Common Investment Fund Income Shares | 130,424 |
| COIF Charities Property Fund Units | 145,017 |
| COIF Global Equity Income Fund Income Units | 126,741 |
| M&G Charifund Income Units | <u>120,965</u> |
| | <u>890,927</u> |

9. Debtors

| | 2021 Total funds £ | 2020 Total funds £ |
|---------------------------------|--------------------------|--------------------------|
| Prepayments and accrued income | 7,634 | 7,852 |
| Grant payable from UCLH Charity | - | 2,793 |
| | <u>7,634</u> | <u>10,645</u> |

10. Creditors: amounts falling due within one year

| | 2020-21 Total funds £ | 2019-20 Total funds £ |
|-----------------|-----------------------------|-----------------------------|
| Trade creditors | 33,754 | 8,353 |
| Other creditors | 79,288 | 53,125 |
| Accruals | 660 | 660 |
| | <u>113,702</u> | <u>62,138</u> |

Other creditors consist of grants which have been approved but not yet spent.

11. Analysis of unrestricted funds

| | Balance at 31 March 2020 £ | Incoming resources £ | Resources expended £ | Transfers £ | Gains and losses £ | Balance at 31 March 2021 £ |
|---------------------|--|----------------------------|----------------------------|----------------|-----------------------------|--|
| Designated funds | 735,398 | - | - | (810,927) | 155,529 | - |
| General funds | <u>34,721</u> | <u>77,525</u> | <u>(135,396)</u> | <u>810,927</u> | <u>-</u> | <u>866,777</u> |
| | <u>770,119</u> | <u>77,525</u> | <u>(135,396)</u> | <u>-</u> | <u>155,529</u> | <u>866,777</u> |

The trustees previously designated investments for long-term income generation, but during the year it was decided to undesignate these funds.