

friends

of University College London Hospitals

reg. charity no. 266669

Annual Report and Accounts for the year ended 31 March 2022

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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:

Jo Baktis (Treasurer elect)
Leslie Brantingham
Katie Ginger
Maggie Gormley (until November 2021)
Peter Harries
Tom Hughes, Vice Chair (until March 2022)
Ros Jacobs, Vice Chair
Diana Scarrott, Chair
Mike Shipley, Honorary Treasurer (until July 2022)
John Sparrowhawk
Angela Wedgwood

The Trustees report with great sadness that Tom Hughes, a trustee since 2016, died in March 2022 and that Mike Shipley, a trustee since 2012, died in July 2022. Both were active trustees to the end and their contribution to the **friends** was enormous.

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 Geoffrey 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 since 2020 when the **friends** were especially active because of the Covid 19 pandemic. The **friends** are also indebted to UCLH NHS Foundation Trust which provides office accommodation and IT support, and to the Trust's voluntary services without whom some of our patient support work would not be possible.

3. Objects and activities

With the aim of helping the hospitals, their patients and staff, by providing facilities and amenities which are not available from the National Health Service, the objects 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 objects, the Trustees have regard to the guidance of the Charity Commission on public benefit. 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 objects and powers of the **friends** as specified in the 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. Reliance on the imagination of staff has become one of the **friends'** key messages, so important that two prizes are awarded each year for imaginative grant applications.

4. Achievements, performance and plans

The **friends'** work during 2021-22 continued to be overshadowed by the Covid 19 pandemic. The fast-track decision processes introduced in 2020 remained in use and Trustees continued to meet on Zoom, with a second Zoom AGM also held. Many of the new working methods introduced to deal with the pandemic will be permanent. Speed of decision continues to be a priority. Improving communications is also important, with the quarterly newsletter launched in 2020 continuing to be produced.

Altogether, 101 grants were approved in 2021-22 (102 in 2020-21). The statement of financial activities (page 7) shows charitable activities at £145,471 (£132,849 in 2020-21), a planned increase after a reduction in 2020-21 when certain grants could not be progressed because of the pandemic. The Trustees are grateful to everyone who helped find opportunities for the **friends** to support the Trust during such difficult times.

Although the **friends** strapline is about funding extras 'for patients and staff', some extras benefit both. This was especially the case in 2021-22, with almost two thirds of spending bringing general benefit because of two £30k donations to Trust refurbishment appeals, and a further £30k contribution to the Trust's arts and heritage programme. Grants to benefit staff specifically accounted for a fifth of the

year's spending, split between personalised fleeces and other staff benefits such as team-building events. Grants to support patients specifically were the smallest category but included an ongoing grant to enable hospital volunteers to shop for essentials for patients who arrive at the hospital without money. The distribution of grant spending was as follows in 2021-22:

Recurring grant to the Trust's Arts and Heritage programme	21%
Donation to a Trust appeal to refurbish the Paediatric Emergency Department	21%
Donation to a Trust appeal to refurbish the Radiotherapy Department	21%
Personalised fleeces for staff	10%
Recurring support for the Exemplar Programme	10%
Staff support other than fleeces – team building events etc	8%
Patient shopping and other patient support	6%
Hospital equipment	3%

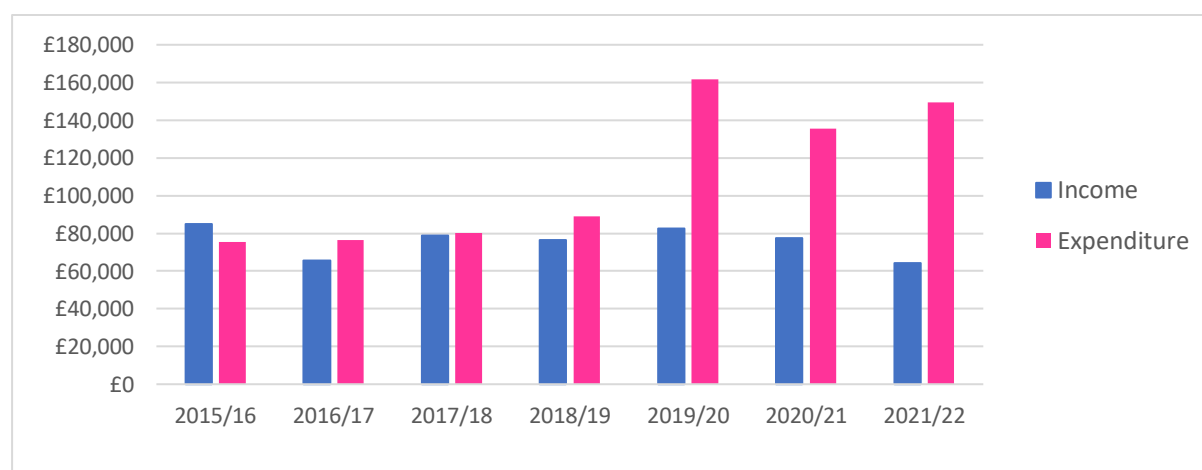
At the **friends** forthcoming AGM prizes will again be awarded for the 2021-22 grant applications judged the most imaginative in improving staff experience (the Harding Jackson Prize) and patient experience (the Gilmore Prize). The winners in 2021-22, for applications made in 2020-21, were Elaine Thorpe, Critical Care Matron, for finding a device which stopped mobile phones falling out of scrubs and breaking, and Clive Pankhurst, Trust Lead for Volunteer Services, for setting up and managing the patient shopping scheme.

5. Financial review

At £64,350, income in 2021-22 has dropped from the previous year. Book sales have not resumed this year. Donations this year were £32,810 (£47,821 in 2020-21) – see page 7. Donations include £15,000 from UCLH Charity (£20,000 in 2020-21) and £5,000 from the Astor Foundation, also a regular and generous supporter. There were no special appeals for donations this year, but plans are in hand for a major new appeal to be run jointly with the National Brain Appeal for the restoration of the organ in the National Hospital for Neurology and Neurosurgery. Increasing donations from patients, family and friends remains a priority with better communication about **friends** activity the key.

The balance sheet shows that the value of the charity's investments has been maintained this year despite a sale of investments during the year. Dividend income increased slightly to £31,540 (£29,704 in 2020-21).

This chart uses statements of financial activity over seven years to show that spending greatly exceeded income in 2021-22 for the third 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. 2021-22 was the charity's second year without staff and therefore without ongoing salary commitments. The **friends** 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 2022 the level of reserves was £872,011. The statement of financial activities shows charitable spending in 2021-22 accounting for 97% of total spending (98% in 2020-21).

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 2022, £880,212 was held in investment funds and £109,160 in cash (£890,927 and £82,918 a year earlier). Creditors (£124,976) represent accrued grants awarded during the year, trade creditors and other accruals (£113,702 in 2021).

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

23 November 2022

and signed on their behalf by:

Dave Scamth

Chair

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 2022 which are set out on pages 7 to 14.

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.



01 December 2022 Geoff Frost BSc (Hons) FCA

Blue Spire Limited

Cawley Priors

South Pallant

Chichester

West Sussex PO19 1SY

8. Statement of financial activities for the year ended 31 March 2022

	Note	Unrestricted total funds 2021-22 £	Unrestricted total funds 2020-21 £
Income and endowments from:			
Donations and legacies	2	32,810	47,821
Investments	3	31,540	29,704
Total		<u>64,350</u>	<u>77,525</u>
Expenditure on:			
Office costs	4	2,088	1,962
Promotion/fundraising		1,842	585
Charitable activities	5	145,471	132,849
Total		<u>149,401</u>	<u>135,396</u>
Net income/(expenditure)		(85,051)	(57,871)
Net gains/(losses) on investments		89,285	155,529
Net income/(expenditure) and movement in funds		<u>4,234</u>	<u>97,658</u>
Reconciliation of funds:			
Total funds brought forward at start of year	11	867,777	770,119
Total funds carried forward at end of year	11	<u>872,011</u>	<u>867,777</u>

9. Balance sheet

	Note	Unrestricted total funds 31 Mar 2022 £	Unrestricted total funds 31 Mar 2021 £
Fixed assets			
Investments	8	880,212	890,927
Current assets			
Debtors	9	7,615	7,634
Cash at bank and in hand		109,160	82,918
Total current assets		<u>116,775</u>	<u>90,552</u>
Creditors: amounts falling due within one year	10	(124,976)	(113,702)
Net current assets		<u>(8,201)</u>	<u>(23,150)</u>
Net assets		<u>872,011</u>	<u>867,777</u>
Funds	11		
General funds		<u>872,011</u>	<u>867,777</u>
		<u>872,011</u>	<u>867,777</u>

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

Approved by the Trustees on 23 November 2022

and signed on their behalf by: Diana Searns

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 2021-22 £	Unrestricted total funds 2020-21 £
Donations and subscriptions	10,344	20,475
Grant from UCLH Charity	15,000	20,000
Grant from Astor Foundation	5,000	5,000
Donated professional services	2,466	2,346
	<hr/> 32,810 <hr/>	<hr/> 47,821 <hr/>

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 2021-22	Unrestricted total funds 2020-21
	£	£
Common investment funds within the UK	31,526	29,630
Bank deposit income	14	74
	<u>31,540</u>	<u>29,704</u>

4. Cost of generating voluntary income

Spending on raising funds in the SoFA, £2,088 (£1,962 in 2020-21) is based on the following apportionment. The residual amount is counted as 'charitable activity'. Together with grants of £142,838, charitable activity then totalled £145,471 in 2021-22 (£132,849 in 2020-21).

Expenditure type	2021-22 total costs	Basis of apportionment	Cost of generating funds	Residual
	£		£	£
Office costs	1,399	Split equally, other than specific items	700	699
Independent examiner	640	Split equally, other than specific items	320	320
Insurance	216	Split equally, other than specific items	108	108
Donated accountancy	2,466	Allocated on time	960	1,506
	<u>4,721</u>		<u>2,088</u>	<u>2,633</u>

5. Analysis of charitable expenditure

	Grant funded activity	Support costs	Unrestricted total funds 2021-22	Unrestricted total funds 2020-21
	£	£	£	£
Improving environment	98,916	1,671	100,587	35,093
Equipment for patient care	-	-	-	28,680
Improving patient experience	7,765	131	7,896	13,404
Support for staff activities	38,919	657	39,576	61,746
Equipment for staff use	10,306	174	10,480	18,639
Grants written back	(13,068)	-	(13,068)	(24,713)
	<u>142,838</u>	<u>2,633</u>	<u>145,471</u>	<u>132,849</u>

6. Grants awarded during the year

	2021-22		2020-21	
	Number of grants	Aggregate amount paid £	Number of grants	Aggregate amount paid £
Improving environment	7	98,916	2	34,534
Equipment for patient care	-	-	10	28,223
Improving patient experience	3	7,765	13	13,191
Support for staff activities	80	38,919	58	60,764
Equipment for staff use	11	10,306	19	18,342
Grants written back	-	(13,068)	-	(24,713)
	<u>101</u>	<u>142,838</u>	<u>102</u>	<u>130,341</u>

The **friends** approved grants of £142,838 during the year, ranging in size from £60 to £30,000. 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 (2020-21: none).

None of the charity's trustees received remuneration. No trustees (2020-21: none) were reimbursed expenses during the year under review.

8. Fixed asset investments

	2021-22 £	2020-21 £
Market value at start of year	890,927	735,398
Additions at cost	-	-
Disposals at market value	(91,913)	-
Net gain/(loss) on revaluation	<u>81,198</u>	<u>155,529</u>
Market value at end of year	<u>880,212</u>	<u>890,927</u>
Historic cost	582,146	633,912

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

	Market value at 31 March 2022 £
COIF Charities Investment Fund Income Units	169,490
Schroder Charity Equity Fund Income Units	164,179
Charishare Restricted Common Investment Fund Income Shares	139,986
COIF Charities Property Fund Units	166,667
COIF Global Equity Income Fund Income Units	113,549
M&G Charifund Income Units	<u>126,341</u>
	<u>880,212</u>

9. Debtors

	2022 Total funds £	2021 Total funds £
Prepayments and accrued income	7,615	7,634
	<u>7,615</u>	<u>7,634</u>

10. Creditors: amounts falling due within one year

	2021-22 Total funds £	2020-21 Total funds £
Trade creditors	2,650	33,754
Other creditors	121,626	79,288
Accruals	700	660
	<u>124,976</u>	<u>113,702</u>

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

11. Analysis of unrestricted funds

	Balance at 31 March 2021 £	Incoming resources £	Resources expended £	Transfers £	Gains and losses £	Balance at 31 March 2022 £
General funds	867,777	64,350	(149,401)	-	89,285	872,011
	<u>867,777</u>	<u>64,350</u>	<u>(149,401)</u>	<u>-</u>	<u>89,285</u>	<u>872,011</u>

The trustees previously designated investments for long-term income generation. In 2020-21 it was decided to undesignate these funds.