



of University College London Hospitals

reg. charity no. 266669

Annual Report and Accounts for the year ended 31 March 2023

Contents

1. Legal and administrative information
2. Structure, governance and management
3. Objects and activities
4. Achievements, performance and plans
5. Financial review
6. Statement of Trustees' responsibilities
7. Independent Examiner's report
8. Statement of financial activities
9. Balance sheet
10. Notes to the financial statements

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 Jo Baktis was Honorary Treasurer. The Trustees holding office during the year were:

Jo Baktis (Treasurer)
Darrell Barnes (from July 2022)
Leslie Brantingham
Katie Ginger (until January 2023)
Peter Harries
Greg Hughes (from September 2022)
Ros Jacobs, Vice Chair
Diana Scarrott, Chair
John Sparrowhawk
Angela Wedgwood

Office

The Charity's office is at Trust Headquarters, 2nd Floor Central, 250 Euston Road, London NW1 2PG. 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 constitution is currently under review to ensure that it meets the need of the charity as it evolves.

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. Darrell Barnes and Greg Hughes were elected as trustees during 2022-23 and Katie Ginger retired as a coopted trustee after eight years of valued service.

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 are very grateful to UCLH Charity for this help, especially as **friends** grants have increased in number and complexity. The **friends** are also indebted to UCLH NHS Foundation Trust which provides office and IT support, including space on the Trust website and central filing on the Trust network. This help is especially valued as we are a charity run mainly by volunteers.

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 continues to be one of the **friends'** key messages, so important that two prizes are awarded each year for imaginative grant applications.

4. Achievements, performance and plans

Activity during 2022-23 continued to be overshadowed by the Covid 19 pandemic, but with a gradual return to more normal working. The fast-track decision processes introduced in 2020 are now permanent. Face to face meetings of trustees resumed in July 2022 and our 2022 AGM was face to face, our first since 2019. Speed of decision continues to be a priority. Communication with members is also important, with a quarterly newsletter continuing to be produced.

The statement of financial activities (page 7) shows charitable activities at £167,688 (£145,471 in 2021-22), a record level for us. This followed a decision to share with The National Brain Appeal the cost of

restoring a historic pipe organ in the multi-faith chapel at the National Hospital for Neurology & Neurosurgery in Queen Square. Each charity will contribute £62.5k to the project. The organ had been unplayable from 2019 and the chapel roof was in urgent need of repair. This required temporary removal of the organ and created an opportunity for restoration which our two charities seized. The organ should be back in use early in 2024. The Trustees record their thanks to Dr Christopher Batchelor, organist and organ consultant, who advised us on the restoration and choice of restorer. Thanks also go to supporters who sponsored organ pipes or made donations in other ways. The online appeal will remain open until work on the organ is complete and paid for. The cost of the organ appears in 2022-23 accounts, when the decision was made, but the money will be spent in 2023-24.

Our strapline is that we fund extras 'for patients and staff'. Often, spending benefits both. The organ grant will support relaxation for staff as well as music therapy for patients. Improving the environment for patients improves it for staff too.

Many of our grants are quite small. As work started to return to normal after the pandemic there was a need for staff to meet together once again and rebuild relationships. We were very pleased to be able to support 21 team-building events in 2022-23. This table summarises the year's grant decisions:

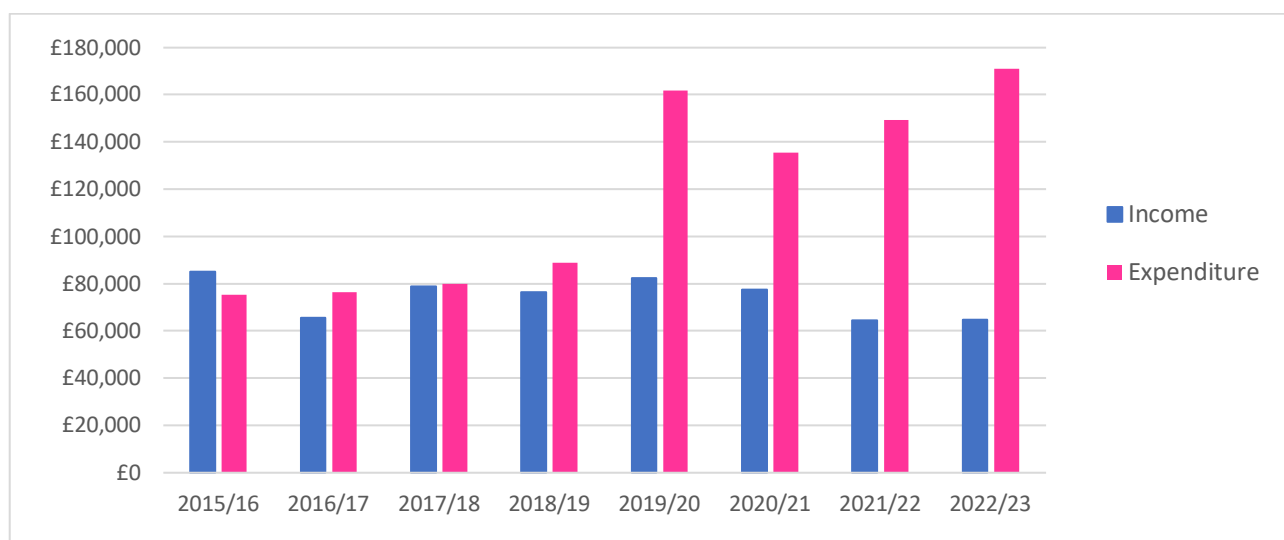
Restoration of the NHNN multi-faith chapel organ (matched with TNBA)	36%
Recurring grant to the Trust's Arts and Heritage programme (matched with UCLH Charity)	18%
1400 personalised fleeces for staff	15%
Support for patients (including support shopping)	10%
Recurring support for the Exemplar programme	6%
Support for staff team building events	7%
Covid memorial tiles (matched with UCLH Charity)	5%
Other support for staff and patients	3%

5. Financial review

At £64,773, income in 2022-23 is at the same level as the previous year. Book sales resumed in February 2023. Donations this year were £30,219 (£32,810 in 2021-22) – see page 7. Donations include £10,000 from UCLH Charity (£15,000 in 2021-22) and £5,000 from the Astor Foundation, also a regular and generous supporter. Income from the organ restoration appeal does not appear in 2022-23 accounts. Increasing regular donations from patients, families 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 reduced this year. Dividend income increased slightly to £33,588 (£31,526 in 2021-22).

This chart uses statements of financial activity over eight years to show that spending greatly exceeded income in 2022-23 for the fourth 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. 2022-23 was the charity's third 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 2023 the level of reserves was £717,505. The statement of financial activities shows charitable spending in 2022-23 accounting for 98% of total spending (97% in 2021-22), something that we are very proud of.

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 2023, £832,014 was held in investment funds and £48,125 in cash (£880,212 and £109,160 a year earlier). Creditors (£170,534) represent accrued grants awarded, trade creditors and other accruals (£124,976 in 2022).

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

15th November 2023

and signed on their behalf by:

Diana Scumthorn

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 2023 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.



Geoffrey Frost BSc (Hons) FCA

Blue Spire Limited

Cawley Priory

South Pallant

Chichester

West Sussex PO19 1SY

04 December 2023

8. Statement of financial activities for the year ended 31 March 2023

	Note	Unrestricted total funds 2022-23 £	Unrestricted total funds 2021-22 £
Income and endowments from:			
Donations and legacies	2	30,219	32,810
Investments	3	34,261	31,540
Other income		293	-
Total		64,773	64,350
Expenditure on:			
Raising funds - office costs	4	2,025	2,088
Promotion/fundraising		1,368	1,842
Charitable activities	5	167,688	145,471
Total		171,081	149,401
Net income/(expenditure)		(106,308)	(85,051)
Net gains/(losses) on investments		(48,198)	89,825
Net income/(expenditure) and movement in funds		(154,506)	4,234
Reconciliation of funds:			
Total funds brought forward at start of year	11	872,011	867,777
Total funds carried forward at end of year	11	717,505	872,011

9. Balance sheet

	Note	Unrestricted total funds 31 Mar 2023 £	Unrestricted total funds 31 Mar 2022 £
Fixed assets			
Investments	8	832,014	880,212
Current assets			
Debtors	9	7,900	7,615
Cash at bank and in hand		48,125	109,160
Total current assets		<u>56,025</u>	<u>116,775</u>
Creditors: amounts falling due within one year	10	(170,534)	(124,976)
Net current assets		<u>(114,509)</u>	<u>(8,201)</u>
Net assets		<u>717,505</u>	<u>872,011</u>
Funds	11		
General funds		717,505	872,011
		<u>717,505</u>	<u>872,011</u>

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

Approved by the Trustees on 15th November 2023

and signed on their behalf by: Diana Scammell

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. Donations and legacies

	Unrestricted total funds 2022-23 £	Unrestricted total funds 2021-22 £
Donations and subscriptions	10,810	10,344
Legacies	1,917	-
Grant from UCLH Charity	10,000	15,000
Grant from Astor Foundation	5,000	5,000
Donated professional services	2,492	2,466

30,219	32,810
--------	--------

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 2022-23	Unrestricted total funds 2021-22
	£	£
Common investment funds within the UK	33,588	31,526
Bank deposit income	673	14
	<u>34,261</u>	<u>31,540</u>

4. Analysis of support costs

Spending on raising funds in the SoFA, £2,025 (£2,088 in 2021-22) is based on the following apportionment.

Expenditure type	2022-23 total costs	Basis of apportionment	Raising funds – office costs	Charitable activities
	£		£	£
Office costs	1,280	Split equally, other than specific items	640	640
Independent examiner	660	Split equally, other than specific items	330	330
Insurance	190	Split equally, other than specific items	95	95
Donated accountancy	2,492	Allocated on time	960	1,532
	<u>4,622</u>		<u>2,025</u>	<u>2,597</u>

5. Analysis of charitable expenditure

	Grant funded activity	Support costs (note 4)	Unrestricted total funds 2022-23	Unrestricted total funds 2021-22
	£	£	£	£
Improving environment	92,702	1,380	94,082	100,587
Improving patient experience	12,397	185	12,582	7,896
Support for staff activities	64,317	958	65,275	39,576
Equipment for staff use	4,984	74	5,058	10,480
Grants written back	(9,309)	-	(9,039)	(13,068)
	<u>165,091</u>	<u>2,597</u>	<u>167,688</u>	<u>145,471</u>

6. Grants awarded during the year

2022-23

2021-22

	Number of grants	Aggregate amount paid £	Number of grants	Aggregate amount paid £
Improving environment	4	92,702	7	98,916
Improving patient experience	9	12,397	3	7,765
Support for staff activities	116	64,317	80	38,919
Equipment for staff use	3	4,984	11	10,306
Grants written back	-	(9,309)	-	(13,068)
	<u>132</u>	<u>165,091</u>	<u>101</u>	<u>142,838</u>

The **friends** approved grants of £165,091 during the year, ranging in size from £60 to £30,000. In addition £60,000 has been accrued as contingency for the organ restoration project. An analysis of grants appears in section 4 of the annual report. All grants supported patients or staff of the UCLH NHS Foundation Trust.

7. Staff costs and trustee remuneration

No staff are currently employed (2021-22: none).

None of the charity's trustees received remuneration. Trustees were reimbursed £171 in expenses during the year under review. (2021-22: £0)

8. Fixed asset investments

	2023 £	2022 £
Market value at start of year	880,212	890,927
Additions at cost	-	-
Disposals at market value	-	(91,913)
Net gain/(loss) on revaluation	<u>(48,198)</u>	<u>81,198</u>
Market value at end of year	<u>832,014</u>	<u>880,212</u>

Historic cost	633,912	633,192
---------------	---------	---------

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

	Market value at 31 March 2023 £
COIF Charities Investment Fund Income Units	163,076
Schroder Charity Equity Fund Income Units	160,781
Charishare Restricted Common Investment Fund Income Shares	139,791
COIF Charities Property Fund Units	140,225
COIF Global Equity Income Fund Income Units	109,521
M&G Charifund Income Units	<u>118,620</u>
	<u>832,014</u>

9. Debtors

2023 Total funds	2022 Total funds
---------------------	---------------------

	£	£
Prepayments and accrued income	7,900	7,615
	<u>7,900</u>	<u>7,615</u>

10. Creditors: amounts falling due within one year

	2023	2022
	Total funds	Total funds
	£	£
Trade creditors	517	2,650
Grant creditors	108,859	121,626
Other grant creditors – Organ restoration	60,000	-
Accruals	1,158	700
	<u>170,534</u>	<u>124,976</u>

11. Analysis of unrestricted funds

	Balance at 31 March 2022 £	Incoming resources £	Resources expended £	Transfers £	Gains and losses £	Balance at 31 March 2023 £
General funds	872,011	64,773	(171,081)	-	(48,198)	717,505
	<u>872,011</u>	<u>64,773</u>	<u>(171,081)</u>	<u>-</u>	<u>(48,198)</u>	<u>717,505</u>