

The Forever Friends™ Appeal

ruh

Fundraising charity of the
Royal United Hospitals Bath



Royal United Hospital Charitable Fund
Annual Report & Financial Statements 2020/21



Royal United Hospitals Bath
NHS Foundation Trust

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Introduction from our Chair of the Charity Committee

Welcome to our annual report for 2020/21. I would like to start this year's annual report by recognising the support we have received from the community at what has been a difficult and unprecedented time for everyone as the COVID-19 pandemic has dominated our lives. The public outpouring of support for the NHS has been outstanding from clap for carers, to the donations made to support our staff and patients either directly or through NHS Charities Together.

As with many charities it has been a challenging year as COVID-19 has affected all our plans for the year and has seen our income decrease by £659,000 compared with the restated 2019/20 position. This was expected and re-forecasted early in the financial year as the full extent of the pandemic became apparent, although as a charity we are in a strong position with a diverse fundraising operation and reserves in place to ensure we head into 2021/22 with a clear plan to recover from the pandemic. The main factors for the decrease in income have been the cancellation of events, the slowdown of donations, a range of factors that influence legacy income and value and the overall economic impact.

We are extremely proud of the way charity staff and volunteers across the hospital adapted so quickly to new ways of working and of the hospital's response to the COVID-19 pandemic. Charity investment in the hospital helped enable new remote ways of interacting with patients and their families. Through generous gifts in kind we were able to securely create special care packages for staff, provide local accommodation and hot meals. We have also been supporting staff at the hospital through access to mental health support and therapy sessions.



In addition to the support of our hospital, the Charity is the lead for NHS Charities Together stage 2 Community Partnership Grants in the Bath and North East Somerset, Swindon and Wiltshire ICS area. The Stage 2 grant, of £400k over two years, is aimed at supporting the wider NHS and voluntary community organisations dealing with COVID-19. The RUH Charitable Fund is leading the co-ordination and development of key themes and priority areas to enable the submission of a proposal to NHS Charities Together to release the grant funds.

As you read through this Annual Report you will discover some of the other key highlights of our year such as work starting on the Dyson Cancer Centre, the new services added to the hospital thanks to the purchase of a Fiberoptic Endoscopic Evaluation of Swallowing machine (FEES), and the 3D surgical planning and prosthetic design service.

My fellow Trustees and I would like to extend a sincere and very grateful thank you to every family, company, school, charitable trust and individual whose support and commitment has made it possible for us to achieve so much this year.

Each and every one of you has helped make a very real and significant difference to the staff and patients at the RUH Bath during 2020/21.

Thank you.

A handwritten signature in black ink, appearing to read 'Jeremy Boss', written over a light blue background.

Jeremy Boss
Chair of the Charities Committee

A message from the Chair and the Chief Executive of the hospital

Firstly a big thank you to everyone who has supported us in the last tumultuous year – by clapping, sending us good wishes and gifts, volunteering and, of course, raising money and making donations. Your kindness has made a huge difference to our patients and their families and the staff who look after them.

Obviously COVID-19 dominated the year leading to great strains on our staff. The extra comforts we could give them like access to hot food, care packages and a few treats, funded through your generosity, made people feel loved and appreciated – and gave them the energy to carry on.

Our patients too had different needs as visiting was restricted. Being able to provide them with activity packs and communication devices helped to make their stay in the hospital more enjoyable and, again, was funded by your donations.

These challenges will continue as we move into the new world where COVID will become part of normal life and the continued support of the community we serve will be just as important. Helping us move into the future is our new CEO Cara Charles-Barks who joined us in September 2020 from Salisbury NHS Foundation Trust. She is leading us into a new era of “joined up” healthcare, working with all our partners in BaNES, Wiltshire and Mendip so the 500,000 people we serve will have the best that can be offered when and where they need it.

Part of that work is making the RUH fit for the future and, again enabled by your donations, the final bit of planning for the Dyson Cancer Centre was completed last year and builders are on site in July 2021 with a planned opening in 2023.



Last year, we could not run large events such as the Walk for Life but the loyal band of fundraisers joined us in virtual ones like the Sofa to Summit Challenge. What we are really looking forward to however, is seeing you face to face this year and being able to say thank you in person. Your support matters and you help us to make a difference.

Cara Charles-Barks
Chief Executive

Alison Ryan
RUH Chair

Our Purpose

Our purpose at the Royal United Hospital Charitable Fund (RUH Charitable Fund or The Forever Friends Appeal) is to enhance the care and treatment of patients through additional equipment, research, medical facilities and innovations over and above what the NHS provides.

Our supporters primarily from Bath, and the surrounding towns and villages in North East Somerset and Western Wiltshire, have united in fundraising to give our staff, patients and their families the very best the NHS can offer. With their help, we're able to fund ground-breaking research, medical facilities such as the Dyson Cancer Centre, state-of-the-art equipment, and help provide health and Wellbeing support. On behalf of our patients, their families and the staff at the hospital, we thank each and every one of our supporters for helping us to transform how we treat our patients in so many different ways. We will always be grateful for your support.

Charitable Mission

Our mission is to: Enhance the treatment and care of patients within the Royal United Hospitals Bath (RUH) by encouraging charitable giving and to enable us to:

- Enhance the patient and staff experience;
- Fund equipment which further improves patient care;
- Support staff development and training; and
- Further medical and health knowledge through research.

In achieving this mission we will adhere to the Trust's values and behaviours and ensure the following:

- Independence, acting in the best interests of the Charity;
- Responsive to the requirements of the patients and staff of the RUH;
- Prudence, not taking undue risks;
- Accountability, to the Corporate Trustee and to the Charity Commission;
- Openness, in reporting to the Corporate Trustee and the public; and
- Efficient and effective, maximising the benefit of our expenditure.

Charitable Objectives

Achieving our mission involves an ongoing programme of fundraising today to give us the funds we need to invest in the health of patients tomorrow.

We will achieve this by working with the Royal United Hospitals Bath NHS Foundation Trust to develop the facilities needed to provide healthcare of the highest quality to the population it serves. The Charity's Committee continues to monitor against its five-year strategic objectives which will be reviewed regularly, and which are summarised as follows:

1. To promote effective and efficient fundraising, both on the main fundraising schemes but also more generally across the RUH site;
2. To work in partnership with other charities where this can help the Charity;
3. To pursue an investment policy which provides a balance between income and long-term capital growth and protecting fund values;
4. To invest in innovations that lead to continuous improvements in health and wellbeing.

The NHS can only do so much. It meets the day-to-day running costs of the hospital, but the RUH relies on the support of all the charity's donors and volunteers who go above and beyond, to build a hospital for the future, to help pioneer new research and to provide the excellent care the hospital is known for.

Our Impact: Redevelopment

In 2020/21, the Charity spent £23,000 on redevelopment (2019/20: £826,000). All redevelopment projects which benefit from charitable funding are undertaken by the RUH once funding has been secured by the charity. Due to COVID-19, redevelopment projects under taken by the hospital were placed on hold to ensure safe operation and social distancing within the hospital.

Cancer Centre

The Trust has received approval for the work to commence and will be starting the construction of the Dyson Cancer Centre early in the 2021/22 financial year. The pandemic hasn't slowed the work such as the demolition of the RUH North area, where the Centre will stand, and demolition was completed in May 2021.

This empty site is where the former Therapies building used to stand, to the right as you look at the RUH main entrance.



The Dyson Cancer Centre project has created a massive jigsaw puzzle, meaning the RUH had to carry out some work, like new corridor and pedestrian diversions, before we could actually knock anything down. It all adds to the sense of activity and progress that's going on across the RUH.

It's not all been visible as the works have been underground too, completing a series of complex diversions for electricity, IT, heating and hot water to RUH North before the Dyson Cancer Centre building work can begin.

At year end, the Charity has been pleased to announce it had completed its £10m fundraising target towards the build. The remaining funding is being provided by the Department of Health and Social Care's (DHSC) New Hospital Programme, as part of the commitment to build new facilities and invest in buildings, equipment and technology across the country by 2030.

We're extremely grateful to all the patients, families, supporters and NHS staff who've contributed – by donating, walking, running, baking, leaving gifts in wills and much more. It's an outstanding achievement and we're very proud of everyone that has contributed. Please be assured we are continuing to raise funds for cancer services at the RUH through our activities and donations to help cancer patients receive the best possible care through equipment, research and health & wellbeing.

The Dyson Cancer Centre will be located next to the main entrance of the hospital and will bring the majority of cancer services, including research, under one roof, providing oncology, chemotherapy and radiotherapy services and a 22-bed inpatient ward. We are all looking forward to seeing it take shape over the next few years, with it due to open in autumn 2023.

Future Redevelopment Projects

Breast Unit Redevelopment

Following the completion of the Breast Unit fundraising, building works are due to start in late 2021 following delays due to the COVID-19 pandemic.

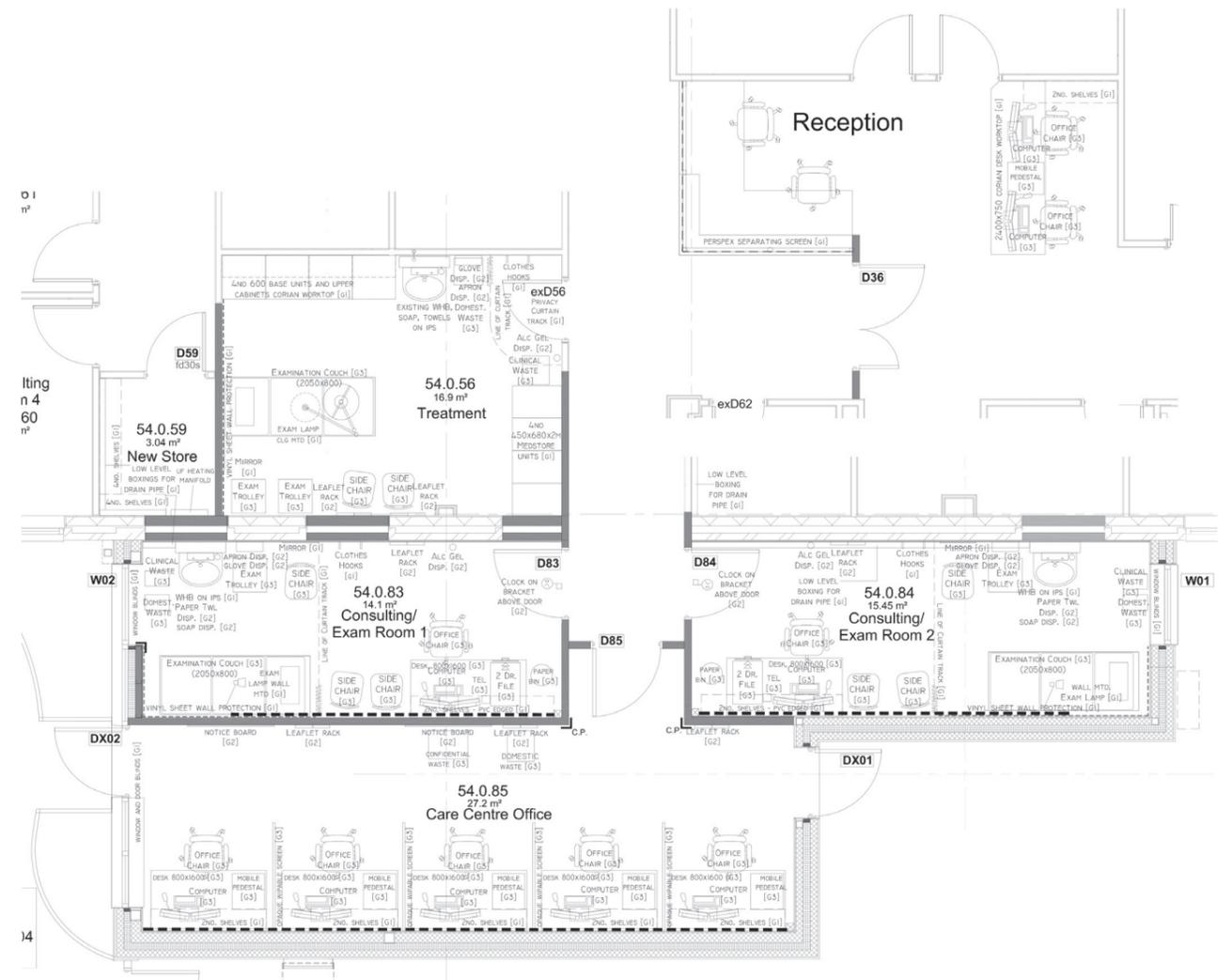
The redevelopment will enhance the exceptional service already provided, improve efficiency and facilitate a model of care to support patients living with and beyond cancer. These improvements will help staff support patients with advice and counselling from a dedicated support centre within the Breast Unit in the months and years after they leave hospital or complete their treatment.

The unit will have a new area for mammographic and MRI reporting, an improved waiting area and peace garden, enlarged consultation suites and examination areas, and a dedicated treatment room. The treatment room is pivotal in our approach to reducing length of stay in hospital for patients after surgery. Increasing numbers of patients are discharged home on the day of their operation.

The improvements to the Breast unit will give patients a more holistic experience in a soothing environment. The unit will have rooms designed for individual patient use, quiet rooms for privacy and dignity and an outside area for private retreats. Extra space will allow for continued survivorship support, for holistic needs assessments, prosthetic fittings and also a treatment room for nursing interventions.

Although not part of the new Cancer Centre, the new enhanced Breast Unit will sit in close proximity. Many of its patients will use the new Cancer Centre for their treatment and services offered by its wellbeing hub.

Other future redevelopment projects will be known following the Royal United Hospitals under taking work relating to HIP2 (New Hospitals' Programme) and business case outcomes. The hospital is required to submit a full business case in November 2024, describing the investment we need to help us deliver our ambition. Funding could then be available in 2025.



Our Impact: Research

In 2020/21, the Charity spent £13,000 (2019/20: £-8,000 due to the reversal of a transaction) towards research.

During the year charitable funding for research was lower than planned as charitable projects were placed on hold due to the COVID-19 pandemic and a focus by the research team to work on major national studies such as:

- Identifying a treatment for COVID-19 patients admitted to hospital with severe breathing problems.
- Being one of just 40 hospitals in England to take part in a research study looking at immunity and reinfection of COVID-19.
- Playing an important role in a new worldwide COVID-19 vaccine study for the vaccine candidate developed by the Janssen Pharmaceutical Companies of Johnson & Johnson.

which significantly increase cardiovascular disease (including obesity), is also highly prevalent. Within the catchment area of our hospital, over half (56%) of the local population are overweight and incidence is rising in all communities.

Treatment of cardiovascular disease

Treatment plans currently include a pathway of medications (e.g. statins) and major invasive procedures, which could be avoided. The 2019 NHS long-term plan recognised the need for increased preventative strategies for cardiovascular disease.

We already know that lifestyle interventions, where healthcare supports patients through significant behavioural changes (specifically around diet and exercise), have been proven to work for several important conditions. These include high blood pressure, diabetes and cholesterol. Lifestyle interventions reduce the number of medications many people need to take, and in some cases the disease can be resolved completely.

Initial evidence suggests that lifestyle interventions can have the same impact on more advanced heart conditions, such as coronary artery disease (the “furring up” of the heart’s own blood supply) and atrial fibrillation (the most common heart rhythm disturbance that causes palpitations and breathlessness and is the biggest cause of strokes).

Impact

Patient success stories already show that lifestyle interventions can be life changing, reversing these unpleasant conditions and preventing the high volume of premature deaths they cause. Unfortunately, there is no sign of this kind of treatment plan becoming part of routine care available on the NHS. To expand these services and make a significant change nationally, we need to prove robustly that these lifestyle interventions are effective.

Funding

Lifestyle research has historically not been as well funded as drug or procedural research, which has understandably been driven by interests of industry. This has been a barrier to lifestyle research, where the temptation is to prescribe medications or offer invasive, expensive and potential risky procedures.

Our Impact: Staff welfare and amenities

In 2020/21, the Charity spent £309,000 (2019/20: £150,000) towards staff welfare and amenities.

During the year the Charity supported staff in so many ways as they worked tirelessly on the frontline and can be seen in details on page 12 as they relate to the immediate response to the COVID-19 pandemic.

These included:

- Care packs
- Hydration
- Bereavement resources
- Chair beds
- Mattresses
- Hot meals
- Florence Nightingale foundation
- Outdoor seating
- Mental health support - Pause Days
- Specialist Interventions for PTSD
- Further 1-1 therapy sessions for Critical Care
- Christmas Hampers



Future Projects

Community Eco Garden

The last year has seen RUH staff working under intense pressure in difficult circumstances to care for patients – managing the stress of wearing PPE, providing extra care for patients in the absence of visitors, and covering additional shifts for colleagues who are ill or self-isolating. Our incredible staff have shown resilience, strength and spirit, so now is the time to give them the support they need to recover.

Thanks to the generosity of the public and NHS Charities Together, our hospital charity The Forever Friends Appeal will continue to stand shoulder to shoulder with our RUH hospital colleagues and patients to support their recovery. Funding will provide additional psychological and trauma support services for staff over the next two years in collaboration with the RUH’s current counselling service.

Funding will also be used to enable everyone at the RUH to enjoy the remarkable health benefits of connecting with nature via a new well-being and eco-garden. This dedicated outdoor space will hugely benefit wellbeing so everyone can take time out from the pressures of a busy hospital and connect to the environment around us, helping improve mental health.

To find out more about the work we are doing to support our staff and the eco-garden project, please visit: www.foreverfriendsappeal.co.uk



Future Research Projects

Cardiology Research (*Super Rehab: Reversing cardiovascular disease with targeted and intensified lifestyle intervention*)

This research will test the impact of a new approach to treating cardiovascular disease. *Super Rehab* is a lifestyle intervention programme delivered by a healthcare team. It will provide intensified, targeted and personalised support drawing on the latest evidence across nutrition, exercise and behavioural psychology for patients.

The initial research involves two pilot studies:

1. *Super Rehab*: can we reverse coronary disease in metabolic patients?
2. *Super Rehab*: a novel pathway for overweight patients with atrial fibrillation?

Cardiovascular disease

Despite advancements in treatment of cardiovascular disease, it remains one of the biggest health burdens internationally. Cardiovascular disease causes 27% of all UK deaths. Nearly half of those are caused by coronary artery disease, which itself affects 2.3 million people in the UK today. Metabolic syndrome, a cluster of conditions grouped together

Our Impact: Patients' welfare and amenities

In 2020/21, the Charity spent £288,000 excluding redevelopment expenditure of £23,000 (2019/20: £666,000 excluding redevelopment expenditure of £826,000) towards patients welfare and amenities.

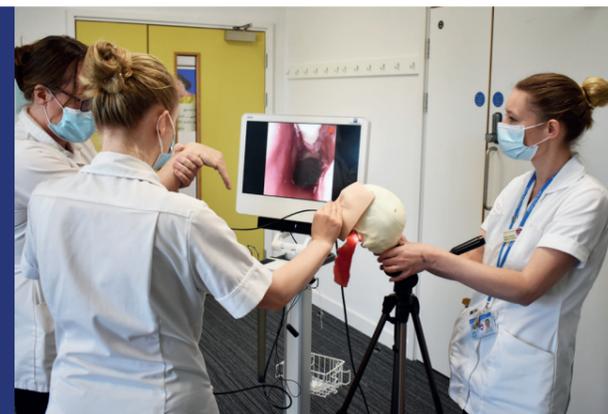
This includes the purchase of replacement or additional medical equipment that allows the clinical and research teams to take advantage of advances in medical science and technology to deliver better diagnosis and treatment, and to replace old equipment that is no longer fit for purpose with new state-of-the-art versions.

These include:

- iPad chargers
- The Happy Newspaper
- DAB Radios
- Bluetooth Speakers
- Crescendo Listening Devices
- Specialist Books and Poetry

Other larger equipment includes:

Fees Machine (£28,000)



During the year, funds were raised to purchase a portable machine that would be a game-changer for patients who have swallowing difficulties.

Being able to eat or drink without a second thought is something most of us take for granted. But many people can develop swallowing difficulties as a result of conditions such as dementia, Parkinson's disease, stroke, respiratory conditions (including COVID-19) and head and neck cancer. When they eat or drink they can experience coughing and/or choking. This can be life threatening as they are at risk of developing chest infections and it can lead to weight-loss, malnutrition, dehydration and cause anxiety around eating and drinking.

The Speech and Language team at the RUH are responsible for providing assessments for these patients, as well as giving them support, information and advice. Previously they were only able to assess a patient's swallowing by arranging a videofluoroscopy (swallowing x-ray) appointment. In order to attend this weekly clinic in the radiography department, patients had to be well enough and be able to sit up. While they wait for the clinic, patients are unable to eat or drink and will need to have a feeding tube inserted, which can be a painful procedure.

A specialist has joined the team who is experienced in using a portable machine which uses fiberoptic technology to assess a patient. The procedure is known as Fiberoptic Endoscopic Evaluation of Swallowing (FEES). With the help of a tiny camera the therapist is able to view the mouth and throat and evaluate whether food or liquid is escaping into the patient's airway.

By purchasing a portable FEES machine, our therapists are now able to assess their patients without delay at their bedside. This removes the need to send them for an x-ray and have a feeding tube, improving patients' wellbeing and allowing our therapists to recommend appropriate treatment straight away.

The FEES machine is currently only available at a small number of trusts. Our Speech and Language Therapy team would like to roll out this service throughout the hospital to ensure that patients receive the highest standard of care by offering an alternative to the swallowing x-ray and eliminating the waiting period between clinics.



Facial Surgery 3D surgical planning (£37,000)

New equipment allows revolutionary 3D printing techniques

During the year, clinicians in the Oral, Maxillofacial Surgery and Orthodontics department have now been given access to a brand new in-house 3D surgical planning and prosthetic design service, enabling them to plan surgical procedures in ways that were previously not possible.

By being able to provide this service, the department is seeing many benefits for their patients. There is no longer a need for patients to travel to Bristol for a special type of scan as all the treatment can be done at the RUH, helping to reduce anxiety and waiting times.

Serryth Colbert, Consultant in Oral and Maxillofacial Surgery, said:

"The new scanner and the additional pieces of equipment, such as the 3D printer and the surgical design software is dramatically improving our efficiency in diagnosis and surgical treatment planning. To highlight how valuable this new service is, we saw a young patient as an emergency case during the first COVID lockdown. He had a terrible jaw infection and difficulty breathing. Furthermore, he had a phobia of hospitals and that, combined with his anxiety over lockdown, meant he didn't seek help until the symptoms had progressed significantly.

He had a scan using the new equipment and we printed a 3D model of his jaw. We were able to produce a diagnostic aide and reassure him by showing him the model and talking him through how the surgery would be done. The operation was a great success, and thanks to the pre-operative surgical planning, we were able to reduce his stay in hospital.

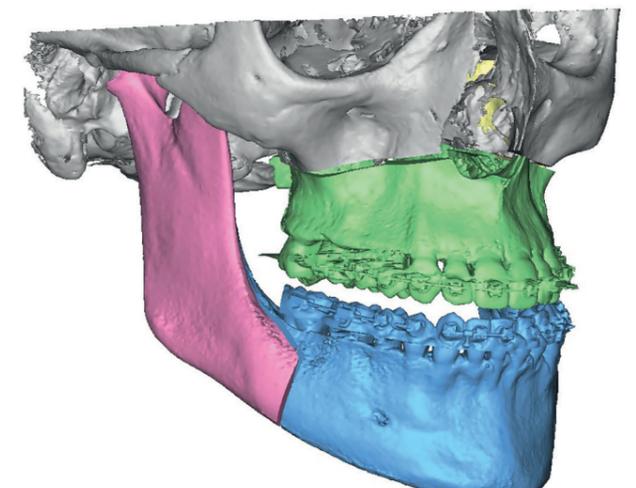
Without a doubt the new scanner and 3D printer is improving patient outcomes, as well as reducing surgical time and patient waiting times. We are so grateful to the gentleman who left a gift in his will to our department and to the charitable Trust for their support. The impact is highly beneficial and we are providing the best treatment possible for our patients."

The advanced scanner is also being used on a daily basis to assess a number of conditions, including impacted teeth, fractures, trauma, facial bone malposition, cysts and tumours.

Chris Keating, Specialty 3D and Dental Technician, who runs the 3D digital printing service said:

"We have been able to revolutionise the way in which we approach a patient's case. This technology allows surgeons to enhance the precision of treatment and the planning of surgical procedures. 3D digital models can either be printed for diagnostic purposes or they can go on to be used in multiple stages of pre-operative surgical planning and implant design.

The technology can also be used in other departments including orthopaedics that may need a customised surgical plate and cardiology, who have the opportunity of converting 2D clinical imaging into 3D anatomical models for heart surgeries and aneurysms. This technology has opened up new potential for treatment – the sky is the limit."



Our Impact: COVID-19

The substantial loss of life and the devastating economic impact of COVID-19 has been felt around the world and is likely to continue for some time. Like other charities, we have faced disruption to our fundraising with many activities cancelled or postponed due to the ongoing crisis. We prioritised three areas for focus during the year:

Our response and its impact

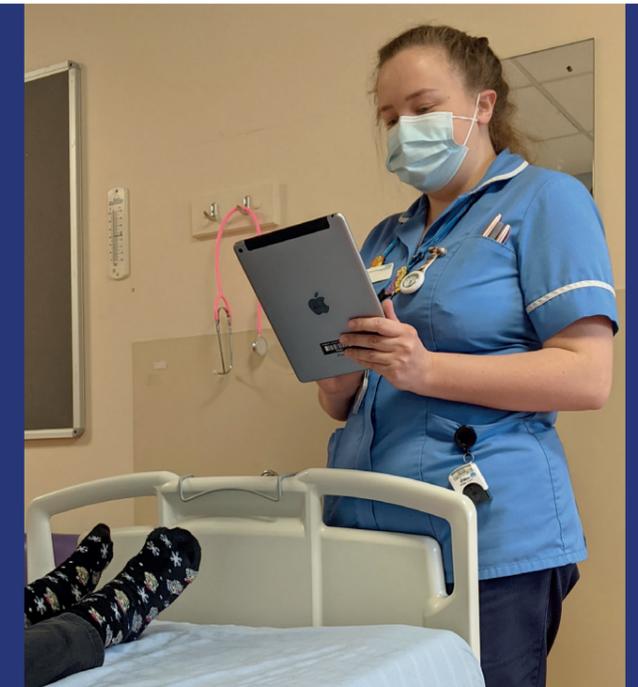
During the year, we received a number of grants from NHS Charities Together that were used to help support staff and patients at the Royal United Hospitals Bath NHS Foundation Trust as they responded to the COVID-19 pandemic.

During the year, we received stage 1 funding and are working with NHS Charities together on the funding for stage 3. We also became the lead charity for stage 2 grants.

- Stage 1 – Urgent funding support £175,000.
- Stage 2 – Funding for community partnerships.
- Stage 3 – Additional funding to support the long-term recovery of NHS Staff.

The Charity is the lead charity for NHS Charities Together stage 2 Community Partnership Grants in the Bath and North East Somerset, Swindon and Wiltshire ICS area. The Stage 2 grant, of £400k over 2 years, is aimed at supporting the wider NHS and voluntary community dealing with COVID-19. In order to facilitate that, the RUH Charitable Fund is leading the co-ordination and development of key themes and priority areas to enable the submission of a proposal to NHS Charities Together to receive the grant funds. This has involved collaboration with the Bath and North East Somerset, Swindon and Wiltshire ICS, Salisbury NHS Foundation Trust, Great Western Hospitals NHS Foundation Trust (Swindon), Avon and Wiltshire Mental Health Partnership NHS Trust and local community organisations and other relevant organisations in the area.

COVID-19 has shone harsh light on some of the health and wider inequalities that persist in our society. It has become increasingly clear that COVID-19 has had a disproportionate impact on many who already face disadvantage and discrimination. Therefore, the stage 2 grant in the BSW area will be focused on the single theme of health inequalities in particular deprivation, ethnicity and mental health: Projects that will be funded will be focused on those most vulnerable at-risk groups impacted by both COVID-19 and health inequalities, which clearly benefit the NHS and relieve pressure on hospitals and wider NHS services in the BSW area.



In addition to funding from NHS Charities Together, we also received £108,000 from our Hospital Heroes COVID Appeal, and a further £114,000 of gift in kind items for staff.

Supporting the hospital

Bereavement resources – including memory boxes to help end of life patients and their families connect with one another in spite of restrictions (or where a family member was shielding). Memory boxes also included inkless paper which can be used to make commemorative handprints, and bereavement bags which enable staff to pass back patients' belongings in a respectful and dignified manner.

Support for patients living with dementia – including DAB Radios, Audio devices for those hard of hearing, specially designed books and poetry, and Bluetooth speakers.

iPads to use for virtual ward rounds – doctors have been using new technology to trial virtual ward rounds, reducing the risk of spreading COVID-19 by minimising footfall on the hospital's wards. Patients continue to receive the same level of care and support, but doctors can speak to patients while they are in their hospital bed by using one of a number of iPads that have been purchased or donated by the Dyson Foundation and members of the community.

While a small clinical team needs to be on the wards in person during ward rounds, these new ways of working are proving successful in reducing disruption as well as the number of people on the ward at any one time.

→ COVID-19 has shone harsh light on some of the health and wider inequalities that persist in our society. It has become increasingly clear that COVID-19 has had a disproportionate impact on many who already face disadvantage and discrimination.



Supporting our staff

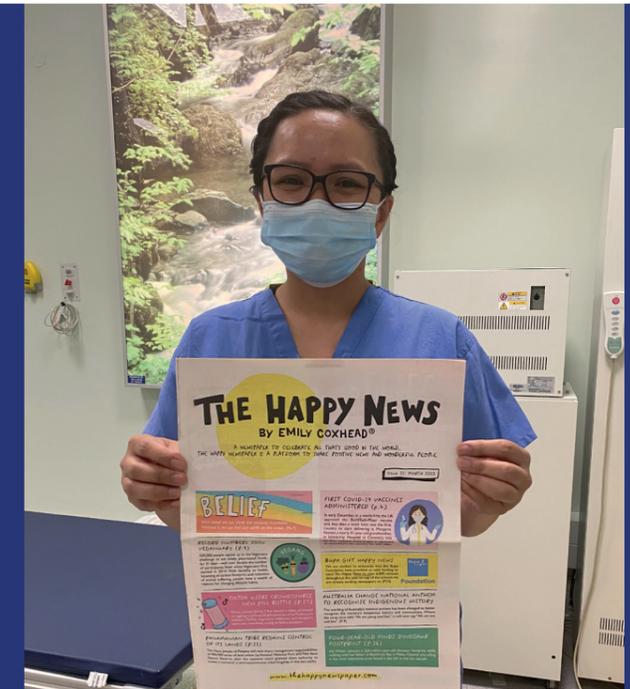
The last year has seen RUH staff working under intense pressure in difficult circumstances to care for patients, managing the extra stress of wearing PPE, providing extra care for patients in the absence of visitors and covering additional shifts for colleagues who are ill or self-isolating. The incredible RUH staff are physically and emotionally exhausted but they are still there for you and your loved ones, every day.

During the year the charity supported staff with the following:

Care Packs – During the 1st wave of the pandemic the Charity focused on receiving and distributing goods generously donated to support NHS staff as they worked through the lockdown period from March to July 2020. Particularly memorable was the distribution of Easter Eggs and care packages to all patients and staff.

Hydration stations – 63 hydration stations and 5,000 reusable water bottles were provided to help staff stay refreshed.

Outdoor benches – Outdoor seating so staff can sit, relax and reflect during busy shifts and teams can meet while social distancing.



The Happy Newspaper – This paper is created to celebrate all that's good in the world and spread a little cheer every 3 months to staff.

Mental health support – 'Pause Days', for teams affected by COVID-19. Two sessions per month facilitated by two psychological therapists or one psychological therapist and one specialist in behavioural/organisational change. Sessions to be available over the next 18 months to two years.

This type of intervention has been trialled with ICU staff and has proven effective in aiding mental health recovery, providing respite, rehabilitation and mental health recovery following prolonged exposure to traumatic content and chronic high levels of operational stress.

Specialist Interventions for PTSD – Delivery of specialist interventions on trauma and post-traumatic stress. Specialist interventions will be offered to staff who screen positive for post-traumatic stress based on specialist assessment with the aim of supporting their mental health recovery and rehabilitation.

The Charity also purchased:

- Chair beds
- Mattresses
- Hot meals
- Florence Nightingale foundation
- Further 1-1 therapy sessions for Critical Care
- Christmas Hampers

We will continue to stand shoulder to shoulder with our hospital colleagues to help them get through this pandemic and we will be there to support their recovery in the coming months and years.

➔ The incredible RUH staff are physically and emotionally exhausted but they are still there for you and your loved ones, every day.

Financial review

Our income sources

Income to the Charity is derived from donations and fundraising activities, classified under five main streams:

- Philanthropy
- Trusts & Foundations (Grants)
- Corporate Partnerships
- Individual Giving (including direct mails)
- Events & Community Fundraising
- Legacy Fundraising

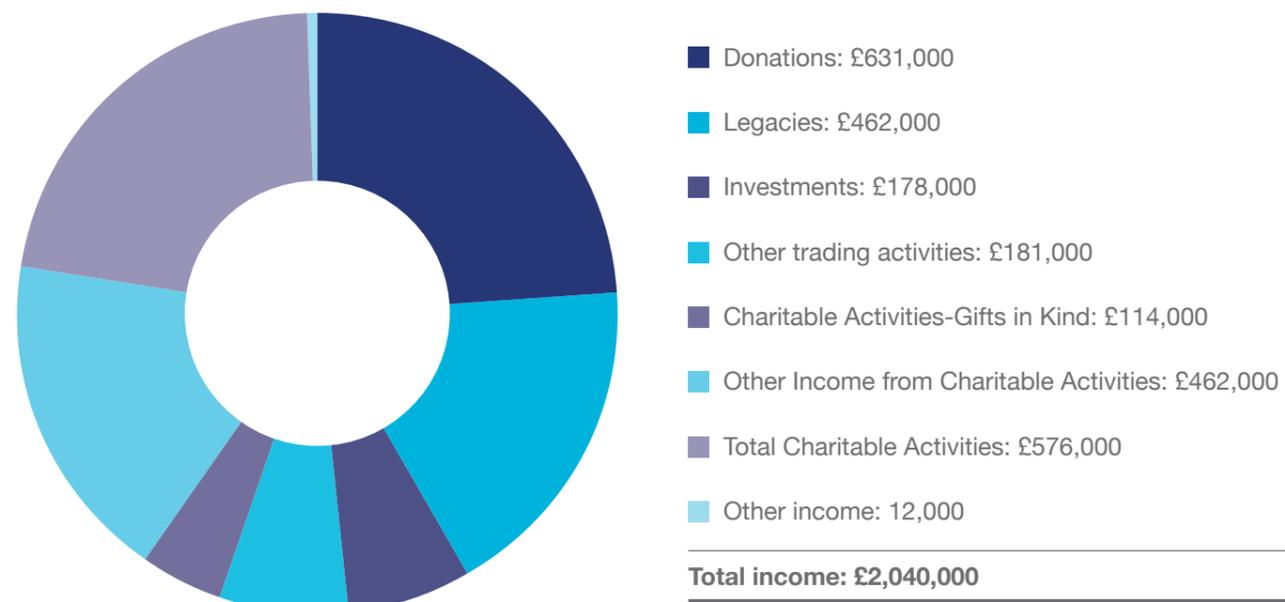
The six streams (the first four being classified as ‘donations’ in the chart below) ensure diversity of income across a wide supporter base and help provide resilience against changing market dynamics in one or more fundraising streams.

Our total income for the year 2020/21 was £2,040,000 (2019/20: £2,699,000 restated).

It has been identified during the year that pledges relating to the RUH Trust cancer centre build and critical care equipment have performance conditions attached therefore the pledges should be recognised in line with the delivery of these performance measures. On this basis, a prior year adjustment has been made in order for this to be corrected within the financial statements.

Legacies, the income for which we recognise when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably, are down to £462,000 (2019/20: £1,241,000) due to delays with probate and legal operations during the COVID-19 pandemic.

Trading income from activities such as our fundraising events was £181,000 (2019/20: £348,000). This reduction is due to the cancellation of a majority of events & community activity due to COVID-19 pandemic, although a number were moved to virtual events.



How our money was spent

Total expenditure in 2020/21 totalled £1,415,000 (2019/20: £2,560,000). The decrease reflects the impact of COVID-19 on planned projects and the charities shift to supporting staff and patients during the pandemic.

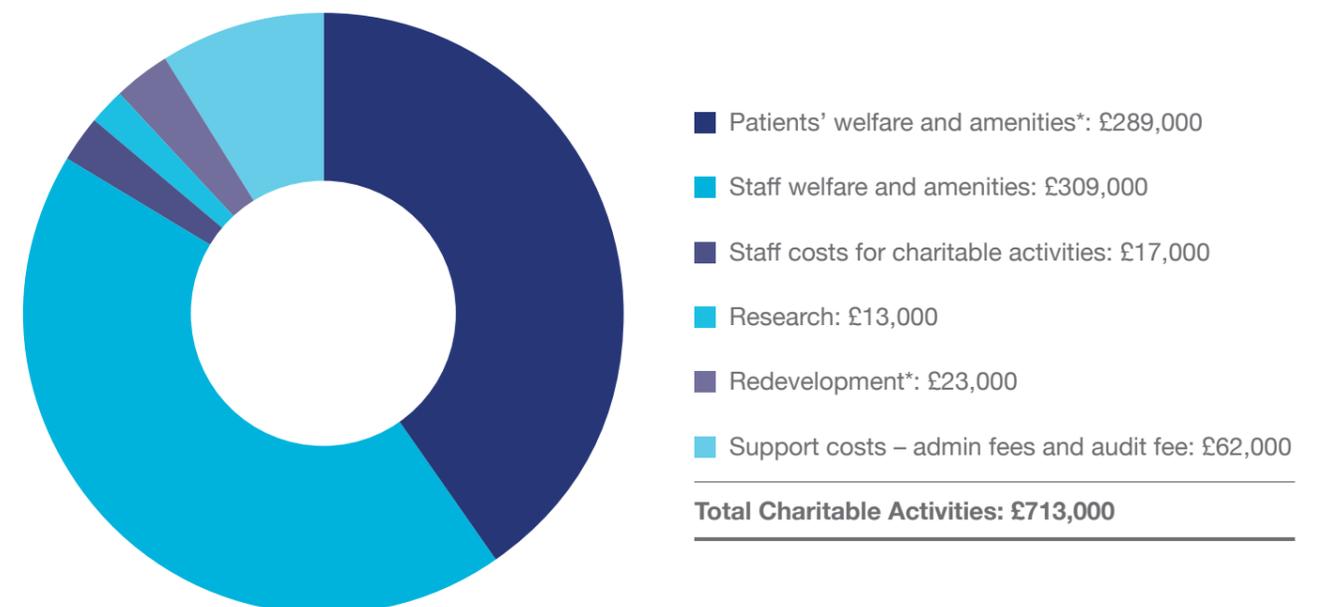
Funding is provided for research, medical equipment and systems, and patient, family and staff support on an annual basis. However, commitments are made to the hospital’s redevelopment and major infrastructure, systems and equipment projects when they are ready to proceed and usually extend over a number of years. These large commitments give rise to significant variations in expenditure from one year to the next, with some years requiring large amounts to be held in redevelopment funds.

Charitable activities expenditure

Use of funds	Total 2020/21 £'000	Total 2019/20 £'000
Patients’ welfare and amenities*	289	665
Staff welfare and amenities	309	150
Staff costs for charitable activities	17	0
Research	13	(8)
Redevelopment*	23	827
Support costs – admin fees and audit fee	62	60
Total Charitable Activities	713	1,694

*Patients’ welfare and amenities has had redevelopment costs separated for transparency

Charitable activities expenditure 2020/21



Fundraising, support and governance expenditure

The total costs of raising funds and operating the Charity decreased to £692,000 (2019/20: £812,000).

Expenditure on operation and raising funds	Total 2020/21 £'000	Total 2019/20 £'000
Fundraising Staffing	510	506
Fundraising costs	121	247
Investment costs	53	48
Other	8	11
Total expenditure on raising funds	692	812

The decrease in expenditure is due to the reallocation of Arts costs to hospital budgets due to changes in the Arts operations. Activities such as music and artists on wards are still charitable activities within the charity.

No fundraising staff were placed on furlough during the year.

Cost: income ratio

To ensure we maintain the trust and support of our donors, it is very important that the Charity optimises the amount of donated funds available for charitable activity, whilst also investing in income growth strategies for the future.

In line with the approach taken to measuring cost ratio's and Return on Investment by many other charities. The ratio is calculated as follows:

Cost: expenditure on raising funds, governance £692,000 less costs not directly related to fundraising £61,000.

Income: income allocated to the Charity before gains on investments £2,040,000 less realised investment gains £178,000.

The resultant calculation is £631,000/£1,862,000 = 33.8% or an ROI 2.95:1 meaning £2.95 is raised per every £1 spent (2019/20: 20% or an ROI 5:1).

Investment policy and performance

The investment policy of the Charity is risk averse, with the Trustees' first priority being to preserve capital in order to meet existing and future commitments on capital programmes and other expenditure.

Investment Portfolio

The portfolio can be made up of a mixture of bonds, equities, alternative assets and cash, the combination of which in the portfolio is managed by the Investment Manager. Any significant changes to the portfolio are ratified by the Charity Committee.

The Charity invests through Barclays Wealth & Investment Management (UK) Limited.

Investment portfolio includes:

- Equities
- Stocks
- Long and short-term equity
- Hedge Funds
- Private hedge funds

Certain investments are avoided to ensure an ethical portfolio suitable for NHS charitable funds i.e. companies that derive the majority of their revenue from alcohol sales, tobacco sales or the armaments industry will be excluded along with companies that have a poor human rights record.

As part of the portfolio, a cash account will be held with an agreed minimum cash balance to allow for automatic dis-investments of funds when needed and to ensure the liquidity of the charitable funds is not put at risk. The current agreed minimum cash balance to be held is £250,000.

Surplus funds are pooled and invested in order to maximise income while minimising risk for the Charity. Income and cash, gains and losses of the investments are distributed across the Charitable Funds.

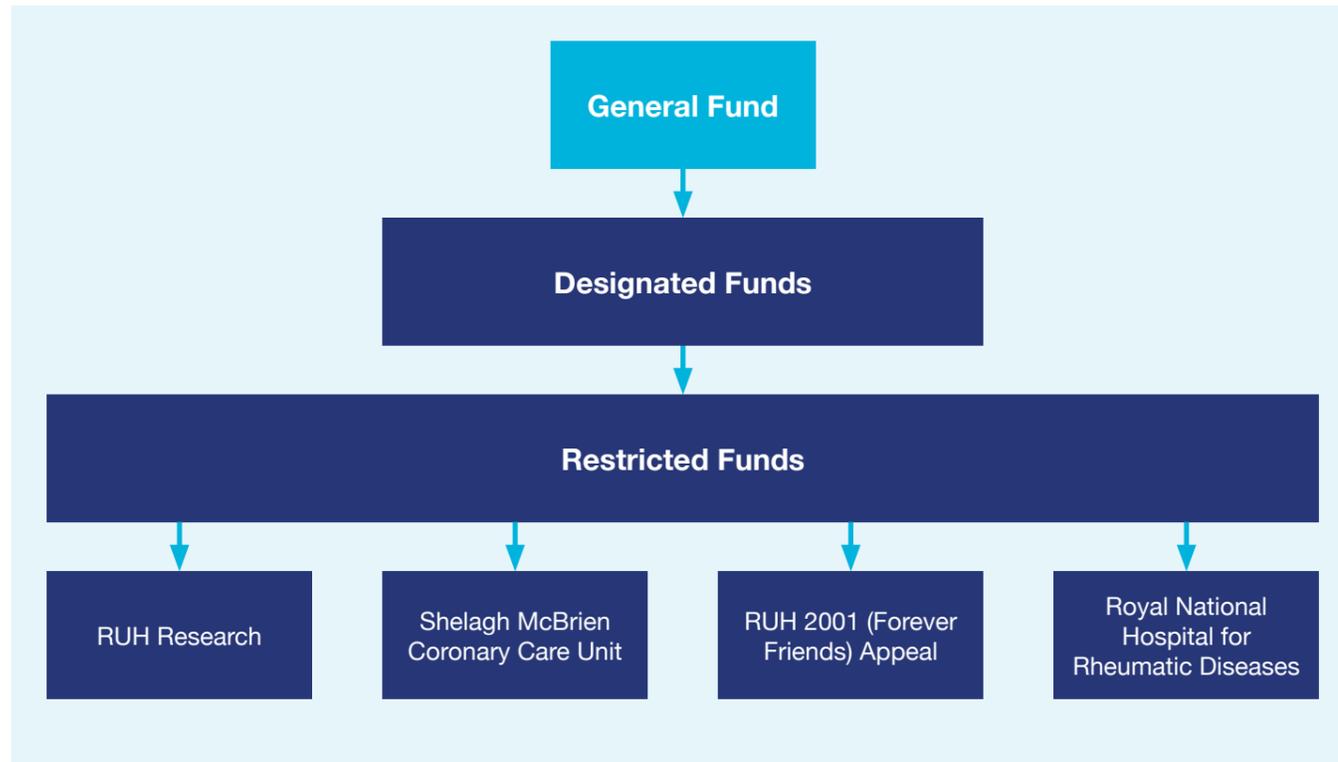
Risk Level of Investments

The investments held by the Charity are subject to fluctuations in the stock market. Excessive volatility in market risk is managed through the diversification of the portfolio in terms of geographical, industry sectors, individual securities, and the investment mandate guidelines set by Barclays Wealth & Investment Management (UK) Limited.

The Charity reviews and agrees on a yearly basis the risk level for the investments. This is decided in consultation with the Investment Managers and takes account of cash flow needs in the short, medium and longer term. The overall aim is to maximise total return whilst balancing risk. In 2020/21 the risk level was medium risk.

Barclays Wealth & Investment Management provide monthly valuation reports and these are shared with the Charities Committee at their quarterly meetings. During the financial year the investments generated £178,000 (2019/20: £204,000) of income and unrealised gains of £1,255,000 (2019/20: an unrealised losses of £704,000).

	Total 2020/21 £'000	Total 2019/20 £'000
Carrying value at 1 April	7,949	8,512
Cash deposit	0	0
Purchases	4,680	3,830
Sales	(4,612)	(3,238)
Cash movement in year	58	(451)
Net movement in year	126	141
Gain/(loss) in year	1,255	(704)
Carrying value at 31 March	9,330	7,949



Restricted

These are a number of different funds subject to specific restrictions imposed by donors, which fall within the wider objectives of the Charity. There is currently £9,772,000 (2019/20: £8,267,000 restated) in restricted funds. This includes a large balance currently of £6,891,000 being held towards the Dyson Cancer Centre and £650,000 towards the Breast Unit Expansion, with expenditure being made annually in line with capital plans.

Currently £950,000 (£800,000 towards the Dyson Cancer Centre and £150,000 towards Critical Care Pendants) is not recognised in the accounts due to performance related criteria.

Unrestricted including designated reserves

Total unrestricted reserves including designated reserves total £2,016,000 (2019/20: £1,642,000).

Unrestricted funds are expendable at the discretion of the Trustees to further the charity's objectives. The charity's unrestricted funds at 31 March 2021 were £579,000 (2019/20: £388,000). Each year, the Trustees review the need to designate unrestricted funds raised to existing assets, the redevelopment of the hospital or to other specific projects to be committed and spent in future years. This helps to provide financial stability and confidence in the charity's ability to fund vital areas of work within the hospital.

Designated funds are where a ward or department receives a donation, the trustees have set up designated funds that remain part of the unrestricted funds of the charity. These funds are overseen by Fund Managers who can make recommendations on how to spend the money within the designated area. The charity's designated funds at 31 March 2021 were £1,437,000 (2019/20: £1,254,000).

→ COVID-19 has had a significant immediate impact on the Charity's ability to arrange fundraising events in the short term due to lockdown and social distancing requirements.

Review and revision to charity's reserves

The Trustees are keen to ensure that funds donated to the Charity are not only used on the highest priorities delivering substantial impact but also that these funds are promptly used so that impact and benefits can be realised as soon as practical. At the same time, the Trustees need to balance this objective with the need to maintain financial prudence and ensure the long-term financial viability of the Charity.

This is particularly important following the pandemic and the large-scale capital expenditure due over the coming years reducing the total balances held by the charity. To support this approach, the Charity introduced guidelines that requires the funds to keep reserves which are at least sufficient to cover known future commitments, including 6 months of organisation operating costs. This is a prudent measure to avoid the costs and risks of having insufficient cover for future expenditure.

The Charity holds free reserves that amount to £2,016,000, which the Trustees consider is prudent when considering the scale of operations and the charity's liabilities.

The balance of general reserves at 31 March 2021 was £0.6m (2019/20: £0.4m).

Going concern

The Trustees have assessed the Charity's ability to continue as a going concern taking into account the financial impacts of COVID-19. The Trustees have considered several factors when forming their conclusions as to whether the use of the going concern basis is appropriate when preparing these financial statements including liquidity, cash resources and liabilities. Like many charities the financial position has been impacted by COVID-19 and the cancellation of events, the slowdown of donations and the slowdown of the economy.

However, COVID-19 has had a significant immediate impact on the Charity's ability to arrange fundraising events in the short term due to lockdown and social distancing requirements. In light of the economic crisis triggered by COVID-19 on the charity, the Trustees have carried out further financial modelling based on various scenarios. After assessing the impact of possible income reduction scenarios, the Trustees have concluded that the Charity has a reasonable expectation that there are adequate resources to continue to operate for at least 12 months from the date of signing of the financial statements and have continued to prepare the financial statements on a going concern basis.

Our people

We are very fortunate to have passionate and dedicated staff and volunteers, who are committed to doing their very best to help the staff, patients and their families who rely on the hospital. It is critical that they feel valued and recognised for the work that they do.

Charity Staff

Rhaynon Boyd: Head of Fundraising

Richard Gyde: Deputy Head of Fundraising

Laura Pearce: Events & Community Manager

Karlie Evans: Events & Community Officer (from June 2020)

Laura Cherry: Events & Community Coordinator

Laura Pinner: Events & Community Coordinator (from June 2020)

Jan Witt: Legacy & Tribute Manager

Rebecca Hedges: Communications & Marketing Officer (PT)

Katrina Logut: Legacy & Communications Coordinator (PT)

Katie Burfitt: Philanthropy Manager

Rosie Scott: Trusts & Foundations Officer

Jo Common: Corporate Officer (PT)

Patsy Gould: Corporate Officer (PT)

Maddie Jones: Development Coordinator

Jutz Thomas: Finance & Admin Assistant

Danny O'Callaghan: Supporter Care Assistant

The Charity team members are employed by the Royal United Hospitals Bath NHS Foundation Trust to raise funds, promote and administer RUH Charitable Funds (otherwise known as The Forever Friends Appeal) on behalf of the Trustee. Whilst employed by the Royal United Hospitals Bath NHS Foundation Trust, employment costs of these staff are charged to the Charity.

Trustees Representatives

The RUH Bath NHS Foundation Trust acts as a Corporate Trustee. The members of the Charitable Funds Sub-Committee during 2020/21 were:



Jeremy Boss

Non-Executive Director/Chair Charity's Committee



Alison Ryan

RUH Chair



Libby Walters

Director of Finance (Interim Chief Executive – from April 2020 until August 2020)



Jocelyn Foster

Commercial Director



Lisa Cheek

Director of Nursing & Midwifery – until March 2021



Simon Wade

Interim Director of Finance – from April 2020 until August 2020

The following Board members were not Trustee Representatives during the year and up to the date of signing.

Cara Charles-Barks, RUH Chief Executive – from September 2020

Bernie Marden, Medical Director

Rebecca Carlton, Chief Operating Officer – until August 2020

Simon Sethi, Chief Operating Officer – from January 2021

Claire Radley, Director for People

Brian Johnson, Director of Estates & Facilities

Nigel Stevens, Non-Executive Director

Sumita Hutchison, Non-Executive Director

Anna Mealing, Non-Executive Director

Ian Orpen, Non-Executive Director – from September 2020

Anthony Durbacz, Non-Executive Director – from November 2020

The Trustee Representatives maintain independence from the Trust in making decisions which affect the Charity. In order to ensure this:

- The Charity's Committee meets separately from the Trust Board and deals solely with issues affecting the Charity.
- The Charity has a separate strategy, objectives, and risk register to ensure that the Charity's integrity is maintained.
- Relationships between the Charity and the Trust are enshrined in a Service Level Agreement which ensures that the service which is provided to the Charity in terms of administrative, financial and staffing support is subject to rigorous scrutiny.
- Trustees will act in the best interests of the Charity to further its charitable objects; and there is a clear, open, and independent process of decision-making by the Trustees.
- Trustees will ensure that they avoid a conflict of interest or loyalty. The Charity will maintain an independent register of interests.
- The Charity's Committee may co-opt members who are not formal RUH trustees, but whose advice and views will be sought in forming decisions.

Safeguarding

Charity staff and Trustees come into direct and indirect contact with children, patients of the hospital, patient families and members of the public through delivery of a range of services and activities. Safeguarding is a critical area of importance to us and our primary concern, at all times, is to promote the welfare and safety of children, vulnerable adults and young people. The Charity follows the hospitals safeguarding policy which is regularly reviewed and all staff have undergone mandatory safeguarding training to ensure they can respond appropriately should a safeguarding issue arise.

Volunteering

We are fortunate to have a diverse volunteer workforce making a considerable contribution to both the hospital and the Charity. We simply could not do what we do without them and we are truly grateful for the continued commitment and tireless support.

During 2020/21 volunteer fundraisers were asked not to run any face-to-face events but we are grateful to those who undertook sponsored walks, runs and virtual events on our behalf.

During the COVID-19 pandemic the charity helped the recruitment drive for additional volunteers to help support the hospital.

The impact of volunteers on the Charity is not considered to be material.

Structure and management

Statement of confirmation compliance with SORP

The accounts to which this report relate have been prepared under the provisions of Section 154 of the Charities Act 2011, which allows the accounts to be prepared and filed at an overall Charitable Fund ‘umbrella’ level. This annual report has been prepared to comply with the Statement of Recommended Practice (SORP FRS 102) “Accounting and Reporting by Charities”.

The Royal United Hospital Charitable Fund has been formed under an RUH Deed dated 10 September 1996 as amended by a Supplemental Deed dated 9 December 2009. It is registered with the Charity Commission in England and Wales (Registered number 1058323).

The umbrella fund may be used for any charitable purpose or purposes relating to the National Health Service wholly, or mainly provided by the Royal United Hospitals.

Related parties

The Royal United Hospitals Bath NHS Foundation Trust is viewed as a connected organisation by virtue of its position as Trustee of the Charity. There are no other connected organisations.

Related party transactions and Trustee expenses and remuneration

The Charity’s Trustees give their time freely and receive no remuneration for the work that they undertake as Trustees. However, they can claim expenses to reimburse them for costs that they incur in fulfilling their duties.

The Charitable Trust made revenue and capital payments to the NHS Foundation Trust where the Trustees representatives are also members of the Trust Board.

Trustee Representative Recruitment

The Royal United Hospitals NHS Foundation Trust is the sole Corporate Trustee for the Charity, under a declaration of trust. Each voting Trust Board member is a Trustee Representative which carries similar responsibilities to those of a Trustee.

The Board of Directors is constituted of a Chair, five Non-Executive Directors and eight Executive Directors, including the Chief Executive. The Chair and Non-Executive Directors are appointed through a selection process and have the skills and attributes to act as advocates for their communities and provide leadership for the NHS. The Council of Governors approves these appointments.

The Chief Executive is appointed by the Chair, Non-Executive Directors with approval from the Council of Governors. A committee consisting of the Chair, the Chief Executive and the other Non-Executive Directors appoints Executive Directors.

New appointees to the Charity’s Committee are provided with training in their role by the Director of Finance and the Chair of the Committee. The level of training and induction is dependent on the experience and background of each member.

Administrative support for the operation of the Charity is provided by the Finance Department of the Royal United Hospitals Bath NHS Foundation Trust.

→ The Charity’s objects and activities ensure that patients, relatives and staff of the Royal United Hospitals Bath NHS Foundation Trust benefit directly or indirectly by the work of the Charity.

Trustee responsibilities

The Charity’s Committee meets at four times per year and is responsible for providing governance for, and leadership to, the Charity. It agrees strategic plans for fundraising and other operations and approves the allocation of charitable expenditure. The Committee also sets operating plans and budgets and determines the risk appetite and tolerances acceptable in achieving the Charity’s purpose and strategy. A review of operating and financial performance is undertaken at each Committee meeting (unless an ad hoc meeting, called to deal with matters of special interest).

The Charity’s Committee has delegated responsibility for management of individual funds to designated fund managers who must provide an annual expenditure forecast for approval. When undertaking charitable expenditure the Trust’s normal procedures for procurement, tendering and capital expenditure apply. All expenditure transactions are referred to the Head of Financial Services who ensures that the correct level of authorisation is obtained.

Public benefit statement

The Trustees have taken regard of the Charity Commission’s guidance on public benefit. All Charities are required by the Charities Commission to demonstrate how they pass the ‘public benefit test’:

1. There must be an identifiable benefit;
2. The benefit must be to the public or a section of the public.

The Charity’s objects and activities ensure that patients, relatives and staff of the Royal United Hospitals Bath NHS Foundation Trust benefit directly or indirectly by the work of the Charity.

Generally, spending directly benefits patients through new equipment, facilities or skills which also benefits relatives and staff through enabling the Trust to provide improved care. Sometimes, spending directly benefits staff or relatives, through improved training and facilities, but this will also benefit patients.

Governance and compliance

We feel very privileged to have the support of many generous individuals and organisations. We always endeavour to exercise high standards and great governance, continually reviewing and improving our resources and practices across all our activities, including how we fundraise.

Fundraising controls and regulation

As a fundraising charity, we are acutely aware of just how critical it is to maintain the trust of our donors and aim to always adhere to the highest standards in all that we do. The Charity has an Ethical Fundraising Policy, which ensures that donations are received only from those individuals and organisations whose objectives are not incompatible with those of the Charity or with whom association would damage the standing of the Charity.

Principal fundraising activities

The Charity benefits from a very broad and diverse supporter base. Supporters donate in a wide variety of ways. In 2020/21 these included:

Individual donations & Philanthropy – for example from supporters responding to a specific charity appeal, regular giving and in memory donations.

Events & Community fundraising – community-based activities or challenge events that took place in support of the Charity, often organised by a patient's loved ones. In addition, many people participated in large events, such as the Walk of Life, Bath Half Marathon, Skydive Days, to raise funds. During 2020/21 many large events were cancelled or postponed with more focus being placed on virtual events.

Corporate fundraising – corporate partners chose to give donations to the charity, delivering cause-related marketing programmes and/or engaging with their employees to help raise funds for the charity. During 2020/21 we were overwhelmed by the support of gift in kind donations to support staff during the pandemic totalling £114,000.

Legacies – Where supporters have chosen to give a gift to the Charity in their Will. During 2020/21 we saw a decrease in the number of legacies received due to the pandemic, although expect these to increase again as we head through 2021/22.

Trusts & Foundations – Income from bids to Trusts & Foundations provide support to specific projects. During the year we received support from a number of Trusts including funding from NHS Charities Together to support staff and patients during the pandemic.

Code of Fundraising Practice

We are always conscious of how important it is to maintain the trust of our donors. We know it matters to people not just how we spend their money, but also how we raise funds.

We are committed to high standards of great governance. We regularly review our compliance with the Code of Fundraising Practice and implement actions to ensure we remain fully compliant. We are registered with the Fundraising Regulator as well as individual staff being members of the Institute of Fundraising. To the best of the Charity's knowledge there has not been any failure by the Charity or those acting on its behalf during the year.

During the year we have not received any requests for the cessation of communications up to 31 March 2021 from the Fundraising Preference Service.

We have continued to uphold our Supporter Commitment to always strive for sector-leading standards in fundraising practice.

Supporter Commitment

Our Supporter Commitment is our promise to always strive for sector-leading standards in fundraising practice. We pledge to our supporters that:

- We will treat you with respect
- We will be honest and open
- We will commit to high standards
- We will let you know the difference your donation is making
- We will communicate with you based on your wishes
- We will not pass on your data
- We will take complaints seriously

The full Supporter Commitment is published at: www.foreverfriendsappeal.co.uk

Commitment

We will continue to closely monitor all fundraising activities by our staff and the public to ensure they remain at the highest standards and reflect the wishes and preferences of all our generous supporters. This is done through risk assessments, due diligence, close monitoring of fundraising practice internally and externally against the fundraising code and other regulations, and continued contact with all our supporters.

We welcome any feedback or comments you may have and would ask that you forward them to the email or postal address on the last page of this report.

Complaints

We take every complaint we receive seriously and make sure that each one gets prompt attention and is appropriately investigated. In the 2020/21 financial year, the Charity received no complaints.

→ We are always conscious of how important it is to maintain the trust of our donors. We know it matters to people not just how we spend their money, but also how we raise funds.

Risk management

All activities undertaken by the Charity are monitored closely by the Charity's Committee and the risk register is reviewed and updated on a quarterly basis.

The Royal United Hospitals Bath NHS Foundation Trust also has a series of policies and procedures which the Charity adopts to ensure that risk is managed to within acceptable levels. The main risks to the Charity are:

- Reduced income impacting ongoing commitments.
- Redevelopment projects incurring significant cost increases.
- Salary commitments for fundraising and other contracted workers.
- Delays to projects causing reputational damage.

All policies and procedures are regularly reviewed and audited to ensure their effective operation. Charitable Funds are governed in such a way as to make best use of these procedures so that the Trustees can gain assurance that risks are minimised.

Principles

Our risk management approach sets out the overall boundaries within which the Charity aims to operate but we also need practical guidance that Charity staff can use on a day-to-day basis. We have therefore established guiding principles in respect of our appetite for risk and the level of risk we are prepared to accept.

In the following table, we have identified key risk themes and for each theme set out the charity's risk tolerance and guiding principle. These are used to aid day-to-day decision making when considering activities, internal and external occurrences which may impact those activities, and the standards the Charity wants to uphold.

Risk area	Risk	Principle
Legal and regulatory	Low	We aim to be legally compliant in all aspects of our operations and achieve high sector standards.
Data loss or unplanned/unauthorised disclosure	Low	We aim to ensure all data is compliant and all staff have regular information governance training.
Financial	Low/ Medium	We aim to maintain a credible ongoing financial model that delivers an acceptable cost/income ratio but we recognise that on occasion we may need to take a certain amount of risk in order to realise potential rewards e.g. innovation in fundraising to seek new sources of income and optimising income over the longer term from our investment portfolio.
Fundraising – only using methods and practices that meet consistent high standards	Low	We always strive to fully comply with all regulations and guidelines and achieve high standards in all our fundraising activities. Innovation in fundraising carries some risk as highlighted below.
Reputational	Medium	The charity's reputation is fundamental to realising the charity's purpose and is integrally linked to the hospital's reputation and activities. We always aim to minimise risks to our reputation and to that of the hospital. Positive risks should be taken in line with fundraising policies. Fundraising always carries some risks and these risks are managed on a business case basis, depending on the degree of risk and size of donation/income stream and always with a reputational management consideration.
Charitable activities	Low	The charity aims to minimise risks associated with its charitable delivery activities, including reputational risks and to also ensure financial sustainability of activities is considered prior to commitment
Innovation	Medium	We invest in new activities within acceptable financial and reputational constraints recognising that not all new or novel activities will deliver an immediate return, but ensuring they adhere to high standards
People	Low	We seek to provide an engaging and rewarding environment, with competitive benefits and opportunities to empower and enable our people and consider the impact on our staff of all our key decisions.

Identification of key risks

Serious incident report

The risks overleaf, relevant at the date of approval of this Annual Report, have been identified as the key risks of the Charity and could interfere or disrupt our strategic priorities and enablers. We have set out the actions we are taking to mitigate or offset these risks. The risks/events are categorised according to the priorities and enablers that they could principally disrupt. We have then applied the appropriate tolerance and principles as set out above to determine the residual net risk the Charity is bearing, after applying all existing controls and mitigating actions. We have noted any planned further actions and mitigations required to reduce the net residual risk in future.

Risk	Mitigation	Net Risk Level
Adverse economic environment, competition for fundraising, increased regulation and/or hospital's planning cycle reduces the Charity's ability to raise sufficient income to fund ongoing and future projects, including redevelopment and research	<p>Extensive planning and financial controls operate to ensure the Charity has the ability to meet its existing financial commitments.</p> <p>The Charity is very fortunate to have an extensive and diverse supporter base that has continued to provide support through economic cycles, including the most recent COVID-19 impact.</p> <p>The Charity continues to explore and develop appropriate channels and methods, to explain the need for continued charitable support and the significant impact it has on the community supported by the Royal United Hospitals Bath.</p>	Medium/High
A lack of charitable projects to fundraise for	Working directly with doctors, nurses and management to identify ways the hospital Charity can help to benefit patients. Planning of fundraising appeals well in advance	Medium
Delays in the implementation of funded projects	Working with funders, hospital management and the Trustees to ensure continued updates and feedback.	High
Charity undertaking a rebrand and review of internal operations could lead to short term adverse effects on income and/or reputation	Working with external partners to ensure all aspects of the brand review are monitored, challenged and implemented to minimise risk to income and reputation. A planned approach will be in place to mitigate against a downturn in income.	Medium
HIP2 & the funding relationship in relation to capital funds	<p>Working with hospital Management to ensure messaging does not adversely affect the charity as business cases are developed for submission to NHS England.</p> <p>Clear communications plan will need to include messaging around Charity.</p>	Medium

Serious incident report

During the year the Charity submitted a serious incident report to the Charity Commission in line with its policies regarding a significant drop in income. As a result of COVID-19, the Charity's income has fallen in year 2020-21 against planned/expected trajectories.

This is due to various factors however the most significant are reduction in legacy income from delays in probate and the inability to hold community fundraising events.

Income recovery plans and budgets have been reforecast to take into account the anticipated drops in income, despite the fall in income, the Charity has recruited over 1900 new donors in the last year which will help us to grow income again in the future. The investment strategy was reviewed in February 2021 and will continue to be reviewed in line with the Charity's standing financial instructions.

In addition, the Charity does not commit to funding projects in advance of securing the appropriate funding.

Further details

The principal address and Finance Office of the RUH Charitable fund is:

Finance Department
Malvern House
Royal United Hospitals
Combe Park, Bath
BA1 3NG
Tel: 01225 825601
www.ruh.nhs.uk

Consolidated accounts for the Royal United Hospitals Bath NHS Foundation Trust can also be requested at this address.

Bankers

Government Banking Service
7th Floor, Southern House
Croydon
Solicitors
Bevan Brittan Solicitors
35 Colston Avenue
Bristol
BS1 4TT

Auditor

Deloitte LLP
Statutory auditor
3 Rivergate
Temple Quay
Bristol
BS1 6GD
United Kingdom

Investment Advisors

Barclays Wealth & Investment Management
1 Churchill Place
London
E14 5HP

Legal information

The accounts to which this report relate have been prepared under the provisions of Section 154 of the Charities Act 2011, which allows the accounts to be prepared and filed at an overall Charitable Fund 'umbrella' level. This annual report has been prepared to comply with the Statement of Recommended Practice (SORP FRS 102) "Accounting and Reporting by Charities".

The Charitable Fund is registered with the Charities Commission for England and Wales as the "Royal United Hospital Charitable Fund" under registration number 1058323.

Royal United Hospital Charitable Funds Annual Accounts 2020/21

Foreword

These accounts have been prepared by the Trustee to comply with the Statement of Recommended Practice 'Accounting and Reporting by Charities' (SORP FRS102). The Royal United Hospital Bath NHS Foundation Trust is the Corporate Trustee of the charitable funds.

Statutory background

The Royal United Hospital charitable funds held on trust are registered with the Charity Commission, registration number 1058323.

Main objectives of the funds held on Trust

The Charity is a public benefit entity with the main objective of the charitable fund to raise money to further any charitable purpose relating mainly to the services provided by the Royal United Hospitals Bath NHS Foundation Trust (RUH) but also relating to the National Health Service as a whole as the Trustees see fit.

Statement of Trustee's responsibilities

The Trustee is responsible for preparing the Trustee's Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

The law applicable to charities in England and Wales requires the trustee 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 trustee is 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustee is 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 and the Charity (Accounts and Reports) Regulations 2008. 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 trustee is responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement as to disclosure to our auditor

In so far as the Trustee is aware at the time of approving our Trusts annual report:

- there so no relevant audit information of which the charity's auditor is unaware: and
- the trustee, having made enquiries of fellow directors of the Trust have, has each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Chair

Alison Ryan
Date: 22 September 2021



Chief Executive and Trustee's Representative

Cara Charles-Barks
Date: 22 September 2021



Independent Auditor's Report to the Trustees of Royal United Hospital Charitable Fund

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Royal United Hospital Charitable Fund (the 'charity'):

- give a true and fair view of the state of the Charity's affairs as at 31 March 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 including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

We have audited the financial statements which comprise:

- the Statement of Financial Activities;
- the Balance Sheet;
- the Cash Flow Statement; and
- the related notes 1 to 15

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 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 Financial Reporting Council's (the FRC's) Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the trustees of the charity for the purpose of charity law) 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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC'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 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.

We considered the nature of the charity's industry and its control environment, and reviewed the charity's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the charity operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the Charities Act, Charities SORP and Charities (Accounts and Reports) Regulations 2008; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the charity's ability to operate or to avoid a material penalty. These included the relevant law and regulations applicable: Charities (Protection and Social Investment) Act 2016 and EU General Data Protection Regulation (GDPR).

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements. As a result of performing the above, we identified the greatest potential for fraud in the following areas, and our specific procedures performed to address it are described overleaf.

Completeness of legacies and pledges:

- We reconciled the value of legacies from a listing of notifications to the trial balance and financial statements;
- We reconciled the value of pledges from the income log to the trial balance and financial statements;
- We assessed a sample of legacies and pledges for conditions attached which would defer recognition from the current year;
- We selected a sample of legacies notifications and pledges between April-June 2021 and assessed whether the items were recorded in the correct financial period; and
- We selected a sample of post year end bank receipts to identify any legacies or pledges relating to FY21.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Report on other legal and regulatory requirements

Matters on which we are required to report by exception

Under the Charities (Accounts and Reports) Regulations 2008 we are required to report in respect of the following matters 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.

We have nothing to report in respect of these matters.

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.

Deloitte LLP

Deloitte LLP
Statutory Auditor
Bristol, United Kingdom
Date: 22 September 2021

Deloitte LLP is eligible for appointment as auditor for the Charity by virtue of its eligibility for appointment as audit of a company under section 1212 of the Companies Act 2006.

Statement of Financial Activities for the year ended 31 March 2021

	Note	Unrestricted Funds £000	Restricted Funds £000	2020-21 Total Funds £000	Unrestricted Funds £000	Restated Restricted Funds £000	Restated 2019-20 Total Funds £000
Income from							
Donations	2.1	78	553	631	108	736	844
Legacies	2.1	205	257	462	53	1,188	1,241
Total income from donations and legacies		283	810	1,093	161	1,924	2,085
Investments	2.2	25	153	178	33	171	204
Other trading activities	2.2	54	127	181	73	275	348
Charitable Activities-Gifts in Kind	2.2	114	0	114	0	0	0
Other Income from Charitable Activities	2.2	0	462	462	47	1	48
Total Charitable Activities		114	462	576	47	1	48
Other income	2.2	12	0	12	11	3	14
Total income		488	1,552	2,040	325	2,374	2,699
Expenditure on							
Raising funds	3	(18)	(674)	(692)	(111)	(701)	(812)
Charitable activities-Gifts in Kind	3	(114)	0	(114)	0	0	0
Other Charitable Activities	3	(269)	(329)	(598)	(269)	(1,425)	(1,694)
Total Expenditure from Charitable Activities		(383)	(329)	(712)	(269)	(1,425)	(1,694)
Other expenditure	3	(1)	(10)	(11)	(15)	(39)	(54)
Total Expenditure		(402)	(1,013)	(1,415)	(395)	(2,165)	(2,560)
Net income before investment gains/(losses)		86	539	625	(70)	209	139
Net gains/(losses) on investments	6	172	1,083	1,255	(108)	(596)	(704)
Transfer between funds		116	(116)	0	34	(34)	0
Net movement in funds	5	374	1,506	1,879	(144)	(421)	(565)
Fund balances brought forward at 1 April		1,642	8,267	9,909	1,787	8,688	10,475
Fund balances carried forward at 31 March		2,016	9,773	11,788	1,642	8,267	9,909

The notes at pages 40 to 54 form part of this account.

There were no other recognised gains or losses other than those listed above and the net surplus. All income and expenditure derives from continuing activities. Please refer to note 14 for details of the restatement.

Balance Sheet as at 31 March 2021

	Notes	Unrestricted Funds £000	Restricted Funds £000	Total at 31 March 2020 £000	Unrestricted Funds £000	Restated Restricted Funds £000	Restated Total at 31 March 2020 £000
Fixed assets							
Investments	6	1,476	7,854	9,330	1,202	6,747	7,949
Total fixed assets		1,476	7,854	9,330	1,202	6,747	7,949
Current assets							
Cash at bank and in hand		320	1,702	2,021	302	1,697	1,999
Debtors: amounts receivable within one year	7.2	276	518	794	189	109	298
Total current assets		596	2,220	2,816	491	1,806	2,297
Creditors & accruals: Amounts falling due within one year	7.1	56	52	108	51	36	87
Provision	7.1	0	250	250	0	250	250
Total current liabilities		56	302	358	51	286	337
Net current assets		540	1,918	2,458	440	1,520	1,960
Total assets		2,016	9,772	11,788	1,642	8,267	9,909
Funds of the Charity							
Income funds:							
Restricted	8.1	0	9,773	9,773	0	8,267	8,267
Unrestricted	8.3	2,016	0	2,016	1,642	0	1,642
Total funds		2,016	9,773	11,788	1,642	8,267	9,909

Please refer to note 14 for details of the restatement.

The notes at pages 40 to 54 form part of this account.

The financial statements on pages 37 to 54 were approved by the Trustees on 10 September 2020 and signed on its behalf by:

Signed: 

Cara Charles-Barks
Chief Executive of the Corporate Trustee and Trustee's Representative
Date: 22 September 2021

Statement of Cash Flows for the year ended 31 March 2021

	2020/21 £000	Restated 2019/20 £000
Cash flows from operating activities:		
<i>Net cash provided by/(used in) operating activities</i>	23	(1,401)
Cash flows from investing activities:		
Dividends, interest and rents from investments	0	16
<i>Net cash from investing activities</i>	0	16
Other Adjustments to operating cash flows		
	0	-1
<i>Change in cash and cash equivalents in the reporting period</i>	23	(1,386)
<i>Cash and cash equivalents at the beginning of the reporting period</i>	1,999	3,385
<i>Cash and cash equivalents at the end of the reporting period</i>	2,022	1,999
Reconciliation of net income/(expenditure) to net cash flow from operating activities		
<i>Net income for the reporting period (as per the statement of financial activities)</i>	1,879	(565)
Adjustments for:		
(Gains)/losses on investments	(1,255)	704
Dividends from investments	(178)	(188)
Management fees deducted from investments	51	47
Interest income	0	(16)
Increase in debtors	(496)	181
Increase/(decrease) in creditors	22	(1,564)
<i>Net cash from/(used in) operating activities</i>	23	(1,401)
Analysis of cash and cash equivalents		
Cash in hand	2,021	1,999
Total cash and cash equivalents	2,021	1,999

Please refer to note 14 for details of the restatement.

Notes to the Financial Statements

1 Accounting Policies

1.1 Accounting convention

The financial statements have been prepared under the historic cost convention, as modified for the revaluation of certain investments, and 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) (effective 1 January 2019) and the Charities Act 2011.

The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern for the foreseeable future. There are no known material uncertainties affecting the current year's accounts. Whilst COVID-19 pandemic has had an impact on the Charity's income in 2020-21 it has a good level of reserves to ensure it is not such a significant impact as to affect the Charities ability to continue as a going concern.

1.2 Income

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

- i) Entitlement – control over the rights or other access to the economic benefit associated with the transaction or gift will flow to the Charity;
- ii) Probability – it is more likely than not that the economic benefits associated with the transaction or gift will flow to the Charity; and
- iii) Measurement – the monetary value or amount of the income can be measured reliably and the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

b) Legacies

Legacies are recorded in the statements according to the date on which they become receivable. Any legacy notified as receivable by the executors but not paid in the accounting period is treated as an adjusting event and accrued as income if receipt is probable. This is consistent with the rules as above.

c) Grants

Grants are recognised when performance conditions associated with the grant have been met and recorded as income in accordance with the same rules as expressed above.

d) Pledges

Pledges are recognised in the year they are received, even if the actual contribution will be received in instalments over future accounting periods, as consistent with the rules above. Unless there are performance related donation, with the donation linked to the individual milestones, the pledge will be recognised as the individual stages are completed as there is no contractual obligation to pay the pledge before this point.

e) Gifts in kind

The amount at which gifts in kind are recognised is either at fair value of the cost to the donor or the amount actually realised as appropriate dependent on the gift.

- i) Assets given for distribution by the Charity are included in the SOFA as income when received.
- ii) Assets given for distribution by the Charity are included in the SOFA only when distributed.
- iii) No gifts in kind have been converted to cash.
- iv) Services provided by volunteers are not recognised in the SOFA.

1.3 Expenditure

a) The funds held on Trust accounts are prepared in accordance with the accruals concept. All expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party.

b) Support and governance costs are those costs which do not relate directly to a single activity. The support costs include the costs of administration and the management investment fee and the governance cost relates to the audit costs. All costs have been apportioned between fundraising costs and charitable activities on an appropriate basis. These are recharged to the unrestricted general fund as per the current Charitable Funds policy agreed by the Charitable Fund Committee.

c) Expenditure on raising funds is recorded as those costs of the charity which relate to fundraising staff and associated administration costs.

d) Expenditure on charitable activities relates to the purchase of medical equipment, staff training and support as well as for support for the services of the RUH. These last two categories of costs are recorded against restricted and unrestricted funds according to which fund incurred the cost. No expenditure grants are paid to outside organisations or related parties.

e) Liabilities to pay costs are recognised when goods or services are delivered.

1.4 Structure of funds

Where there is a legal restriction on the purpose to which a fund may be put, the fund is classified in the accounts as a restricted fund. Other funds are classified as unrestricted funds. Funds which are not legally restricted but which the Trustee has chosen to earmark for set purposes are designated funds. The major funds held within these categories are disclosed in notes 8.1, 8.2, 8.3 and 8.4.

1.5 Investment fixed assets

The total amount invested on behalf of the Charity is considered a fixed asset as the Charity is not anticipating drawing from these investments within the next 12 months. The Investment Managers have delegated responsibility from the Charity to invest all of the funds transferred in appropriate investments as and when they see fit to achieve maximum returns as per the Charity's current policy.

1.6 Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening market value (or date of purchase if later). Unrealised gains and losses are calculated as the difference between market value at the year-end and opening market value (or date of purchase if later).

1.7 Pension contributions

The cost of employer pension contributions to the NHS Superannuation Scheme and other schemes is charged to the Statement of Financial Activities as they fall due.

Past and present employees are covered by the provisions of the NHS Pensions Scheme. Details of the benefits payable under these provisions can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. The scheme is an unfunded, defined benefit scheme that covers NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The scheme is not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities.

Therefore, the scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS Body of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, approximate assessments are completed in intervening years between the four-yearly actuarial valuation. An outline of these follows:

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2021 is based on valuation data as 31 March 2020, updated to 31 March 2021 with summary global member and accounting data.

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The last published actuarial valuation undertaken for the NHS Pension Scheme was completed for the year ended 31 March 2012. The Scheme Regulations allow for the level of contribution rates to be changed by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the Scheme Actuary and employee and employer representatives as deemed appropriate.

1.8 VAT

Irrecoverable VAT is included in resources expended, and the historic cost of fixed assets.

1.9 Change in the basis of accounting

There has been no change in the basis of accounting during the year.

1.10 Prior year adjustments

It has been identified during the year that pledges relating to the RUH Trust cancer centre build and critical care equipment have performance conditions attached therefore the pledges should be recognised inline with the delivery of these performance measures. On this basis a prior year adjustment has been made in order for this to be corrected within the financial statements. This is detailed in note 14.

1.11 Pooling scheme

A pooling scheme is in operation for investments relating to all funds. Gains and losses, both realised and unrealised, are apportioned to the charitable funds as per the current Charitable Funds Policy.

1.12 Financial risk management

Credit risk

The Charity's revenue is recognised upon receipt unless it is a pledge or legacy where it is then recognised as set out in note 1.2. The Charity has low exposure to credit risk.

Liquidity risk

The Charity's assets are all liquid investments made up of cash and other financial assets tradeable on the open market. The Charity does not need to fund its own capital expenditure. The Charity is not, therefore, exposed to significant liquidity risks.

Market risk

The investments held by the Charity are subject to fluctuations in the stock market. In general, excessive volatility in market risk is managed through the diversification of the portfolio in terms of geographical, industry sectors, individual securities, and the investment mandate guidelines with Barclays Wealth. The Charities Committee also receives regular monitoring updates from the Investment Managers and monitors the performance of the fixed asset investments quarterly.

1.13 Financial instruments

Financial assets and financial liabilities are recognised when the Charity becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs).

Debtors are recognised at the settlement amount due. Cash balances include cash in hand and cash at bank. Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that it is probable will result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

1.14 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies the Trustee is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Legacy income is recognised when three criteria are met. Entitlement is established, receipt of the income is probable and it can be reliably measured. Entitlement is established when we receive notification of an interest in an estate and a copy of the will. Income receivable is probable and measurement criteria is considered met when the statement of assets and liabilities is received. Only when these criteria have been met is income from legacies recognised in the financial statement which can involve significant judgements.

Future cash flow forecasts and a number of worst case scenarios have been prepared and the Board of the Trustee considers that there are sufficient cash resources for at least the next 12 months from the date of signature of the financial statements to manage any foreseeable downturn in the UK and global economy.

1.15 COVID-19 during 2020/21

During the ongoing COVID-19 pandemic the Charity's continued focus is to:

- (i) Deliver the charitable objectives, and
- (ii) Ensure the wellbeing and safety of staff.

Going concern

The Trustee has assessed the Charity's ability to continue as a going concern taking into account the financial impacts of COVID-19. The Trustee has considered several factors when forming their conclusions as to whether the use of the going concern basis is appropriate when preparing these financial statements including liquidity, cash resources and liabilities. Like many charities the financial position has been impacted by the financial impacts of COVID-19. The cancellation of events, the slowdown of donations and the slowdown of the economy impacts income including the value and receipt of future legacies.

However, COVID-19 has had a significant immediate impact on the Charity's ability to arrange fundraising events in the short term due to lockdown and social distancing requirements. In light of the economic crisis triggered by COVID-19 on the Charity, the Trustee has carried out further financial modelling based on various scenarios. After assessing the impact of possible income reduction scenarios, the Trustee has concluded that the Charity has a reasonable expectation that there are adequate resources to continue to operate for at least 12 months from the date of signing of the financial statements and have continued to prepare the financial statements on a going concern basis.

2 Analysis of Income

2.1 Details of Donations and Legacies

Material donations, legacies and gifts

	Unrestricted Funds £000	Restricted Funds £000	Total 2020-21 Funds £000	Unrestricted Funds £000	Restated Restricted Funds £000	Total 2019-20 Funds £000
Legacies	205	257	462	53	1,188	1,241
Number of material legacies:	4	4	8	0	10	10
Largest legacy:	150	120		0	394	
Smallest material legacy:	20	12		0	10	
Charitable Trusts						
Number of material donations:	0	2	2	0	6	6
Largest donation:	0	15		0	200	
Smallest material donation:	0	10		0	10	
Individuals						
Number of material donations:	0	0	0	1	4	5
Largest donation:	0	0		10	100	
Smallest material donation:	0	0		10	10	
Companies and other organisations						
Number of material donations:	0	6	6	0	4	4
Largest donation:	0	50		0	31	
Smallest material donation:	0	10		0	11	

Material donations and legacies have been defined as amounts in excess of £10,000 over a single financial year actually received.

2.2 Details of Income

Material donations and legacies have been defined as amounts in excess of £10,000 over a single financial year actually received.

Other income received

	Unrestricted Funds £000	Restricted Funds £000	Total 2020-21 Funds £000	Unrestricted Funds £000	Restricted Funds £000	Total 2019-20 Funds £000
Other income	12	0	12	11	3	14
Total	12	0	12	11	3	14

Income from investment

Investments listed on Stock Exchange	25	153	178	31	157	188
Cash held as part of the investment portfolio	0	0	0	0	0	0
Bank interest	0	0	0	3	13	16
Total	25	153	178	33	171	204

Other trading activities

Fundraising income	54	109	163	73	257	330
Sale of bought in goods	0	0	0	0	1	1
Course/conference income	0	0	0	0	0	0
Lottery	0	18	18	0	17	17
Total	54	127	182	73	275	348

Income from charitable activities

Grants with conditions	0	462	462	45	0	45
Company sponsored income	0	0	0	2	1	3
Gifts in Kind	114	0	114	0	0	0
Total	114	462	576	47	1	48

3 Analysis of Expenditure

3.1 Expenditure

Expenditure on Raising Funds

	Unrestricted Funds £000	Restricted Funds £000	Total costs 2020-21 £000	Unrestricted Funds £000	Restricted Funds £000	Total costs 2019-2020 £000
Fund raising costs, publicity and adverts	3	118	121	46	201	247
Staff costs for raising funds	0	510	510	48	458	506
Investment management costs	7	46	53	8	40	48
Other expenditure	8	0	8	9	2	11
Total	18	674	692	111	701	812

Expenditure on Charitable Activities

Patients' welfare and amenities	150	162	312	180	1,312	1,492
Staff costs for charitable activities	0	17	17	0	0	0
Staff welfare and amenities	221	88	309	78	72	150
Research	2	11	13	0	(8)	(8)
Admin fees and audit fee	11	51	62	11	49	60
Total	384	329	713	269	1,425	1,694

Other Expenditure

Other expenditure	1	10	11	15	39	54
Total	1	10	11	15	39	54

3.2 Support Costs

Administration	10	45	55	9	43	52
Audit fees	2	5	7	2	5	7
Total	12	51	62	11	48	59

4 Analysis of Expenditure

4.1 Category of Expenditure

	Expenditure on Raising funds £000	Expenditure on Charitable activities £000	Other Expenditure £000	Total 2020-21 £000	Expenditure on Raising funds £000	Expenditure on Charitable activities £000	Other Expenditure £000	Total 2019-2020 £000
Staff	510	17	0	527	506	0	0	506
Governance Cost-Auditors' remuneration:								
Statutory Auditors – Audit fee	0	5	0	5	0	5	0	5
Internal Auditors	0	2	0	2	0	2	0	2
Investment management costs	53	0	0	53	47	0	0	47
Direct costs	129	689	11	829	259	1,687	54	2,000
	692	713	11	1,416	812	1,694	54	2,560

4.2 Staff Costs

Salaries and wages	433	418
Social security costs	37	36
Other pension costs	57	52
Total emoluments of employees (remuneration plus benefits for tax purposes)	527	506

Staff Numbers split by Activity

Fundraising activities	14	13
Charitable activities	0	1
Average monthly number of employees in the year:	14	14

The analysis above represents amounts charged to the Charity for staff employed by the NHS Foundation Trust who work solely on behalf of the Charity. All staff are on standard NHS terms and conditions and are contracted to work for the NHS Foundation Trust.

There were no redundancy or terminations benefits in 2020/21 (£nil in 2019/20). No employees employed by the NHS Foundation Trust who works solely on behalf of the Charity received employee benefits (excluding employer pension contributions) of more than £60,000 (none in 2019/20).

The Charity's Trustee receives no remuneration for the work that they undertake as trustee. There were also no expenses reimbursed to the Trustee in 2020/21 (£nil in 2019/20). The Charity also has no key management personnel.

The RUH Charity is reliant on a team of volunteers. There are at any one time over 100 local volunteers who actively fundraise for the Charity as well helping out at events run by the Charity.

5 Changes in Resources Available for Charity Use

Net movement in funds for the year
Net movement in funds available for future activities

	Unrestricted Funds £000	Restricted Funds £000	Total 2020-21 Funds £000	Unrestricted Funds £000	Restricted Funds £000	Total 2019-20 Funds £000
Net movement in funds for the year	373	1,505	1,878	(144)	379	235
Net movement in funds available for future activities	<u>373</u>	<u>1,505</u>	<u>1,878</u>	<u>(144)</u>	<u>379</u>	<u>235</u>

6 Analysis of fixed asset investments

6.1 Fixed Asset Investments:

	2020-21 £000	2019-20 £000
Carrying value at 1 April	7,949	8,512
Purchases	4,680	3,830
Sales	(4,612)	(3,238)
Cash movement	58	(451)
<i>Net movement in year</i>	126	141
Gains/(Losses) in Year	1,255	(704)
Carrying value at 31 March	<u>9,330</u>	<u>7,949</u>

6.2 Market value at 31 March:

Investments listed on the Stock Exchange

	31 March 2021 £000	31 March 2020 £000
Barclays Wealth Investments	9,330	7,949
	<u>9,330</u>	<u>7,949</u>

6.3 Investments fair value hierarchy

	Level 1 31 March 2020 £000	Level 1 31 March 2019 £000
Bonds	1,766	1,811
Equities	4,663	3,711
Alternative Assets	2,637	2,163
Cash	264	264
	<u>9,330</u>	<u>7,949</u>

The fair value hierarchy consists of the following three levels:
Level 1 quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2 inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly or indirectly.
Level 3 inputs for the asset or liability that are not based on observable market data (unobservable inputs).
All RUH Charitable Funds investments are classed as Level 1.

7 Analysis of creditors and debtors

7.1 Analysis of creditors

Amounts falling due within one year:

	31 March 2021 £000	31 March 2020 £000
Other creditors	(2)	(2)
Accruals	110	89
Provision falling due within one year	250	250
Total creditors	<u>358</u>	<u>337</u>

The Charity received a donation of £250,000 which was given with conditions that have not been met.
The Charity is continuing to hold this donation and is expecting to pay this back in 2021/22 financial year after completing due diligence.

7.2 Analysis of debtors

	31 March 2021 £000	Restated 31 March 2020 £000
Other debtors – receivable in less than one year	13	13
Accred income	781	285
Total debtors due in less than one year	<u>794</u>	<u>298</u>

It has been identified during the year that pledges relating to the RUH Trust cancer centre build and equipment for critical care have performance conditions attached therefore the pledge should be recognised in line with the delivery of these performance measures. On this basis a prior year adjustment has been made in order for this to be corrected within the financial statements. The total value adjusted was £950,000. This is detailed in note 14.

8 Restricted Funds

8.1 Restricted Funds

	Balance 2019-20 £000	Transfers £000	Income £000	Expenditure £000	Gains and Losses £000	Balance 2020-21 £000
RUH Research	808	(1)	18	(58)	90	857
Shelagh McBrien Coronary Care Unit	62	0	26	(28)	6	66
RUH 2001(Forever Friends) Appeal	8,236	(116)	555	(916)	975	8,734
Royal National Hospital for Rheumatic Diseases	111	1	2	(10)	11	115
Total	9,217	(116)	601	(1,012)	1,082	9,772

	Restated Balance 2018-19 £000	Restated Transfers £000	Restated Income £000	Restated Expenditure £000	Restated Gains and Losses £000	Restated Balance 2019-20 £000
RUH Research	552	0	329	(28)	(45)	808
Shelagh McBrien Coronary Care Unit	78	0	2	(14)	(4)	62
RUH 2001(Forever Friends) Appeal	7,876	(34)	2,034	(2,053)	(537)	7,286
Royal National Hospital for Rheumatic Diseases	183	0	8	(70)	(10)	111
Total	8,688	(34)	2,373	(2,165)	(596)	8,267

Restricted funds are defined as registered subsidiaries of the RUH Charitable Fund.

8.2 Details of Restricted Funds

Name of restricted funds	Description of the nature and purpose of each fund
RUH Research	Contributions towards NHS Research projects in partnership with other NHS organisations and various Universities
Shelagh McBrien Coronary Care Unit	To benefit and support patients, staff and visitors to Coronary Care Department
RUH 2001 (Forever Friends) Appeal	Contributions to the redevelopment of the RUH site along with provision of equipment for the hospital and fund raising expenses connected to these projects
Royal National Hospital for Rheumatic Diseases	To benefit the patients, staff and visitors of RNHRD Services

8.3 Unrestricted Funds

	Balance 2019-20 £000	Transfers £000	Income £000	Expenditure £000	Gains and Losses £000	Balance 2020-21 £000
RUH - General	388	46	181	(208)	172	579
RUH - Medical	600	103	270	(52)	0	921
RUH - Surgical	448	(35)	9	(101)	0	321
RUH - Women's and Children's	207	3	28	(42)	0	196
Total	1,642	117	488	(403)	172	2,016

	Restated Balance 2018-19 £000	Restated Transfers £000	Restated Income £000	Restated Expenditure £000	Restated Gains and Losses £000	Restated Balance 2019-20 £000
RUH - General	491	34	89	(118)	(108)	388
RUH - Medical	618	0	95	(113)	0	600
RUH - Surgical	455	(2)	100	(105)	0	448
RUH - Women's and Children's	223	2	41	(59)	0	207
Total	1,787	34	325	(395)	(108)	1,642

Designated funds are defined as those designated to specific departments within the RUH.

8.4 Details of designated Funds

Name of fund	Description of the nature and purpose of each fund
RUH - General	Any charitable purpose relating to NHS, mainly for RUH services
RUH - Medical	Any charitable purpose relating to RUH Medical wards/ departments
RUH - Surgical	Any charitable purpose relating to RUH Surgical wards/ departments
RUH - Womens' and Children's	Any charitable purpose relating to RUH Women's and Children's wards/departments

9 Contingencies

There were no contingent losses/gains at 31 March 2021 (31 March 2020: nil).

10 Commitments, Liabilities and Provisions

There were no commitments beyond those recognised as creditors at 31 March 2021 (31 March 2020: nil).

There was one provision for future liabilities at 31 March 2021-see note 7.1 for more information (31 March 2020: one).

11. Trustees and Connected Persons Transactions

There were no reimbursements of Trustee expenses and no Trustee remunerations were paid in 2020/21 (2019/20: nil).

Trustee Indemnity Insurance

Indemnity insurance is provided for the Trustee” representatives by the Royal United Hospitals Bath NHS Foundation Trust.

12. Loans or Guarantees Secured against Assets of the Charity

No loans or guarantees were secured against the Charity’s assets as at 31 March 2021 (31 March 2020: nil).

13 Related party transactions

During the year, there have been no transactions between the members of key management of the Trustee nor parties related to them and the Royal United Hospital Charitable Funds.

Board members (and other senior staff) take decisions on both the Charity and NHS Foundation Trust matters but endeavour to keep the interests of each discrete and do not seek to benefit personally from such decisions. Declarations of personal interest have been made in both capacities and are available to be inspected by the public.

The Charity’s Trustee give their time freely and receive no remuneration for the work that is undertaken as a trustee. However, they can claim expenses to reimburse them for costs that they incur in fulfilling their duties. There were no expenses reimbursed to the trustee in 2020/21 (£nil in 2019/20). There have also been no donations received in 2020/21 from the trustee (£nil in 2019/20).

The Charitable Trust made donations to the NHS Foundation Trust in 2020/21 where the Trustees’ representatives (whose names are listed below) are also members of the Trust Board. In 2020/21 this totalled £749k (2019/20 £2,007k) of which reimbursement for salaries and fees was £527k (2019/20 £506k) and donated capital (equipment and cash) was £150k (2019/20 £1,276k). The remaining £72k (2019/20 £225k) relates to recharges between Charity and the NHS Foundation Trust. The Charity received £4k in income from the NHS Foundation Trust (nil in 2019/20).

The RUH Bath NHS Foundation Trust acts as a Corporate Trustee. The Board members of the NHS Foundation Trust were:

Alison Ryan*	Chair
Libby Walters*	Interim Chief Executive – from April 2020 until August 2020
Cara Charles-Barks	Chief Executive – from September 2020
Simon Wade*	Interim Director of Finance – from April 2020 until August 2020
Libby Walters*	Director of Finance & Deputy Chief Executive – from September 2020
Bernie Marden	Medical Director
Rebecca Carlton	Chief Operating Officer-until August 2020
Simon Sethi	Chief Operating Officer – from January 2021
Lisa Cheek*	Director of Nursing & Midwifery-until March 2021
Claire Radley	Director for People
Brian Johnson	Director of Estates & Facilities
Jocelyn Foster*	Commercial Director
Nigel Stevens	Non-Executive Director
Jeremy Boss*	Non-Executive Director
Sumita Hutchison	Non-Executive Director – from September 2019
Anna Mealing	Non-Executive Director – from September 2019
Ian Orpen	Non-Executive Director – from September 2020
Anthony Durbacz	Non-Executive Director – from November 2020

Those marked * were Trustee’s Representatives of the Charity during the year.

The members of the Charitable Funds Sub-Committee during 2020/21 were the Chair, Director of Nursing & Midwifery, Director of Finance & Deputy Chief Executive, Commercial Director and Non-Executive Director Jeremy Boss.

The Royal United Hospitals Bath NHS Foundation Trust is viewed as a connected organisation by virtue of its position as Trustee of the Charity. There are no other connected organisations.

The Department of Health is considered the parent entity of the Royal United Hospitals Bath NHS Foundation Trust and the Charity is a subsidiary of the Trust.

14 Prior Year adjustment

It has been identified during the year that pledges relating to the RUH Trust cancer centre build and equipment for critical care have performance conditions attached therefore the pledge should be recognised in line with the delivery of these performance measures. On this basis a prior year adjustment has been made in order for this to be corrected within the financial statements. The total value adjusted was £950,000.

	2019/20 Balance as previously reported £000s	2019/20 Restated Value £000s	Adjustment
Statement of Financial Activities			
Donations	1,536	736	- 800
Net movement in funds	235	- 565	- 800
Balance sheet			
Debtors	1,059	109	- 950
Restricted Funds 1 April 2019	8,838	8,688	- 150
Restricted Funds 31 March 2020	9,217	8,267	- 950

15 Non-adjusting post balance sheet events

COVID-19 continues to affect future financial periods. However the Trustee has concluded that the Charity has a reasonable expectation that there are adequate resources to continue to operate for at least twelve months from the date of signing of the financial statements and there are no identified post balance sheet adjustments resulting from COVID-19.

There has been an increase in the investments valuation of £644,355 since 31 March to 31 August which is a non adjusting post balance sheet event.

The principal address and Finance Office of the RUH Charitable fund is:

Finance Department
Malvern House
Royal United Hospitals
Combe Park, Bath
BA1 3NG

Tel: 01225 825601

www.ruh.nhs.uk

For donations or fundraising enquiries, please contact:

The Forever Friends™ Appeal



Fundraising charity of the
Royal United Hospitals Bath

The Forever Friends Appeal
Fundraising Office (B21)
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 The Forever Friends Appeal



Royal United Hospital Charitable Fund
Registered Charity number 1058323