



**The Robert Jones and Agnes Hunt
Orthopaedic Hospital**

NHS Foundation Trust

Registered Charity Number: 1058878

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2020-21

**Trustee's Annual Report and Financial Statements
The Robert Jones and Agnes Hunt Orthopaedic Hospital Charitable Fund**

Charity Registration No. 1058878



Cancelled marathon? Won't stop Tracy



Outdoor furniture for Spinal Injuries Unit patients & visitors

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TRUSTEE'S REPORT

Foreword by Chairman of the Corporate Trustee

Welcome to our annual report for the year ending 31 March 2021.

I am proud to be reporting on how The Robert Jones and Agnes Hunt Orthopaedic Hospital Charitable Fund (RJAHC Charity) has continued to support the Trust in its aim to provide the best possible healthcare to its patients and support to its staff during what has been a very challenging and often difficult time for us all.

During the 12 months from 1 April 2020 to 31 March 2021, we received £352,000 and spent £246,000 supporting the care and treatment of patients and the wellbeing of staff.

A large proportion of our funds comes from legacies left by past patients and their family members. We would like to, once again, state our appreciation for the generosity of those who remember us in this way at what is always a difficult time for a family. Through these acts of kind generosity, we can enhance the care and support we give to our patients at our wonderful hospital. This might be through providing equipment or enhanced facilities or perhaps by supporting important research which will benefit both our current and future patients.

Throughout the year, there was an understandable reduction in donation and fundraising receipts. However, we were most fortunate to receive £151,000 in grants during the year from the NHS Charities Together Charity, following the huge support shown for their Emergency Covid-19 NHS Support Appeal. You will see references to how we spent or plan to spend these funds throughout this report and I am particularly looking forward to telling you about the wellbeing path being constructed in the field at the rear of the hospital using some of these funds. This will provide an accessible facility for both patients and staff and, in doing so, pay tribute to the inspirational Captain Sir Tom Moore whose determined fundraising efforts, coupled with his modest and charismatic demeanor, inspired so many to donate to support our NHS.

We were also very grateful to those of you who continued to support us directly, despite the restrictions we were all living under, for example by taking part in sponsored challenges, asking for donations in lieu of gifts, choosing us as the charity to receive donations in memory of your loved ones, nominating us as the charity to benefit from your workplace charity donation scheme or deciding to make a personal donation. Through these and many other sources of generosity, we received £39,000 in direct donations. An impressive amount, I think you'll agree. Thank you.

During the year we continued to spend our funds on patients and staff facilities. We have supported and provided improved patient care areas, better equipment, enhanced staff education initiatives and opportunities, as well as a significant number of smaller cost projects which often make such a large difference to patient welfare and comfort. Your donations and support make all of this possible and your future donations are the key to our continued success.

The year 2021, like 2020, will be remembered for Covid-19 and the devastating impact the virus has had on families across our county, the country and indeed, the world. As a Board of Charity Trustees, we acknowledge that our fundraisers will continue to be directly impacted by the effects of the virus and as a hospital we have had to face up to the challenges brought about by the pandemic. Throughout this worrying and stressful period, I remain proud and humbled by the individual and collective efforts of our staff and by the on-going support of our volunteers, supporters and fundraisers.

On behalf of the RJAHC Charity, I thank everyone who raises or donates funds for us and I hope you will continue to be inspired to do so. It is a well-worn phrase but let me emphasise – *"every penny counts"*.

Much as I would like to use this statement to pay personal tributes, it is impossible to thank each and every person or organisation which has helped and supported us in the last year but I am delighted and proud to once again thank our RJAHC League of Friends Charity which undertakes with great enthusiasm and determination such great work for us, be it as fundraisers, volunteers or simply friends and supporters of the hospital. Talking of our friends, it would be remiss of me not to thank all the individuals, local companies and organisations who donate comfort items to patients

and staff, often via our League of Friends. These gifts and the support shown is so very much appreciated and results in boost to both morale and the physical wellbeing of our patients and staff alike.

Also affected by the pandemic and deserving acknowledgement and my thanks are those staff at the Trust who have worked so diligently on our charitable endeavours, either by working remotely at home or by coming into their place of work at the hospital site even during the height of the pandemic. These staff include our Finance Department colleagues who have continued to record and report on the Charity's transactions and ensure that the governance procedures laid down by the Charitable Funds Committee have continued to be followed, the aforementioned League of Friends staff who have provided a charity office service liaising with our donors and fundraisers, our Fund Advisors who have never stopped considering how best to use and commit the funds to benefit patients and staff, the Estates teams who have often been involved in advising on and carrying out various projects funded by the Charity, our Communications specialists who do great work making the world know about the donations we receive and the broad variety of projects the Charity supports, and finally our IT experts who have enabled the remote working of a large number of these staff, and ensured the move to online communication has seamlessly allowed meetings of the Charitable Funds Committee to continue.

The collective work of all these staff and many more means you may be assured that any funds you donate to the Charity continue to be used and accounted for within the requirements of the Charity Commission and as you would wish them to be.

I should also like to thank the Headley Court Charity for their faith in supporting the Trust in our plans for a dedicated and state-of-the-art Veterans' Centre, to the extent that funds have been granted by them for a bespoke Centre for which building work has now commenced. It was an honour and a pleasure to participate in the turf-cutting ceremony with local dignitaries, including Her Majesty's Lord-Lieutenant of Shropshire Mrs Anna Turner and Mr Owen Patterson MP, and leaders from Headley Court including Mr Mike Debens and Mr Tony Stables in order to officially mark the commencement of this great project earlier this year. Please see the rjah.nhs.uk website for further details and pictures.

Your support will be more important than ever going forward as we try to assist our patients and staff, both now and in the post-Covid-19 pandemic years. There is no denying that the face of healthcare provision has changed in how it delivered and hence in how it is experienced by patients. With your help, we want to be there to support the Trust and its truly brilliant staff as they continue to find and provide innovative solutions for delivering the very best possible care and treatment to those who depend on its services.

Thank you all and I hope you enjoy reviewing this annual report.



Frank Collins, Chairman
On Behalf of the Corporate Trustee
10 January 2022



Who we are

We are the Robert Jones and Agnes Hunt Orthopaedic Hospital Charitable Fund (RJAHS Charity), an NHS Charity set up for the benefit of NHS patients and their families and carers, in particular those of the Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust (RJAHS NHS FT).

We were first registered with the Charity Commission, Registered Charity No. 1058878, on 28 October 1996. The Charity is registered in England and Wales.

RJAHS NHS FT is our corporate trustee with its Board acting on behalf of the corporate trustee. We are managed by a committee, known as the Charitable Funds Committee (CFC), which is made up of designated RJAHS NHS FT Board members as detailed in the Principal Officers section below.

Our annual report and financial statements relate to the funds administered for the public benefit by Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust.

What we aim to do: our objectives and activities

Our mission

By raising new money and careful management of our existing funds, we are able to make grants to RJAHS NHS FT and the organisations it works with in order to fulfil its objective:

“Any charitable purpose or purposes relating to the National Health Service wholly or mainly for the service provided by the Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust.”

Given this wide remit, the charity seeks in particular to add to or enhance the services provided by the NHS whilst ensuring the wishes of the donors are respected at all times.

RJAHS NHS FT’s stated ambition is to be recognised as the leading centre for orthopaedic care in the UK, with providing the highest quality care as their clear priority and the priority of all who work at the hospital.

We exist to raise funds and receive donations to provide resources and facilities to support the hospital in its work and meet the needs of patients and staff. By securing donations and legacies, we make a real difference to patients together with their families and friends as well as the staff who look after them both directly and indirectly.

We endeavour to ensure all donations are spent in accordance with the wishes of donors. Restricted funds are set up where necessary and, where a non-binding preference is expressed by a donor, unrestricted, designated funds have been created to benefit various wards, departments and activities each with a fund advisor from the relevant service or department appointed by the trustee to ensure this objective is met.

The income to achieve our objectives and strategy is mainly received from donations and legacies. The main areas of activity are patient and staff welfare, including new and refurbishment building expenditure and equipment provision.

Generating income and achieving our objectives involves all our partners including staff, patients and their families, carers and the local community.

Grants are made in accordance with charity law, our constitution and the wishes and directions of donors. In making grants, we endeavour to reflect the wishes of patients and staff by directing funds towards areas they tell us are in most need. During the year 2020-21, grants totaling £184,000 were made. Our future plans are to continue to raise our level of fundraising which will help us work with RJAHS NHS FT to transform the care of our patients.

What we have achieved: highlights from the activities undertaken in the year

Our key aim is to serve NHS patients, in particular the patients of RJAHS NHS FT for the public benefit. By working with the NHS, we assist patients from every walk of life, irrespective of race, creed, ethnicity or personal or financial circumstances. We put this aim into practice by helping the patients, their families and carers, and visitors to the hospital by:

- Funding medical research to understand better the diseases affecting our patients today so that we can develop the cures and therapies of tomorrow.
- Enhancing the care our partner hospital can offer through making grants for new equipment and building improvements to deliver better facilities.
- Investing in NHS staff, in particular by supporting staff training.
- Supporting RJAHS NHS FT in the creating of a caring environment for the patients receiving care, their families and visitors.
- Making a number of smaller grants for the provision of extra comforts for patients and to support social and other activities recommended as part of their rehabilitation.

We do this through a range of programmes funded by you, our generous donors. Highlights from the main programmes undertaken in the year are detailed below to give you a wider understanding of the difference we can make together to patients' lives both now and in the future.

Funding the treatments of tomorrow £6,000

We make available funds to sponsor non-commercial research in areas where our partner NHS Foundation Trust has considerable expertise, with a view to developing new therapies for treating and caring for patients.

- The Charity continued to fund the lease of a machine and the purchase of consumables to allow the Metabolic Unit to measure levels of a bone formation marker and a bone resorption marker on-site to facilitate a study to assess these markers in their clinic patients. These provide the most up to date markers of bone metabolism in patients being managed for their osteoporosis and other metabolic bone disease. The purpose of the study is to assess the benefits of these two markers of bone turnover for measuring the efficacy of osteoporosis and anti-bone resorption therapies. The total grant made in 2019-20 was for £35,000 to allow 3,000 tests over two years, of which just over £6,000 was spent in 2020-21 (just over £13,000 in 2019-20).

An abstract was submitted to the Royal Osteoporosis Society meeting held online in December 2020. The abstract received a commendation and was selected to be presented as a talk as well as a poster.

This project has been impacted by the Covid-19 pandemic and samples from patients ceased between March 2020 and February 2021. Since February 2021, samples from patients required to come on site for appointments have been measured and the research project has been extended to April 2022 and an additional £10,000 funding approved by the Charitable Funds Committee.

Improving patient experience – attending to patient needs £20,000

- Some areas tend to have patients whose treatment involves longer stays and who may be relatively immobile and often require extra comforts to improve their morale, especially during the Covid-19 pandemic as visitor numbers are restricted. Birthday and Christmas presents as well as Easter treats are purchased for patients on the Children's and the Spinal Injuries Units. We also fund activity items such as craft materials, toys, games and DVD players and DVDs as well as small prizes for quizzes.

This year we also decorated our Spinal Injuries Unit in remembrance of VE day. We continued to pay the Sky subscription for patients on the Spinal Injuries Unit. During 2020-21 we spent nearly £2,500 on these items (2019-20 £4,000).

VE Day on Spinal Injuries Unit



- We used £3,000 of the grants received from NHS Charities Together (NHSCT) to fund entertainment items for all patients as well as welfare, clothing, toiletries and snacks.
- A Modern Apprentice was funded on the Spinal Injuries Unit, the Midlands Centre for Spinal Injuries, at a cost of £6,000 (2019-20 £10,000). The purpose of this post is to provide administrative resources to help staff improve networking and support activities for patients.
- Chilled drinking water was provided to all areas of the hospital at a cost of £8,000 (£10,000 in 2019-20). Apart from the health and comfort benefits, being properly hydrated means both patients and staff are less likely to suffer from mental and physical fatigue. Staff are thus able to give their best to patients.
- Our Spinal Injuries Activities fund allows patients and their therapists to organise and support off-site activities. This is vital for the rehabilitation of patients, helping them gain experience and confidence in managing situations they may come across on discharge. Usually, these activities range from lunch at a local pub or shopping trips to attending a residential Outward Bounds course run by the Calvert Trust in Keswick. But due to the Covid-19 pandemic outings have not been possible but patients have been encouraged to socialise thanks to quizzes and afternoon teas at a cost of £120 compared to the £6,000 spent in 2019-20.

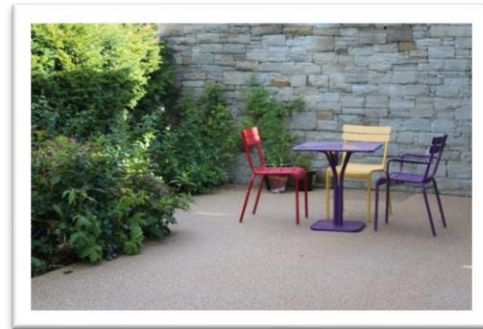
Improving Patient experience – improving their environment £26,000

- £1,000 was spent on a mural for the wall of a patient side room on the Spinal Injuries Unit with no window or outside view to enhance the environment of patients on bed rest.
- £6,000 was used to purchase 23 armchairs for Sheldon Ward for our elderly patients. These replaced chairs which were past their best and no longer very comfortable. The chairs all came with pressure relieving foam and were of varying heights and styles were chosen to help

with patient rehabilitation. Two of them had drop down arm rests.

- To further facilitate the extension of the Oncology Team in response to increased patient demand for the services provided, £5,000 was granted to adapt a room for use by physiotherapists, this is in addition to the £11,000 contribution made last year towards the creation of a new reception and the conversion of a room to house the Musculoskeletal Oncology Team.
- A grant of £6,000 was made to purchase additional, outdoor furniture for use by patients, visitors and staff in the garden of the Spinal Injuries Unit which was built and is maintained by the Horatio's Garden Charity. This enabled more people to use the space, allowing patients more access to the outside. The main benefit of the increased outdoor facilities was their enabling more visits from friends and families to take place than might otherwise have been the case, and for the visits to be more informal and private.

Outdoor furniture in garden of Spinal Injuries Unit



- £2,600 was spent on survey and design fees in 2020-21 for a wellbeing path to be created, with the path to be completed by the summer of 2021 at an estimated cost of £100,000 to be paid for from NHSCT Covid-19 grants.

Path route plan



Mark Brandreth, RJAH Chief Executive, said: “Captain Sir Tom Moore captured all of our hearts last year by doing laps of his garden to raise funds for the NHS. He was an absolute inspiration and provided us with a glimmer of hope when the country first went into lockdown. This special path will be a calm area, outside the clinical environment, where our staff and patients can take a breather and have some brief respite.”

- £3,000 of the NHSCT Covid-19 grants was spent on improving the appearance of the area outside the main entrance to the hospital, the planting areas in particular.
- Seating for the Spinal Injuries Unit was also provided from the NHSCT Covid-19 grants at a cost of £1,000.
- Kitchen units were installed in the Children’s Unit to be used as toy cupboards.

New storage for Play Therapy area in the Children’s Unit



- Other expenditure included a fridge freezer for the parents’ room of the Children’s Unit for the storage of food to support parents of long term stay patients such as those with spinal injuries, a kettle for the Spinal Injuries Outpatients area to lessen footfall through wards when providing patients with hot drinks, a non-slip gel cushion for Sheldon Ward to lessen the chance of pressure sores for patients sitting in an armchair and the chance of patients slipping from the chair and falling to the floor, film covering for the windows in the MRI department to provide a more attractive environment for patients and help reduce their anxiety and a Hi-Fi system for use by the Therapies team.

Window coverings in MRI Department



Non slip gel pad for Sheldon Ward



Providing better care using the latest technology £44,000

- We continued the funding of a real time patient feedback data collection system for the third year at a cost of £21,000. This system provides an easy-to-use feedback solution for patients and Trust employees which allow the Trust to collect, analyse, report and most significantly act on the data input.

- 60 IV poles were purchased along with 80 bed control handsets. These should reduce the risk of patient falls as the IV poles are integrated to the beds and the bed control handsets will both give patients increased independence as they will be able to adjust their beds to suit themselves and also free up staff time which was previously spent answering patient call bells to adjust the beds for them. The total cost for this equipment was £11,000.
- The Charity contributed £5,000 towards an elbow brace for use by patients with spinal injuries which will allow them more independence by enabling them to accomplish various tasks. The remainder of the funding for this item was provided by the RJAH League of Friends Charity.

Elbow brace



- A grant of £4,000 was made for the installation of a Nurse Call Display Panel at the staff base within the Theatres Recovery area. This alerts staff of any nurse call activity within Theatres, with the display screen identifying the location of any activations. This will help to reduce response times during a patient medical emergency.
- Following a specific donation of funds raised by a previous patient, £1,000 was spent on a blood/sats observation machine with a mobile stand for use on Oswald Ward in the Tumour Unit. This is in line with the Trust's aim to have one in each room which will help improve infection control as the machines can remain in each room rather than being shared between patients, many of whom are vulnerable during their cancer treatments.
- £2,000 was spent on equipment to help Spinal Injuries patients with their physiological needs.
- Easy Stand Evolve Glider – a grant of £8,000 was made to the Physiotherapy Department for the purchase of this equipment. This dynamic piece of standing equipment enables patients with spinal cord injury with a huge range of disabilities to get from sitting to standing independently. It gives patients the opportunity for a cardiovascular workout whilst in a standing position which has great health benefits. The equipment requires two members of staff to attend the patient compared to the four required to manually assist the patient to stand and move. This means patients can stand more frequently because less staff are required and has the added benefit of reducing the manual handling risks for staff.
- 40 iPod Touch digital players were purchased for use on wards by nursing staff to capture patient observations and warning indications from monitoring equipment. It is possible to predict earlier the risk of patient physical deterioration and escalate care and treatment as necessary to prevent further deterioration.
- £1,000 was granted to support the audio-visual equipment in the Trust's Lecture Theatre and install equipment to ensure an uninterrupted power supply. As well as internally, the Lecture Theatre is used for training and conferences attended by staff from other NHS organisations as teaching, training and feedback are a very important part of developing and sharing clinical excellence.

- A laptop was funded for Rheumatology Consultants. Such equipment is in addition to the PCs in the Trust and allows accessibility so medical staff may act on urgent issues relating to patients in a swift and timely manner, even when off site.

Recognising staff and training £88,000

We recognise the impact staff morale has on staff motivation and how this, in turn, can affect the way patients experience their interactions with staff.

Many donations are received from grateful patients in recognition of how the way staff have responded to them has made them feel, as well as the often specialist treatment they have received. This is reflected in the use of funds to enable staff to attend courses and conferences, which are not normally funded by the NHS but will benefit patients. The Covid-19 pandemic has had an impact on this area of expenditure as staff were not able to travel to attend training or conferences as they would have previously. Funds are also used for morale boosting treats, events and on facilities and amenities.

- Grants for staff development totaling £63,000 were made during 2020-21. These included:
 - Annual £50,000 training grant, accessible to all staff and administered by the Human Resources Department.
 - £5,000 from the NHSCT Covid-19 grants for resilience and management training from the Florence Nightingale Foundation.
 - £8,000 on various courses to develop staff skills, including two MSC courses, specific training on spasticity and on behaviour for change, and a non-medical prescribing course.
 - Other grants covered funding a registered paediatric nurse to shadow research colleagues both to share her clinical skills with research colleagues and to enhance her experience and skills and feedback research knowledge to other, non-research colleagues within the clinical paediatric department. Also funded were team building costs and facilitating the presentation of a research paper by a member of staff.
- Funding of £19,000 was also made available for expenditure aiming to improve the environment for staff, including:
 - A Staff Children's Holiday Club was funded, using £10,000 of the NHSCT Covid-19 grant money, which provided 300 childcare places free of charge to key workers in the Trust to relieve staff of the stress of arranging childcare for two weeks during the school summer holidays, at a time when the usual arrangements may not be available or advisable.
 - £5,000 of the NHSCT Covid-19 grant was spent developing a garden room off Clwyd Ward to allow staff to escape the pressures of the ward, and a further £3,000 was used to provide "grab and go" boxes containing food and drink to be made available to all staff working on site in all departments.

Garden room for Clwyd Ward staff



- £1,000 was used to provide custom uniforms to ward staff.
- Grants totaling £5,000 were made during 2020-21 recognising the hard work and professionalism of staff working at RJAH FT. These included:
 - £3,000 was granted to fund retirement gifts, based on the number of years of service spent in the NHS. Feedback shows this small recognition of the loyalty and service given by these members of staff means a lot to them and acts a reminder to other staff how valued our staff are.
 - Small gifts such as ice creams, chocolates and flowers were made to staff working on site during the year. The Charity funds such gifts every year, at the request of the Trust and also funds small gifts for Nurses Day and ODP Day. However, it was felt to be particularly important at this time to show a recognition of the very difficult circumstances staff were working under. In total, these gifts came to £2,000.

Gifts to celebrate Nurses Day



Ice creams for staff on a hot day



Easter gifts



• **Fundraising Costs £12,000**

£13,000 was incurred on behalf of the RJAH Charity's general funds and (£1,000) was refunded to the Veterans' Orthopaedic Centre Appeal (VOCA). Details of funds raised are given on page 15 to 17.

- £6,000 was spent on Fundraising Management and expenses. Our Fundraising Manager finished in April 2020 and was not permanently replaced. A temporary arrangement was made with one of our 2020 London Marathon runners to oversee communications and support for her fellow runners but this arrangement ended once the uncertainty of if, when and how the marathon would take place became clear due to the effect of the Covid-19 pandemic and related restrictions. The RJAH Charity Office has since been run by the RJAH League of Friends Charity's staff and this arrangement is expected to be formalised during 2021-22.
- Our 15 Charity Golden Bond places in the London Marathon cost £6,000.

- Other fundraising expenditure came to less than £1,000 and comprised:
 - Membership of the Fundraising Regulator scheme.
 - Fees incurred for online donations, both via RJAH FT's own website and those using JustGiving.
 - 2,000 balloons

Fundraisers outside the hospital's main entrance



How we funded our grants, our achievements and performance

The following figures are taken from the full financial statements, approved on 10 January 2022, which carry an unqualified audit report. The full financial statements and related accounting notes may be viewed from page 34 onwards of this report. This Trustee's Annual Report and Financial Statements publication has also been lodged with the Charity Commission.

Movement in funds

At the start of the period, 1 April 2020, the total fund balance amounted to £1,273,000. Of this, £1,039,000 related to unrestricted funds and £234,000 related to restricted funds in the form of the Veterans' Orthopaedic Centre Appeal Fund.

By the end of the period, 31 March 2021, the total fund balance amounted to £1,379,000 which was an increase of £106,000 during the year. Of these funds, £1,140,000 related to unrestricted funds and £239,000 related to restricted funds in the form of the Veterans' Orthopaedic Centre Appeal Fund.

Money received during 2020-21 £352,000; Money spent during 2020-21 £246,000

We can only continue to support the work of the Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust for as long as we receive the money needed. Almost all of our income comes from the voluntary efforts of the general public. Overall, we spent £106,000 less than we received during 2020-21 with no interest earned on cash deposit investments during the period.

Money received – sources of funds

Total income for the year 2020-21 was £352,000, compared with £644,000 for 2019-20, a decrease of £292,000. This was mainly due to a decrease in both legacy and donation receipts as well as funds raised. The significant reduction in direct donations to the charity was partially mitigated by the receipt of grants from the NHS Charities Together Charity and two other charities.

Donations

We received £39,000 in donations during 2020-21 compared to £172,000 during 2019-20, a decrease of £133,000. This was mainly due to the impact of the Covid-19 pandemic and the restrictions this placed on our supporters' independent fundraising activities. Donations received for the Veterans' Orthopaedic Centre Appeal decreased by £50,000 to £4,000 which was partially due to the pandemic but mainly to the receipt by RJAHS NHS FT of £6m funding from the Headley Court Charity to build a larger and more comprehensive centre at RJAHS, following which active fundraising for the centre ceased.

Even so, the number of donations received were so numerous that we cannot list them all in detail but should like to take this opportunity to express our gratitude and heartfelt thanks to all who have and continue to support us which, in turn, allows us to support the patients of the RJAHS NHS FT.

The following list is just a sample of the generous support for us:

- £29,000 was donated directly by patients and their family and friends, £3,000 of which was given to the Veterans' Orthopaedic Centre Appeal. Donations are often made in gratitude for treatment received and in recognition of the role the charity plays in providing the Trust with funds for enhanced facilities, equipment and comforts for treating NHS patients, research projects and by giving staff access to additional training grants and also helping boost morale by subsidising small treats and team-building events and allowing the Trust to show recognition of staff with small retirement gifts, long-service awards and the annual Celebration of Staff Excellence Awards Evening.

Some £4,000 of these donations were raised by our supporters taking part in events such as sponsored walks, runs and other challenges and a number of people forewent presents on special occasions and request donations to RJAHS Charity in lieu.

Handover to Alice Ward by a patient and her Mum following a fundraising evening



- A further £5,000 was received from families and friends in memory of loved ones. We are always so touched and grateful to be remembered at such a time.
- £3,000 was donated by groups and associations, of which £1,000 was given to the Veterans' Orthopaedic Centre Appeal. These included a parish council and staff groups from companies.
- Nearly £2,000 was raised via the Staff Lottery which is open to the employees of all the Shropshire NHS bodies and whereby half of payments are put into a prize fund and the

other half donated to the NHS charity relevant to their place of employment.

- Almost £1,000 was donated by people whilst paying for their online shopping.

Legacies

Once again, we benefited from the generosity of our supporters who remembered us in their wills. The Robert Jones and Agnes Hunt Orthopaedic Hospital Charitable Fund are always very grateful to receive such legacies as they help us to provide state of the art equipment and facilities for our patients. We are aware that we receive these gifts at a sensitive time for the remaining family and friends and we should like to take this opportunity to emphasise how grateful we are to be remembered in this way.

We received legacy receipts totaling £121,000 during 2020-21 compared to £408,000 in 2019-20, a decrease of £287,000.

- The 2020-21 income includes accruals totaling £11,000 for payments not received but known about and expected as of 31 March 2021.
- All the legacies were allocated to unrestricted funds, thus being available for us to use freely to further our objectives and benefit patients, their families and carers as well as staff.
- The reported income relates to 12 legacies, including one where initial payments had been received in previous years; the amounts varied from £250 to £50,000 and were all gratefully received.
- We recognise legacy income only once it is probable that the incoming resources will be received and the value of those incoming resources can be reliably measured.
- We have a subscription with an agency which reviews Wills as they are released after going through probate and alerts beneficiaries to the existence of potential legacies.
- Again, we are very touched to be remembered in this way and always try to take the wishes expressed in wills into account or discuss an acceptable alternative area of spend with families and/or executors where it is not possible to honour specific requests for whatever reason.

General Grants

Grants totaling £188,000 were received during 2020-21 (£nil 2019-20).

- Five grants, totaling £151,000, were received from NHS Charities Together from funds received as part of the Covid-19 Appeal they set up and allocated to the General Fund. Three of the grants, totaling £51,000, were received automatically with a further two grants, totaling £100,000, being successfully applied for and received as of 31 March 2021.
- Two charities, with objectives overlapping RJAH Charity's objectives, closed during 2020-21 and made closure grants to RJAH Charity:
 - £34,000 from the Shropshire Trust for Urological Education Charity for education in the field of urology for any clinician, nurse or other allied professional. This was allocated to the Spinal Injuries Unit Fund designated fund as the only area within RJAH providing an Urology service and related training.
 - £3,000 to Oswald Ward bone tumour patients from the Royal Orthopaedic Hospital Bone Tumour Service Charity for bone tumour patients on Oswald Ward for the provision of essential equipment to aid their recovery.

Other trading income - fundraising

A gross total of £4,000 was raised during 2020-21, a decrease of £53,000 on the £57,000 raised in 2019-20.

- £4,000 was raised by our Virgin London Marathon runners during 2020-21, compared to the £36,000 in 2019-20. This was raised by runners with funded places in the 2020 marathon.

Marathon runners



Even though this event was postponed due to Covid-19, runners spread their fundraising efforts over the months before and after their anticipated run and many were able to run a virtual marathon arranged in its stead. Places for the cancelled 2020 race have been carried forward to a future year at no additional cost and runners given the option to take up places as and when they are allocated.

- Under £1,000 was raised by participants in other funded sponsored events where the Charity paid the entrance fee, compared to the £8,000 raised in 2019-20 due to the impact of Covid-19 with the cancellation of events and the limitations placed on fundraising. A number of supporters took part in a virtual Oswestry 10k run and we were very impressed and thankful for their determination to support us in such circumstances.

The Marches School Oswestry 10k race – runners supporting the Veterans' Centre



Please see Note 7 to the Accounts for the expenditure for these fundraising events.

There is still a question mark over what events or other fundraising will be able to take place throughout 2021-22 but we are optimistic that old favourites and new opportunities will open up and feel sure our supporters will do their best to find many alternative, entertaining and successful ways of raising funds.

The 2021 Virgin London Marathon has also been postponed from April 2021 and will now be run in both live and virtual formats in October 2021.

The varied activities carried out by us on behalf of our patients are all made possible by the generosity of so many different people. So, thank you once again to everyone who contributed and to those who continue to support us.

Other income - interest on cash deposits

We earned no interest on cash deposits during 2020-21 compared to £7,000 in 2019-20. This was driven by the decision of the Government to reduce interest payable to 0% on funds held within the Government Banking System and the Charitable Funds Committee agreeing the interest income which would be obtained at 0.5% to 1.0% in commercial banks was not significant enough to outweigh the potential risks, given the uncertain economic climate during the pandemic. Investment decisions are made in line with our Investment Policy which lays down strict criteria on the rating levels for organisations required before a cash deposit may be considered and requires the protection of funds held from potential loss to be considered.

Money spent – what we spent the money on

Total expenditure on charitable activities during 2020-21 was £231,000 compared to £351,000 in 2019-20, a decrease of £105,000. These values are inclusive of the apportioned Support Costs.

The focus of our charitable work is to advance patient care, firstly by funding equipment, facilities, therapies and training; secondly through supporting patients and their carers and families. During the year we continued to support a wide range of charitable and health related activities benefiting patients, their carers, their families and the hospital staff who care for them. Funds were used to purchase goods and services over and above those provided by the hospital from central NHS funds.

Details of actual expenditure are given under the “What we have achieved” section above, from page 6 onwards.

Our charitable work is accounted for under five programme areas plus the support costs we incur. The total values shown below include the allocation of support costs over the relevant headings. Allocation of support costs over these heading is shown in Note 9 of the accounts below.

Building and refurbishment

Total building and refurbishment expenditure for 2020-21 was £20,000 compared to £47,000 in 2019-20, a decrease of £27,000. Expenditure included £9,000 funded by the Oswald and Montgomery Fund for the conversion of a room in the Tumour Unit for use by the Therapies Team, £5,000 funded from NHSCT Covid-19 grant monies for the creation of a garden room for use by Clwyd Ward staff and £2,000 also funded from NHSCT Covid-19 grant monies for survey and design fees for an accessible path and landscaping around the grounds at the rear of the hospital.

Equipment

Total equipment and refurbishment expenditure for 2020-21 was £75,000 compared to £90,000 in 2019-20, a decrease of £15,000.

The NHS, of course, buys much of its own equipment for day to day use and has its own capital programme. However, with advances in technology and technological obsolescence of existing equipment, we can make a real difference to patients by purchasing various pieces of software and equipment. The largest items of expenditure were at £20,000 the annual fee for the real-time patient feedback software introduced on a three year contract 2018-19, £11,000 for IV poles and handsets for use with patient beds, £8,000 on the rental of water coolers around the hospital site, £6,000 on armchairs for use by patients on Sheldon Ward, £5,000 towards the funding of an elbow brace for use by Spinal Injuries patients, £4,000 on a nurse call display panel for Theatres Recovery, £2,000 on suppository inserters for Spinal Injuries patients, £1,000 on patient observation machines for the Tumour Unit, £1,000 funded from NHSCT Covid-19 grant monies for seating on the Spinal Injuries Unit and £1,000 on toy cupboards for the Children’s Unit.

Medical Research

Total spend on medical research in 2020-21 was £8,000 compared to £16,000 in 2019-20 a decrease of £8,000.

There were two grants against which expenditure was made. Most of the expenditure related to consumables used for an ongoing project relating to bone turnover marker testing with the aim being to introduce a new test for bone turnover markers whilst running the current clinic appointment/review model side by side. The intended outcome of this research is the improvement of standards of care by changing the metabolic follow up model. The other research grant covered administration costs of £100 for a rheumatology research project.

Patient education and welfare

Total spend on patient education and welfare in 2020-21 was £25,000 compared to £38,000 in 2019-20, a decrease of £13,000. The main items of expenditure were £6,000 on furniture for use by Spinal Injuries Patients in the garden around the unit provided by the Horatio's Garden Charity, £6,000 on a Modern Apprentice in our Spinal Injuries Unit, £3,000 funded from NHSCT Covid-19 grants on patient welfare items such as toiletries, clothing, games and other entertainments, treats

and snacks, £1,000 on a subscription to Sky TV for the patients on the Spinal Injuries Unit and £1,000 on a wall mural for a side ward on the Spinal Injuries Unit.

The charity continued to fund other areas of expenditure including books and CDs/DVDs for the Patients' Library, funding for spinal injuries patients' activities such as afternoon tea social events and quizzes with prizes, craft materials for patients, decorative items and wall art for wards, toys and other play items for the Children's Unit and small Christmas or birthday gifts for long term and young patients.

Staff education and welfare

Total spend on staff education and welfare in 2020-21 was £103,000 compared to £160,000 in 2019-20, a decrease of £57,000.

A large part of the expenditure comprised the annual non-statutory training grant of £50,000 which is accessible by all staff through the Trust. The Charity granted a further £6,000 for training by direct grants.

£18,000 of expenditure was funded via NHSCT Covid-19 grants. £10,000 to provide a holiday club to assist staff with childcare in the school summer holidays, £5,000 for nurses to access resilience and management training via the Florence Nightingale Foundation and £3,000 for "grab and go" meal boxes.

£3,000 was spent on retirement gifts and £1,000 on gifts to celebrate Nurses Day and ODP Day with other small gifts such as chocolates and flowers being made to thank staff for working in difficult circumstances to keep patients safe and their morale up.

A grant of £2,000 was made to enable a member of staff to present a paper a research paper, and £1,000 on customised staff uniforms for Clwyd Ward.

Funds were also used for other expenditure to improve staff health and morale, including team building events.

There was no staff awards evening, attendance at national awards ceremonies or health and wellbeing day as there would have been in previous years which accounts for much of the reduced expenditure in 2020-21.

Support costs

Support costs were £50,000 in 2020-21 compared to £45,000 in 2019-20, an increase of £5,000 mainly attributable to pay costs uplift and licence fee for customer relations management module. Support costs are made up of administration and governance costs.

Administration costs include the RJAHS NHS FT salary costs relating to those carrying out our

administration processes on a day-to-day basis together with our other operational costs including bank charges, a legacy notification service and the annual charitable funds accounting and customer relations management software licence fees. These were apportioned over the charitable activities grants payable on a pro-rata basis.

Governance costs are those associated with governance arrangements and include the proportion of time devoted to the charitable funds by the Chief Finance Officer, NHS Charities Together membership and External Auditor's fees. Governance costs are charged to the undesignated General Fund.

The estimated support costs approved by the Charitable Funds Committee prior to each financial year and are allocated across the charitable activities and fundraising expenditure areas on a pro-rata basis on fund balances and included in the totals mentioned in the paragraphs above.

A fixed proportion of the relevant salaries are charged to the Charitable Funds, this accounted for £39,000 of the costs in 2020-21 (£37,000 in 2019-20). The total hours of support given and recharged remained about the same at around 40 hours per week on average over the year.

External audit fees were £4,800 for both 2020-21 and 2019-20. Other operational costs included our subscription to NHS Charities Together and the annual charitable funds accounting and customer relationship management modules software licence fees. These totaled £4,000 in 2020-21 (£3,000 in 2019-20), an increase of £1,000.

Reference and administrative details

Officers and professional advisers report

Trustee details

The Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust is the corporate trustee and the hospital Trust Board has devolved responsibility for the on-going management of the funds to the Charitable Funds Committee which administers the funds on behalf of the corporate trustee.

Principal Officers

As the Trust Board is the corporate trustee, members of the Trust Board are not individual trustees under charity law but act as agents on behalf of the corporate trustee. For information, the names of those people who were Trust Board members during 2020-21 and up to the date of this report were as follows:

Name	RJAH NHS FT Board Role
Frank Collins	Chairman
Chris Beacock	Non-Executive Director
David Gilburt	Non-Executive Director
Rachel Hopwood	Non-Executive Director
Paul Kingston	Non-Executive Director
Harry Turner	Non-Executive Director
Mark Brandreth	Chief Executive (from Oct 2020 to Jul 2021)
Stacey Keegan	Chief Nurse (from Oct 2020 to Jul 2021) & Acting Chief Executive (from Apr 2020 to Sep 2020 and from Aug 2021)
Chris Morris	Acting Chief Nurse (from Apr 2020 to Sep 2020)
Sara Ellis-Anderson	Acting Chief Nurse (from Aug 2021)
Craig Macbeth	Chief Finance Officer
Steve White	Chief Medical Officer (to Apr 2021)
Ruth Longfellow	Chief Medical Officer (from May 2021)
Kerry Robinson	Chief of Improvement, Performance & Organisational Development

Charitable Funds Committee (CFC) – terms of reference

1. Constitution

- 1.1. The corporate trustee of the Robert Jones and Agnes Hunt Orthopaedic Hospital Charity has delegated operational management of the Fund to the Charitable Funds Committee. This is not a sub-committee of the Board but rather acts as agent for the corporate trustee. It has no executive powers other than those specifically delegated in these Terms of Reference.
- 1.2. The corporate trustee approved the establishment of the Charitable Funds Committee for the purpose of:
 - 1.2.1. Ensuring stewardship and effective management of funds which have been donated, bequeathed and given to the Robert Jones and Agnes Hunt Orthopaedic Hospital Charity for charitable purposes.
 - 1.2.2. Determining an investment strategy and arrangements for the investment of funds which are not immediately required for use.
 - 1.2.3. Coordinating the provision of assurance to the corporate trustee that the funds are accounted for, deployed and invested in line with legal and statutory requirements.
 - 1.2.4. Considering and approving the annual accounts for charitable funds for submission to the corporate trustee.

2. Role

- 2.1. The role of the Committee is to oversee the management of the affairs of the Robert Jones and Agnes Hunt Orthopaedic Hospital Charity. This is a delegated duty carried out on behalf of the Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust as sole corporate trustee of the charity.
- 2.2. The role is to ensure that the charity acts within the terms of its declaration of trust and appropriate legislation and to provide information to the trustee to enable it to gain assurance that the charity is properly governed and well managed across the full range of activities in line with the Charity's Governance Framework.

3. Membership

- 3.1. The membership of the Committee shall consist of:
 - 3.1.1. Foundation Trust Chairman
 - 3.1.2. Foundation Trust Chief Executive
 - 3.1.3. Two Non-Executive Directors including the Audit Committee Chair who will serve as Deputy Chair of the Charitable Funds Committee
 - 3.1.4. Chief Finance Officer
- 3.2. A quorum will be two Non-Executive Directors (or the Chairman and one Non-Executive Director) and one Executive Director. The Trust Chairman will chair the Charitable Funds Committee.

4. Attendance

- 4.1. The following individuals shall normally be in attendance:
 - 4.1.1. Finance Manager with responsibility for Charitable Funds
 - 4.1.2. Manager with responsibility for fundraising
 - 4.1.3. League of Friends representative
 - 4.1.4. Orthopaedic Institute representative
 - 4.1.5. All directors may attend should they wish to do so.
- 4.2. Finance shall agree the agenda with the Chair of the Committee, collate and distribute the papers and keep a record of matters arising and issues to be carried forward.

5. Frequency of meetings

- 5.1. The Committee will meet not less than four times a year, with one of those meetings attended by all of the directors. The Chair may at any time convene additional meetings of the Committee to consider business that requires urgent attention.
- 5.2. Members may participate in these meetings by telephone, video or computer link and participation in this manner shall be deemed to constitute presence in person at the meeting.

6. Authority

- 6.1. The Committee is authorised to oversee the management of the Charitable Funds, within its terms of reference and the charity's Governance Framework.
- 6.2. It will approve fundraising and expenditure within the limits delegated to it. It is authorised to seek any information it requires from any employee and all employees are directed to co-operate with any request made by the Committee.
- 6.3. The Committee is authorised by the Trustee to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

7. Reporting

- 7.1. The Committee will circulate copies of the minutes of its meetings to all Board members.
- 7.2. The Charity's Annual Report will be presented to a meeting of the corporate trustee.
- 7.3. The Committee will also undertake a self-assessment and produce an annual report of its activities and effectiveness.

8. Key responsibilities

- 8.1. To manage the affairs of the Robert Jones and Agnes Hunt Orthopaedic Hospital Charity within the terms of its declaration of trust and appropriate legislation.
- 8.2. To approve and review every three years the charity's Governance Framework which sets out the key principles of the charity and its day-to-day running including:
 - Investment and Banking Policy - to manage the investment of funds in accordance with the Charities' Act 2011 and, if necessary, appoint fund managers to act on its behalf.
 - Expenditure Policy – to ensure funding decisions are clinically and ethically appropriate, consistent with the charity's objectives and provide added value and benefits to the patients and staff of the Trust above those afforded by the Exchequer funds.
- 8.3. To receive regular reports on fundraising activities.
- 8.4. To implement as appropriate, procedures and policies to ensure that accounting systems are robust and donations received and recorded as instructed.
- 8.5. To approve the Trustee's Annual Accounts and Report and to ensure that all relevant information is disclosed.
- 8.6. To identify and consider the major risks to which the Charity is exposed and review the systems to mitigate those risks.
- 8.7. To evaluate its own membership and performance on an annual basis.
- 8.8. To keep abreast of Charity Commission guidance, charity law and other governance and

legal requirements relating to charities.

8.9. To review annually these terms of reference, recommending any changes.

Principal Charitable Fund Adviser to the Trustee

The Chief Finance Officer acts as the Principal Charitable Fund Adviser to the corporate trustee, under an approved scheme of delegated authority. They are responsible for ensuring that the funds are managed appropriately and with due regard to their purpose and requirements.

Principal Professional Advisers:

Auditor

Deloitte LLP
Statutory Auditor
1 City Square
Leeds
LS1 2AL

Solicitors

Hill Dickinson
Pearl Assurance House
2 Derby Square
Liverpool
L2 9XL

Bankers

Government Banking Service
Southern House (7th Floor)
Wellesley Grove
Croydon
CR9 1WW

Lloyds Bank PLC
Faryners House
25 Monument Street
London
EC3R 8BQ

Principal Addresses

Registered Office

Charity Fundraising Office
The Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust
Gobowen
Oswestry
Shropshire
SY10 7AG

Email addresses

rjah.charity@nhs.net
rjah.fundraising@nhs.net

Website

<https://www.rjah.nhs.uk/charity.aspx>

Structure, Governance and Management

In its operation of the charitable funds, the corporate trustee has had regard to the Charity Commission's guidance on independence and established the Charitable Funds Committee to assist in maintaining independence. It does this by ensuring that the use of charitable funds is focused on the needs of the NHS patients, their carers and their families.

All the funds held on trust as at the date of registration on 28 October 1996 were unrestricted. Our restricted funds were created after this date following the receipt of legacies with restrictive bequests and for the Appeals. Subsequent donations and gifts received that are attributable to the original funds are added to those fund balances within the existing charity. Apart from solicited donations to our appeal, all donations received are explicitly agreed with the donor to be unrestricted but with a preference, which is non-binding on the trustee, about where to spend the money. This is why they are treated as designated rather than restricted.

To assist the corporate trustee in the day-to-day management of the unrestricted charitable funds, the funds available for spending are allocated to designated funds within the General Fund related to the purpose of the donation or gift. For example, there are undesignated charitable funds for wards, for research and for specific areas such as the Midlands Centre for Spinal Injuries. Where no specific area is indicated then the gift is allocated to the non-designated General Fund.

Our funds are invested and accounted for separately from other income received by the hospital for the provision of healthcare. This is in accordance with the requirement of the Charities Act 2011.

The corporate trustee fulfils its legal duty by ensuring that funds are spent in accordance with the objects of each fund and by designating the funds the trustee respects the wishes of our generous donors to benefit patient care and advance the good health and welfare of patients, and the carers and staff who look after them.

New Trust Board members, as agents for the corporate trustee, are committed to familiarise themselves with their responsibilities. In broad terms, trustees have a duty to ensure compliance with charity law and accounting regulations set out by the Charity Commission; a duty of prudence in ensuring that we remain solvent and income and property is applied solely for the purposes held within the governing document; and they also have a duty of care to donors and potential donors.

Our governing document is a Model Declaration of Trust dated January 1995 and is a legal document registering us with the Charity Commission and states our purposes, also known as our objectives.

Full use is made of Charity Commission guidance and support for trustees, which is available via their website.

The accounting records and the day-to-day administration of the funds are dealt with by the Finance Department located at Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust, Gobowen, Oswestry, Shropshire, SY10 7AG.

Administration

Charitable funds received are accepted, held and administered as funds held on trust for purposes relating to the health service in accordance with the National Health Service Act 1977, the National Health Service and Community Care Act 1990 and the National Health Service Act 2006. These funds are held on trust by the corporate body.

Our Annual Report and Financial Statements for the year ended 31 March 2021 have been prepared by the corporate trustee in accordance with Part 8 of the Charities Act 2011 and the regulations made thereunder; the Charities (Financial Statements and Reports) Regulations 2008 and the Regulatory Reform (National Health Service Charitable and Non-Charitable Trust Financial Statements and Audit) Order 2005.

The financial statements are presented under the Statement of Recommended Practice (SORP), Financial Reporting Standard 102 (FRS 102) issued in 2019.

As at 31 March 2021, we are constituted of a total of 19 funds. These comprise one restricted fund set up in 2018-19 for the Veterans' Orthopaedic Centre Appeal and an unrestricted General Fund split into one undesignated fund and 17 designated sub funds.

The Charitable Funds Committee (CFC) operates within the terms of reference and delegated powers set out by the Trustee. Members decide policy and make sure it is implemented. Day to day management is delegated to the Chief Finance Officer.

Remuneration of Key Management Personnel

We are overseen by the CFC, made up of RJAH FT Board members who are seconded to this committee as part of their employment terms. There is no charge made by RJAH FT to us for their time and none of them receive any remuneration for their work on our behalf.

Grant Making Policy

The use of our funds is restricted by the governing document which established us for the purposes connected with the NHS. All grant requests have to be countersigned by the relevant Divisional Manager or Executive Director to confirm that expenditure would be in line with the strategic objectives of the division and the Foundation Trust. Authorisation is subject to the delegated authority levels previously listed. Grants are normally made from our unrestricted funds. These funds consist of two elements, the General Fund and the designated sub-funds of the General Fund.

General Fund – constituted of gifts received where no particular preference as to its expenditure by donors. Any member of staff may apply for a grant from the General Fund. Typically, this fund is used for areas with no or insufficient designated funds, or for hospital wide events or purchases.

Designated Funds – these contain gifts where a wish was expressed to benefit a particular part of the hospital or activity by the donor at the time the gift was made. Although their nomination is not binding on the trustee, the designated funds exist to enable us to honour the wishes of our donors without placing restrictions on us which might result in the monies not being spent in a timely manner. Each fund has a fund advisor, usually the clinical lead or the ward manager, who makes recommendations on proposed grants. Whilst these recommendations are not binding on the trustee, they are normally accepted.

Risk Management

The major risks to which we are exposed have been identified and considered. The Charitable Funds Committee has established a risk register which records these key risks, the steps taken to mitigate them, and actions required. This register is reviewed by the Committee as a standing agenda item and updated as required.

The most significant risks identified relate to the current economic climate including:

- i) The impact on the level of donations received, particularly as a result of Covid-19. We are seeking to mitigate this by:
 - o striving to increase awareness about us, including our objectives and our activities;
 - o ensuring shortcuts and links are available on our website to affiliated donation and fundraising websites;
 - o providing a link on our website to accept online donations directly;
 - o reporting on fundraising and donations at every CFC meeting;
 - o publicising fundraising activities and charitable expenditure; and
 - o developing a fundraising strategy.
- ii) The potential loss of funds on deposit should the financial organisation fail. We are seeking to mitigate this by taking the decision not to invest on the stock market and keeping funds in commercial banks which meet specific ratings aligned to NHS Improvement (NHSI) guidance as followed by RJAH NHS FT with a fund investment maximum per banking organisation as per FSA protection.

We have an Investment and Reserves Policy which was passed by the Committee and will be reviewed bi-annually. This is discussed in greater detail in the Reserves and Investment Policy sections on page 25 and 26.

Partnership Working and Networks

The Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust is a related party by virtue of being our corporate trustee. By working in partnership with the Trust, the charitable funds are

used to best effect. When deciding upon the most beneficial way to use charitable funds, the corporate trustee has regard to the main activities, objectives, strategies and plans of the NHS Foundation Trust. However, overriding this, the corporate trustee is required by the Charity Commission to ensure all decisions are made in our interest to further our charitable objects and that there is a clear and open process of decision making by the corporate trustee.

The trustee safeguards our independence by ensuring that sound governance arrangements are in place, in line with guidance issued by the Charity Commission.

RJAH Charity is one of over 250 NHS-linked charities in England and Wales who are eligible to join NHS Charities Together (NHSCT), formerly known as the Association of NHS Charities. A representative attends the Members' Interests Groups, together with representatives of other NHS charities, where topics of mutual interest are disseminated and discussed with experience and advice shared. The Association also enables us to band with other charities to lobby government departments and others on issues affecting the future of NHS charities.

As a member of NHSCT, we were grateful to be able to receive grants from their national Covid-19 appeal in 2020-21.

Public Benefit Statement

The activities carried out for the public benefit by us, in partnership with Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust, are broadly covered by the aims to:

- enhance the provision of high-quality patient care for the public benefit;
- support research in areas relevant to the hospital's activity and patients, making such research publicly available; and
- support the provision of healthcare free at the point of need and care for the patients, families, carers and staff by focusing on areas not covered or fully supported by central NHS funds.

When setting these objectives and carrying out the activities described below the trustee has regard to both the Charity Commission's general guidance on public benefit and our objectives.

Reserves

Our reserves policy takes note of the Charity Commission publication CC19 Charities and Reserves and requires a minimum balance of reserves to meet four months of expected expenditure.

This publication defines reserves as being that part of a charity's unrestricted funds that is freely available to spend on any of a charity's purposes. This definition excludes restricted income funds, although holding such funds may influence a charity's reserve policy. Reserves will also normally exclude amounts designated for essential future spending.

Charity law requires any income received by a charity to be spent within a reasonable period of receipt and trustees should be able to justify the holding of this income as reserves.

The reserve is calculated as being that part of this charity's unrestricted funds that is freely available after taking account of designated funds which have been earmarked for specific purposes.

Calculation of reserves held as at 31 March 2021	
Total Funds	£1,379,000
Less restricted	(£239,000)
Less designated	(£901,000)
Reserves	£239,000

The reserve amount of £239,000 held as of 31 March 2021 is sufficient to meet the four months' support and fundraising cost target of £39,000 and a large part of the designated funds that have not been earmarked for specific expenditure so are available to the CFC for reallocation should the need arise. The Reserves amount is the minimum required to ensure the Charity would be able to continue

whilst seeking to raise additional funds. The full year cost of regularly funded expenditure is £176k and there are a further £418k of approved grants, mainly against our designated funds where the expenditure has not yet been legally committed to. Our reserves are higher than the £146,000 held as of 31 March 2020 as are our approved grants. The CFC is mindful of the Charity Commission's requirement that funds be spent in a timely manner and that reserve levels should not be deemed high, the level held is 17% of total funds.

Going concern consideration

We have a duty to consider the future viability of the charity and whether we believe we will continue as a going concern. The CFC has reviewed our status on behalf of the corporate trustee and has come to the conclusion there are no material uncertainties about our ability to continue as a going concern. Nor are we aware of any material uncertainties affecting the current year's accounts.

The CFC receives regular reports on our financial status, including current assets held and future expenditure committed to. They review the value of the actual reserves held compared to the minimum reserve target, which has been set to cover a minimum of 4 months of normalised spend. They consider estimated future revenue streams.

In future years, the key risk to us is a fall in income from donations or legacies. In 2021-22 it is likely that donations and fundraising income will continue to be impacted by Covid-19. However, we do not commit to expenditure above the funds held at any time and thus are able to respond to a reduction in income by reductions in grant expenditure. In addition, significant Covid-19 grants were received from NHS Charities Together. Having taken these areas into consideration, the CFC has a reasonable expectation that we have adequate resources to continue in operational existence for the foreseeable future. See the risk management and reserves sections of the annual report for more information.

For this reason, we consider the going concern assumption is an appropriate basis on which to prepare these financial statements.

Investment policy

The Trustees have adopted a prudent investment policy in the face of an uncertain financial climate. The policy is also informed by cash flow requirements, in particular the expectation of any significant expenditure or fundraising due to occur.

The Trustees have decided not to invest in equities and to place the funds on deposit, having due regard to the security rating of the investment bodies, with a view to maximising the return whilst maintaining security. This decision will be reviewed in the light of any improvement or positive change to the investment market.

The Trustees have decided that if, in the future, funds were to be invested in equities then no investment would be made in companies which derive a substantial amount of their profit from investment in tobacco, gambling or alcohol.

At the end of 2020-21 no funds were invested long term and all funds were either held with the Government Banking Service current account or in an instant access account with Lloyds Bank plc, whichever pays a higher rate of interest.

Present and Future Projects

- Veterans' Orthopaedic Centre Appeal (VOCA)

When it was launched in 2018, the aim of the Veterans Orthopaedic Centre Appeal was to expand on the Veterans Service currently provided at the hospital, by providing a dedicated environment specifically designed for their care. The new purpose designed centre will be built to the highest standards and have a more familiar military feel to make our veteran patients more comfortable.

The Headley Court Charity kindly donated £6m to the Veterans' Centre and are working closely with the Hospital to realise the joint vision of providing a world class facility for our Veteran patients.

Although active fundraising for the Veterans' appeal ceased following the Headley Court donation, the fund remains open in order to enhance the new environment with equipment and fittings for our patients.

More details are at <https://www.rjah.nhs.uk/voca>.

- On-site gym

Replacement of the ageing and outdated on-site gym with a modern facility, for which detailed requirements and the scale of the project are still to be discussed. This gym has benefits for a number of people, particularly spinal injuries patients.

It is planned that fund-raising for this will follow on from the completion of the Veterans' Centre project.

- A number of Arthritis and Rheumatism related projects (in varying stages of completion)

- Bone turnover marker test – this is a new test for bone turnover markers whilst running the current clinic appointment/review model side by side. The intended outcome is the improvement of standards of care by changing the metabolic follow up model. This research was started in 2019-20 and will continue into 2021-22.
- Rheumatology patient app – based on an app being developed for use by Veteran patients, this will give the opportunity for some patients to change from a clinic to a virtual model.
- PhD project – financial support for a PhD study by a scientist currently working at the Trust. The study will investigate whether the most effective choice of biologic therapy for patients with psoriatic arthritis might be guided by synovial fluid analysis in combination with peripheral blood inflammatory markers.
- Ultrasound training for Rheumatology consultants and appropriate medical staff – this would lead to better use of ultrasound modality and improved patient experience.

- Path of positivity

Last spring, the nation was captivated by the late Captain Sir Tom Moore's extraordinary fundraising efforts, where he had initially hoped to raise £1,000 by completing 100 laps of his garden by the time he reached his 100th birthday. However, the war veteran went onto beat this target and ended up raising a staggering almost £33 million for NHS Charities Together. RJAH received a share of this funding and spent some of the money on patient and staff wellbeing and support and then asked its staff how it should spend the remaining funds. Almost 60 per cent decided that a wellbeing path would be the best option.

The wheelchair-friendly path will encircle the large field at the rear of the hospital and will provide a calming space for staff members to enjoy their lunch or a place where colleagues, patients can take a walk or a break outdoors. It will be named Captain Sir Tom Moore's Path of Positivity.

Kate Betts, Physiotherapy Rehabilitation Technician on the Midland Centre for Spinal Injuries (MCSI) and Staff Governor, first instigated the idea of the path in 2019 but it's the NHS Charities Together funding, which have made this idea a reality. Completion is expected by the summer of 2021.

- The Charity agreed to support the patient feedback system for a further three years following a presentation to the Charitable Funds Committee on the benefits of giving patients and Trust employees a way to feedback on their experiences and what they felt went well as any concerns they may have. This system allows the Trust to respond to individuals as well as the collation and analysis of data and the creation of reports which enable the Trust to act on the information provided in a prompt and coordinated manner.

Approved on behalf of the corporate trustee:



Frank Collins
Chairman
Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust
10 January 2022

Trustee's statement of 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 of the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the financial statements; and;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The 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, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

Signed on behalf of the trustee:



Frank Collins
Chairman

Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust
10 January 2022

Independent auditor's report to the trustees of The Robert Jones and Agnes Hunt Orthopaedic Hospital Charitable Fund

Report on the audit of the financial statements Opinion

Independent auditor's report to the trustees of The Robert Jones and Agnes Hunt Orthopaedic Hospital Charitable Fund

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of The Robert Jones and Agnes Hunt Orthopaedic 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 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 20.

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. **Independent auditor's report to trustees continued**

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.

Independent auditor's report to trustees continued

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 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 145 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; the 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.

Independent auditor's report to trustees continued

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 or non-compliance with laws and regulations in the following areas, and our specific procedures performed to address them are described below:

- Cut-off of legacy income. To address this risk, we assessed the design and implementation of controls over the recognition of legacy income; and we have reviewed legacy source records for one month post-year end, noting no evidence of new legacy notifications arising during this period;
- Classification of income between restricted and unrestricted. To address this risk, we assessed the design and implementation of controls over the classification of charitable income; and we tested a sample of income to supporting evidence to assess whether it has been classified appropriately

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

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

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- 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.

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Independent auditor's report to trustees continued

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- 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

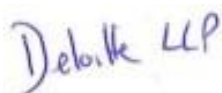
Under the Charities (Accounts and Reports) Regulations 2008 we are required to report in respect of the following matters if, in our opinion:

- 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 by the parent charity;
- 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 Statutory
Auditor
Bristol, United Kingdom 13
January 2022

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.



Registered Charity No. 1058878

**THE ROBERT JONES AND AGNES HUNT ORTHOPAEDIC
HOSPITAL CHARITY**

**FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 2021**

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2021

Note	2020-21	2020-21	2020-21	2019-20	2019-20	2019-20	
	Unrestricted funds	Restricted funds	Total funds	Unrestricted funds	Restricted funds	Total funds	
	£000	£000	£000	£000	£000	£000	
Income from:							
Donations, legacies and grants	4	344	4	348	512	68	580
Other trading activities - fundraising	5	4	0	4	37	20	57
Investments - interest on cash deposits	6	0	0	0	6	1	7
Total incoming resources		<u>348</u>	<u>4</u>	<u>352</u>	<u>555</u>	<u>89</u>	<u>644</u>
Expenditure on:							
Raising funds	7	(16)	1	(15)	(36)	(62)	(98)
Charitable activities	8	(231)	0	(231)	(336)	(15)	(351)
Total expenditure		<u>(247)</u>	<u>1</u>	<u>(246)</u>	<u>(372)</u>	<u>(77)</u>	<u>(449)</u>
Net income for the year		101	5	106	183	12	195
Transfers between funds	10	0	0	0	(100)	100	0
Net movement in funds		<u>101</u>	<u>5</u>	<u>106</u>	<u>83</u>	<u>112</u>	<u>195</u>
Reconciliation of funds:							
Total funds brought forward		1,039	234	1,273	956	122	1,078
Net movement in funds for the year		101	5	106	83	112	195
Fund balances carried forward at 31 March		<u>1,140</u>	<u>239</u>	<u>1,379</u>	<u>1,039</u>	<u>234</u>	<u>1,273</u>

There were no other recognised gains and losses for the year. All income and expenditure derive from continuing activities.

Notes from 1 to 20 form part of these Financial Statements.

BALANCE SHEET AS AT 31 MARCH 2021

	Note	2020-21	2020-21	2020-21	2019-20	2019-20	2019-20
		Unrestricted funds	Restricted funds	Total funds	Unrestricted funds	Restricted funds	Total funds
		£000	£000	£000	£000	£000	£000
Current assets							
Debtors	11	11	100	111	21	100	121
Cash at bank and in hand	12	1,141	139	1,280	1,049	138	1,187
		1,152	239	1,391	1,070	238	1,308
Creditors: amounts falling due within one year	13	(12)	0	(12)	(31)	(4)	(35)
Net current assets		1,140	239	1,379	1,039	234	1,273
Total assets less current liabilities		1,140	239	1,379	1,039	234	1,273
Net assets		1,140	239	1,379	1,039	234	1,273
Funds							
Restricted fund			239	239		234	234
Unrestricted funds:							
General fund		239		239	146		146
Designated funds		901		901	893		893
Total funds	14	1,140	239	1,379	1,039	234	1,273

Notes from 1 to 20 form part of these Financial Statements.

These Financial Statements of the Robert Jones and Agnes Hunt Orthopaedic Hospital Charitable Fund, registered number 1058878, were approved by the Charitable Funds Committee on behalf of the corporate trustee and authorised for issue on 10 January 2022.

They were signed on its behalf by:



Frank Collins
Chairman
Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust
10 January 2022

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2021

	Note	2020-21	2020-21	2020-21	2019-20	2019-20	2019-20
		Unrestricted funds	Restricted funds	Total funds	Unrestricted funds	Restricted funds	Total funds
		£000	£000	£000	£000	£000	£000
Net cash flows from operating activities	15	92	1	93	54	112	166
Cash flows from investing activities:							
Interest received		0	0	0	6	1	7
Net cash flows from investing activities		0	0	0	6	1	7
Net increase in cash and cash equivalents		92	1	93	60	113	173
Cash and cash equivalents at beginning of year		1,049	138	1,187	989	25	1,014
Cash and cash equivalents at end of year		1,141	139	1,280	1,049	138	1,187

Notes to the Financial Statements for the year ending 31 March 2021

Note 1: Accounting Policies

These accounting policies have been consistently applied throughout the Financial Statements and their associated notes.

Basis of accounting

The financial statements were prepared under the historical cost convention.

In accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), issued in October 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and United Kingdom Generally Accepted Practice as it applies from 1 January 2019.

The accounts (financial statements) have been prepared to give a “true and fair view” and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a “true and fair view”. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) issued in October 2019 rather than the Accounting and Reporting by Charities Statement of Recommended Practice effective from 2005 which has since been withdrawn.

We are a public benefit entity, a registered charity and our registered office is given on page 22.

Preparation of financial statements – going concern basis

On behalf of the Corporate Trustee, the Charitable Funds Committee considers there are no material uncertainties about our ability to continue as a going concern. The Covid-19 pandemic has had an impact on the Charity’s fundraising income, although this is largely offset by grants from the NHS Charities Together national appeal. As a grant making charity with few ongoing commitments, this will impact on the new grants that may be made in the short term rather than affecting the Charity’s ability to continue as a going concern.

There are no material uncertainties affecting the current year’s accounts.

The Charitable Funds Committee receives regular reports on our financial status, including current assets held and future expenditure committed to. They review the value of the actual reserves held compared to the minimum reserve target, which has been set to cover four months of normalised spend. They consider estimated future revenue streams.

In future years, the key risk to us is a fall in income from donations or legacies. We do not commit to expenditure above the funds held at any time and thus is able to respond to a reduction in income by reductions in grant expenditure. Having taken these areas into consideration, the Corporate Trustee has a reasonable expectation that we have adequate resources to continue in operational existence for the foreseeable future. See the risk management and reserves sections of the annual report for more information.

For this reason, they consider the going concern assumption is an appropriate basis on which to prepare these financial statements.

Note 1: Accounting Policies (continued)

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 – arises when a particular resource is receivable or our right becomes legally enforceable.
- ii) Probability – when there is reasonable probability that the income will be received.
- iii) Measurement – when the monetary value of the income can be measured reliably.

- b) Donations

Donations are accounted for as income on receipt.

- c) Legacies

Legacies are accounted for as income either on receipt or once the receipt of the legacy becomes probable.

Receipt is probable when:

- Confirmation has been received from the representatives of the estate(s) that probate has been granted.
- The executors have established there are sufficient assets in the estate to pay the legacy, and
- All conditions attached to the legacy have been fulfilled or are within our control.

If there is uncertainty as to the amount of the legacy and it cannot be reliably estimated then the legacy, where material, is shown as a contingent asset until all of the conditions for income recognition are met.

- d) Grants receivable

Grants receivable are accounted for as income either on receipt or once receipt becomes probable.

Receipt is probable when all the conditions attached to the grant have been fulfilled or are within our control.

- e) Interest receivable

Interest receivable is accounted for on receipt and where a reasonable estimate may be made for interest relating to the period but not yet received which is accrued for.

- f) Donated goods and services

The charity received no donated goods or services.

Note 1: Accounting Policies (continued)

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Grants payable are authorised in line with the delegated authority limits of the Charitable Funds Committee and all grants are made to the Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust in the furtherance of our objectives.

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Expenditure is classified under the following activity headings:

a) Expenditure on raising funds

Expenditure on raising funds includes the costs incurred in generating fundraising income together with investment management fees, when applicable. Fundraising costs include expenses for fundraising activities and any fee paid for fundraising support.

b) Charitable activities

Expenditure on charitable activities is wholly in the form of grants made to linked, related party or third-party NHS bodies and non NHS bodies in furtherance of the charitable objectives of the funds held on trust, primarily to benefit the National Health Service, wholly or mainly for the service provided by the Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust. It includes all costs incurred in the pursuit of our charitable objects. These costs, where not wholly attributable, are apportioned between the categories of charitable expenditure in addition to the direct costs. The total costs of each category of charitable expenditure include an apportionment of support costs as shown in note 9.

Grants payments are recognised as expenditure when the conditions for their payment have been met or where there is a constructive obligation to make a payment. A constructive obligation arises when:

- i) We have communicated our intention to award a grant to a recipient who then has a reasonable expectation they will receive a grant.
- ii) We have made a public announcement about a commitment which is specific enough for the recipient to have a reasonable expectation they will receive a grant.
- iii) There is an established pattern of practice which indicates to the recipient we will honour our commitment.

On behalf of the Corporate Trustee, the Charitable Funds Committee have control over the amount and timing of material grant payments and consequently where approval has been given by the trustees and any of the above criteria have been met then a liability is recognised. Where a grant is awarded with conditions attached, these conditions have to be met before the liability is recognised.

Note 1: Accounting Policies (continued)

Where an intention has not been communicated then no expenditure is recognised but an appropriate designation is made in the appropriate fund. If a grant has been offered but there is uncertainty as to whether any conditions will be met then no liability is recognised but a contingent liability is disclosed.

c) Support costs

Support Costs are those functions that assist but do not directly undertake charitable activities. Support costs are the costs of staff administering our income and expenditure, audit costs and other expenditure incurred in our day to day running. These costs have been allocated between the cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 9.

d) Governance costs

Governance costs are classed as support costs and have, therefore, been apportioned between fundraising activities and charitable activities.

Fund structure

Where there is a legal restriction on the purpose to which a fund may be spent, the fund is classified in the Financial Statements either as a:

- Restricted fund or
- An endowment fund.

Restricted funds are those where the donor has provided for the donation to be spent in furtherance of a specified charitable purpose. Our restricted funds tend to result from appeals for specified purposes.

Endowment funds arise when the donor has expressly provided that the gift is to be invested and only the income of the fund may be spent. These funds are sub analysed between those where the trustee has the discretion to spend the capital (expendable endowment) and those where there is no discretion to expend the capital (permanent endowment). We currently hold no endowment funds.

Those funds which are neither endowment or restricted funds are unrestricted funds which are sub analysed between designated (earmarked) funds where the trustee has set aside amounts to be used for specific purposes or which reflect the non-binding wishes of donors and an unrestricted general fund which are at the trustee's discretion and represents our reserves.

The major funds held in each of these categories are disclosed at note 14.

Financial Instruments

Financial assets and financial liabilities are recognised when we become party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs). We only have financial assets and financial liabilities of a kind that qualify as basic financial instruments which are initially recognised at transaction value and subsequently measured at their settlement value.

Note 1: Accounting Policies (continued)

Debtors

Debtors are amounts owed to us. They are measured on the basis of their recoverable amount, see note 11.

Cash and cash equivalents

Cash at bank and in hand is held to meet our day to day running costs as they fall due. Cash equivalents are short term, highly liquid investments and usually short notice interest bearing savings accounts, of less than 3 months.

Creditors

Creditors are amounts owed by us. They are measured at the amount that we expect to have to pay to settle the debt, see note 13.

Pooling Scheme

We do not have an official pooling scheme.

Except where restricted funds are invested separately, all returns on any investments, including interest earned on short-term cash deposits, are apportioned on an average funds balance basis to the value of funds they relate to. The values of any separately invested funds are deducted from restricted funds values prior to apportionment. The Charitable Funds Committee believes this to be a fair and consistent approach. Any gains or losses made on the funds invested separately for restricted funds are solely allocated to the relevant restricted fund.

Note 2: Critical accounting judgements and key sources of estimation uncertainty

In the application of our accounting policies, which are described in note 1, the Charitable Funds Committee as agent of the Corporate Trustee are 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.

The Charitable Funds Committee does not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure.

Note 3: Related Parties

The Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust (RJAHS FT), the patients of which are our main beneficiaries, is our Corporate Trustee. We have made revenue and capital grant payments to RJAHS FT for the benefit of NHS patients and these are detailed in note 8.

None of the members of the RJAHS FT Board or parties related to them has undertaken any transactions with us or received any benefit from us in payment or kind.

The RJAHS FT makes a number of clerical and transaction services available to us for administrative services at a cost of £39,000 in 2020-21 (£37,000 in 2019-20) - see note 9. The amount recovered is set at a level to allow RJAHS FT to recover its costs.

The Fundraising Manager role ended in April 2020.

3.1 Related party transactions

	2020-21 Charitable Expenditure	2020-21 Fundraising	Total 2020-21	2019-20 Charitable Expenditure	2019-20 Fundraising	Total 2019-20
	£000	£000	£000	£000	£000	£000
RJAHS NHS FT reimbursement of pay costs	39	6	45	37	56	93
RJAHS NHS FT reimbursement of non-pay costs and grants made	55	0	55	73	2	75
Total	94	6	100	110	58	168

The decrease in the value of pay costs reimbursed by the Charity relate to the ending of the full-time Fundraising Manager post.

The reduction in the value of non-pay is driven by a reduction in grants to RJAHS NHS FT for capital additions.

3.2 Related party balances

	Debtors		Creditors	
	Total 2020-21	Total 2019-20	Total 2020-21	Total 2019-20
	£000	£000	£000	£000
RJAHS NHS FT	0	0	3	30
Total	0	0	3	30

Note 4: Analysis of income from donations, legacies and grants

	Unrestricted 2020-21 £000	Restricted 2020-21 £000	Total 2020-21 £000	Unrestricted 2019-20 £000	Restricted 2019-20 £000	Total 2019-20 £000
Legacies ¹	121		121	408	0	408
Donations ²	35	4	39	104	68	172
General Grants	188		188	0	0	0
Total	344	4	348	512	68	580

¹ Twelve legacies were accounted for in 2020-21, ranging from £0.3k to £50k, of which five, adding up to £11k, were accrued for as at 31 March 2020 (three legacies totaling £20k accrued as of 31 March 2019).

² Donations from individuals are gifts from members of the public, relatives of patients and staff. Other donations include corporate donations usually received either in sponsorship of or matching funds raised by an individual, e.g. from their employer.

Note 5: Analysis of income from other trading activities

	Unrestricted 2020-21 £000	Restricted 2020-21 £000	Total 2020-21 £000	Unrestricted 2019-20 £000	Restricted 2019-20 £000	Total 2019-20 £000
Fundraising						
London Marathon ¹	4	0	4	36	0	36
Sponsored Events - Other ²	0	0	0	1	7	8
Staff Ball	0	0	0	0	13	13
Total	4	0	4	37	20	57

¹ The 2020 London Marathon was cancelled but a number of our runners had already started fundraising and continued to do so, as their places have been carried forward and their supporters have generously not requested a refund of their donations.

² Where places were funded by the Charity. In 2020-21 less than £500 was raised from these events, most of which have been cancelled or postponed.

Note 6: Analysis of income from investments

	Unrestricted 2020-21 £000	Restricted 2020-21 £000	Total 2020-21 £000	Unrestricted 2019-20 £000	Restricted 2019-20 £000	Total 2019-20 £000
Interest received on cash deposits	0	0	0	6	1	7
Total	0	0	0	6	1	7

The decrease in interest received reflects the reduction in interest rates from April 2020.

Note 7: Analysis of expenditure on raising funds

	Unrestricted 2020-21 £000	Restricted 2020-21 £000	Total 2020-21 £000	Unrestricted 2019-20 £000	Restricted 2019-20 £000	Total 2019-20 £000
Fundraising Manager ¹	7	(1)	6	20	39	59
London Marathon	6	0	6	7	0	7
Sponsored events - Other ²	0	0	0	0	2	2
Staff Ball	0	0	0	2	13	15
Other costs of raising funds	0	0	0	3	4	7
Support costs ³	3	0	3	4	4	8
Total	16	(1)	15	36	62	98

¹ A full-time Fundraising Manager was employed during 2019-20. This post ceased in April 2020. The negative cost allocated to the restricted fund is the correction of a charge made in March 2020.

² In 2020-21 most organised events were either cancelled or postponed until 2021-22 due to the Covid-19 pandemic.

³ Support costs are allocated over fundraising costs and grants payable on an expenditure value basis - see Note 9 for further analysis.

Note 8: Analysis of expenditure on charitable activities

8.1 Analysis of expenditure by activity

	Grant Funded Activity 2020-21 £000	Support Costs ¹ 2020-21 £000	Total 2020-21 £000	Grant Funded Activity 2019-20 £000	Support Costs ¹ 2019-20 £000	Total 2019-20 £000
Building and refurbishment	16	4	20	43	4	47
Equipment	60	15	75	80	10	90
Medical research	6	2	8	14	2	16
Patient education and welfare	20	5	25	34	4	38
Staff education and welfare	82	21	103	143	17	160
Total	184	47	231	314	37	351

¹ Support costs are allocated over fundraising costs and grants payable on an expenditure value basis – see Note 9 for further analysis.

8.2 Analysis of expenditure by fund type

	Unrestricted 2020-21 £000	Restricted 2020-21 £000	Total 2020-21 £000	Unrestricted 2019-20 £000	Restricted 2019-20 £000	Total 2019-20 £000
Building and refurbishment	20	0	20	32	15	47
Equipment	75	0	75	90	0	90
Medical research	8	0	8	16	0	16
Patient education and welfare	25	0	25	38	0	38
Staff education and welfare	103	0	103	160	0	160
Total	231	0	231	336	15	351

The Charity does not make grants to individuals. All grants are made to the Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust to provide for the care of NHS patients in furtherance of our charitable objectives. The cost of making grants, including support costs, is disclosed on the face of the Statement of Financial Activities and the actual funds spent on each category of charitable activity is disclosed in Note 8.1 above.

Note 9: Analysis of support costs - basis of allocation is percentage of expenditure

9.1 Support costs

	Unrestricted Funds 2020-21 £000	Restricted Funds 2020-21 £000	Total 2020-21 £000	Unrestricted Funds 2019-20 £000	Restricted Funds 2019-20 £000	Total 2019-20 £000
Salary recharges	40	(1)	39	32	5	37
External audit fee	5	0	5	5	0	5
Other non-pay costs	5	1	6	3	0	3
Total	50	0	50	40	5	45

Support costs are allocated over grants payable and cost of fundraising on an expenditure value basis, as shown in notes 9.2 and 9.3, and included £10,000 for governance costs (2019-20 £10,000). Non-pay includes audit fees paid to Deloitte LLP of £4,800 (2019-20 £4,800). There were no non-audit fees paid to Deloitte LLP in either year.

No member of staff is directly employed by the charity. The funds are administered by the RJAHS NHS FT staff with a proportion of their salary recharged to the charity.

9.2 Support Costs allocation by fund type

9.2.1 Support Costs allocation by fund type 2020-21

	Unrestricted funds expenditure 2020-21	Unrestricted support costs allocated 2020-21	Unrestricted Total 2020-21	Restricted funds expenditure 2020-21	Restricted support costs allocated 2020-21	Restricted Total 2020-21
	£000	£000	£000	£000	£000	£000
Raising funds	13	3	16	(1)	0	(1)
Building and refurbishment	16	4	20	0	0	0
Equipment	60	15	75	0	0	0
Medical Research	6	2	8	0	0	0
Patient education and welfare	20	5	25	0	0	0
Staff education and welfare	82	21	103	0	0	0
Total	197	50	247	(1)	0	(1)

9.2.2 Support Costs allocation by fund type 2019-20

	Unrestricted funds expenditure 2019-20	Unrestricted support costs allocated 2019-20	Unrestricted Total 2019-20	Restricted funds expenditure 2019-20	Restricted support costs allocated 2019-20	Restricted Total 2019-20
	£000	£000	£000	£000	£000	£000
Raising funds	32	4	36	58	4	62
Building and refurbishment	29	3	32	14	1	15
Equipment	80	10	90	0	0	0
Medical Research	14	2	16	0	0	0
Patient education and welfare	34	4	38	0	0	0
Staff education and welfare	143	17	160	0	0	0
Total	332	40	372	72	5	77

9.3 Support Costs allocation by expenditure type

	Expenditure 2020-21	Support costs allocated	Total 2020-21	Expenditure 2019-20	Support costs allocated	Total 2019-20
	£000	£000	£000	£000	£000	£000
Raising funds	12	3	15	90	8	98
Building and refurbishment	16	4	20	43	4	47
Equipment	60	15	75	80	10	90
Medical research	6	2	8	14	2	16
Patient education and welfare	20	5	25	34	4	38
Staff education and welfare	82	21	103	143	17	160
Total	196	50	246	404	45	449

Note 10: Transfers between funds

	Unrestricted 2020-21 £000	Restricted 2020-21 £000	Total 2020-21 £000	Unrestricted 2019-20 £000	Restricted 2019-20 £000	Total 2019-20 £000
Transfer from General Fund to Veterans' Orthopaedic Centre Appeal Fund	0	0	0	(100)	100	0
Total	0	0	0	(100)	100	0

In 2019-20 the Charity made a contribution from its undesignated, unrestricted funds to its restricted Veterans' Orthopaedic Centre Appeal Fund.

Note 11: Analysis of debtors

	Unrestricted 2020-21 £000	Restricted 2020-21 £000	Total 2020-21 £000	Unrestricted 2019-20 £000	Restricted 2019-20 £000	Total 2019-20 £000
Amounts receivable within one year:						
Accrued income ¹	11	0	11	21	0	21
Pledges ²	0	100	100	0	100	100
Total debtors receivable within one year	11	100	111	21	100	121

¹ 2020-21 includes £11,000 outstanding legacy income (2019-20 £20,000).

² Pledged contribution to the Veterans' Orthopaedic Centre Appeal by RJAH League of Friends Charity.

Note 12: Analysis of cash and cash equivalents

	Unrestricted 2020-21 £000	Restricted 2020-21 £000	Total 2020-21 £000	Unrestricted 2019-20 £000	Restricted 2019-20 £000	Total 2019-20 £000
Cash in current bank account	1,131	139	1,270	1,039	138	1,177
Notice deposit accounts (less than 3 months)	10		10	10	0	10
Total cash and cash equivalents	1,141	139	1,280	1,049	138	1,187

No cash or cash equivalents were held in non-cash investments or outside of the UK in either 2020-21 or 2019-20.

All the amounts held on interest bearing deposit are available to spend on charitable activities.

Note 13: Analysis of creditors

	Unrestricted 2020-21 £000	Restricted 2020-21 £000	Total 2020-21 £000	Unrestricted 2019-20 £000	Restricted 2019-20 £000	Total 2019-20 £000
Amounts falling due within one year:						
Trade creditor accruals ¹	9	0	9	5	0	5
Accruals for grant expenditure owed to RJAHS NHS FT ²	3	0	3	26	4	30
Total creditors falling due within one year	12	0	12	31	4	35

¹ The trade creditor accruals include £4,800 for 2020-21 external audit fees not yet invoiced.

² Amounts owed to related undertakings are non-interest bearing and repayable on demand.

Note 14: Details of material funds

14.1.1 Current year movement in material funds – restricted

	Balance 31 March 2020 £000	Income £000	Expenditure £000	Transfers £000	Balance 31 March 2021 £000
A Veterans' Orthopaedic Centre Appeal	234	4	1	0	239
Total	234	4	1	0	239

14.1.2 Prior year movement in material funds – restricted

	Balance 31 March 2019 £000	Income £000	Expenditure £000	Transfers £000	Balance 31 March 2020 £000
A Veterans' Orthopaedic Centre Appeal	122	89	(77)	100	234
Total	122	89	(77)	100	234

14.2 Details of material funds – restricted

Name of fund	Description of the nature and purpose of each fund
A Veterans' Orthopaedic Centre Appeal	<p>These are funds raised via the Veterans' Orthopaedic Centre Appeal, set up to help fund a dedicated centre where Service veterans may be treated in surroundings and by staff sensitive to their requirements.</p> <p>This is a short-term fund set up during 2018-19 and will end with the completion of the new centre. All funds are committed for payment over to RJAHS NHS FT, subject to completion of the project.</p> <p>The total balance held in this fund as of 31 March 2021 was £239,000 (31 March 2020 was £234,000).</p>

14.3.1 Current movement in material funds – designated and unrestricted

	Balance 31 March 2020	Income	Expenditure	Transfers	Balance 31 March 2021
	£000	£000	£000	£000	£000
B Arthritis & Rheumatism	297	2	(17)	0	282
C MCSI unrestricted	259	36	(25)	0	270
D Charles Salt	176	27	(5)	0	198
E General	146	272	(179)	0	239
F Aggregate of remaining unrestricted funds	161	10	(20)	0	151
Total	1,039	347	(246)	0	1,140

14.3.2 Prior year movement in material funds – designated and unrestricted

	Balance 31 March 2019	Income	Expenditure	Transfers	Balance 31 March 2020
	£000	£000	£000	£000	£000
B Arthritis & Rheumatism	314	13	(30)	0	297
C MCSI unrestricted	230	63	(34)	0	259
D Charles Salt	46	132	(2)	0	176
E General	204	304	(262)	(100)	146
F Aggregate of remaining unrestricted funds	162	43	(44)	0	161
Total	956	555	(372)	(100)	1,039

14.4 Details of material funds – unrestricted

Name of fund	Description of the nature and purpose of each fund
B Arthritis & Rheumatism	A designated fund within the charity's general fund set up for arthritis and rheumatism related research and staff and patient welfare. Fund balance as of 31 March 2021 was £282,000 (31 March 2020 was £297,000).
C MCSI	A designated fund within the charity's general fund to benefit the patients and staff of the Spinal Injuries Unit known as the Midlands Centre for Spinal Injuries (MCSI). Fund balance as of 31 March 2021 was £270,000 (31 March 2020 was £259,000).
D Charles Salt	A designated fund within the charity's general fund for Metabolic Bone Disease research and staff and patient welfare. Fund balance as of 31 March 2021 was £176,000 (31 March 2020 was £198,000).
E General Fund - undesignated	This fund is where all the unrestricted funds of the charity which have not been designated are shown. They are freely available to be used to further the objectives of the charity, within the specified authorisation limits. Including £109,000 of unspent grants from NHS Charities Together, the fund balance as of 31 March 2021 was £239,000 (31 March 2020 was £146,000).
F Aggregate of remaining unrestricted funds	14 designated funds (14 as at March 2021). Each fund has a balance below 10% of the total value of the unrestricted funds. They mainly comprise funds held for wards and therapy areas. The total balance held in these funds as of 31 March 2021 was £151,000 (31 March 2020 was £161,000).

Note 15: Reconciliation of cash flow net income/(expenditure) from operating activities

	2020-21 Unrestricted funds	2020-21 Restricted funds	2020-21 Total funds	2019-20 Unrestricted funds	2019-20 Restricted funds	2019-20 Total funds
	£000	£000	£000	£000	£000	£000
Net income for the year	101	5	106	83	112	195
Adjustment for interest receivable	0	0	0	(6)	(1)	(7)
Operating cash flow before movement in working capital	101	5	106	77	111	188
Decrease / (increase) in debtors	10	0	10	(17)	0	(17)
(Decrease) / increase in creditors	(19)	(4)	(23)	(6)	1	(5)
Cash generated by operating activities	92	1	93	54	112	166

Note 16: Financial Instruments

16.1 Financial risk management

Financial reporting standard FRS 102 requires disclosures on the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities. Because we are a grant making charity only and do not rely on income from activities with their related contract performance risks, we are not exposed to a significant degree of financial risk. Our investment policy limits the investment of surplus funds to institutions with a low risk rating. Financial assets and liabilities are generated by day-to-day operation activities rather than being held to change the risks facing us in undertaking its activities.

Our treasury management operations are carried out by the finance department of the RJAH NHS FT within parameters defined formally within our governing document and Charitable Funds Committee Terms of Reference.

Currency risk

We are principally a domestic organisation with the great majority of our transactions, assets and liabilities being in the UK and sterling based. We have no overseas operations. We, therefore, have low exposure to currency rate fluctuations.

Interest rate risk

We hold no loans and do not rely to any significant degree on income from cash deposits and, therefore, have low exposure to interest rate fluctuations. We have no borrowings.

Credit risk

With the majority of our income coming from voluntary donations and legacies, we are considered to have a low exposure to credit risk.

Liquidity risk

We only commit to fund grant expenditure to the extent that funds are available. We hold no investments which could not be made available within 24 hours and, therefore, have a low exposure to liquidity risk. There would be an interest reduction penalty applied where early access is required of funds held in term deposits.

16.2 Financial assets

	31 March 2021 £000	31 March 2020 £000
Trade and other receivables excluding non-financial assets	111	121
Cash and cash equivalents	1,280	1,187
Total financial assets	1,391	1,308

The receivables held by us are reported at historical cost as they are all current and this is considered to be an appropriate measurement of their value to us.

16.3 Financial liabilities

	31 March 2021 £000	31 March 2020 £000
Trade and other payables excluding non-financial liabilities	12	35
Total financial assets	12	35

The payables held by us are reported at historical cost as they are all current and this is considered to be an appropriate measurement of our liabilities.

Note 17: Contingencies

There are no contingent gains or (losses) included in the accounts.

Note 18: Commitments, liabilities and provisions

We have no commitments or liabilities not recognised in these Financial Statements and have made no provisions.

Note 19: Trustee indemnity insurance

There was no expenditure on Trustee indemnity insurance in either 2020-21 or 2019-20 as the RJAHS NHS FT is the Corporate Trustee with the Trust Board acting as its agents rather than Trustees in their own right.

Note 20: Trustee and key managers' remuneration

None of the RJAHS FT Trust Board received any remuneration from the charity in 2020-21 (2019-20 nil).

There are no key management personnel costs incurred by us either directly or recharged by RJAHS NHS FT. The charity is overseen by the Charitable Funds Committee on behalf of the RJAHS NHS FT Board which, in turn, is acting on behalf of the RJAHS NHS FT as our corporate trustee. Details of the RJAHS NHS FT's key management personnel may be seen in their 2020-21 Annual Report and Financial Statements available on their website at the following link: www.rjah.nhs.uk.