



**ANNUAL  
REPORT +  
ACCOUNTS**  
**2022-2023**

**BRINGING  
THE FUTURE  
FORWARD...**

**ROYAL FREE  
CHARITY**



**BRINGING  
THE  
FUTURE  
FORWARD...**



**AND BEING  
IN THE  
RIGHT PLACE  
RIGHT NOW**





**“There’s no doubt that the Royal Free Charity means we can do more for patients than NHS funding can do alone – and that’s down to the wonderful generosity of its supporters.”**  
**Pete Landstrom,**  
chief executive  
of the Royal Free  
London NHS  
Foundation Trust  
(RFL).

During the year, we worked closely with our RFL colleagues to align the charity's fundraising and delivery priorities with the trust's clinical strategy. With RFL being London's biggest provider of cancer care, we've begun developing bold plans to create a world-class cancer treatment and research centre that will:

- fill a critical gap in London's cancer provision as part of a joined-up, system-wide approach
- meet the surge in demand expected by the end of this decade
- deliver better outcomes for patients
- foster research into new treatments and early detection
- expand access to clinical trials
- provide an outstanding patient experience

The Royal Free London cancer centre would be at the heart of a new network of care that will improve the screening, early diagnosis and effective treatment of cancer across north London and beyond. All these services will benefit from their proximity to one another under one roof in Hampstead.



“Whether it’s a wayfinding volunteer, a massage therapist, a benefits adviser or a comfortable rest area for a hospital colleague, every day the charity’s fundraisers and donors make a big difference to our patients and staff.”

Gillian Smith,  
chief medical officer,  
RFL.

The services that the charity itself provides to patients and hospital colleagues are the heart and soul of the charity, creating strong links which provide insight into what the hospitals need and how we can provide solutions.

In whichever part of our three hospitals they are to be found – our volunteers in their eye-catching charity t-shirts, our therapists in their smart uniforms or the sounds of our musicians – provide confidence that help or entertainment is around every corner.

Embedded in the work of caring for patients, they are in a unique position to improve the experience of patients and save staff time.

What seem like small acts can leave a long-lasting impression on patients and their loved ones.

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Thank you	Inside back cover

During the year, our 14 therapy dogs (including Dylan, below) had more than 1,000 interactions with patients, visitors and hospital staff, providing a much-needed boost.

“The positive impact that the charity’s therapy dog visits have on both patients and staff is a joy to witness. These wonderful interactions bring great meaning to a much-loved service.”

Matilda Patterson, clinical dementia specialist



# ABOUT US

The Royal Free Charity wants everyone who uses Barnet, Chase Farm and the Royal Free hospitals to receive the very best healthcare, delivered by a thriving workforce and underpinned by medical research that has global impact.

We support our NHS colleagues, their patients and their carers, as well as researchers, with everything from huge investments that help bring discoveries and innovations to the bedside faster, to small acts of kindness here and now which enrich the experience of patients and staff.

After a young surgeon, William Marsden, nearly 200 years ago, couldn't find anyone to care for a woman he

found dying in the street, he inspired a group of philanthropists to help him change what they saw around them. The Royal Free Hospital was born, leading eventually to the group of hospitals we have today. Similarly imbued with a sense of impatience on behalf of patients are our 21st-century supporters who want better care for those in their local hospitals now.

Never has the NHS needed their help more. The charity's top priority is to ensure we understand the needs of our hospitals and their staff so well that we can ensure our donors' and fundraisers' generosity has the most impact on patients, on hospital staff and on pump-priming research that will one day help patients worldwide.



Follow Dylan by flicking through the page corners...







# THE FUTURE AND NOW FOR CANCER PATIENTS

**'The most significant advances in improving outcomes for patients with cancer will be by diagnosing more people at an earlier stage. The Royal Free Charity and its supporters are helping us do that.'**

Prof Derralynn Hughes, clinical director, research and innovation at the RFL and professor of experimental haematology, UCL



Forecasts of the number of patients expected to need cancer treatment in the coming years have exposed a gap in provision that the charity is committed to tackling through significantly increased future fundraising.

We want to help our hospitals improve access to their services, improve outcomes and the experience of patients and do more research into cures and new treatments. Greater access to clinical trials will be key to this.

This will mean redoubling our efforts in fundraising, but we were hugely encouraged by the success of our winter 2022 appeal, which raised £437,000 for new projects to support cancer patients. These will:

- speed up cancer diagnoses and treatment
- alleviate some of the stresses of chemotherapy sessions by transporting patients to a virtual reality using charity-funded headsets
- support projects aimed at reducing cancer health inequalities in our area of London

The charity will now be able to fund London's first one-stop NHS lung cancer diagnostic service, based at the Royal Free Hospital.

The thoracoscopy service will mean that patients with fluid on their lung can be diagnosed and receive initial treatment the same day so that if they subsequently need oncology treatment, they are fitter and stronger when it starts. And Barnet residents' response to the appeal means the charity will also fund the expansion of a contrast-enhanced digital mammography service at Barnet Hospital so that people with suspected breast cancer can be diagnosed more quickly and accurately.

Dr Besma Musaddaq, consultant breast radiologist, said: "Younger women in particular tend to have dense breasts and that can obscure cancers. If we give contrast enhanced mammography to these patients, that cancer will light up in the midst of a dense breast, increasing the likelihood that it will be picked up."







As well as preparing for the future, we continue to provide significant support for cancer patients today.

This year we launched what is considered the first charity-provided scar tissue massage service for NHS patients, including those who have had cancer surgery. Research shows this form of massage can reduce pain, increase movement and promote healing.

We have helped improve how hospital staff communicate with cancer patients with a £10,000 grant for an award-winning training module called Let's Talk Cancer.

And we continue to support cancer research, investing a total of £1.85 million in cancer research during the year.

## Katy's story

We couldn't do it without generous supporters like Katy Vincent, a Royal Engineers' officer, who ran 26 miles in full army kit to raise funds in memory of her 30-year-old best friend, Miranda Filmer. Miranda died five years after she was diagnosed with neuroendocrine cancer, one of the RFL specialist services. Katy's "Mirandathon" – from her childhood home to Miranda's home – raised nearly £6,000 for research into the disease.

"There isn't a day that goes by when I don't think about Miranda's courageous battle, surviving way beyond the odds and living for what and who she loved," said Katy.









# THE FUTURE AND NOW FOR PATIENTS AND HOSPITAL STAFF

**'I felt held and pampered, valued as a human being. The healing power of touch cannot be over emphasised. My frozen shoulder was better and all the tension melted away.'**

A patient after a session with our complementary therapy team



The charity's services and grants have created a package of support for patients and staff that includes psychological support, welfare and benefits advice, stress and symptom-relieving complementary therapy and training and development.

## Direct support

The services provided by the charity for patients help them navigate the complex hospital environment, ease the stresses of their treatment and provide advice and guidance in sometimes very challenging circumstances made worse by their health concerns.

Over the past year we've had 403 volunteers across all three hospitals and satellite sites who have collectively volunteered over 27,000 hours.

- Our 14 therapy dogs have had more than 1,000 interactions with hospital staff, patients and visitors, providing a much-needed boost.
- 3,790 patients living with dementia have

been supported by a specially-trained volunteer dementia companion.

- 71,339 visitors have been helped by enquiry desk volunteers.
- Ward volunteers have supported 3,685 patients and more than 500 staff with a friendly chat and helping hand.
- Carl Orr and Matt Smith, our guitarists, have entertained patients and staff.
- Flo, our hairdresser, visits patients at the Royal Free Hospital each week, leaving them feeling refreshed by washing and styling their hair (see pages 34-35).

Our volunteers and pet therapy dogs make a huge contribution to the efficiency of our hospitals, their ability to innovate and to patients' welfare. They work in 20 different roles from the practical to the pastoral, from the everyday to the unusual.

While much of their support is traditionally associated with NHS volunteering - helping patients to get to their appointments in a timely manner, providing mealtime help to patients and running a daily trolley shop service - many roles have been designed to meet a specific



need highlighted by RFL staff and are unique to our charity. These roles now include:

- digital volunteers who offer pre-appointment advice to reduce the risk to marginalised communities and vulnerable patients being left behind. This has reduced the number of missed appointments.
- volunteers trained to deliver virtual reality therapy to RFL staff to reduce stress and anxiety. Volunteers are now receiving training to extend this form of therapy to patients receiving chemotherapy.
- dementia companion volunteers on the wards offering conversation and activities that make a big difference to the experience of patients with dementia, providing much-needed stimulation and reducing distress.
- art therapists on the neurology and stroke wards helping patients to process what they are going through, giving them space to create and to articulate their experiences.
- a small number of highly-skilled asylum seekers, unable to work while waiting to hear if they can stay in the UK, began working in volunteer roles which use their experience and skills.

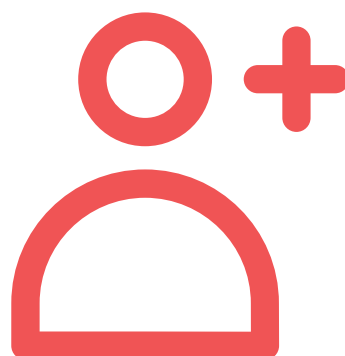
During the year, our complementary therapy team delivered 11,000 massage treatments for patients and hospital staff, achieving outstandingly positive feedback – the comment above is one of many.

New therapies were introduced during the year: acupuncture and specialist massage of scar tissue – thought to be the first time this has been offered by a charity in an NHS hospital. Like all our services, they are aligned with the hospitals' clinical and infection prevention and control policies.

**'The changing rooms are clean and the showers hot. The gym is great, bright and welcoming... my favourite gym!'**

**Member of the Rec Club**

403 volunteers across all sites have collectively volunteered over 27,000 hours



Our support hub, on the lower ground floor of the Royal Free Hospital, supported nearly 500 patients with long-term conditions during the year with the following services:

**Welfare rights advice** about financial and housing problems, preventing homelessness, supporting people to find better accommodation and with housing repairs.

**Benefit applications** and appeals supported by hub staff yielded £327,000 for those entitled to these benefits but who were struggling with the processes while also coping with their illness. Patients were also helped to secure blue badges, taxi cards, warm-home discounts and grants from other charities.

For the first time, hospital staff were supported by the hub in a three-month pilot project, and it's hoped that funding will be secured to continue this service.

**Amputee support group:** Patients who have required an amputation as part of their treatment took part in support group sessions, arranged in partnership with the Limbless Association, and isolated patients were befriended with our "check in and chat" service. A major project for the coming year is to set up a second support hub at Barnet Hospital.

## Rec Club

The Royal Free Charity Recreation Club offers affordable facilities aimed at improving the fitness and wellbeing of

hospital staff and the local community with its well-equipped gym, pool, classes and room hire.

This year closer links were developed with the RFL's cardiology and pain management services who now run clinics in our studios during quieter times, complementing similar arrangements already in place with the physiotherapy and neurophysiology teams.

The year saw an increase in memberships and we hope our work to engage schools will continue this trend. We also planned a new website and discussed ways to continue upgrading our facilities so we can further improve our offer.

## Rodney's story

When Rodney was told he would need a liver transplant, to help him cope, he was referred to the charity's check-in-and chat programme. "At first, I thought: 'What's the point - I've got a psychiatrist, I don't need this.' But actually it was great. They [the volunteers] talk to you on your level. They're not a doctor, or a psychologist; someone to listen to you. It helps that you don't know them either - it's actually easier than talking to a friend in a way.

"The support hub also helped me through their welfare rights advice service, [helping me apply] for a benefit as I'm no longer able to work. I didn't want to apply, but my advisor encouraged me that it was ok."



## Dean's story

A £4,500 grant made to the RFL's LGBTQ+ staff network for a training programme brought better support for colleagues and patients.

Dean Rigg, LGBTQ+ network co-chair, said: "Despite making up a relatively small proportion of the population, lesbian, gay, bi,

trans and queer people are disproportionately affected by mental health issues. They also have worse health outcomes and experiences of healthcare.

"While the trust already has equality and diversity training in place, there is a gap in some colleagues'

knowledge and confidence that they look to the LGBTQ+ & Friends staff network for support with. This funding from the charity will allow us to design and deliver a bespoke internal training programme that has the experience of our own staff at its core."

## Carol's story

Funding from the Royal Free Charity resulted in a package of mental health and wellbeing support for the RFL's 11,000 staff, including psychological support with qualified therapists and peer support through a mental health first aid programme.

Training in mental health first aid means peers can identify, understand and respond to colleagues who may be experiencing a mental health issue. Carol Menashy, mental health first aider, led the roll-out of the programme at our hospitals.

"Last year, we supported more than 500 colleagues with peer support. We listen with compassion and empathy and without judgement and we signpost them for support to the most appropriate professional rank or service. Having the



charity's funding has made that crucial difference. It gives us time to reach those people who wouldn't necessarily find our service otherwise."

Our grant to fund an occupational health psychology post has also helped staff who need fast psychological support with severe mental health challenges, often work-related trauma, depression

and anxiety. During the year, more than 500 assessments and therapy sessions took place.

One member of staff said: "I truly believe without having this intervention I may have been off sick for a very long time and/or may have left the trust. I am very grateful for the easy access to this service and the quality of psychological support I received."



## £10,000 project to refurbish the bereavement area at Barnet Hospital



### Providing grants

Where we don't supply services ourselves, our generous supporters enable us to make grants to enable RFL staff to do more than NHS funding can. During the year grants worth £1.7m were awarded and just a few of the projects funded were:

- a £10,000 project to refurbish the bereavement area at Barnet Hospital.
- £9,064 for a study to improve care for patients with scleroderma experiencing painful ulcers on their fingers, thumbs or toes.
- £10,000 to install two digital windows and large analogue clocks to counteract the lack of natural daylight in a clinical assessment area of the Royal Free Hospital.
- £8,640 for sensory management packs for autistic patients and patients with learning disabilities to help minimise the adverse effects of being in the busy, loud environments of the A&Es at Barnet and the Royal Free hospitals.
- £8,050 for a dementia resources box for wards for elderly patients.
- Nearly £2,000 for sleep-well packs including ear plugs and eye masks aimed at reducing disturbances to ward patients at night.





# THE FUTURE AND NOW FOR RESEARCHERS

**'I have pledged a gift in my will to the Royal Free Charity, knowing that it will make a real difference in researching better understanding, treatments and a cure for scleroderma.'**

Nicola, scleroderma patient

Total research spend	£6.95m
Total invested in cancer research	£1.85m
Active grants: (including 42 research grants)	144
PhD students funded	31
Research grant applications received last year, with 7 awarded (success rate: 44%)	16

## Why fund research?

- Research offers the best opportunity to transform the lives of patients – those who attend hospitals which conduct research generally have better outcomes.
- Patients get access to new treatments via clinical trials that are not readily available.
- Treatments and medications are the culmination of a research journey from discovery to drugs that take many years or decades to develop.



Over the past three years, the charity has significantly stepped up support and funding for medical

research. We have already provided seed funding for the RFL's clinical research facility, which has gone on to secure many millions in research funds to enable early-phase clinical research in healthy adults and patients with acute, complex, and long-term conditions. This purpose-built space is used to develop ground-breaking treatment for a broad range of medical conditions including cardiovascular, renal and liver disease as well as rare diseases and cancer. It also facilitates first-in-human drug trials, gene therapy and the development of novel medical devices and biomarkers.

A significant step forward during the year was our successful application to become an introductory member of the Association of Medical Research Charities (AMRC), which includes leading UK medical and health research charities.

Membership of the AMRC provides reassurance to donors that the charity is held to a high standard of transparency and accountability and that the charity is committed to investing donor funds in responsible and ethical research.











## Finding a new cancer treatment

A £10,000 grant from the charity enabled a team to better understand how a new treatment for pancreatic cancer works. Irreversible electroporation (IRE) destroys cancer cells using electrical pulses. Preliminary studies have suggested it is effective but until the team understands exactly how it works, it can't be made available to patients.

Professor Brian Davidson, consultant hepatobiliary and liver transplant surgeon, said: "This funding enabled us to explore uncharted territory, shedding light on how IRE treatment attacks and kills cancer cells and how it works when combined with other treatments. We believe that this could pave the way for more targeted treatments for pancreatic cancer, meaning better outcomes for patients."



# HIGHLIGHTS OF OUR YEAR

May 2022



## Pears Building – the inside story

About 40 people who live within walking distance of the Royal Free Charity's Pears Building visited us for the first time to hear how we're bringing RFL clinicians, UCL scientists and patients closer together to find new treatments and cures.

Leading researchers at the UCL Institute of Immunity and Transplantation, based in the building, described research into COVID-19 immunity and the crucial part played by patients who take part in clinical trials. They also heard from an artist commissioned to produce artwork for the building.

## Banknote hails Royal Free pioneer

Scotland's new polymer £100 banknote featuring a Royal Free medical pioneer brought a £120,000 windfall for our hospital staff and patients when an auction of banknotes with sought-after serial numbers was held to mark the new note entering circulation.

The new note shows medical pioneer and suffragette Dr Flora Murray CBE, who trained as a doctor at the Royal Free Hospital – one of the first women doctors in the country. In March 2023, a portrait in oils of Dr Murray, owned by the charity, was lent to a Scottish museum for an exhibition marking the centenary of her death.



July



## National kidney cancer study

A research team funded by the charity to investigate if scans rather than surgery can be used to diagnose kidney cancer was awarded £250k to scale up the project in hospitals across the UK. Up to 30% of kidney tumours are benign so the project could have a major impact on patient care.

September



## Her Majesty Queen Elizabeth 1926-2022

The year saw the country's transition from the reign of HM Queen Elizabeth to HM King Charles and both were commemorated with trees in the Pears Building gardens. In 1978 Queen Elizabeth officially opened the Royal Free Hospital's current site on Pond Street.



October



## A first for massage team

Our complementary therapists became the first charity-provided therapy team in the UK to offer scar tissue therapy to NHS outpatients. Rozalia and Kris now work with patients who have recently had surgery as part of their cancer treatment.

Rozalia said: "We often used to avoid scarred areas during a massage but now we have the professional level skills to help patients in a new way." The therapy can increase circulation in the area, reduce itching, pain and numbness, soften the appearance and increase the range of movement.

November



## Marsden Lecture

We were delighted to welcome to the annual Marsden Lecture Professor Sir Mike Richards, leading cancer care strategist, and Dr Liz O'Riordan, a former breast cancer surgeon and patient advocate.

Professor Sir Mike Richards CBE was the UK's first national cancer director and later became the CQC's first chief inspector of hospitals. He has led two major reviews for NHS England and last year was appointed chair of the UK National Screening Committee. Dr Liz O'Riordan had to leave her role after being diagnosed with stage 3 breast cancer.

Both spoke passionately about ways to improve cancer outcomes and the experience of cancer patients.







## National accolade for Royal Free Charity volunteer

Training volunteers to care for patients with dementia, telephoning patients at risk of isolation and supporting biobank research are just three ways that Evelyn Blumenthal, Royal Free Charity volunteer, makes a difference. Her remarkable contribution to patients was rewarded with a prestigious national award for people who have shown exceptional dedication to their volunteering role. "I'm amazed and stunned. I never in a million years thought I would be the winner," said Evelyn.

## Updating the hospital's history

The history wall along the main ground floor corridor at the Royal Free Hospital was updated to include information on our hospitals' response to the pandemic.

Funded by the Royal Free Charity, the final panel now includes details of the enormous self-sacrifice of RFL staff in order to care for patients during this most challenging of times, as well as the massive vaccination programme they ran to protect the community. "As wave after wave of the virus struck, (the staff) carried on, putting patients before themselves and their families," says the panel.



## Ella's story

A massive thank you to Ella and her family for raising over £10,000 for the Starlight neonatal unit at Barnet Hospital. Ella Benezra was born at 26 weeks, weighing just 760 grams – 12 years later she chose to forgo her bat mitzvah gifts and instead ask for donations to the unit.

## Wall-to-wall science

The Royal Free Charity also unveiled a series of panels in the patient accommodation at the top of the Pears Building. The six panels describe the research work of the UCL Institute of Immunity and Transplantation in the Pears Building and give details of research work underway to find future COVID-19 vaccines.





## Helping scleroderma patients

We awarded a grant of over £9,000 for a study on a national self-care package for people with scleroderma with finger ulcers. The generosity of our supporters means hospital colleagues can co-design, with their patients, ways to improve care for these ulcers which are very painful, often take a long time to heal and can lead to complications that result in amputation or permanent tissue loss.

Above: Ben running the 2023 TCS London Marathon in memory of his father, Chris, who died from scleroderma.

## A corner of Rome in Hampstead

Final preparations were made for the opening of Mileto Caffé in the reception area of the Pears Building in Hampstead. Federica Federico, whose family had to close their café in Rome, has recreated it for local people, patients and hospital and charity staff, supplying coffee, made from beans she imports and roasts herself and authentic Italian food.



## Pond life in Pond Street

Helping to ease cancer patients' stressful hospital waits was the idea behind the installation of a webcam at one of the ponds on Hampstead Heath.

"Pondcam" is set up at a pond which is a nature reserve rather than for swimming. The camera focuses in turn on various locations around the pond, allowing patients and staff to see live images of the many species of birds and other animals.

"Watching the water gently rippling away is so calming and therapeutic! I've watched a majestic swan glide around and I also watched a family of ducks just going about their everyday business. I think Pondcam is a wonderful idea."

**Oncology clinic patient**











# A MESSAGE FROM OUR CHAIR AND CEO

As the immediate pressures of the pandemic on our three hospitals began to abate, it became clear that the NHS was facing the greatest challenge since its inception.

Industrial action, massive funding challenges, rising waiting lists - partly caused by the COVID backlog - major issues in primary and social care and the ageing population all reinforced the pressure on the health service here in north London and across the UK. Each affected the NHS's ability to attract, support and retain staff, carry out research and offer the best care possible to our populations. NHS charities like ours - and their supporters - have never been more needed.

Crucial to being able to help most effectively is the close partnership we and our RFL colleagues have built, so that we can be sure the support we offer is exactly what's needed for patients, staff and researchers. This means ensuring that we are at the table at the earliest stages of major developments as well as by the side of today's patients and staff, helping them make progress further



and faster than NHS funding can do alone. During the year we built on the experiences of the two pandemic years to further develop our resilience and flexibility. We delivered many important achievements including a high-profile cancer appeal and the recruitment of hundreds of new supporters. We received several awards for our sector-leading volunteer service and for the groundbreaking Pears Building.

We continued to develop our unique complementary therapies – including a new scar tissue massage service, a first in the country – as well as the services of our support hub, and

**‘We were able to support the RFL through an intensely difficult year for staff and patients alike, with major investments in research, staff wellbeing, patient experience and medical equipment.’**



A permanent sculpture by David Rickard was installed in the atrium of the Pears Building during 2023. *Synthesis (heavy chain)* represents the underlying code that guides the creation of the human immune system.



we welcomed new talent into the charity. This meant we were able to support the RFL through an intensely difficult year for staff and patients, with major investments in research, staff wellbeing, patient experience and medical equipment.

RFL is the largest provider of cancer services in the capital and we were delighted to make a number of high impact investments in cancer care and research, including purchasing the UK's first Quadra PET-CT scanner, supporting improved breast cancer imaging technology and funding London's first one-stop shop for lung cancer diagnosis.

But our cancer ambitions don't stop there. There is a critical gap in London's cancer provision and we are working hand in glove with our RFL colleagues to ensure a joined-up, system-wide approach to meet the surge in demand expected over the next few years. A potential new cancer centre on the Royal Free Hospital site would be at the heart of a new network of care to improve the screening, early diagnosis and effective treatment of the disease across north London and beyond. All these services will benefit from their proximity to one another under one roof in Hampstead.

While working to improve the future for one group of patients, we will continue to ensure that we are in the right place now for all our patients. We will work to increase the visibility of charity volunteers and staff in our three hospitals - in particular, Barnet and Chase Farm hospitals - and will explore opportunities to help patients further afield, through our leadership of a community partnership across north central London.

None of this would be possible without the continued development of our people and processes or, of course, the enormous generosity of our donors and fundraisers, whose vision of a better future for patients and those delivering their care is as clear as our own.



**Judy Dewinter**  
Chair of Trustees



**Jon Spiers**  
Chief Executive





# HOW WE DID IT

## Finding the funds

Our supporters have demonstrated extraordinary generosity again this year, helping us raise more than £7 million to deliver critical support services and provide transformative grants for staff wellbeing, patient experience and ground-breaking research.

We have continued to raise our profile and visibility within our hospitals and local communities. A highlight was our major winter appeal during which we welcomed nearly 1,000 new supporters and raised £437,000 to support significant cancer projects. Challenge events have been more popular than ever, with our fantastic runners and cyclists proudly wearing our distinctive Royal Free Charity kit while raising vital funds and awareness.

In what was a challenging year for so many, we have also reviewed our fundraising programme to ensure we are focused on the areas that deliver the best value. In February 2023 we launched our new gifts-in-wills campaign aiming to increase legacy giving, and will shortly be introducing a volunteer

ambassador programme to help us build further links with our local community. Our incredible supporters continue to do so much for us. To show our gratitude we are looking forward to unveiling a new recognition wall at the Royal Free and Barnet hospitals. Next year we will continue to shape further opportunities for philanthropists in our community to engage more deeply with our work and help us continue to go further, faster, for all.

## Fundraising policy

Our approach to fundraising rests on positive supporter engagement in order to enable us to attract, steward and maintain support while respecting the wishes of our supporters. To help us achieve this, we store and manage supporter information using a professional fundraising database.

The charity is registered with the Fundraising Regulator, contributes to its levy on fundraising charities and adheres to its code of practice and to Charity Commission guidelines. Trustees provide guidance and oversee our fundraising practices, upholding

**A workout in the Royal Free  
Charity Rec Club, behind the  
Royal Free Hospital, open to all.**



the Charity Commission's fundraising principles:

1. Planning effectively.
2. Supervising our fundraisers.
3. Protecting our charity's reputation, money and other assets.
4. Ensuring compliance with the laws, regulations and recognised standards that apply to our fundraising.
5. Being open and accountable. As a matter of policy, no inducements are made to staff or volunteers and we do not sell or exchange lists of data with any other charities or companies for marketing or fundraising purposes.

We regularly review our procedures to ensure that we provide our supporters with the best possible experience when they work with and support us.

Any failure to comply with fundraising standards would be reported to the Fundraising Regulator. There is guidance for the public about this on our website and we have an internal process. There have been no recorded failures to comply with fundraising standards in the past financial year. We are compliant with the General Data Protection Regulation; we gain consent from our supporters when required; and inform them of their rights and how we look after their personal data.

Our privacy policy covers how we use the data provided by our supporters and it describes the ways in which supporters can opt out from communications and how they can make a complaint. We provide website links to our privacy policy and to our subject access request policy.

## Tribute to an uncle

Ted and George Rayment's uncle, Tony, was a keen runner who completed two London marathons, so it seemed a fitting tribute to raise money for the hospital that cared for him before he died from the skin cancer melanoma at the Royal Free Hospital.

George said:  
"Unfortunately, it continued to spread despite immunology and radiology treatment, and he spent a long time in hospital. He was cared for on the oncology ward by a



George Rayment in Royal Free Charity t-shirt

team of nurses and carers who, as a family, we began to know quite well. We both wanted to support the

Royal Free Charity to say thank you for the way the wonderful staff cared for Tony."



## Supporting our own staff

Recruitment, staff training, coaching and mentoring were all important pieces of work during the year with significant targets that were met.

**Customer service training:** We successfully trained over 82% of our workforce in face-to-face customer service training, helping to ensure optimal relationships with our very varied stakeholders.

**Manager development:** Our passport to management programme was launched with all our department heads and those they manage and they were invited to attend a two-day introduction to management training.

**Coaching and mentoring:** We successfully trained three mentors within the charity to work with staff as needed. In addition, heads of department and senior leaders were offered external coaching following their annual feedback and performance review. Our focus next year will be on widening our coaching and mentoring offering and encouraging uptake. We were delighted that 81% of staff took part in our annual staff survey and their views have helped us decide our plans for 2023/24. These include:

- the roll-out across the charity of our organisational values, which describe our beliefs, ethics, behaviours and principles.
- the launch of an apprentice scheme in partnership with the RFL and a staff awards scheme linked to the values.
- a new, more sophisticated human

resources information system to speed up basic management processes.

- achieving the government's Disability Confident Employer status.

Building on our work on equality, diversity and inclusion last year, we offered further detailed training for managers looking at how to manage in our diverse organisation. The highly positive feedback from this led to a plan to develop an equality, diversity and inclusion strategy in 2023/24.

## Telling our stories

The communications and engagement team works closely with our fundraising colleagues to retain our existing supporters and find more. We do this by explaining how our services and grants help patients and staff at our hospitals and by sharing the amazing stories of our fundraisers who take on all sorts of challenges to raise money for them.

Thanks to a new way for people to sign up to our communications via our hospitals' wifi system, during the year we increased our new subscribers by an average of 5,000 a month. We hope our communications will inspire them to act when we ask for their support as part of the Royal Free family.

Next year we'll be working with the fundraising team to create new ways for people to support our hospitals, whether in memory or in celebration of someone, or through fundraising in the community.

We're also changing the way we tell those stories, using video as a medium much more





than we have so far and expanding our social media activity to include TikTok.

There'll be more focus on getting our stories into the news and we are commissioning a new website. This will give visitors a better, more personalised, experience.

Our design and communications advice helps support other teams to achieve their objectives. We tell new hospital staff about the charity at their induction sessions, giving them information about what we do and how they can help us to help them.

During the year we continued to build relationships with our neighbours by inviting them into the Pears Building to hear from the scientists about their research. We also heard their thoughts about a new art installation and a community cafe in the reception area of the Pears Building. And we unveiled plans for a webcam link from a pond on Hampstead Heath to patients and staff in the Royal Free Hospital.

## Protecting the environment

The Royal Free Charity's head office is in the Pears Building, which was awarded a rating of "excellent" under the BREEAM scheme. This is the world's leading assurance that a building is energy efficient, was built sustainably and enhances the wellbeing of those who live or work in it.

Potential overheating is controlled by the concrete outer walls and brise soleil shields on the windows, renewable energy is provided with almost no carbon emissions and the overall

design minimises the wastage of heated air. Other features include charging points for electric vehicles, a staff bike store and a brown roof and 12 bug hotels to provide wildlife habitats.

It is just as important that we are aware of the impact of what we do within the building, and in our wider activities.

Each year the worldwide web uses more electricity than the UK and is responsible for more emissions than the world's airline industry. This year we commissioned a website that will reduce browsing time by optimising content, searching and other aspects of user experience, reducing its environmental impact.

We make funds available to our three hospitals following successful grant applications from RFL staff. The application form includes a requirement for applicants to outline how they have considered the environmental impact of their project and any measures to mitigate this. If two applications are judged to be equal by the panel, further weight will be given to the answer to this question.

During the year we began a comprehensive review of our investments, including how we could improve our environmental and social impact. As a result, we have moved our equity investments into a pooled fund which excludes fossil fuel producers.

We are also looking for a way to re-use the coffee grounds generated by our new café, possibly as a garden fertiliser. In all parts of the building refuse containers separate recyclable waste.





## 'Our NHS at 75' Fujifilm photography award winner

A photograph taken by a member of our communications team won a national competition to mark the 75th anniversary of the NHS.

The picture, by Jenny Brodie, shows Paul, a patient at the Royal Free Hospital, having a haircut and shave at his bedside from Flo, a hairdresser funded by the Royal Free Charity. The winning entry was submitted in the partners category, which celebrates the crucial role partnerships play in delivering the best possible care for NHS patients.

Jenny said: "I think the image captures something that we often hear from patients about the services we provide: for a brief time, they aren't defined by their illness or condition. For those few moments, they are simply themselves."











# LOOKING AHEAD TO 2023–24



The science of clinical care for patients never stands still and neither do our ambitions to improve the ways we support the patients and staff in our three hospitals. At the same time, there is so much we can do today.

Key to both is the strengthening partnership between the charity and our colleagues in the RFL so that we hear, early on, about the problems we can help them solve. This ensures that we spend our supporters' funds in ways which will help most.

## The next year will see us:

- continue our discussions and plans for major new fundraising efforts to transform the experience of patients across north London, particularly those receiving treatment for cancer.
- grow our investment in research, bolstered by our membership of the Association of Medical Research Charities.
- introduce new services directly delivered to patients and hospital staff by charity volunteers and staff.
- build deeper connections with our various communities to optimise their support for their local hospitals.
- increase all our fundraising income, particularly that which is not restricted to particular services or parts of our hospitals, so we can ensure our vital grants and services are there for tomorrow.
- further explore our ambitions to support the health of the wider population across north London.



# TRUSTEES' REPORT

# INTRODUCTION TO THE ACCOUNTS

Yusuf Firat, director of finance,  
property and operations

Like all organisations, the charity felt the economic pressures facing the country but the year saw significant progress in our work to increase our resilience and maximise our support for patients and staff in our three hospitals.

Voluntary income fundraising has been challenging with the tough economic climate making it difficult to improve income from donations and legacies. However, income from investment holdings and property operations showed a marked improvement compared with the previous year and provided us with more unrestricted funds. These are funds that can be used in the most effective way for the greatest number of patients and hospital staff rather than committed to a particular project which may benefit only some.

Recruitment of new staff has been difficult and has affected our ability to implement the charity's fundraising strategy effectively; this situation is not likely to improve in the near future. Retaining and developing our staff as well as attracting new talent continues to be a key priority.

In March 2023, the Royal Free London NHS Foundation Trust (RFL) granted £12 million of restricted funding to the charity, which it had received in addition to its annual budget, enabling the charity to make strategic investments to improve patient care. As the RFL's strategic delivery partner, the charity is uniquely placed to achieve maximum value for patients and hospital staff from this grant. We can leverage further funding from other sources and plan spend across successive years, rather than having to deploy funds within a single annual budget cycle, which the NHS has to do.

Two of our properties are now bringing in regular income – the Pears Building in Hampstead, which we built as the new home for UCL's Institute of Immunity and Transplantation, and Graseby House, our residential and office accommodation used by Barnet Hospital staff.

The Pears Building includes two floors of patient accommodation, which is well occupied during the week, and after a long search for the right provider, we were able to start planning the opening of the Mileto





Caffè in the building's reception area. This will add modestly to our income and provide a much-needed community hub connecting local residents with the incredible science going on in the Pears Building.

We continued to make structural changes to further increase our sustainability, recruiting staff, establishing new processes and upgrading existing ones where needed. We have also reviewed our financial arrangements to ensure best value for our donors, fundraisers and the RFL. Our plans to enhance processes and increase efficiency further include replacing our financial system.

A review of our cost base enabled us to make savings in areas including insurance, utilities and legal and professional fees. We plan to implement a procurement strategy and make continuous improvements to our internal processes.

We conducted an investment review to ensure the charity's financial investments were managed effectively for the best returns within the parameters of responsible investment, taking account of our environmental and social governance objectives.

There is no doubt that the current economic stresses will be with us for some time. But we will continue to prioritise our financial resilience to ensure that every penny entrusted to us by our donors is spent as they would wish.

## Financial commentary

This year saw the Pears Building become fully operational with the charity's wholly-owned subsidiary, RFC Enterprises Ltd, overseeing all service charges and utilities relating to running the building. RFC Enterprises Ltd also manages the Pears Building patient accommodation with a bookings contract managed by the RFL, through RFL Property Services Ltd.

The charity was delighted to bring on board Mileto Caffé, which opened to the public and Pears Building tenants and guests on 27 April 2023. The café provides a wonderful community hub both for the immediate residents such as UCL, hospital staff, the charity staff and patient guests, as well as the local community.

Our accommodation serves as a great alternative to other local overnight accommodation for hospital patients and their loved ones. Occupancy rates have increased during the year from 38%-40% to nearly 70%. Sunday to Thursday evenings see a near 100% occupancy and we are working on improving the occupancy rates for weekends.

The accommodation has also been successful in financial terms with annual turnover projections in the region of £800k. Any distributable profits generated by RFC Enterprises are gifted to

the charity. Unfortunately, as we anticipated in its first year of operations, RFC Enterprises recorded operational losses due to mobilisation costs and initially lower accommodation occupancy.

The Pears Building is a mixed motive investment asset with significant social investment value. As such, given that there is only a peppercorn rent from UCL and the RFL for areas leased to the two tenants, the social investment value of the building is in the region of £1.1m a year. This is a great demonstration of the charity using its funds for its charitable objectives. This social investment value is shown under the 'charitable expenditure' line in the statement of financial activities.

Graseby House is our second mixed motive investment and offers office space on its ground floor for hospital administrative staff and much-needed affordable residential units for keyworkers at Barnet Hospital on its upper floors. The accommodation comprises 63 residential units and this year demand for this high-quality accommodation has been very high, averaging over 99%. The building is managed and maintained by RFL Property Services, who also manage accommodation bookings and short-term tenancies. The building

generated around £665k income from the ground floor lease and residential unit rents for the year.

The Armoury on Pond Street is a pure investment building, leased to the Jubilee Hall Trust, a charity with similar objectives to the Royal Free Charity. The building is leased on a full repairing lease, which was renegotiated during this financial year and renewed with an extended period covering 16 years from March 2023.

Our investment in fundraising has shown encouraging results with voluntary income raising £3.85m, 50% of which was unrestricted. This is a very heartening development as the charity's fundraising strategy has been focused on improving unrestricted income and we are also pleased to see positive developments in restricted and designated income generation. The charity sector more broadly is suffering from staff recruitment and retention issues and unfortunately the charity is not immune from this challenge. Our recruitment drive has not been able to deliver on the number of posts we planned for and this is anticipated to continue into the next financial year.

The charity received two major grants during the year: a £12m restricted grant from the RFL and a £3.5m restricted grant from



UCL to support the National Amyloidosis Centre at the Royal Free Hospital.

Our investment holdings, totalling £19.5m as at 31 March 2023, recorded a total loss of £789k during the year. This represents a loss of over 5% in value compared to the beginning of the financial year. An investment review is underway and this is expected to set a fresh strategy, incorporating improved environmental and social governance considerations and a variation in asset allocation to improve expectations for the charity's investment returns, including significant cash receipts of grant income.

The total annual income of the group was £25.1m (2021/22: £25.3m), while operating income, excluding investment income, was £23.2m (2021/22: £24.1m).

The charity launched our cancer appeal in autumn 2022 to meet the urgent needs of cancer patients and staff across our hospitals. The response to the appeal was excellent and we were able to fund a range of high-impact projects in Barnet, Chase Farm and the Royal Free hospitals.

In March 2023, the charity received £12m of grant funding from the RFL to finance a series of strategic investments over the next two

years. The grant is recognised as restricted in the financial statements for the year and is included in the total income from donations and legacies of £19.4m (2021/22: £22m).

The charity's other fully owned subsidiary, the RFC Recreation Club Ltd ("Rec Club") continued to rebuild its membership following the pandemic. Following some senior staff changes, the recruitment situation is now stable. Further work is planned for 2023/24 including refurbishments of the swimming pool and changing rooms. The Rec Club generated £49k (2021/22: £96k) of profits for the year, which will be Gift Aided to the charity.

Income from investments of £1.9m (2021/22: £1.2m) reflects an increase in income from the charity's financial investment portfolio, which was switched from a higher risk equity investment to a lower risk bond investment to mitigate risk in the equity markets due to the pandemic. The income also reflects the interest earned on cash deposits invested in short-term investments. There was a £789k loss on investments in the year (2021/22: £171k gain), represented by a £71k realised and £718k unrealised loss on financial investments.

The charity spent £16.7 million during the year on vital grants and

to provide its own sector-leading services for patient welfare and support as well as investing in medical research, staff training and medical equipment. More details of projects undertaken in support of our objectives are included earlier in the annual report.



## Reserves

The charity's reserves provide funding for financial commitments and a contingency against unforeseen circumstances. The trustees review the reserves levels regularly to ensure the charity has adequate funds.

The charity holds three main categories of reserves:

- **Restricted funds** are made up of gifts, donations and grants with strict spending conditions and covenants attached, as well as funds inherited from other charitable organisations through merger with the charity. Restricted funds at the year-end were £28m (2021/22: £19.9m).
- **Unrestricted, designated funds** are donations or legacies which come with an expression of wish from the donor, but no binding restriction, to benefit specific activities of a department in any of our three hospitals. Unrestricted, designated funds at the year-end were £13m (2021/22: £16.9m).
- **Unrestricted, general funds** carry no stipulation from the donor but must be spent in line with the charity's objects, which is the legal responsibility of the trustees. Unrestricted, general funds at the year-end were £67.6m (2021/22: £69.9m).

A target level and minimum level of unrestricted free reserves have been established to ensure the charity has adequate funds to operate, allowing for unexpected events. In line with accounting standards for the sector, free reserves are calculated based on general funds, adjusted for fixed assets excluding pure investment properties, and are compared against the minimum reserves requirement stipulated by the policy.

The free reserves at the year-end were negative £5.2m (2021/22: negative £3.1m). This movement in the free reserves position is attributed to negative movements in the charity's investment holdings due to adverse market conditions, transfer between funds and the deficit on income and expenditure for the year. The charity has had negative free reserves since 2020, primarily driven by three separate challenges posed by the pandemic:

1. Very challenging financial investment performance as a result not only of the pandemic but also the war in Ukraine.
2. The immense impact on the NHS and the consequential need for the charity to increase our support for our beneficiaries.
3. Additional capital required to complete the Pears Building following unavoidable cost overruns.

This position of negative free reserves does not pose liquidity or solvency issues and is considered to be temporary due to a combination of maximising unrestricted fundraising income, increasing commercial returns and controlling expenditure in a way that does not impinge on our charitable mission.

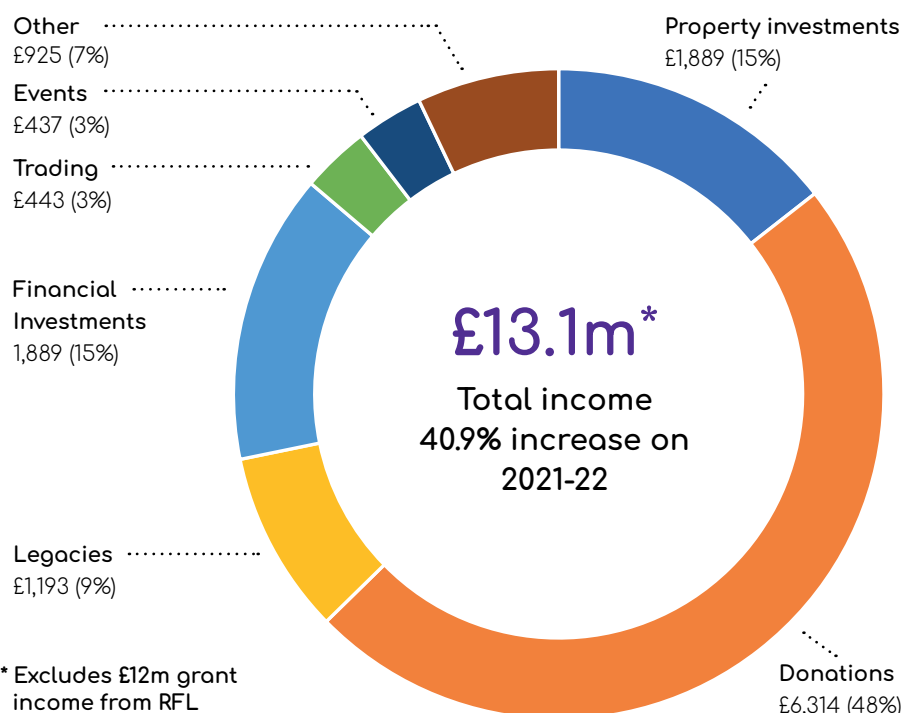
The charity's finances will in time also benefit from unrestricted income derived from its investment holdings. A new strategy to work on building up our free reserves will enable the charity to return to a position of positive free reserves in the medium term in line with the reserves policy.

The trustees have considered a target level of reserves would be six months of net operating costs and a minimum level of reserves would be four months of net operating costs. Based on 2022/23 net operating costs of £5.1m (2021/22: £5.2m), these equate to £2.6m and £1.7m respectively (see note 4 on p62). The plan outlined above will enable us to comply with this policy.



Income for the year totalled £25.1 million (£13.1m plus restricted grant of £12m from RFL). This was split between donations, legacies, financial and property investments, other trading, property operations and event activities.

### Breakdown of total income (£'000)



# OUR INCOME

## Donations: capital appeal

Funds generated through gifts and grants specifically for the construction of the Pears Building, our major new research facility.

## Donations: other

Voluntary gifts and donations received either directly by the charity or through medical departments in the RFL, from individuals, corporations, charities and charitable trusts and foundations. It includes a £12m grant received for various patient projects, with a specific focus on cancer.

## Events

Many supporters of the charity participate in, or organise, events

such as the London Marathon and the Vitality London Half Marathon to raise money for the charity.

## Financial investments

Investment income generated from quoted investments and cash holdings.

## Legacies

Gifts that donors have left to the charity in their wills.

## Other

Income generated from, among other things, training courses run by various hospital departments to further the charitable activities within the department concerned.

## Property investments

This predominantly relates to the net disposal proceeds on investment properties when they have been sold and the rental income generated from properties held for investment purposes.

## Property operations

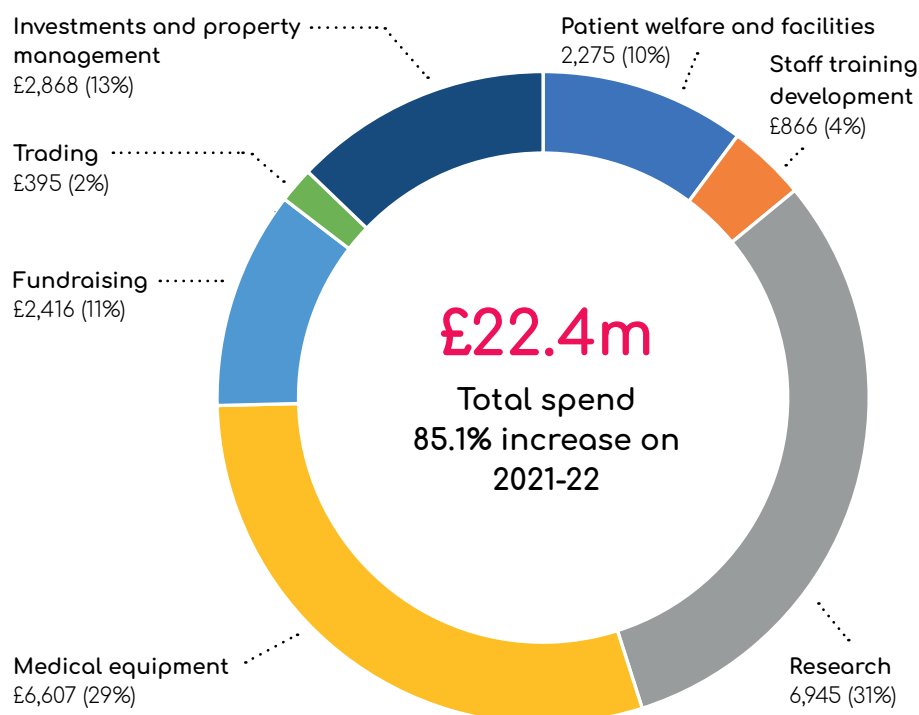
This relates to operational activity from our subsidiary enterprises and includes the management of the Pears Building.

## Other trading

Income from our subsidiary, the RFC Recreation Club Ltd, which operates under the brand of the "Rec Club" and provides leisure facilities to hospital staff and members of the local community.

Expenditure for the year was £22.4 million. Expenditure is split across the four key areas of our work: patient welfare and facilities, staff training and development, research and medical equipment as well as fundraising, trading and investment management.

## Breakdown of expenditure (£'000)



# OUR EXPENDITURE

## Fundraising

The cost of generating our fundraising income by staff, events and other related costs.

## Investment management

These are professional fees in relation to the charity's financial and property investments.

## Medical equipment

Expenditure on medical equipment was £6.6m in 2022/23.

## Patient welfare and facilities

This expenditure relates to grants to improve patient welfare and facilities and the costs of volunteer services, our support hub service and our massage team, all of whom provide services which are

much appreciated by patients at our three hospitals. The charity spent £2.3m on this area during the financial year.

## Research

These grants support life-saving and life-changing medical research at our hospitals including the salaries of researchers, research equipment and associated research costs. We spent £6.9m on research.

## Staff training and development

Many donations are given to benefit RFL staff and these are often used either to enable staff to attend training courses or to provide additional facilities for staff, including 'Fit at the Free',

a programme to enhance staff wellbeing. Total spend was £866,000.

## Trading

These are the operating costs of the Recreation Club, which provides fitness and wellbeing services, and the final costs for the retail shop operations, which were wound up during the year 2020-21.





## Risks and risk management

The trustees recognise their duty to anticipate, manage and mitigate the risks to which the charity's activities could be exposed. They acknowledge that risk is inherent in all activities and that its management is crucial to achieving the charity's objects. The trustees take a systematic approach to managing risk, with the executive team regularly monitoring and reporting risks to the board as well as prioritising actions. Risks are rated by multiplying a score for the likelihood of a risk by a score for its severity on a scale from 1-25. Scores before and after mitigation are calculated using a risk matrix. Risk areas with a pre-mitigation score of eight or above are reported to the trustees through committee and board governance structure.

### **The board considers the following as the key risks for the organisation...**

#### **1**

**Fundraising: Impact on donors of economic downturn means the fundraising function fails to meet its financial targets and deliver satisfactory returns.**

The trustees agreed to increase fundraising capacity and improve fundraising infrastructure during the year. The war in Ukraine, the cost-of-living crisis, recruitment of staff and major economic pressures have posed challenges for voluntary income fundraising. The board and the executive team continue to closely manage and monitor fundraising performance through in-year reporting against targets.

## 2

### Challenging recruitment market prevents us filling key roles

The impact of this risk is measured through implementation of critical projects, management time taken up with recruitment and excessive workload for staff covering gaps. The executive and the trustee board mitigated this risk by improving staff retention, using personal networks to find new talent, continuing our work towards becoming an employer of choice and improving organisational culture by promoting staff benefits and holding various all-staff events.

There is a recognition of the cost pressures created by escalating inflation and interest rates, and the impact of these on beneficiaries, staff and the charity itself. Staff pay is regularly reviewed and is addressed as part of budget-setting and budget management processes, taking into account the charity's objectives, recruitment and retention costs and staff morale, high energy costs, high inflation and interest rates. Staff pay is under review and this will be addressed as part of the budget-setting process, taking into account the charity's objectives, recruitment and retention costs and staff morale.

## 3

### Negative unrestricted ("free") reserves

The trustee board has focused on eliminating the charity's 'negative' free reserves position and the financial strategy is aimed at ensuring at the very least a balanced operational income and expenditure account in future.

At worst, this risk would mean the charity was unable to meet current financial commitments and to support the RFL with future needs. This could lead to the trust's disillusionment with the charity and affect our reputation with donors, leading to a drop in income.

Free reserves are a key metric regularly reported to the board and the finance, investment and audit committee and have also been the main driver for the financial strategy. In addition to a number of policy reviews such as asset classification, the levy applied to certain funds for administrative and management fees, a review of historical restricted funds and use of the charity's asset holdings to generate additional unrestricted income, the charity has reviewed its investment strategy and will implement the recommendations during 2023/24. Furthermore,

a review of the cost base will be undertaken as part of financial planning. This exercise is expected to provide savings of around £500,000, directly contributing to improving the free reserves position.

The trustees fully support the inclusion of freehold properties as part of free reserves, as long as operationally the charity delivers a balanced income and expenditure performance. Financial planning continues to place an emphasis on generating more unrestricted and budget-relieving income.

Trustees are confident that the charity's unencumbered property holdings fully negate the negative free reserves position at the end of the financial year and the measures in place for mitigating risks provide confidence in the charity's future operations.



## Statement of trustees' responsibilities

The trustees (who are also directors of the Royal Free Charity for the purposes of company law) are responsible for preparing the trustees' 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".

Company law requires the trustees to prepare financial statements for each financial period that give a true and fair view of the state of affairs of the company and of the incoming resources and application of resources, including the income and expenditure of the company for that period. In preparing those financial statements, the trustees are required to:

- (a) select suitable accounting policies and apply them consistently;
- (b) comply with applicable accounting standards, including FRS 102, subject to any material departures disclosed and explained in the financial statements;
- (c) state whether a statement of recommended practice applies and has been followed, subject to any material departures

- which are explained in the financial statements;
- (d) make judgements and estimates that are reasonable and prudent;
- (e) prepare the financial statements on a going-concern basis unless it is inappropriate to presume that the company will continue in business.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

Insofar as the trustees are aware:

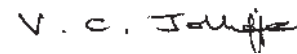
- (a) there is no relevant audit information of which the company's auditor is unaware; and
- (b) the trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees' annual report is approved by the trustees of the charity. The strategic report, which forms part of the annual report, is approved by the trustees in their capacity as directors in company law of the charity.

**By order of the trustees**



**Judy Dewinter**  
Chair of Trustees



**Valerie Jolliffe**  
Trustee and Chair of the  
Finance and Audit Committee

Date: 25 January 2024



## Structure, governance and management

### Legal structure

On 1 April 2016, the Royal Free Charity reconstituted as an independent charity (no. 1165672), solely regulated by the Charity Commission and no longer subject to NHS legislation. This status establishes the charity's independence from the Department of Health and, by virtue of becoming a company limited by guarantee (no 09987907), limits the trustees' liability. The charity operates under a Charity Commission scheme dated 1 April 2016 and its objects, as stated in its articles of association, encompass not only the support of patients of the RFL, but also and more generally the promotion of health and medical research, particularly within the RFL catchment area.

### Trustees

Following the reconstitution of the charity, new trustees are appointed by the trustee board after open competition. One trustee who was previously a trustee of the former NHS charity is now a trustee of the incorporated charity (Russell Brooks); in addition, the RFL has the right to appoint and remove one trustee. During the year Dr Chris Streather fulfilled this role and on his retirement as trustee, Dr Gillian Smith, group chief medical director at the RFL, was appointed as a charity

trustee (3 April 2023). The chair of the trustees aims for new and existing trustees to be fully briefed on the key issues facing the Royal Free Charity, including Charity Commission information on trustee responsibilities, aspects of charity law pertinent to the Royal Free Charity and timely copies of reports, accounts and other key documents. Board members declare all relevant interests in other bodies, especially bodies closely connected with the RFL. The trustees and their three sub-committees – people and governance; finance, investments and audit (supported by an investments sub-committee); and fundraising, grants and services committees – meet quarterly.

### Powers of investment

The charity's powers of investment are principally derived from its articles of association and the Companies Act 2006. In exercising these powers, the trustees must act in accordance with their duties as charity trustees and as company directors as set out in the Charities Act 2011 and the Companies Act 2006. They must also act in accordance with the Trustee Act 2000. These powers of investment are wide, allowing the trustees to invest in such stocks, funds, shares,

equities or other investments as they see fit.

### Remuneration

The remuneration of senior staff is agreed by the trustees, following a comparison of their posts with similar positions in the charity sector.



## Public benefit statement

The Royal Free Charity's purpose is to support the Royal Free London NHS Foundation Trust's three hospitals - Barnet Hospital, Chase Farm Hospital and the Royal Free Hospital – as well as many satellite sites across north London. We focus our support on three groups:

- **Patients and their families**, whether local or from further away, needing to use the trust's specialist services. We enhance the experience of patients throughout their hospital journey, through the services we provide directly and the projects and equipment we fund on the wards.
- **The staff of the three hospitals and many satellite sites**, so they can deliver the best possible healthcare.
- **Researchers** working in the hospitals and partner institutes, helping them have not only local impact but also the potential to improve healthcare nationally and globally.

The public benefits that flow from our support for these three groups:

### 1. Patients

Evidence shows that improving the experience of patients leads to better patient safety and clinical outcomes and a better quality

of life, particularly for patients facing a poor prognosis; improves patient involvement in, and understanding of, their care; leads to fewer demands for unnecessary treatment; and can expose important system challenges, leading to improvement of care for all. See pages 11-15

### 2. NHS staff

Evidence shows that improving the experience of NHS staff leads to better retention of staff, crucial at a time of chronic staff shortages in the NHS; relieves long-term anxiety caused by work stresses; makes staff feel better prepared for the future; and improves patient outcomes and satisfaction. In addition, improvements to the working environment and the specialist equipment staff use encourage a more holistic approach to treatment, health and wellbeing, and improve morale. See pages 11-15

### 3. Researchers

Healthcare research can provide important information about different forms of treatment and outcomes, disease risk factors and trends, public health interventions and healthcare costs, among many other benefits to the public. Royal Free Charity funds primarily support two aspects of research – clinical trials and translational research. This takes laboratory discoveries and turns them into

treatments and interventions that directly benefit human health. The charity led the funding and construction of the Pears Building, a new home for the UCL Institute of Immunity and Transplantation, and supplied seed funding for the trust's clinical research facility which last year secured state funding worth £5m. See pages 17-19

No harm arose from our work. Our beneficiaries were patients, NHS staff, the general public and locally-based community and voluntary organisations. No private benefit arose from these purposes.

## Reference and administrative detail

### Financial statements

The audited consolidated financial statements comply with the Statement of Recommended Practice 'Accounting and Reporting by Charities' FRS 102 including Update Bulletin 2, the Charities Act 2011 and the Companies Act 2006.

### Charity status

The charity is a company limited by guarantee. Its members are the trustees of the charity, of whom there may be a maximum of 14. Each member guarantees to contribute up to one pound sterling (£1) to the charity's debts, liabilities and costs in the event of the charity being wound up and for one year after ceasing to be a member.

### Charity objects are to:

- (a) further any charitable purpose or purposes relating to the general or any specific purposes of the foundation trust or the purposes of the health service
- (b) promote, protect, preserve and advance all or any aspects of the health and welfare of the public, particularly within the catchment area of the foundation trust
- (c) advance and promote knowledge and education in medicine, including by engaging in and supporting medical research.

### Governing document

The Royal Free Charity is governed by its articles of association dated 4 February 2016, reviewed and updated in January 2023.

### Company number

09987907 in England and Wales

### Charity number

1165672 in England and Wales

### Registered office

Royal Free Charity  
Pears Building  
London  
NW3 2PP





## Independent auditor's report to the members of the Royal Free Charity

### Opinion

We have audited the financial statements of the Royal Free Charity for the year-ended 31 March 2023 which comprise the consolidated statement of financial activities, the comparative statement of financial activity, the consolidated and company balance sheets, the consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies. 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).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2023 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United

Kingdom Generally Accepted Accounting Practice guidelines (UKGAAP);

- have been prepared in accordance with the requirements of the Companies Act 2006.

### 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 group and charitable company, in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including 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 group and charitable company's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

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

### Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial

statements or our knowledge obtained in the 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.

#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion based on the work undertaken in the course of our audit:

- the information given in the strategic report and the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report and the strategic report have been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of the knowledge

and understanding of the group and charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 48, 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 group and charitable company'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 group and charitable company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

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.

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 obtained an understanding of the legal and regulatory frameworks within which the group and charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and taxation legislation.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be income recognition with respect to events and legacies, ensuring recharges have been applied appropriately; the Pears Building being accounted for appropriately; and the override of controls by management. Our audit procedures to respond to these risks included testing of income on a sample basis,

recalculation of recharges on a sample basis, review of Pears Building accounting and enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals and reviewing accounting estimates for biases.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.


These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org](http://www.frc.org).

uk/auditorsresponsibilities. This description forms part of our auditor's report.

### Use of our report

This report is made solely to the group and charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the group and charitable company's members 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 group and charitable company and the group and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Alastair Lyon**  
(Senior Statutory Auditor)

For and on behalf of  
Crowe U.K. LLP  
Statutory Auditor  
Aquis House, 49-51 Blagrove Street,  
Reading, Berkshire, RG1 1PL

Date: 25 January 2024

## Consolidated statement of financial activities

Year ended 31 March 2023				Year ended 31 March 2022			
	Note	Unrestricted funds £000	Restricted funds £000	Total 2022/23 £000	Unrestricted funds £000	Restricted funds £000	Total 2021/22 £000
<b>Income and endowments from:</b>							
Donations and legacies	2	3,349	16,056	19,406	4,540	17,475	22,015
Charitable activities		101		101	52	-	52
Trading activities							
Property operations		1,889	-	1,889	1,372	-	1,372
Other trading operations		443	-	443	428	-	428
Other		925		925			
Investments	8.4	1,857	32	1,889	1,210	25	1,235
Other							
Events		261	1	262	200	2	202
Other income		175	-	175	43	-	43
<b>Total income</b>		<b>9,001</b>	<b>16,089</b>	<b>25,090</b>	<b>7,845</b>	<b>17,502</b>	<b>25,347</b>
<b>Expenditure on:</b>							
Raising funds							
Fundraising expenditure		2,416		2,416	1,641	-	1,641
Trading expenditure		395		395	264	-	264
Investment/ property management		2,868		2,868	2,475	-	2,475
Charitable activities	3	8,168	8,525	16,693	6,904	878	7,783
<b>Total expenditure</b>		<b>13,847</b>	<b>8,525</b>	<b>22,371</b>	<b>11,284</b>	<b>878</b>	<b>12,163</b>
Net gains/(losses) on investments	8.6	(738)	(51)	(789)	71	100	171
<b>Net income/(expenditure)</b>		<b>(5,584)</b>	<b>7,513</b>	<b>1,929</b>	<b>(3,369)</b>	<b>16,724</b>	<b>13,355</b>
Transfers between funds	11	(574)	574	-	34,955	(34,955)	-
Gains on tangible fixed assets		-	-	-	44	-	44
<b>Net movement in funds</b>		<b>(6,157)</b>	<b>8,086</b>	<b>1,929</b>	<b>31,630</b>	<b>(18,231)</b>	<b>13,399</b>
Reconciliation of funds:							
Total funds brought forward		86,786	19,866	106,653	55,156	38,097	93,254
<b>Total funds carried forward</b>		<b>80,628</b>	<b>27,952</b>	<b>108,583</b>	<b>86,786</b>	<b>19,866</b>	<b>106,653</b>

The notes on pages 58-71 form part of these accounts





## Consolidated charity balance sheet

	Note	Group March 2023 £000	Charity March 2023 £000	Group March 2022 £000	Charity March 2022 £000
<b>Fixed assets</b>					
Tangible assets	6	31,369	31,359	30,976	32,377
Investments	8	21,229	21,368	16,963	17,102
Social investments	8	41,872	41,872	42,478	43,913
<b>Total fixed assets</b>		<b>94,470</b>	<b>94,599</b>	<b>90,416</b>	<b>93,392</b>
<b>Current assets</b>					
Debtors	9	19,908	20,764	4,888	6,373
Cash at bank and in hand		15,771	15,550	26,516	25,875
<b>Total current assets</b>		<b>35,679</b>	<b>36,314</b>	<b>31,404</b>	<b>32,248</b>
Creditors falling due within one year	10.1	(21,566)	(21,890)	(14,034)	(14,761)
<b>Net current assets</b>		<b>14,112</b>	<b>14,424</b>	<b>17,370</b>	<b>17,487</b>
Creditors falling due after more than one year	10.2	-	-	(1,133)	(1,133)
<b>Total net assets</b>		<b>108,583</b>	<b>109,023</b>	<b>106,653</b>	<b>109,746</b>
<b>Income funds</b>					
Unrestricted	11.1	80,630	81,070	86,787	89,879
Restricted	11.2	27,953	27,953	19,866	19,866
<b>Total funds</b>		<b>108,583</b>	<b>109,023</b>	<b>106,653</b>	<b>109,746</b>

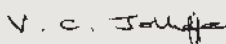
The notes on pages 58-71 form part of these accounts.

As permitted by section 408 of the Companies Act 2006, the parent charity's gross income and results have not been included in the financial statements.



Judy Dewinter  
Chair of Trustees

Date: 25 January 2024



Valerie Jolliffe  
Trustee and Chair of the Finance and Audit Committee

Company registration no: 09987907

## Consolidated cash flow statement

Cash inflow/(outflow) from operating activities	2022/23	2021/22	
	£000	£000	
Net cash provided by/(used in) operating activities	(6,527)	13,639	
Cash flows from investing activities			
Investment income and interest received	1,889	1,235	
Proceeds from disposal of fixed asset investments	6,548	1,438	
Acquisition of fixed asset investments	(11,603)	(1,459)	
Acquisition of tangible fixed assets by charity	(1,042)	(319)	
Acquisition by subsidiary companies of:			
Tangible fixed assets	(10)	(6)	
Asset under construction	0	(405)	
Net cash flow from investing activities	(4,218)	484	
Cash flow from financing activities			
Repayment of loan	-	-	
Increase/(decrease) in cash and cash equivalents	(10,745)	14,123	
Cash and cash equivalents at beginning of period	26,516	12,393	
Cash and cash equivalents at end of period	15,771	26,516	
Reconciliation of net income to cash flow from operating activities	2022/23	2021/22	
	£000	£000	
Net income/(expenditure) including endowments	1,929	13,355	
Adjustments for:			
Depreciation and amortisation charges	1,265	84	
Net (gains)/losses on investments	789	(171)	
Investment income	(1,889)	(1,235)	
Loss on disposal of tangible fixed assets	0	0	
(Increase)/decrease in debtors	(15,020)	(774)	
Increase/(decrease) in creditors	6,399	2,380	
Net cash provided by/	(6,527)	13,639	
(used in) operating activities			
Analysis of net cash	01 April 2022	Cashflows	31 March 2023
	£000	£000	£000
Short-term deposits	-	-	-
Cash at bank and in hand	26,516	(10,745)	15,771
	26,516	(10,745)	15,771

The notes on pages 58-71 form part of these accounts



## 1 Accounting policies

### Basis of preparation

These financial statements are prepared on a going-concern basis, under the historical cost convention, as modified by the revaluation of investments being measured at fair value via income and expenditure within the statement of financial activities.

They are prepared in accordance with the financial reporting standard applicable in the UK (FRS 102). The charity is a public benefit group for the purposes of FRS 102, therefore it also prepared its financial statements in accordance with the statement of recommended practice (SORP) applicable to charities preparing their accounts in accordance with the financial reporting standard applicable in the UK (FRS 102 Charities SORP), the Companies Act 2006 and the Charities Act 2011.

They are prepared in GBP sterling, which is the charity's functional currency. Monetary amounts in the financial statements are rounded to the nearest £1,000.

### Going concern

The trustees assessed the suitability of the use of the going-concern basis and considered possible events due to conditions, including impact of rising inflation, interest rates and cost of living, that might significantly affect

the charity's ability to continue as a going concern. In making this assessment, for a period of at least a year from the date of approval of the financial statements, they considered the charity's financial plans, forecasts and projections and noted the pressures on donation, legacy and investment income. After making enquiries and considering the available cash balances and funds within the investment portfolio, the trustees believe that the charity has adequate resources to continue to operate and deliver on its objectives for the foreseeable future. It therefore adopts the going-concern basis in preparing its financial statements.

### Estimates and judgements

Works of art are valued in the balance sheet at £361,000 (2021/22: £361,000), a figure which the trustees believe fairly reflects their value.

Investment properties are valued in the balance sheet at £1,401,000 (2021/22: £1,401,000), a figure which the trustees believe fairly reflects their value. Mixed-motive investment represents a property valued in the balance sheet at £13,770,000 (2021/22: £13,770,000), a figure which the trustees believe fairly reflects its value. See the accounting policy for investment properties, which explains how the valuation has been arrived at.

### Financial instruments

The charity has applied the provisions of Section 11 "Basic Financial Instruments" of FRS 102 to all its financial instruments. They are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to offset the recognised amounts, and an intention to settle on a net basis, or to realise the assets and settle the liability simultaneously.

Apart from prepayments, deferred income and balances with HM Revenue & Customs under statute, all other debtor and creditor balances, as shown in notes 9 and 10, are considered to be basic financial instruments under FRS 102.

### Consolidation

These financial statements consolidate on a line-by-line basis the financial statements of the company (the Royal Free Charity) and its subsidiaries RFC Developments Ltd, RFC Enterprises Ltd, RFC Recreation Club Ltd and RFC Overage Ltd.

### Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits at

## Notes to the accounts for the year ended 31 March 2023 (continued)

call with banks and other short-term liquid investments with original maturities of three months or less.

### Fund structure

Restricted funds are funds for which a legal restriction exists over their use, as determined by the donor. This could be a restriction to a particular department of the hospital, such as cardiac or renal, or to a particular sphere of activity, for example research or equipment.

General funds may be used at the trustees' discretion for any general purpose of the charity.

### Income

All income is included in full in the statement of financial activities as soon as the following three factors can be met:

- (a) entitlement - arises when a particular resource is receivable or the charity's right becomes legally enforceable.
- (b) probability - when it is probable that the incoming resources will be received.
- (c) measurement - when the monetary value of the incoming resources can be measured with sufficient reliability.

### Government grants

Grants relating to revenue are

recognised in income on a systematic basis over the periods in which the charity recognises the associated costs for which the grant is intended to compensate.

### Gifts in kind

Gifts in kind are recognised as income and expenditure in the year the gifts are received by the charity. The amount at which gifts in kind are recognised is either value of the cost to the donor or the fair value determined by the charity. The gifts are then directed to the relevant hospital department or ward. Total value of gifts in kind for 2022/23 was £nil (2021/22: £nil).

### Expenditure

Liabilities are recognised as expenditure if the charity has a legal or constructive obligation that commits it to the expenditure, or if there is a constructive obligation to make a transfer of value to a third party.

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the particular category.

Governance costs comprise the costs of complying with statutory requirements.

### Allocation of overhead and support costs

Overhead costs have been divided

into the categories shown in note 4, and apportioned between those categories (raising funds and charitable expenditure), on the basis of their relevance to each category. In 2022/23, as in 2021/22, a direct charge was made to restricted and designated funds in recognition of the overhead and support costs relating to those funds. The salaries of the charity's staff are apportioned individually across these expense categories, reflecting the time spent by each individual on the relevant activities.

### Grants

Grants are accrued in full when there is a binding commitment by the charity to transfer the amounts involved to a third party.

### VAT and partial exemption

The charity is in a VAT group with its subsidiary RFC Enterprises Ltd. It is entitled to recover part of the net VAT incurred as a cost. The recovered proportion is small and changes from one accounting period to another, subject to the VAT status of income generated. The irrecoverable element of VAT is expensed through the statement of financial activities as a charge. Where the VAT is in relation to an asset, the irrecoverable VAT is capitalised along with the net amount of the asset cost.





## Notes to the accounts for the year ended 31 March 2023 (continued)

### Investments

Investments are shown in the balance sheet at market value.

The investment property was valued in 2019/20 by Cluttons, chartered surveyors. The mixed-motive investment property was valued in 2020/21 by Montagu Evans, chartered surveyors. The trustees are satisfied that these valuations reflect the properties' fair value.

### Social investments

Programme-related investments relate to parts of the Pears Building leased to third parties that are used to help to fulfil the

charity's charitable objectives. The programme-related investments are held at cost.

Mixed-motive investments (MMI) relate to a property used to help to fulfil the charity's charitable objectives as well as generating investment return.

### Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is calculated to write off the cost less estimated residual value of each asset over its expected useful life (as per table below).

At the end of each reporting period, the residual values and useful lives of assets are reviewed and adjusted if necessary. In addition, if events or change in circumstances indicate that the carrying value may not be recoverable, then the carrying values are reviewed for impairment.

Properties held as pure investment or MMI, or properties held as pure investment, MMI or partially MMI, are not to be depreciated. The Armoury (pure investment property) and Graseby House (MMI) will not be depreciated. The Pears Building is amortised over

Asset type	Capitalisation threshold	Depreciation
Building - leasehold	£10,000	Lease period (eg Pears Building 50 years)
Building - freehold	£10,000	100 years (freehold)
Computer equipment	£2,500 individually or exceeding £5,000 in aggregate	3 years
Computer systems development	£25,000 in aggregate	5 years
Software (purchased or developed)	£25,000	5 years or expected life, if shorter
Computer development	£2,500 individually or exceeding £5,000 in aggregate	5 years
Recreation equipment	£1,000 individually or exceeding £1,000 in aggregate	5 years
Shop EPOS system	£5,000	5 years
Shop fit-outs	£5,000	Lease term
Furniture and fittings	£2,500 individually or exceeding £5,000 in aggregate	5 years
Asset under construction	Cost	Not depreciated
Works of art	Market value	Not depreciated

## Notes to the accounts for the year ended 31 March 2023 (continued)

its lease period and the charge to the statement of financial activities is classed as charitable expenditure with the exception of the depreciation charge relating to the charity office space, which is expensed as part of support service costs.

All intercompany profits levied on the construction of the Pears Building have been written off and charged to the statement of financial activities in the year (£2.9m).

### **Leasehold – Pears Building**

The Pears Building is classified as social investment for all areas occupied by (and shared with) other entities, which are UCL, the charity, the NHS trust and RFLPS.

### **Freehold property**

Freehold property and part of a freehold property that is in operational use and not a pure investment nor MMI would be depreciated over 100 years.

### **Realised gains and losses**

Gains and losses are reported in the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sale proceeds and opening market values (or date of purchase if later). Unrealised gains and losses are calculated

as the difference between market value at the year end and opening market value (or date of purchase if later).

### **Pooling scheme**

A pooling scheme for all funds held under the auspices of the Royal Free Charity is contained within a Charity Commission Scheme dated 1 April 2016. It covers all funds formerly held by the Special Trustees for The Royal Free Hospital, the Royal Free Hampstead Charities, the Dresden Assistance Fund for the Royal Free Hospital and the Kitty Cookson Memorial Fund. It does not distinguish between the different types of funds (unrestricted, designated, restricted), which are pooled.

### **Pension costs**

Staff who were formerly employed by the Royal Free Hampstead NHS Trust (the predecessor of the Royal Free London NHS Foundation Trust) participate in the NHS Pension Scheme. Some current staff remain in that pension scheme, but new employees participate in personal pension schemes to which the employer's contribution matches that of the employee up to a maximum of 9%. Staff of the charity's trading subsidiary, RFC Recreation Club Ltd, also participate in personal pension schemes.

The NHS Pension Scheme is a multi-employer defined benefit scheme but under SORP 28.11, this is accounted for in these financial statements as if it was a defined contribution scheme.

### **Operating lease**

Rentals paid under operating leases are charged to the statement of financial activities or the profit and loss account (depending on the relevant legal entity), evenly over the period of the lease.



## Notes to the accounts for the year ended 31 March 2023 (continued)

### 2 Donations and legacies

	Unrestricted funds £000	Restricted funds £000	Total 2022/23 £000	Unrestricted funds £000	Restricted funds £000	Total 2021/22 £000
Donations – capital appeal	0	0	0	0	150	150
Donations	2,342	15,871	18,213	3,167	17,322	20,489
Legacies	1,007	186	1,193	1,373	3	1,376
<b>Total</b>	<b>3,349</b>	<b>16,056</b>	<b>19,406</b>	<b>4,540</b>	<b>17,475</b>	<b>22,015</b>

### 3 Charitable expenditure

	Grants expenditure £000	Activities undertaken directly £000	Social investment costs £000	Support costs £000	Total 2022/23 £000	Grant expenditure £000	Activities undertaken directly £000	Social investment costs £000	Support costs £000	Total 2021/22 £000
Patient welfare and facilities	198	863	606	609	2,275	983	1,165	0	269	2,417
Staff training and development	111	392		363	866	686	596	0	160	1,442
Research	992	4,539	494	920	6,945	2,275	971	0	406	3,653
Medical equipment	6,006	532		68	6,607	241	0	0	30	271
<b>Total</b>	<b>7,308</b>	<b>6,326</b>	<b>1,100</b>	<b>1,960</b>	<b>16,693</b>	<b>4,185</b>	<b>2,732</b>	<b>0</b>	<b>866</b>	<b>7,783</b>

All grants were made to institutions. There were no grants to individuals.

### 4 Analysis of support costs by activity

	Governance £000	Raising funds £000	Charitable activities £000	Total 2022/23 £000	Governance £000	Raising funds £000	Charitable activities £000	Total 2021/22 £000
Salaries – charity	20	1,668	701	2,389	17	1,425	599	2,041
Salaries – trading subsidiary	0	234	0	234	0	199	0	199
Investment/property management	0	2,868	81	2,949	0	2,475	70	2,545
Other trading subsidiary costs	0	161	0	161	0	151	0	151
Charity trading costs	0	0	0	0	0	(86)	0	(86)
Statutory auditor's remuneration	39	0	0	39	37	0	0	37
Legal and other professional fees	7	135	20	163	11	199	30	240
Event and marketing costs	0	74	4	78	0	61	3	64
Consultancy/recruitment services	0	34	30	64	0	23	20	43
Publicity materials	0	238	0	238	0	196	0	196
Capital appeal costs	0	37	24	61	0	3	2	5
Others	3	231	1,030	1,264	0	(266)	77	(189)
<b>Total support costs</b>	<b>70</b>	<b>5,679</b>	<b>1,890</b>	<b>7,639</b>	<b>65</b>	<b>4,380</b>	<b>801</b>	<b>5,246</b>
Governance costs reallocated	(70)		70		(65)		65	
<b>Total support costs</b>	<b>0</b>	<b>5,679</b>	<b>1,960</b>	<b>7,639</b>	<b>0</b>	<b>4,380</b>	<b>866</b>	<b>5,246</b>

"The 5% mark up, applied by the charity's subsidiary to the construction of the Pears Building, has been expensed in this financial year and is included within the 'Others' line above."

These costs are initially charged to unrestricted funds, except for certain specific costs that relate to particular special purpose funds. Besides a share of investment management costs, each special purpose fund bears a levy as a contribution towards the other overhead costs, in recognition that some of these costs are incurred in relation to those funds. In 2022/23, this charge was £395,495 (2021/22: £233,608).

## 4.1 Analysis of staff costs

	Charity	Subsidiary	Total 2022/23		Charity	Subsidiary	Total 2021/22
	£000	£000	£000		£000	£000	£000
Salaries and wages	2,600	203	2,803		2,322	173	2,495
Social security costs	285	18	303		254	15	269
Other pension costs	135	13	148		132	11	143
<b>Total</b>	<b>3,020</b>	<b>234</b>	<b>3,254</b>		<b>2,708</b>	<b>199</b>	<b>2,907</b>

No employee of any subsidiary company received emoluments exceeding £60,000.

		2022/23	2021/22
<b>The number of such employees of the charity were:</b>	£60,001-£70,000	8	2
	£70,001-£80,000	-	1
	£80,001-£90,000	2	1
	£90,001-£100,000	-	-
	£100,001-£110,000	2	1
	£110,001-£120,000	1	1
<b>Pension contributions were made for these employees as follows:</b>		£000	£000
	£60,001-£70,000	27	8
	£70,001-£80,000	-	3
	£80,001-£90,000	7	3
	£90,001-£100,000	-	-
	£100,001-£110,000	13	4
	£110,001-£120,000	11	10

There was an average monthly number of 70 staff in 2022/23 (2021/22: 68). The RFC Recreation Club Ltd had an average number of 8 staff (2021/22: 8), and RFC Developments Ltd did not employ any staff. The key management personnel during the year were Jon Spiers, chief executive; Robin Meltzer, deputy chief executive and director of engagement and communications; Yusuf Firat, director of finance, property and operations; Sharron Grant, director of HR; Alison Kira, director of grants and services; Paul Stein, executive director of fundraising and communications; Jenny Todd and Laura James, assistant director of grants and services. The total salary cost of the key management personnel (including social security and employer pension costs) was £747,651 (2021/22: £756,000). During the year, the charity made total termination payments of £40,126 (2021/22: £51,000).

## 5 Analysis of net assets between funds

Group	Unrestricted funds £000	Restricted funds £000	Total 2022/23 £000	Unrestricted funds £000	Restricted funds £000	Total 2021/22 £000
Fixed assets	31,369		31,369	30,975	0	30,975
Investment	61,035	2,066	63,101	57,239	2,202	59,441
Current assets	9,792	25,887	35,679	13,592	17,812	31,404
Liabilities	(21,566)		(21,566)	(13,885)	(149)	(14,034)
Long-term liabilities			-	(1,133)	-	(1,133)
	<b>80,630</b>	<b>27,953</b>	<b>108,583</b>	<b>86,788</b>	<b>19,865</b>	<b>106,653</b>

Charity	Unrestricted Funds £000	Restricted Funds £000	Total 2022/23 £000	Unrestricted Funds £000	Restricted Funds £000	Total 2021/22 £000
Tangible fixed assets	31,359	-	31,359	32,377	0	32,377
Investments	61,174	2,066	63,240	58,813	2,202	61,015
Current assets	10,427	25,887	36,314	14,436	17,812	32,248
Short-term liabilities	(21,890)	-	(21,890)	(14,612)	(149)	(14,761)
Long-term liabilities		-	-	(1,133)	-	(1,133)
	<b>81,070</b>	<b>27,953</b>	<b>109,023</b>	<b>89,881</b>	<b>19,865</b>	<b>109,746</b>





## Notes to the accounts for the year ended 31 March 2023 (continued)

### 6.1 Fixed assets - group

	Recreational equipment	Furniture & fixtures	Artworks	Asset under construction	Computer equipment	Properties	Total
Cost	£000	£000	£000	£000	£000	£000	£000
Brought forward at 1 April 2022	91	34	361	-	54	30,584	31,124
Additions	10	21	-	-	11	1,010	1,052
Revaluation	-	-	-	-	-	-	-
Transfer	-	-	-	-	-	-	-
<b>Carried forward at 31 March 2023</b>	<b>101</b>	<b>55</b>	<b>361</b>	<b>-</b>	<b>65</b>	<b>31,594</b>	<b>32,176</b>
Accumulated depreciation							
Brought forward at 1 April 2022	82	14	-	-	15	38	149
Charge for the year	9	7	-	-	9	634	659
<b>Carried forward at 31 March 2023</b>	<b>91</b>	<b>21</b>	<b>-</b>	<b>-</b>	<b>24</b>	<b>672</b>	<b>808</b>
Net book value at 1 April 2022	9	20	361	-	39	30,546	30,976
<b>Net book value at 31 March 2023</b>	<b>10</b>	<b>34</b>	<b>361</b>	<b>-</b>	<b>41</b>	<b>30,922</b>	<b>31,369</b>

### 6.2 Fixed assets - charity

	Recreational equipment	Furniture & fixtures	Artworks	Asset under construction	Computer equipment	Properties	Total
Cost	£000	£000	£000	£000	£000	£000	£000
Brought forward at 1 April 2022		34	361		54	31,994	32,443
Additions		21		13	11	1,109	1,154
Revaluation							-
Disposal: 2015-2022						(1,410)	(1,410)
Disposal: 2023						(112)	(112)
<b>Carried forward at 31 March 2023</b>		<b>55</b>	<b>361</b>	<b>13</b>	<b>65</b>	<b>31,581</b>	<b>32,075</b>
Accumulated depreciation							
Brought forward at 1 April 2022		14	-	-	15	38	67
Charge for the year		7			8	634	649
<b>Carried forward at 31 March 2022</b>	<b>0</b>	<b>21</b>	<b>-</b>	<b>-</b>	<b>23</b>	<b>672</b>	<b>716</b>
Net book value at 1 April 2022		20	361	-	39	31,956	32,376
<b>Net book value at 31 March 2023</b>	<b>-</b>	<b>34</b>	<b>361</b>	<b>13</b>	<b>42</b>	<b>30,909</b>	<b>31,359</b>

### 7 Subsidiary companies

Details of the charity's subsidiary undertakings are set out below. All the subsidiary undertakings are incorporated in England and Wales and operate in the United Kingdom.

Company	Shares held Class	%	Principal activity
RFC Recreation Club Ltd	Ordinary	100	Provision of recreational services
RFC Developments Ltd	Ordinary	100	Design, construction and building services
RFC Enterprises Ltd	Ordinary	100	Management of Pears Building
RFC Properties Ltd	Ordinary	100	Company dormant and not yet trading
RFC Overage Ltd (previously called: RFC Properties (CF Holdings) Ltd)	Ordinary	100	Management of intangible assets from disposal of a property

## 7 Subsidiary companies (continued)

The results of the subsidiaries, and their assets and liabilities, are as follows:

	Year ended 31 March 2023				Year ended 31 March 2022		
	RFC Overage Ltd*	RFC Enterprises Ltd	RFC Recreation Club Ltd	RFC Developments Ltd	RFC Enterprises Ltd	RFC Recreation Club Ltd	RFC Developments Ltd
	£000	£000	£000	£000	£000	£000	£000
Turnover		2,345	444	3,285	1,895	439	742
Expenditure	(1)	(2,192)	(395)	(2,290)	(2,157)	(343)	(742)
<b>Result for the year</b>	<b>(1)</b>	<b>153</b>	<b>49</b>	<b>995</b>	<b>(262)</b>	<b>96</b>	<b>0</b>
Total assets	-	2,093	257	1,122	2,230	236	2,449
Total liabilities	(1)	(2,202)	(104)	(1,122)	(2,492)	(82)	(2,449)
<b>Net funds at the end of the year</b>	<b>(1)</b>	<b>(109)</b>	<b>153</b>	<b>0</b>	<b>(262)</b>	<b>153</b>	<b>0</b>

The charity's other subsidiary companies (see note 16) did not trade during 2022/23.

\* RFC Overage Limited started trading during the year ended 31 March 2023.

Therefore, there is no comparative information for the year ended 31 March 2022.

## 8 Analysis of investment portfolio

	Group 2022/23	Charity 2022/23	Group 2021/22	Charity 2021/22
	£000	£000	£000	£000
<b>Market value as at 1 April</b>	<b>59,441</b>	<b>61,015</b>	<b>30,541</b>	<b>30,680</b>
Less: Disposals at carrying value	(7,154)	(8,589)	(1,438)	(1,438)
Add: acquisitions at cost	11,603	11,603	1,459	1,459
Transfer from fixed assets (note 6)		-	28,708	30,143
Net gain/(loss) on revaluation	(789)	(789)	171	171
<b>Market value as at 31 March</b>	<b>63,101</b>	<b>63,240</b>	<b>59,441</b>	<b>61,015</b>

### 8.1 Investments—market value at 31 March

	Held In UK	Held overseas	2022/23 Total	Held in UK	Held overseas	2021/22 Total
	£000	£000	£000	£000	£000	£000
<b>Investment properties</b>	<b>1,401</b>	<b>-</b>	<b>1,401</b>	<b>1,401</b>	<b>-</b>	<b>1,401</b>
<b>Investments portfolio</b>						
Investments listed on London Stock Exchange		39	39	-	39	39
Investments in common investment funds	19,477		19,477	15,351	-	15,351
Cash held within the investment portfolio	312		312	172	-	172
	<b>19,789</b>	<b>39</b>	<b>19,828</b>	<b>15,523</b>	<b>39</b>	<b>15,562</b>
<b>Social investments</b>						
Mixed-motive investment (see note 8.2)	13,770	-	13,770	13,770	-	13,770
Programme-related investment (see note 8.3)	28,102		28,102	28,708	-	28,708
	<b>41,872</b>	<b>0</b>	<b>41,872</b>	<b>42,478</b>	<b>-</b>	<b>42,478</b>
<b>Total investments - group</b>	<b>63,062</b>	<b>39</b>	<b>63,101</b>	<b>59,402</b>	<b>39</b>	<b>59,441</b>
Investments in subsidiary companies	139	0	139	139	-	139
Programme-related investment (see note 8.3)	-		-	1,435		1,435
<b>Total investments - charity</b>	<b>63,201</b>	<b>39</b>	<b>63,240</b>	<b>60,976</b>	<b>39</b>	<b>61,015</b>



## Notes to the accounts for the year ended 31 March 2023 (continued)

### 8.2 Mixed-motive investment

	Group 2022/23 £000	Charity 2022/23 £000	Group 2021/22 £000	Charity 2021/22 £000
Market value as at 1 April	13,770	13,770	13,770	13,770
Add: acquisitions at cost	-	-	-	-
Add: gain on revaluation	-	-	-	-
<b>Market value as at 31 March</b>	<b>13,770</b>	<b>13,770</b>	<b>13,770</b>	<b>13,770</b>

"Mixed-motive investments" relate to a property used to help to fulfil the charity's charitable objectives as well as generating investment income. A Red Book valuation of that property, using a sector specific valuation toolkit (PodPlan), was performed during the 2020/21 financial year and resulted in a value of £13.8m.

### 8.3 Programme-related investments

	Group 2022/23 £000	Charity 2022/23 £000	Group 2021/22 £000	Charity 2021/22 £000
Market value as at 1 April	28,708	30,143	-	-
Transfer from fixed assets			28,708	30,143
Management cost for the Pears Building development expense		(1,435)		
Amortisation for the year	(606)	(606)		
<b>Market value as at 31 March</b>	<b>28,102</b>	<b>28,102</b>	<b>28,708</b>	<b>30,143</b>

### 8.4 Analysis of investment income

	Held in UK £000	Held overseas £000	2022/23 Total £000	Held in UK £000	Held overseas £000	2021/22 Total £000
Investment properties	788	-	788	390	-	390
Mixed motive investment	665	-	665	588	-	588
Investments in common investment funds	337	-	337	247	-	247
Cash held outside the investment portfolio	99	-	99	10	-	10
<b>Total investment income</b>	<b>1,889</b>	<b>-</b>	<b>1,889</b>	<b>1,235</b>	<b>-</b>	<b>1,235</b>

### 8.5 Details of material investment holdings

The charity has two investment managers. Investments in individual entities representing over 5% of the respective managers' portfolios are:

		Value 2023 £000	Value 2022 £000
M&G	Charibond	6,415	6,911
Cazenove	Majedie Asset Management UK Equity	-	178
	Charity Equity Value Fund	322	328
	Findlay Park American fund	250	251
	UBS ETF-MSCI World Socially	691	1,311
	Trojan Ethical Fund	-	474
	BlackRock iShares Developed World	728	747
	Vanguard S & P 500 UCITS ETF	444	470
	Neuberger Berman	266	
	Schroder Alpha	295	
	J P Morgan	5,056	
<b>Total</b>		<b>14,467</b>	<b>10,670</b>

## 8.6 Gains/losses on investments

The 2022/23 net loss of £789,000 relates to the unrealised loss on investment in common investment funds.

## 9 Analysis of debtors

	Group 2023 £000	Charity 2023 £000	Group 2022 £000	Charity 2022 £000
Prepayments	14	5	14	4
Due from subsidiary undertakings:				
RFC Developments Ltd		1,101	-	1,028
RFC Recreation Club Ltd		44	-	42
RFC Enterprises Ltd		-	-	1,118
RFC Overage Ltd		50		
Other debtors	19,894	19,565	4,874	4,181
<b>Total debtors</b>	<b>19,908</b>	<b>20,764</b>	<b>4,888</b>	<b>6,373</b>

In 2013/14, the charity made a loan of £500,000 to its subsidiary, RFC Developments Ltd, at a premium of 6% above base rate, regarding the construction of the Pears Building on the Royal Free Hospital site. The loan was increased to £1 million in January 2016. The completion of the development including successful resolution of snagging issues was finally agreed in March 2023. RFC Developments Ltd repaid £975k of the £1m loan by the end of March 2023 and the remaining balance of £25k in April 2023.

## 10 Analysis of creditors

### 10.1 Creditors falling due within one year

	Group 2023 £000	Charity 2023 £000	Group 2022 £000	Charity 2022 £000
Grant and other accruals	20,753	19,595	8,416	8,416
Due to subsidiary undertaking - RFC Developments Ltd	0		0	1,992
Due to subsidiary undertaking - RFC Enterprises Ltd	0		0	1,571
Intercompany with RFC Enterprises Ltd		1,598		
Other creditors	814	696	5,618	2,782
<b>Total creditors falling due within one year</b>	<b>21,566</b>	<b>21,890</b>	<b>14,034</b>	<b>14,761</b>

### 10.2 Creditors falling due after more than one year

	Group 2023 £000	Charity 2023 £000	Group 2022 £000	Charity 2022 £000
Grant accrual	0	0	1,113	1,113
Other creditors	-	-	-	-
<b>Total creditors falling due within one year</b>	<b>-</b>	<b>-</b>	<b>1,113</b>	<b>1,113</b>

In 2013/14, the charity made a loan of £500,000 to its subsidiary, RFC Developments Ltd, at a premium of 6% above base rate, regarding the construction of the Pears Building on the Royal Free Hospital site. The loan was increased to £1 million in January 2016. The completion of the development including successful resolution of snagging issues was finally agreed in March 2023. RFC Developments Ltd repaid £975k of the £1m loan by the end of March 2023 and the remaining balance of £25k in April 2023.





## Notes to the accounts for the year ended 31 March 2023 (continued)

### 11 Analysis of material funds

#### 11.1 Unrestricted funds

	Value 2023 £000	Value 2022 £000
Designated funds:		
Friends' Fund - transferred from the formerly separate charity, Friends of the Royal Free Hospital	15	125
Departmental funds - Royal Free Hospital*		
Clinical biochemistry	837	2,489
HIV/AIDS	1,369	1,404
Others	10,773	12,860
Total designated funds	12,994	16,878
Other general funds (undesignated)	67,636	69,909
<b>Total unrestricted funds</b>	<b>80,630</b>	<b>86,787</b>

\*These funds derive from donations and legacies made by grateful patients and their relatives over many years and are under the day-to-day control of fundholders in specific areas of the RFL (cardiac, renal, etc) for use on appropriate projects as they arise.

#### 11.2 Restricted funds

Restricted funds 2022/2023	Opening balance £000	Income £000	Expenditure £000	Restricted transfers £000	Gains (loss) £000	Closing balance £000
Trust infrastructure fund	0	12,000	0	0		12,000
RFL NHS Foundation Trust fund	16,000		(7,390)			8,610
Patient experience funds	-	20		(20)		0
Staff experience funds	-	13		(13)		0
Restricted grants	257	363	(681)	607		545
NAC capital fund	-	3,563	(77)	-		3,486
Peter Costin Memorial	572	-	-	-		572
St Peter's Trust	218	130	(125)	-		222
Kitty Cookson Memorial	112	-	(3)	-		109
J F Moorhead	2,143		(33)	-	(51)	2,058
Dr Janet Owens Fellowship	564	-	(215)	-		349
<b>Total restricted funds</b>	<b>19,866</b>	<b>16,089</b>	<b>(8,525)</b>	<b>574</b>	<b>(51)</b>	<b>27,953</b>

Restricted grants consist of individual funds, which are kept under one fund.  
The funds are distributed as per the contractual terms and conditions.

Restricted funds 2021/2022	Opening balance £000	Income £000	Expenditure £000	Transfers £000	Gains (loss) £000	Closing balance £000
Capital appeal	34,065	150	-	(34,215)	-	0
RFL NHS Foundation Trust fund	-	16,000	-	-	-	16,000
NHS Charities Together community partnership	-	735	(735)	-	-	-
Restricted grants	-	575	-	(318)	-	257
Peter Costin Memorial	589	-	(17)	-	-	572
St Peter's Trust	287	17	(86)	-	-	218
Dresden Assistance	422	-	-	(422)	-	-
Kitty Cookson Memorial	113	-	(1)	-	-	112
J F Moorhead	2,052	25	(34)	-	100	2,143
Dr Janet Owens Fellowship	569	-	(5)	-	-	564
<b>Total restricted funds</b>	<b>38,097</b>	<b>17,502</b>	<b>(879)</b>	<b>(34,955)</b>	<b>100</b>	<b>19,866</b>

### 11.3 Details of the restricted funds

RFL infrastructure fund	To fund clinical infrastructure improvements
RFL Foundation Trust fund	To fund various projects and contribute to development of Cancer Centre
Patient experience funds	To fund enhancement of experience of NHS patients
Staff experience funds	To fund enhancement of experience of NHS staff
Capital appeal	To fund the construction of the Pears Building
NHS Charities Together community partnership	To fund a number of local community projects
Restricted grants	To fund individual projects as described in the contracts
Peter Costin Memorial	To provide bursaries to medical students
St Peter's Trust	To support kidney, bladder and prostate research
Kitty Cookson Memorial	To support an oncology fellowship
J F Moorhead	To support renal research
Dr Janet Owens Fellowship	To support research into Parkinson's disease

### 12 Contingent liabilities

There were no contingent liabilities at either 31 March 2023 or 31 March 2022.

### 13 Post-balance sheet events

There are no post balance sheet events.

### 14 Trustees and connected persons transactions

No trustee or member of the key management staff, or person related to them, undertook any material transactions with the charity in either 2022/23 or 2021/22.

Judy Dewinter (trustee) was reimbursed travel expenses for £413 in 2022/23.

### 15 Related party interests

RFL NHS Foundation Trust trustees of the charity: Caroline Clarke, group chief executive (until April 2023); Dr Chris Streather, group chief medical officer (until 31 March 2023); Dr Gillian Smith, group chief medical officer (from 3 April 2023); and Ms Akta Raja, non-executive director.

The charity has five subsidiary companies, in all of which it is sole shareholder, as follows:

#### **RFC Recreation Club Ltd (company no 7686541):**

Company directors and employees of the charity: Yusuf Firat, director of finance, property and operations; Laura James, assistant director of innovation, (appointed 18 April 2023); Alison Kira, director of grants and services, (appointed 16 March 2023); Mark Tanton, head of property and operations, (appointed 18 April 2023); Jenny Todd, assistant director of services, (resigned 18 April 2023). Company director and charity trustee: Melanie Sherwood.

In 2022/23, RFC Recreation Club Ltd reimbursed the charity £220,659 in respect of staff salaries (2021/22: £173,126).

The company also made a gift aid donation to the charity of £49,152 (2021/22: £22,324). There was £130 due to the charity at 31 March 2023 (2021/22: £42,422).

The charity paid the company £nil (2021/22: £105) in respect of the use of facilities. None of this was outstanding at 31 March 2023.



## 15 Related party interests (continued)

### RFC Developments Ltd (company no 8729267):

Company directors and charity trustees: Caroline Clarke (resigned 30 September 2022); Judy Dewinter (resigned 30 September 2022); Russell Gilbert (resigned 22 June 2022); Chris Streather (resigned 30 September 2022). Company director and charity employee: Jon Spiers, charity chief executive.

In 2022/23, the transactions between RFC Developments Ltd and the charity were:

Final costs and build services by the charity from RFC Developments Ltd - the charity was charged £3,285,475 (2021/22: £742,122), and £918,847 (2021/22: £1,991,542) was due to RFC Developments Ltd at 31 March 2023.

Loan of £975,000 out of £1m from the charity to RFC Developments Ltd was repaid in 2022/23 (see note 10). In 2021/22 the loan was at £1m.

RFC Developments Ltd was charged interest of £62,141 (2021/22: £61,929), which was outstanding at 31 March 2023 (31 March 2022: none).

Provision of administrative services by the charity to RFC Developments Ltd - RFC Developments Ltd was charged £12,000 (2021/22: £13,000), which was outstanding at 31 March 2023 (31 March 2022: none).

During the year RFC Developments Ltd made a gift aid distribution to the charity of £995,147 (2021/22: £139).

### RFC Enterprises Ltd (company no 8729268):

Company directors and charity trustees: Judy Dewinter; Russell Gilbert (resigned 22 June 2022); and Nina Robinson (resigned 12 July 2022). Company director and charity chief executive: Jon Spiers.

In 2022/23, the transactions between RFC Enterprises Ltd and the charity were:

The charity re-charged to RFC Enterprises Ltd total costs, net of VAT, of £1,666,232 (2022: £1,010,602) in respect of Pears Building expenditure paid on the company's behalf. At the year-end £nil (2022: £1,117,640) was owed to the charity by RFC Enterprises Ltd.

RFC Enterprises Ltd charged the charity £2,687,963 (2022: £1,571,031) in respect of services provided at the Pears Building.

At the year-end the charity owed £1,597,549 (2022: £1,571,031) to RFC Enterprises Ltd.

### RFC Properties Ltd (company no 10609331):

Company director and trustee: Russell Gilbert (resigned 22 June 2022).

There were no transactions between the charity and the subsidiary during 2022/23 (2022: none).

There were no outstanding balances from either party at 31 March 2023 (31 March 2022: none).

### RFC Overage Ltd (company no 10699295):

Company directors and charity employees: Jon Spiers, charity chief executive; and Yusuf Firat, director of finance, property and operations.

The charity provided loan of £50,000 to the subsidiary during 2022/23 (2022: none). The subsidiary owes £50,000 to the charity for the rights of a sold property (2022: none).

There were outstanding balances between both parties for £50,000 at 31 March 2023 (31 March 2022: none).

The company did not trade in 2021/22.

## 16 Operating leases

At the reporting date, the charity had outstanding minimum future payments in respect of non-cancellable operating leases, which fall due as follows:

	2022/23 £000	2021/22 £000
Due in less than a year	-	-
Due in 1-2 years	-	-
Due in 2-5 years	-	-

## 17 Members' liability

The charitable company is limited by guarantee, not having a share capital and consequently the liability of members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the charitable company on winding up, such amounts as may be required not exceeding £1.





## Our trustees

**Judy Dewinter**

Chair of Trustees

**Akta Roja**

Vice-Chair of Trustees

**Russell Brooks**

**Caroline Clarke** (resigned 1 January 2024)

**Nicola Grinstead** (resigned 11 June 2023)

**Oritseweyinmi Guate** (appointed 28 January 2023, resigned 24 November 2023)

**Julie Hamilton** (appointed 3 April 2023)

**Valerie Jolliffe** (appointed 28 January 2023)

**Peter Landstrom** (appointed 2 January 2024)

**Michael Luck** (resigned 1 January 2024)

**Simon Lyons** (appointed 28 January 2023)

**Katie Morrison**

**Nina Robinson** (resigned 12 July 2022)

**Melanie Sherwood**

**Gillian Smith** (appointed 3 April 2023)

**Chris Streather** (retired 31 March 2023)

**Alistair Summers**

## Senior leadership team

**Jon Spiers**

Chief Executive

**Robin Meltzer**

Deputy Chief Executive, Director of Engagement and Communications

**Paul Stein**

Executive Director of Fundraising

**David Cheesman**

Interim Director of Strategy

(appointed May 2023)

**Alison Kira**

Director of Grants and Services

**Sharron Grant**

Director of Human Resources

**Laura James**

Interim Assistant Director of Services

(maternity cover from February 2022 to February 2023); Assistant Director of Innovation (appointed February 2023)

**Jenny Todd**

Assistant Director of Services (on maternity leave until February 2023)

**Yusuf Firat**

Director of Finance, Property and Operations and Company Secretary

## Professional advisors

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**Lloyds Bank PLC**

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**Handelsbanken**

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**AUDITORS**

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Front cover: Steve Gschmeissner/Science Photo Library

Animation: Huge designs

## Thank you

On behalf of the staff and patients of the Royal Free London NHS Foundation Trust and everyone at the Royal Free Charity, we offer our heartfelt thanks to all our supporters, including those who choose to give anonymously. Our generous network has raised funds, increased awareness of our charity and enabled us to respond flexibly to the evolving needs of our hospitals, patients and staff during the past year.

From small acts of kindness to driving ambitious long-term projects that re-invent how our RFL colleagues deliver life-saving treatment, every single donation makes a difference to our hospital community.

We are pleased to recognise the following companies, charitable foundations and individuals for their support:

Alvarium Foundation  
Antonia and Charles Filmer and all those who generously supported their neuroendocrine cancer research appeal  
Baha and Gaby Bassatne  
Biss Davies Charitable Trust  
Cecil Rosen Foundation  
Charles Wolfson Charitable Trust  
Dave Shannon  
Ella Benezra  
Emma and Clive Partridge  
Fairview New Homes Limited  
The Fraenkel Charitable Trust  
Gemma and Simon Lyons  
The Gerald and Gail Ronson Family Foundation  
Gillian Steggles  
Hinduja Foundation UK  
James and Nicola Reed  
Jeffrey Modell Foundation  
John Frankland  
Jon Kelly and family  
Judy and Paul Dewinter  
Karen and Ian Paul  
Lady Annabel Goldsmith  
Legends Tour  
Mahboubian family  
Marcus Margulies Charitable Trust  
The Michael and Melanie Sherwood Foundation  
National Lottery Community Fund  
NHS Charities Together  
Nishi Somaiya  
Packie Bonner  
Pears Foundation  
R S Hoffman  
The Rind Foundation  
Sarit Raja-Shah  
Zac and Ben Goldsmith



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