

The Children's Hospital Charity*

The Children's Hospital Charity Ltd

(A company limited by guarantee not having a share capital)

Annual Report

For the year ended 31 March 2021

Company Registered No 01224751

Registered Charity No. 505002

Building a Better Future

www.tchc.org.uk

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Annual Report

For the year ended 31 March 2021

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Report of The Management Committee 2020-21

The Management Committee present their annual report together with the consolidated financial statements of the charity and its subsidiary for the year ending 31 March 2021 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2016, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) and Update Bulletins 1 and 2 published 2 February 2016 and 5 October 2018 respectively.

The Directors of the charitable company are its Trustees for the purposes of charity law. The Trustees who have served during the year and since the year end are detailed in the Reference and administrative details below.

Reference and administrative details

Patrons

Michael Vaughan OBE (stepped down 3 March 2021)	James Toseland	Joe Root MBE
Dame Jessica Ennis-Hill	Pete McKee	Esme Morgan
Matt Fitzpatrick	Dan Walker	Nick Matthew OBE

Management Committee (Trustees)

Paul N Firth (Chair)	Ruth Brown (appointed 19 October 2020)
Nicholas Bishop	John Warner
Sarah Jones	David Barnett
Sally Shearer (resigned 19 October 2020)	Cynthia Offiah (appointed 14 September 2020)
Julie MacDonald (resigned 13 July 2020)	Graham Royle (appointed 20 September 2021, resigned 2 November 2021)

Charity Registration Number: 505002

Company Number: 01224751 (England and Wales)

Registered Office and Address of Principal Office:

The Children's Hospital Charity, Sheffield Children's Hospital, Western Bank, Sheffield, S10 2TH

Company Secretary:

David Vernon-Edwards (also Charity Director) (resigned 31 July 2021)
John Armstrong (also Charity Director) (appointed 2 August 2021)

Auditors: Hawsons Chartered Accountants, Pegasus House, 463A Glossop Road, Sheffield, S10 2QD

Bankers: Lloyds TSB Bank plc, Church Street, Sheffield, PO Box 1000, BX1 1LT

Investment Management: Investec, Beech House, 61 Napier Street, Sheffield, S11 8HA

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Statement of Purpose

The Children's Hospital Charity exists to raise the optimum level of money needed each year to support and enhance the services of Sheffield Children's NHS Foundation Trust to enable the delivery of leading health care for the children it treats. The main activities undertaken in relation to this purpose include fundraising via donations from the public, corporate donors and legacies and retail trading in charity branded merchandise.

Sheffield Children's NHS Foundation Trust is one of only 3 dedicated children's NHS Foundation Trusts in the UK. Several departments and clinicians are UK leaders, forging the way in paediatric care, in research and results. The hospital's specialist departments are recognised at national level, as a Centre of Excellence. The Trust sees patients from across the UK and beyond, and receive referrals from across the world.

The work of The Children's Hospital Charity is focused on keeping the hospital at the forefront of paediatric care and bringing real benefits to all the young patients who need the specialist services of Sheffield Children's NHS Foundation Trust.

Objectives and Activities

Our Mission

The Children's Hospital Charity exists to enhance Sheffield Children's NHS Foundation Trust through advancing pioneering medical treatment and research, creating a comfortable and engaging environment, changing children's lives every day from across the UK and beyond. Children come from all over the country for treatment with the hospital's specialists and the charity works hard to fund over and above standard NHS provision.

The Children's Hospital Charity's mission is to transform Sheffield Children's NHS Foundation Trust with the Build a Better Future Appeal, transforming the Cancer Ward, Emergency Department, Child Assessment Unit and building a new Helipad. This is to ensure that the hospital can continue to give world-class care in world-class facilities.

Our Vision

Patients and their families are at the centre of everything we do. They deserve to be treated with the best facilities in a hospital designed with children in mind – our vision is to make an extraordinary hospital even better.

Our Values

Integrity – We are an honest and transparent organisation. We spend the money that we raise wisely. We have a history to be proud of.

Passion – We are committed to the success of the hospital and hope to make every family's visit the best experience possible. We want our supporters to care with us.

Excellence - We aim to meet and exceed donors' needs, honouring their commitment to support the hospital. We are committed to doing our best.

Together - We work together as a team and in partnership with staff at the hospital. We are a part of the communities we serve. We listen to each other, to our supporters, to hospital staff, to patients and their families.

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Our Charitable Objectives

The Objects of the Charity are for the public benefit, the relief of sickness and in particular:

- a. to enhance the services, facilities and environment of Sheffield Children's NHS FT and its reputation as a centre of excellence for the care, prevention and cure of illnesses affecting children;
- b. to further any charitable purpose(s) relating to the general, or any specific, purposes of Sheffield Children's NHS FT or the health service;
- c. to promote, protect, preserve and advance all or any aspects of the health of the public; and
- d. to advance and promote knowledge and education in medicine including engagement in and supporting medical research (and the dissemination of the useful results), provided that such support is not of a kind that would ordinarily be given by the statutory authorities.

For the Public Benefit

Our Trustees confirm that they have complied with the duty in the Charities Act 2011 to have due regard for the Charity Commission's general guidance on public benefit.

In setting our objectives and planning our activities our Trustees have again given careful consideration to the Charity Commission's general guidance on public benefit.

Each year over 290,000 patient journeys are made to Sheffield Children's NHS FT from all over the world. Charity funding is available for every discipline within the hospital trust. As a result, public benefit sits broadly across all patients, their families and the local communities that they come from.

In addition, charity funding of medical research is invested into strategic projects that are most likely to lead to further nationally funded research. Research findings from Sheffield Children's NHS FT are published in peer medical journals on average 100 times each year. This has the result of widely disseminating research findings across the research community resulting in worldwide impact / public benefit.

Our Strategic Aims

At the heart of our purpose lie the following long-term strategic aims:

1. Grow long term sustainable income
2. Value, strengthen and develop a team of staff, trustees and volunteers
3. Continue to develop our fundraising activities and charity events
4. Develop individual donors as an area of potential growth
5. Nurture corporate and community groups
6. Recruit new donors across all fundraising activities
7. Tell the hospital story well to ensure that we remain a charity of choice

The achievement of the above strategic aims serve to further the charity's purpose by achieving the optimum contribution to Sheffield Children's NHS FT, enhancing service provision and, in turn, the lives of the patients it treats.

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Our Achievements, Highlights and Activities

Despite the unprecedented economic hardship and widespread upheaval within the charity sector because of the COVID-19 pandemic, the charity continued to support Sheffield Children's NHS FT by adapting its fundraising to a more virtual offering, developing and improving online giving opportunities and utilising Trust income available such as NHS Charities Together. More than ever, we are extremely grateful for the hard work and creativity of the charity team, as well as the unwavering support of Trust staff and the wider community which we serve.

COVID-19 Emergency Appeal

At the very end of March 2020 the charity launched an emergency COVID-19 Appeal to help support the hospital during the pandemic. In 2020/21 £159k was donated by NHS Charities Together with an additional £40k raised by the public. This year the fund has supported staff, volunteers and patients by funding specialist medical equipment, health & well-being initiatives, play equipment and care vouchers in direct response to the Covid-19 pandemic.

Build a Better Future Appeal

In July 2018 the charity launched its latest appeal to build a new Emergency Department, a new Cancer & Leukaemia inpatient ward (Ward 6), a Child Assessment Unit and Helipad. During 2019 stage one was completed as the hospital opened the new Safeguarding Support Unit thanks to £900k of charity funding. Stage two, the transformation of Ward 6 is due to be completed by the end of 2021. £1.1m was raised towards the appeal in 2020/21, of which £835k was raised specifically for Ward 6.

Snowflakes

The pandemic didn't stop the annual snowflake project going ahead with the light switch on going virtual with donations and fundraising continuing throughout the year. A highlight of the community and the Trust's festive calendar, the much-loved sparkling snowflake display raised £307k, making it the best year yet. More than 250 individuals, families, schools, community groups and companies got involved sponsoring the giant metal snowflake sculptures as part of the capital appeal.

Active Virtual Challenges

With mass participation events cancelled the events team launched; "Go the distance" with 90 participants and £13k raised, "30 in 30" which raised £13k and a "Virtual Glow Run" which 230 took part and raised £37k.

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Our Achievements, Highlights and Activities (continued...)

The Charity Hub

The charity opened a newly refurbished Fundraising Hub in the main outpatient department of the Western Bank site, thanks to a partnership with Kier Group. The project, which had an estimated value of £25k, was completed free of charge thanks to the support of several businesses throughout the region. The Charity also re-launched its online shop. Even with COVID restrictions and closures, patients, parents & staff have continued to support the Trust through the Fundraising Hub on and offline.

Matalan

We were extremely grateful for the continued support and friendship of Matalan staff and customers throughout the year, despite the restrictions faced by the retail sector.

Following are a few examples of charity funded expenditure during the 2020/21 financial year...

Specialist Medical Equipment

Integrated Theatres (£455k)

The Children's Hospital Charity have funded nine new integrated operating theatres at Sheffield Children's NHS FT. The project will help world-leading surgeons share their knowledge worldwide by enabling operations to be broadcast internationally. Funded entirely by charity donations, the specialist equipment enables the integration of both flexible and rigid surgical telescopes into the operating theatres. It is also complete with a specialist HD camera system, which is four times the resolution of the existing system. The generosity of the community has always helped Sheffield Children's services to be the very best they can be and these technological advancements, above and beyond NHS provision, will support surgical outcomes for years to come.

Gastrointestinal (GI) Mentor Equipment - Gastroenterology Department (£47.5k)

The GI Mentor provides comprehensive hands-on training for gastrointestinal skills, as well as gastrointestinal diagnostic and therapeutic procedures with over 100 tasks and virtual patient case studies available. The unique training system creates a life-like sensation of real endoscopic procedures using authentic scopes and an adjustable 24" touch screen. The equipment allows trainees to be taught in a more sophisticated and rapid fashion, and they can also use the simulator whenever they have some free time to train up their skills.

Continued overleaf...

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Environment

Staff wellbeing

Schwartz Rounds were launched for hospital staff to come together to talk about the emotional and social challenges of caring for patients. £24.5k was dedicated to training & psychological support in conjunction with the Trust's Health & Well-Being Agenda.

Glazing - Main entrance to Western Bank site

Artfelt worked with leading place maker Morag Myerscough again to create a riot of colour for the Main Entrance at the Trust. Having previously worked on the hospital's en-suite bedrooms, we commissioned Morag to enhance the status of the entrance and provide a welcoming, playful experience for patients visiting our Western Bank site. It looks glorious in the sun!

Artfelt Anywhere

Artfelt Anywhere used technology to fill the gap of not being able to deliver face to face workshops to children within the hospital. Funding short films by artists and musicians, it aimed to bring the joy of creativity in a safe way and was made available to both patients and staff at Sheffield Children's.

Art and craft activities were also funded for patients, delivered in self-contained packages for staff to handout. Creative activities, meditative yoga exercises and culture guides to online content were also sourced by Artfelt to help encourage staff mental wellbeing during this most difficult of times. These were made available online and sent by post to shielding colleagues.

Virtual Artfelt Workshops

Artfelt Sounds ran a series of virtual drumming workshops for young people at the Becton Centre. This involved a group of teenagers and staff learning to play together as a 'drumming circle' led virtually on a big TV screen by our music tutor Brian.

Staff Ukulele Ambassador Programme is a virtual music programme tutoring hospital staff to learn to play the ukulele so they can help us fill our hospital with music, improve the environment and boost morale for families and staff along the way.

The Long Gallery:

Damien Hirst Donation Outpatients Department

In May 2020, Damien Hirst created 'Butterfly Rainbow' to show support for the NHS in the Coronavirus crisis. The work is made up of bands of coloured butterfly wings, one of the artist's best-known motifs, and the sales of a limited edition run raised over £1.5m for NHS Charities Together. Through our national network, we nominated Sheffield Children's NHS FT to be recipients of one of the 50 panels to be donated by Hirst to NHS Trusts.

Family Matters

Celebrating Sheffield artist and Artfelt patron Pete McKee's ongoing support, this popular exhibition features prints from the McKee archives which look at childhood, family and the fun of growing up. This exhibition was extended due to Covid-19.

Continued overleaf...

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Medical Research Projects (£126k)

In 2020-21 the charity funded a number of research studies covering topics including Respiratory Infections, Capsule Endoscopy, and Children's Physical Activity following a diagnosis of childhood cancer.

A study was funded for an assessment of an augmented reality low vision aid. SightPlus is an advanced head-mounted digital low vision aid. The study aims to find out whether SightPlus can improve vision and quality of life of children and young people aged 8 to 16 years with a visual impairment.

Volunteers and Fundraisers

The level of investment and commitment received from volunteers and fundraisers is paramount to the charity and for it to achieve its objectives. Without this, we would not be able to help support medical research, provide better facilities, provide specialist medical equipment and improve the environment for patients, families and visitors.

The charity is mindful of its responsibilities under the Charities (Protection and Social Investment) Act 2016 and legal rules, and ensures all activities are agreed and monitored at management level in compliance with relevant legal rules. Recognised standards are applied to ensure that fundraising is open, honest and respectful, protecting the public from undue pressure to donate. The charity does not generally work with fundraising companies but is careful to ensure any individual raising funds on its behalf are aware of the legal rules. Complaints are handled and monitored through the charity's complaints procedure. During the year no complaints or issues have arisen as a result of the fundraising events. When fundraising activities are undertaken the charity ensures systems and controls are in place to separate and protect funds.

Charity Awards

To celebrate and thank the level of investment and commitment received from volunteers and fundraisers. The awards evening celebrated all of the charity's supporters, giving out awards for those who stood out to the independent panel of judges.

Achievement of Charitable Objectives

Based on the performance of the charity in 2020/21, Trustees are assured that the charitable objectives have been met for the year by:

- a) enhancing the Trust's services and facilities and environment through provision of specialist medical equipment and significant investment in the burgeoning infrastructure of the acute hospital site
- b) furthering the charitable purpose of achieving maximum income potential for the Trust to enable development in both the short and long term
- c) helping to promote, protect, preserve and advance aspects of children's health in the region and beyond
- d) engaging in and supporting medical research and innovation projects.

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Financial Review

Our financial performance in year: the Statement of Financial Activities at a glance

Income	2020/21	2019/20
Donations and Legacies	£2,815,346	£2,950,528
Other Trading Activities	£133,617	£793,140
Investments	£53,646	£60,692
Other income	£125,215	£0
Total Income	£3,127,824	£3,804,360
Expenditure	2020/21	2019/20
Charitable Activities	£862,979	£864,971
Raising Funds	£1,020,125	£1,278,033
Other	£11,962	£11,720
Total Expenditure	£1,895,066	£2,154,724
	2020/21	2019/20
Net Gain / (Loss) on Investments	£130,638	(£128,335)
Total Net Income / (Expenditure) for Year	£1,363,396	£1,521,301
Funds carried forward from prior year	£7,641,903	£6,120,602
Closing Funds for Year	£9,005,299	£7,641,903
<i>Build a Better Future Capital Appeal carried forward</i>	<i>£6,107,779</i>	<i>£4,992,590</i>
<i>Other funds carried forward</i>	<i>£2,897,520</i>	<i>£2,649,313</i>

The Children's Hospital Charity is well underway with a £14.25million capital appeal which spans 2018-2023. As a result, there is a low income-cost ratio for the financial year 2020/21 due to expenditure taking place in upcoming years.

How much income did we raise?

The Children's Hospital Charity can only continue to support the leading work of Sheffield Children's NHS FT for as long as we generate the level of funds required. The vast majority of our income is sourced from the efforts of the general public, made possible by our hard working and dedicated fundraising team.

Donations and legacies: Our largest source of income is the generosity of public and local companies keen to support the local community and invest in the future of one of the regions greatest assets. In detail:

Corporate donations and gifts from the public (£1,529k) (2019/20: £1,850k) - the charity is extremely grateful to the companies, groups and individuals that have donated in 2020/21 and who have given their time, money and effort to push their fundraising to the maximum. Thousands of donations were received this year, via a multitude of channels such as Just Giving, Facebook and personal cheques, ranging from pennies to many thousands of pounds.

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Financial Review (continued...)

Major gifts (£171k) (2019/20: £413k) - The charity is indebted to the Children's Champions who form a unique group of individuals, companies and private family trusts all sharing in one passion, to help our patients and their families at Sheffield Children's NHS FT. These incredible ambassadors make a significant difference to the lives of young children across the region and beyond; writing history and leaving a legacy for years to come. The dedication and support of this group enable the hospital to remain at the forefront of paediatric care.

Trusts (£700k) (2019/20: £255k) - We are extremely grateful to all the Trust and Grant Making organisations who generously donated during 2020-21.

Legacies (£446k) (2019/20: £432k) - gifts arising from wills form a significant part of the charities income profile and are an important investment in the future of the health of the children served by the Trust.

Other trading activities: Charity organised events reduced in the year due to the pandemic, though some took place online (£61k) (2019/20: £547k) and the purchasing of charity branded merchandise by thousands of people either on the hospital site, online or at till points (£73k) (2019/20: £246k).

Investments: Prudent management of funds not immediately required by the Trust and held in an investment portfolio (managed by Investec Plc.) has generated interest, dividend and disposal income of £54k in year (2019/20: £61k). Fund management reports a gain on investments of £131k (2019/20: £128k loss).

Investments are secured in a low risk portfolio. The aim for any investment is to exceed the income available through fixed term, fixed yield investments provided by UK High Street banks, whose yield is generally around 1%. The charity is committed to maintaining a broad, low risk investment portfolio to generate long term income and capital growth.

Other income

The charity accessed the Government's Coronavirus Job Retention Scheme to support staff retention through lockdown (£125k) (2019/20: £0k).

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Financial Review (continued...)

What are our costs?

Charitable Activities: These are costs related to allowing the charity to meet its objectives. These include direct costs and grants of charitable expenditure, as well as indirect costs associated with charitable expenditure such as salaries:

Medical research (£126k) (2019/20: £86k) - we have committed to 6 research projects plus partial funding of a Data Research Manager, & continued to support projects at the Advanced Wellbeing Research Centre.

Department / Ward funds (£134k) (2019/20: £261k) - funds supplied to individual wards and departments have been utilised to provide crucial support groups for patients and parents, essential staff training and new equipment (medical and non-medical) that would otherwise not have been able to have been purchased without the support of our charity.

Annual projects (£96k) (2019/20: £108k) - projects include the ongoing Artfelt scheme (inclusive of salaries and workshops), Christmas gift giving for wards and departments and additional resources to enable Play Specialists to enhance the hospital experience for patients and their loved ones.

Capital expenditure (£0k) (2019/20: £208k) - Development of the new Cancer & Leukaemia inpatient ward will be completed in 2021 -2022, with the majority of expenditure at this time.

Raising Funds: Costs relating to the running of activities designed to raise funds for the Sheffield Children's NHS FT including salaries for staff not performing charitable activities, training, IT costs, travel and expenses for volunteers and professional fees for the charity such as insurance and accountants. Costs are allocated to the costs of raising donations and charitable activities on the basis of staff time. Raising funds includes trading expenditure, such as purchasing charity merchandise.

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Our Fundraising Practices

The Children's Hospital Charity aim for the highest standards in all fundraising activities undertaken. Our dedicated team of fundraisers organise fundraising events and co-ordinate the activities of our supporters across the hospital and in the wider community both regionally and beyond. During the year, the charity has not used a professional fundraiser or commercial participator to carry out any of its fundraising activities.

We are registered with the Fundraising Regulator and are committed to complying with its Fundraising Promise for their donors and the public. The Charity have agreed to ensure their fundraising is legal, open, honest and respectful and that the Fundraising Regulator badge is displayed on fundraising material to show the commitment to good practice.

Our team will do all they can to ensure that their fundraisers, volunteers and any third parties comply with all fundraising regulations and this promise to their supporters. The charity does not carry out telephone or door to door fundraising, ensuring that activities are not unreasonably intrusive or persistent. During the year there have been no failures to comply with the standards.

The Children's Hospital Charity is registered with the Fundraising Preference Service (FPS) and donors can update their fundraising mailing preferences through this scheme at any time. All donations are used to support the work we do on behalf of the life changing services Sheffield Children's NHS Foundation Trust provide. We monitor donations made to our charity using our CRM donor management system.

During the year we received no formal complaints as a result of our fundraising activities. We do however know that there may be times when we don't meet our own high standards. If this does happen we want to know about it, deal with it and hopefully stop it from happening again. We take complaints very seriously and we are always grateful to hear from people who are willing to take the time to help us be even better. Details of our complaints procedure is available on www.tchc.org.uk.

The Children's Hospital Charity do not accept donations if they know or have good reason to believe that a donor lacks capacity to make a decision to donate, or is in vulnerable circumstances & therefore unable to make an informed decision. Under 18s cannot independently fundraise for the charity without an adult.

Our Fundraising Performance

During the year the total income generated from donations, legacies and other trading activities came to £2,949k (2019/20: £3,744k). Given the difficult economic back drop and current climate in corporate giving, the charity Trustees consider this a creditable achievement for the fundraising team. Our charity is focussed and determined in seeking opportunities to raise our fundraising profile akin to similar charities linked to paediatric NHS Foundation Trusts.

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Our financial health: the Balance Sheet at a glance

The assets and liabilities of our charity as at 31st March 2021 are stated below:

	2020/21	2019/20
Fixed Assets	£2,828,116	£2,692,450
Net Current Assets	£6,504,994	£5,163,272
Non Current Liabilities	(£327,811)	(£213,819)
Total Net Assets	£9,005,299	£7,641,903

Unrestricted Undesignated Income Funds	£1,007,330	£384,695
Unrestricted Designated Income Funds	£4,738,686	£4,098,558
Restricted Income Funds	£3,245,984	£3,036,090
Profit Retained in Subsidiary	£13,299	£122,560
Total funds	£9,005,299	£7,641,903

Fixed Assets: Predominantly comprise of investments held in a low risk portfolio managed by Investec plc, an intangible asset relating to our ThankQ Customer Relationship Management software, an I.T server forming a tangible asset and Marlborough House office space (purchased in 2019/20).

Net Current Assets: Represent cash held on deposit plus other assets of the charity reasonably expected to be turned into cash such as trading stock and debts due to be recovered, less any outstanding liabilities and expenses chargeable in year.

Unrestricted Undesignated Income Funds: Such funds available to be spent at the discretion of the charity and its Trustees with non-binding preferences of donors.

Unrestricted Designated Income Funds: Consist of 84 separate funds which have been set-up to channel the specific intentions of gifts received towards wards, departments and projects. Through designation of these funds we ensure that gifts are spent in those specific areas of the Trust.

Restricted Income Funds: Represent money which we can only use for specified purposes as per the donors wishes.

Profit Retained in Subsidiary: This relates to retained profits from the Theo Bear trading subsidiary.

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How do we manage our funds?

Reserves Policy

Reserves describe that part of our charity's funds which are freely available and exclude restricted funds, endowments and any part of unrestricted funds not readily available for spending such as fixed assets.

Trustees have established a reserves policy in order to:

- establish and provide long term support to Sheffield Children's NHS FT
- protect the continuity of our work in the event of a shortfall in income
- provide the funds needed to replace assets of the charity

The charity aims to hold undesignated reserves sufficient to cover three months operational costs. Estimated requirement for three months' operational expenditure equates to £210k. Designated funds for specific projects could potentially be redirected if the need arose.

Available reserves are calculated as the part of our charity's unrestricted funds freely available after accounting for designated funds earmarked for specific projects.

Reserves at the end of the reporting period are calculated as follows:

	2020/21	2019/20
Total Unrestricted Funds of	£ 5,759,315	£ 4,605,813
Less: Designated Funds of	£ 4,738,686	£ 4,098,558
Less: Fixed Assets of	£ 576,508	£ 613,345
Total Reserves	£ 444,121	-£ 106,090

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Grant Making Policy

Funded projects are decided upon by the Trustees of the charity in line with the objectives of the charity. Projects we fund must support and enhance the work of the Trust and not undermine the provision of the NHS. Grants are made in accordance with charity law, our constitution and the wishes and directions of donors. In making grants, we endeavour to reflect the wishes of patients and staff by directing funds towards areas most in need.

The Children's Hospital Charity makes grants from both its restricted and unrestricted funds. Within the unrestricted funds, grants are made from the following:

General funds (undesignated) – these funds are received by the charity with no particular preference expressed by donors. Grants can be targeted on projects in areas of the hospital that do not have available designated funds to assist them.

Designated funds – are established for a particular part of the hospital or activity nominated for support. Hospital staff are encouraged to identify how they may best utilise the funds available, these funds can be spent at any time.

Designated research funds – these are funds which are designated for specified research projects. Applications are invited twice per year. Grants are normally awarded for between twelve months and three years.

Risk Management

Our Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the Trust and are satisfied that systems are in place to mitigate our exposure to the major risks.

A key risk for the charity is the current economic climate and the uncertainty due to the ongoing COVID-19 global pandemic, to some extent this is mitigated through use of investment managers in reducing the level of risk within the investments held. With this in mind, Trustees have a risk adverse approach to investments, whilst trying to ensure a reasonable level of income to the charity. Future financial performance and position is likely to be determined by the state of the economy, both in terms of the success and stability of the investments held, as well as the level to which donors feel as though they are able to support our charity. While steps can be taken to manage the risk, the risk still remains and could make achievement of our objectives challenging in both the short to medium term.

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Our Plans for the Future

We will continue our mission to support the work of Sheffield Children's NHS FT through investment in infrastructure with enhancements to clinical and public spaces and through advancements in pioneering medical treatment and research.

Following the Make it Better appeal and the opening of the New Wing the charity launched its next appeal, to Build a Better Future. This now leads to phase 2 of development, which requires a campaign to help raise £14.25m (net) over the next 4 to 5 years split across 3 key focuses for funding various important facilities:

1. Cancer & Leukaemia Inpatient Ward (c£2.7million) - due for completion in 2021/22

The Haematology & Oncology Department is the Principal Treatment Centre for children with Cancer and Leukaemia from babies through to 19 year olds, within South Yorkshire, Lincolnshire and Derbyshire and as far south as Northampton. Patients who have other blood problems such as bleeding and inherited disorders are also treated. The Cancer and Leukaemia Ward dedicated to these patients is in need of modernisation and expansion. This extensive scheme will create a brand new ward including single en-suite bedrooms and isolation suites.

2. Emergency Department: Expand ED & Major Trauma Centre (c£7.5million)

Sheffield Children's NHS FT Emergency Department is also a Major Trauma Centre for a large geographical region, and helps up to 200 children a day from South Yorkshire, Derbyshire and Lincolnshire deal with every possible problem imaginable. As the population of the region grows so does the demand on this vital resource.

The department was originally built to see a maximum of 32,000 patients a year but now sees 60,000 patients annually. Our treatment is among the best in the UK, but our facilities do little to ease the anxiety felt by children and families at what is often a stressful and scary time. We want everyone who attends our department to not just receive the best care but also to have the best possible experience.

3. Helipad (c£6million)

Helicopters currently land in Weston Park and patients are then transported across a busy road before entering our Emergency Department. There are added complications to consider in the park such as the weather, events which may be taking place, even crossing the road. The appeal aims to fund the building of a helipad above the Emergency Department to enable the most direct & swift transfer of critically ill patients.

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Our Plans for the Future (continued...)

Other projects for 2021/22 will include:

Bears of Sheffield

The Bears of Sheffield trail will begin exactly a year later than initially planned in Summer 2021, after being postponed due to the COVID-19 pandemic. The trail will comprise of 60 big bears, and 100 little bears. The big bears have been designed by professional artists and sponsored by generous businesses and individuals. At the end of the summer each bear will be auctioned off. The little bears may be smaller but their impact is just as big as they have been designed, painted and fundraised for by children and young people from schools, nurseries & colleges. The project is on target to achieve and exceed its £1.1m target and raise a net profit of over £764k towards the new Cancer and Leukaemia inpatient Ward.

Exercise & Physical Activity Therapist

This full-time two year post will be funded through the inspirational fundraising of Captain Tobias, a young man with cerebral palsy who walked a marathon to raise money for the Charity. The therapist will enable many other children, like Tobias, to achieve exercise or physical activity goals. In addition, they will promote the benefits of physical activity for all children with disabilities, offer group activity sessions, make links with local clubs and activities and organise physical activity and sports events with the Physiotherapy & Occupational Therapy team.

Race Equality Experience Project Programme Manager

The project will enable the Trust to identify and understand the experiences of colleagues and patients in relation to race and improve the experiences of ethnic minorities to ensure Sheffield Children's NHS FT is a brilliant place for all staff to work and our patients to be cared for. The project will support the Trust to identify key strategic actions, and to embed this in the ongoing practice and culture of the Trust.

Staff break out spaces

NHS Charities Together funding will further improve staff break spaces and the associated break experience. Artfelt will coordinate the projects with funds dedicated to improving the environment of a number of break spaces across all our sites, whether that be through redecoration, replacement of furniture or art.

Artfelt (£150k)

hospital through an innovative team. Charity funding provides an Artfelt Manager, an Arts and Digital Commissioner and a Workshop Coordinator as well as funding for the commissioning, workshop and gallery strands of their work.

Medical Research (up to £251k)

The charity will again fund important new research projects into child health at Sheffield Children's NHS FT.

For more information on these projects and other projects being undertaken by our charity please visit our website at www.tchc.org.uk

The Children's Hospital Charity Ltd

(A company limited by guarantee not having a share capital)

Our Structure, Governance and Management

The Children's Hospital Charity is a registered charity number 505002 and a company limited by guarantee. It is governed by its Memorandum & Articles of Association (dated 1975).

The members of the Management Committee, as defined in the memorandum and articles, act as the Directors of the company and, as the organisation is a registered charity, act also as its charitable trustees. The members of the company are responsible for the election of the Management Committee.

Members of the Management Committee are elected for a four year period and can be eligible for re-election at the third AGM. Newly appointed members are instructed in their duties by the Chair of the charity and the Charity Director issues a Trustee Pack that informs them of their legal responsibilities and the expectations from the charity in their role as Trustee. Members of the Management Committee at the date of approval of this report are listed on page 1. Each member has an equal voting right.

No Trustee received any remuneration from the charity in the financial year 2020/21.

Organisational Structure

The Children's Hospital Charity is currently administered by a board of 8 unpaid Trustees which is made up of representatives from the hospital and the wider community. The Charity Director, reports directly to The Board of Trustees and manages the day-to-day business of the charity along with 23 employees (17 fulltime, 6 part-time) and several regular volunteers.

Trustees are elected or co-opted by the Board for terms of up to 4 years (renewable) in accordance with the updated Articles of Association dated June 2016.

Key management personnel as described throughout are the members of the senior management team who control the day-to-day operation of the charity. The pay for the Charity Director is agreed by the charity Trustees and the pay and conditions for the rest of the key management personnel is set by the Charity Director, with overall budget agreed with Trustees. The pay and conditions of key management personnel are benchmarked against similar positions in the sector.

The Children's Hospital Charity Ltd

(A company limited by guarantee not having a share capital)

Responsibilities of Our Management Committee

The Management Committee (who are also directors of The Children's Hospital Charity for the purposes of company law and trustees for the purposes of charity law) are responsible for preparing the Management Committees' Annual Report (including the Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Management Committee are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Management Committee are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Management Committee have taken all 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 are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditors

Hawsons Chartered Accountants have been appointed as auditors for the current reporting period and have indicated their willingness to be reappointed at the forthcoming Annual General Meeting.

In approving the Trustees' Annual Report, we also approve the Strategic Report included therein, in our capacity as company directors.

On behalf of the Management Committee

Paul Firth, Chairman Date:

The Children's Hospital Charity Ltd

(A company limited by guarantee not having a share capital)

Independent Auditor's Report to the trustees of The Children's Hospital Charity Ltd

Opinion

We have audited the financial statements of The Children's Hospital Charity Ltd ('the group and parent charitable company') for the year ended 31 March 2021 which comprise the Consolidated Statement of Financial Activities, the Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, Consolidated Cash Flow Statement, notes to the financial statements and significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 parent charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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

The Children's Hospital Charity Ltd

(A company limited by guarantee not having a share capital)

Independent Auditor's Report to the trustees of The Children's Hospital Charity Ltd

Other information

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement set out on page 18, 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's and parent 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 parent 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

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

The Children's Hospital Charity Ltd

(A company limited by guarantee not having a share capital)

Independent Auditor's Report to the trustees of The Children's Hospital Charity Ltd

Auditor's responsibilities for the audit of the financial statements

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:

The group and parent charitable company is subject to laws and regulations that directly and indirectly affect the financial statements. Based on our understanding of the group and parent charitable company and the environment it operates within, we determined that the laws and regulations which were most significant included FRS 102 and the Charities Act 2011. We considered the extent to which non-compliance with these laws and regulations might have a material effect on the financial statements, including how fraud might occur.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries to improve the group's and parent charitable company's result for the period, and management bias in key accounting estimates.

Audit procedures performed by the engagement team included:

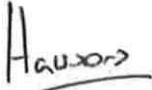
- Discussions with management and those responsible for legal compliance procedures within the group and parent charitable company to obtain an understanding of the legal and regulatory framework applicable to the group and parent charitable company and how the group and parent charitable company complies with that framework, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing minutes of Trustee meetings;
- Identifying and assessing the design effectiveness of controls that management has in place to prevent and detect fraud and non-compliance with laws and regulations;
- Challenging assumptions and judgements made by management in their significant accounting
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations or posted by senior management.

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

Hawsons Chartered Accountants is eligible for appointment as auditor of the group and parent charitable company by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with section 144 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Hawsons Chartered Accountants

Statutory Auditor
Pegasus House, 463a Glossop Road, Sheffield, S10 2QD

Date: 16 December 2021

The Children's Hospital Charity Ltd

(A company limited by guarantee not having a share capital)

**The Consolidated Statement of Financial Activities
(incorporating an Income and Expenditure Account)**

For the year ended 31 March 2021

	Note	Unrestricted Funds £	Restricted Funds £	31 March 2021 £	31 March 2020 £
Income and endowments from					
- Donations and Legacies	3	2,378,354	436,992	2,815,346	2,950,528
- Other trading activities	3	133,617	-	133,617	793,140
- Investments	2, 3	53,646	-	53,646	60,692
- Other	3	125,215	-	125,215	-
Total		<u>2,690,832</u>	<u>436,992</u>	<u>3,127,824</u>	<u>3,804,360</u>
Expenditure on					
- Raising Funds	2, 4, 5	1,020,125	-	1,020,125	1,278,033
- Charitable activities	4	635,881	227,098	862,979	864,971
- Other	4	11,962	-	11,962	11,720
Total		<u>1,667,968</u>	<u>227,098</u>	<u>1,895,066</u>	<u>2,154,724</u>
Net gains/(losses) on investments	11	130,638	-	130,638	(128,335)
Net income		<u>1,153,502</u>	<u>209,894</u>	<u>1,363,396</u>	<u>1,521,301</u>
Transfers between funds		-	-	-	-
Net movement in funds		<u>1,153,502</u>	<u>209,894</u>	<u>1,363,396</u>	<u>1,521,301</u>
Reconciliation of funds					
Total funds brought forward	17, 18	4,605,813	3,036,090	7,641,903	6,120,602
Total funds carried forward		<u>5,759,315</u>	<u>3,245,984</u>	<u>9,005,299</u>	<u>7,641,903</u>

All incoming resources and resources expended derive from continuing activities.

The statement of financial activities includes all gains and losses recognised during the year.

The notes on pages 27 - 47 form part of these accounts.

The Children's Hospital Charity Ltd

(A company limited by guarantee not having a share capital)

Statement of Financial Activities

(incorporating an Income and Expenditure Account)

For the year ended 31 March 2021

	Note	Unrestricted Funds £	Restricted Funds £	31 March 2021 £	31 March 2020 £
Income and endowments from:					
- Donations and Legacies	3	2,378,354	436,992	2,815,346	2,950,528
- Other trading activities	3	60,683	-	60,683	546,854
- Investments	3	165,918	-	165,918	154,880
- Other	3	125,215	-	125,215	-
Total income		<u>2,730,170</u>	<u>436,992</u>	<u>3,167,162</u>	<u>3,652,262</u>
Expenditure on:					
- Raising Funds	4, 5	950,202	-	950,202	1,144,019
- Charitable activities	4	635,881	227,098	862,979	864,971
- Other	4	11,962	-	11,962	11,720
Total resources expended		<u>1,598,045</u>	<u>227,098</u>	<u>1,825,143</u>	<u>2,020,710</u>
Net gains/(losses) on investments	11	130,638	-	130,638	(128,335)
Net income		<u>1,262,763</u>	<u>209,894</u>	<u>1,472,657</u>	<u>1,503,217</u>
Transfers between funds		-	-	-	-
Net movement in funds		<u>1,262,763</u>	<u>209,894</u>	<u>1,472,657</u>	<u>1,503,217</u>
Reconciliation of funds					
Total funds brought forward	17, 18	4,483,253	3,036,090	7,519,343	6,016,126
Total funds carried forward		<u>5,746,016</u>	<u>3,245,984</u>	<u>8,992,000</u>	<u>7,519,343</u>

All incoming resources and resources expended derive from continuing activities.
The statement of financial activities includes all gains and losses recognised during the year.
The notes on pages 27 - 47 form part of these accounts.

The Children's Hospital Charity Ltd

Company Registered No 01224751

(A company limited by guarantee not having a share capital)

Balance sheets at 31 March 2021

	Note	The Group		The Charity	
		31 March 2021 £	31 March 2020 £	31 March 2021 £	31 March 2020 £
Fixed assets					
Intangible assets	9	91,461	103,798	91,461	103,798
Tangible assets	10	485,047	509,547	485,047	509,547
Investments	11	2,251,608	2,079,105	2,254,608	2,082,105
Total fixed assets		<u>2,828,116</u>	<u>2,692,450</u>	<u>2,831,116</u>	<u>2,695,450</u>
Current Assets					
Stocks	2, 13	61,209	38,524	-	-
Debtors	2, 12	1,452,334	1,921,269	1,157,759	1,649,017
Cash at bank and in hand		6,710,930	4,099,766	6,652,194	3,981,459
Total current assets		<u>8,224,473</u>	<u>6,059,559</u>	<u>7,809,953</u>	<u>5,630,476</u>
Liabilities					
Creditors falling due within one year	2, 14	(1,719,479)	(896,287)	(1,321,258)	(806,583)
Net current assets		<u>6,504,994</u>	<u>5,163,272</u>	<u>6,488,695</u>	<u>4,823,893</u>
Creditors falling due after one year	2, 15	(327,811)	(213,819)	(327,811)	-
Total net assets or liabilities		<u>9,005,299</u>	<u>7,641,903</u>	<u>8,992,000</u>	<u>7,519,343</u>
The funds of the charity					
Unrestricted income funds	17	5,759,315	4,605,813	5,746,016	4,483,253
Restricted income funds	18	3,245,984	3,036,090	3,245,984	3,036,090
Total funds		<u>9,005,299</u>	<u>7,641,903</u>	<u>8,992,000</u>	<u>7,519,343</u>

The notes on pages 27 - 47 form part of these accounts.

For the year ending 31 March 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies. The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006. The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of the accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

Approved and authorised for issue by the Management Committee on 13 December 2021

and signed on its behalf by:



Mr P Firth, Chairman

The Children's Hospital Charity Ltd

(A company limited by guarantee not having a share capital)

Company Registered No 01224751

Consolidated Cash Flow Statement as at 31 March 2021

	31 March 2021 £	31 March 2021 £	31 March 2020 £	31 March 2020 £
Cash flows from operating activities:				
Net cash provided by (used in) operating activities		2,251,193		2,167,660
Cash flows from financing activities:				
Loans received	343,000			-
Repayment of bank borrowings	(4,618)			-
Interest paid	(2,941)			-
Net cash provided by (used in) financing activities		335,441		
Cash flows from investing activities:				
Payments to acquire tangible fixed assets	-		(515,862)	
Purchase of investments	(808,672)		(424,028)	
Sale of investments	756,301		380,258	
Investment cash movement	10,506		(5,162)	
Interest receivable	16,315		15,690	
Dividends receivable	50,080		52,180	
Net cash provided by (used in) investing activities		24,530		(496,924)
Net increase in cash and cash equivalents		2,611,164		1,670,736
Cash and cash equivalents at 1 April 2020		4,099,766		2,429,030
Cash and cash equivalents at 31 March 2021		6,710,930		4,099,766
Cash and cash equivalents consists of:				
Cash at bank and in hand		6,710,930		4,099,766
Reconciliation of net income to net cash flow from operating activities				
		2021		2020
		£		£
Net income for the reporting period (as per the statement of financial activities)		1,363,396		1,521,301
Dividends received		(50,080)		(52,180)
Interest receivable		(16,315)		(15,690)
Interest payable		2,941		-
(Gains)/losses on investments		(130,638)		128,335
(Increase)/decrease in stock		(22,685)		(21,463)
(Increase)/decrease in debtors		468,935		548,798
Increase/(decrease) in creditors		598,802		37,093
Depreciation & amortisation charge		36,837		21,466
Net cash flow from operating activities		2,251,193		2,167,660
Analysis of changes net debt			Cash Flows	
		2021		2020
		£	£	£
Cash at bank and in hand		6,710,930	2,701,164	4,099,766
Borrowings				
Bank borrowings due within one year		(10,571)	(10,571)	-
Bank borrowings due after one year		(327,811)	(327,811)	-
Total net debt		6,372,548	2,362,782	4,099,766

The Children's Hospital Charity Ltd

(A company limited by guarantee not having a share capital)

Notes to the financial statements for the year ended 31 March 2021

1. Accounting Policies

Basis of Preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) as updated through Update Bulletin 1 published on 2 February 2016, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include listed investments at market value. The financial statements are prepared in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Basis of Consolidation

The consolidated statement of financial activities and balance sheet include the financial statements of the charity and its subsidiary undertaking made up to 31 March 2021. The results of the subsidiary are consolidated on a line by line basis.

Statutory Information

The Children's Hospital Charity Ltd is a charity (No. 01224751) and a company limited by guarantee (No. 505002) incorporated and domiciled in England and Wales. The registered office is at The Children's Hospital Charity, Western Bank, Sheffield, S10 2TH.

Company Status

The charity is a private company limited by guarantee. In the event of being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

Funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

The Children's Hospital Charity Ltd

(A company limited by guarantee not having a share capital)

Government Grants

Grants that relate to the financing of projects to expand the operations of the business are amortised over the expected useful economic lives of the assets or projects concerned. Grants relating to the revenue expenditure are credited to income where receivable.

Incoming resources

Incoming resources are included in the Statement of Financial Activities when the Charity has entitlement to the funds, any performance conditions have been met, the amount can be measured reliably and it is probable that income will be received.

Receipt of a legacy is recognised when it is probable that it will be received. Receipt is normally probable when:

1. there has been a grant of probate;
2. the executors have established that there are sufficient assets in the estate, after settling any liabilities, to pay the legacy; and
3. any conditions attached to the legacy are either within the control of the charity or have been met.

Going Concern

The Financial statements have been prepared on a going concern basis as the Trustees believe that while the charity faces a significant challenge to its operating environment, due to the COVID-19 global pandemic, no material uncertainties exist. The charity Trustees have considered the level of funds held, and the expected level of income and expenditure for the 12 months from authorisation of these financial statements to enable the charity to be able to continue as a going concern.

Donated Goods, Facilities and Services

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

Sheffield Children's NHS Foundation Trust provides some office accommodation, facilities and administration support to the charity free of charge.

The Children's Hospital Charity Ltd

(A company limited by guarantee not having a share capital)

Notes to the financial statements for the year ended 31 March 2021

1. Accounting Policies (continued...)

Use of Volunteers

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees' Annual Report.

A notional amount of time is donated by volunteers to assist with fundraising and administrative support. Periodically, goods (such as toys and Easter eggs) are donated to the Charity and are impractical to value.

Fundraising and Trading Activities

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Investment Income

Investment income is earned through holding assets for investment purposes such as shares and gilts. It includes dividends and interest. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend income is recognised as the charity's right to receive payment is established.

The Trustees have considered the most appropriate policy for the investment of funds and decided to invest in a low risk portfolio of stocks, shares and gilts. Investments are stated at market value. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Other Investments/Investments in subsidiaries are measured at cost less impairment.

The Children's Hospital Charity Ltd

(A company limited by guarantee not having a share capital)

1. Accounting Policies (continued...)

Resources Expended

All expenditure is accounted for on an accruals basis, except for grants, which are accounted for in the period in which the charity makes a formal commitment to give grant aid.

Resources expended are allocated to the particular activity where the cost relates directly to that activity. The cost of overall direction and overhead costs of the central function are borne by the unrestricted fund.

Tangible/Intangible fixed assets and depreciation

Tangible/intangible fixed assets are stated at cost less depreciation. Intangible assets include software and trademarks and are only recognised when it is probable that future economic benefit will flow to the charity and where the cost of the asset can be measured reliably. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Buildings - 25 years straight line

Office equipment – various rates between 20% and 33.3% straight line.

Intangible assets - 10 years straight line.

Assets are depreciated / amortised from the date at which they come into use by the charity.

Designated funds

The Management Committee have designated certain funds for specific purposes. The movement on these funds is detailed in note 17.

Stocks

Stocks are valued at the lower of cost and net realisable value on a first in, first out basis.

Irrecoverable VAT

Costs are recorded gross of VAT to the extent that VAT is not recoverable by the charity.

Pension costs

The charity makes contributions to a defined contribution pension scheme. Contributions payable are charged to The Statement of Financial Activities in the period to which they relate.

The Children's Hospital Charity Ltd
(A company limited by guarantee not having a share capital)

1. Accounting Policies (continued...)

Debtors

Debtors are measured on the basis of amount due less provision for doubtful debt. Debtors include prepayments and accrued income.

Creditors

Creditors include amounts invoiced to the organisation but not yet paid, along with accrued expenditure and unspent research grants.

Liabilities are recognised when there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of obligation can be measured reliably.

Financial Instruments

Financial assets and financial liabilities which arise from contracts for the purchase or sale of non-financial items are recognised when performance occurs.

Judgements and Key Sources of Estimation Uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under other circumstances.

Critical accounting estimates and assumptions: the charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

COVID-19 Global Pandemic

Restrictions were eased in July 2021, however the charity's economic outlook remains tentative. An estimate of any material loss related to its assets cannot be made as the charity currently has no knowledge of any at risk. All investments are long term and any relatively short term effects of the ongoing global pandemic are presently assumed to recover.

The Children's Hospital Charity Ltd

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Notes to the financial statements for the year ended 31 March 2021

2. Results of trading subsidiary

The charity has one wholly owned trading subsidiary, Theo Bear Trading Company Limited, a incorporated in the UK. Its results are summarised below:

	2021 £	2020 £
Turnover	72,934	246,286
Cost of sales	<u>(68,116)</u>	<u>(132,890)</u>
Gross profit	4,818	113,396
Administration expenses	(1,807)	(1,124)
Operating Profit/(loss)	3,011	112,272
Retained profit/(loss) for the year	<u>3,011</u>	<u>112,272</u>
Retained profits brought forward	122,560	104,476
Gift Aid distribution to Charity	<u>(112,272)</u>	<u>(94,188)</u>
Retained profit/(loss) carried forward	<u>13,299</u>	<u>122,560</u>
Net Assets	<u>13,299</u>	<u>122,560</u>
	2021	2020
	£	£
Current assets		
Stocks	61,209	38,524
Debtors	306,369	278,266
Cash in hand	<u>58,736</u>	<u>118,307</u>
	426,314	435,097
Creditors		
Amounts falling due within one year	<u>(410,015)</u>	<u>(95,718)</u>
Net current assets	<u>16,299</u>	<u>339,379</u>
Amounts falling due after more than one year	-	(213,819)
Total net assets or liabilities	<u>16,299</u>	<u>125,560</u>
Capital and reserves		
Called up share capital	3,000	3,000
Retained earnings	<u>13,299</u>	<u>122,560</u>
Shareholder's funds	<u>16,299</u>	<u>125,560</u>

The Children's Hospital Charity Ltd

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Notes to the financial statements for the year ended 31 March 2021

3. Income

	Unrestricted	Restricted	2021	2020
	£	£	£	£
Donations and legacies				
Donations & gifts	1,932,435	436,992	2,369,427	2,518,435
Legacies	445,919	-	445,919	432,093
	<u>2,378,354</u>	<u>436,992</u>	<u>2,815,346</u>	<u>2,950,528</u>

	Unrestricted	Restricted	2021	2020
	£	£	£	£
Other trading activities				
Trading Income	72,934	-	72,934	246,286
Fundraising and event income	60,683	-	60,683	546,854
	<u>133,617</u>	<u>-</u>	<u>133,617</u>	<u>793,140</u>

	Unrestricted	Restricted	2021	2020
	£	£	£	£
Investment income				
Dividends	50,080	-	50,080	52,180
Interest	16,315	-	16,315	15,690
Gain on disposal	(12,749)	-	(12,749)	(7,178)
Gift Aid from Theo Bear Trading Company Limited	112,272	-	112,272	94,188
	<u>165,918</u>	<u>-</u>	<u>165,918</u>	<u>154,880</u>

	Unrestricted	Restricted	2021	2020
	£	£	£	£
Other Income				
COVID Job Retention Scheme	125,215	-	125,215	-
	<u>125,215</u>	<u>-</u>	<u>125,215</u>	<u>-</u>

	Unrestricted	Restricted	2021	2020
	£	£	£	£
4. Expenditure on raising funds				
Costs of raising donations	938,971	-	938,971	971,263
Trading company costs	69,923	-	69,923	134,014
Event costs	11,231	-	11,231	172,756
Investment related expenditure	11,962	-	11,962	11,720
	<u>1,032,087</u>	<u>-</u>	<u>1,032,087</u>	<u>1,289,753</u>

	Grant Funding	Support	2021	2020
	£	£	£	£
Charitable activities				
Designated Fund Grants	623,023	-	623,023	706,720
Restricted Fund Grants	81,771	-	81,771	46,582
Research: allocations	160,214	-	160,214	98,864
Research: written back	(34,185)	-	(34,185)	(12,332)
Support Costs	-	32,156	32,156	25,137
	<u>830,823</u>	<u>32,156</u>	<u>862,979</u>	<u>864,971</u>

The Children's Hospital Charity Ltd

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Notes to the financial statements for the year ended 31 March 2021

5. Resources expended	2021	2020
	£	£
Allocation of support costs		
Governance	5,121	2,458
Information Technology	6,740	3,667
Human Resources	5,393	3,604
Office Costs	9,385	9,931
Other	5,517	5,477
	<u>32,156</u>	<u>25,137</u>

The basis of allocation is staff time spent.

Governance costs	2021	2020
	£	£
Auditor's remuneration	8,400	5,952
Legal fees	6,273	-
Other	13,775	9,411
	<u>28,448</u>	<u>15,363</u>

6. Remuneration of the Management Committee

None of the Management Committee members received any remuneration or were reimbursed any out of pocket expenses in the year (2019/20: £0).

The Children's Hospital Charity Ltd

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Notes to the financial statements for the year ended 31 March 2021

7. Staff costs	2021	2020
	£	£
Basic salary	624,211	645,710
Social Security costs	53,194	53,377
Pension costs	42,565	48,536
	<u>719,970</u>	<u>747,623</u>

The average number of employees, calculated on a full-time equivalent basis, analysed by function:

	2021	2020
Cost of raising voluntary income	18	21
Charitable activities	4	4
	<u>22</u>	<u>25</u>

No employees' remuneration exceeded £60,000 in the year is none (2019/20: none).

Total remuneration of key management personnel in the year was £162,551 (2019/20: £167,857).

Key management personnel comprises the Trustees and four (2019/20: five) members of the management team, which at the year end comprises the staff members listed below:

Charity Director

Charity Business Manager

Head of Marketing

Head of Fundraising Support

8. Pensions

For all staff members the charity operates a defined contribution pension plan.

The amount recognised as an expense in year was £42,565 (2019/20: £48,536).

The Children's Hospital Charity Ltd

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Notes to the financial statements for the year ended 31 March 2021

9. Intangible assets

	£
Cost	
At 1 April 2020	128,146
Additions	-
At 31 March 2021	<u>128,146</u>
Amortisation	
At 1 April 2020	24,348
Amortisation in year	12,337
At 31 March 2021	<u>36,685</u>
Net book value at 31 March 2021	<u>91,461</u>
Net book value at 31 March 2020	<u>103,798</u>

Note: Intangible assets include trademarks with a net book value of £4,772 and software of £86,689. Amortisation in year expensed to the Cost of Raising Donations (£10,116) and Support Costs (£2,221).

10. Tangible fixed assets

	Charity and Group Office Equipment £	Charity and Group Buildings £	Total £
Cost			
At 1 April 2020	58,782	495,343	554,125
Additions	-	-	-
At 31 March 2021	<u>58,782</u>	<u>495,343</u>	<u>554,125</u>
Depreciation			
At 1 April 2020	39,625	4,953	44,578
Depreciation in year	4,686	19,814	24,500
At 31 March 2021	<u>44,311</u>	<u>24,767</u>	<u>69,078</u>
Net book value at 31 March 2021	<u>14,471</u>	<u>470,576</u>	<u>485,047</u>
Net book value at 31 March 2020	<u>19,157</u>	<u>490,390</u>	<u>509,547</u>

Note: Total Depreciation in year expensed to the Cost of Raising Donations (£20,090) and Support Costs (£4,410).

The Children's Hospital Charity Ltd

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Notes to the financial statements for the year ended 31 March 2021

11. Fixed asset investment	Listed	Other	Total
	Investments	Investments	
	£	£	£
Cost or valuation			
At 1 April 2020	2,079,105	3,000	2,082,105
Additions	808,672	-	808,672
Disposals	(756,301)	-	(756,301)
Movement in cash held	(10,506)	-	(10,506)
Revaluation gain/(loss)	130,638	-	130,638
At 31 March 2021	<u>2,251,608</u>	<u>3,000</u>	<u>2,254,608</u>
Carrying amount at 31 March 2021	<u>2,251,608</u>	<u>3,000</u>	<u>2,254,608</u>

Investments at fair value (determined by reference to the quoted market value at the balance sheet date) comprises:	2021	2020
	£	£
The Charity		
Shares in subsidiary undertaking	3,000	3,000
Equities / Bond Funds	2,000,498	1,318,224
Securities	239,568	738,833
Cash within investment portfolio	11,542	22,048
Total	<u>2,254,608</u>	<u>2,082,105</u>

Other investments: a 100% holding in the ordinary share capital of Theo Bear Trading Company Ltd (co. no. 02946773) registered office The Children's Hospital Charity, Western Bank, Sheffield, S10 2TH, are quoted at cost. The results of this company are included in the consolidated financial statements.

The Children's Hospital Charity Ltd

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Notes to the financial statements for the year ended 31 March 2021

12. Debtors	The Group		The Charity	
	31 March 2021 £	31 March 2020 £	31 March 2021 £	31 March 2020 £
Amounts due within the year				
Trade Debtors	100,272	158,583	-	-
Prepayments and accrued income				
- Amounts due < 1 year	1,352,062	1,080,503	1,145,965	1,080,503
- Amounts due > 1 year	-	682,183	-	562,500
Amounts owed by group undertakings	-	-	11,794	6,014
	<u>1,452,334</u>	<u>1,921,269</u>	<u>1,157,759</u>	<u>1,649,017</u>

13. Stock	The Group		The Charity	
	31 March 2021 £	31 March 2020 £	31 March 2021 £	31 March 2,020 £
Stock of goods for resale	61,209	38,524	-	-
	<u>61,209</u>	<u>38,524</u>	<u>-</u>	<u>-</u>

The Children's Hospital Charity Ltd

(A company limited by guarantee not having a share capital)

Notes to the financial statements for the year ended 31 March 2021

14. Creditors: amounts falling due in less than one year

	The Group		The Charity	
	31 March 2021 £	31 March 2020 £	31 March 2021 £	31 March 2020 £
Trade Creditor	861,044	174,837	809,662	131,678
Creditors, accruals and deferred income	435,196	297,190	109,969	296,190
Tax and Social Security	35,289	62,267	13,677	16,722
Amounts committed to projects	377,379	361,993	377,379	361,993
Charity bank loan	10,571	-	10,571	-
Amounts owed to group undertakings	-	-	-	-
	<u>1,719,479</u>	<u>896,287</u>	<u>1,321,258</u>	<u>806,583</u>

15. Creditors: amounts falling due after more than one year

	The Group		The Charity	
	31 March 2021 £	31 March 2020 £	31 March 2021 £	31 March 2020 £
Creditors, accruals and deferred income	-	213,819	-	-
Charity bank loan	<u>327,811</u>	-	<u>327,811</u>	-
	<u>327,811</u>	<u>213,819</u>	<u>327,811</u>	-

Charity bank loan includes aggregate amounts of £284,011 (2020: £nil) which fall due after five years and are payable by installments.

Security

The bank loan comprising of amounts owed to the Charity Bank is secured by a fixed charge over the buildings owned by the charitable company. The loan is repayable in installments with an interest rate of 2.25% over Bank of England base rate. Interest charged on the loan during the year was £2,941 (2020: £nil).

16. Capital

The company is a company limited by guarantee not having a share capital. Accordingly, the company has no shareholders and no reconciliation of movements in shareholders' funds has been presented.

The Children's Hospital Charity Ltd

(A company limited by guarantee not having a share capital)

Notes to the financial statements for the year ended 31 March 2021

17. Unrestricted funds	Balance				Balance
	1 April 2020	Incoming Resources	Expenditure & Grants Committed	Transfers	31 March 2021
	£	£	£	£	£
Designated:					
- A&E	358,848	9,647	-	-	368,495
- AAU	879	-	-	-	879
- Action Lab	4,627	83	-	-	4,710
- Becton General	-	6,365	-	-	6,365
- Bereavement	55,767	1,225	(4,628)	-	52,364
- Bone Disease OI	17,306	3,105	-	-	20,411
- Burns Unit	33,044	1,915	(815)	-	34,144
- Cardiac Care	-	25	-	-	25
- Sophie's Fund	1,167	-	-	-	1,167
- Amber Lodge -CAMHS	2,124	-	-	-	2,124
- Emerald Lodge -CAMHS	3,391	195	-	-	3,586
- Ruby Lodge -CAMHS	2,194	-	-	-	2,194
- Sapphire Lodge -CAMHS	6,022	-	(180)	-	5,842
- Classroom & Becton School	5,339	-	-	-	5,339
- Community CAHMS	8,217	1,263	-	-	9,480
- Comm Physio	2,128	-	-	-	2,128
- Covid-19	57,841	198,791	(41,505)	-	215,127
- CWAHMSParentLiason	1,976	-	-	-	1,976
- Cystic Fibrosis Centre	30,159	624	(5,973)	-	24,810
- Dermatology	522	-	-	-	522
- Diabetes	26,066	14,386	(48)	-	40,404
- Embrace	84,345	12,036	(11,104)	-	85,277
- Endocrine clinic	10,436	-	-	-	10,436
- ENT	28,025	1,165	-	-	29,190
- Eye Department	6,777	11,201	-	-	17,978
- Food Therapy	8,253	-	-	-	8,253
- Gait Lab	3	-	-	-	3
- Gastroenterology	6,457	-	-	-	6,457
- Genetics	6,365	-	(385)	-	5,980
- Haematology & Oncology	768,703	565,296	-	-	1,333,999
- Haematology & Oncology 1718					
Pre launch	45,423	-	(5,257)	-	40,166
- Hearing Services	321	2,304	-	-	2,625
- Late Effects	36,264	-	-	-	36,264
- Leukaemia & Oncology Research	69,442	1,069	(14,887)	-	55,624
Sub-total	1,688,431	830,695	(84,782)	-	2,434,344

Continued overleaf...

The Children's Hospital Charity Ltd

(A company limited by guarantee not having a share capital)

Notes to the financial statements for the year ended 31 March 2021

17. Unrestricted funds

(continued...)

	Balance			Transfers	Balance
	1 April	Incoming	Expenditure & Grants		31 March
	2020	Resources	Committed		2021
Designated:	£	£	£	£	£
Brought forward	1,688,431	830,695	(84,782)	-	2,434,344
- Neonatal Surgical Equipment - MCC 17/18	26,799	-	(4,800)	-	21,999
- Neo-Natal Surgical Unit	4,790	4,627	894	-	10,311
- Neuro Mr Zaki	7,578	-	-	-	7,578
- OI Therapy	2,736	-	(48)	-	2,688
- OPAT	212	-	-	-	212
- Orthopaedics Procedures	15,240	772	-	-	16,012
- Outpatients	6,850	3,114	(715)	-	9,249
- Pain Management	1,223	221	-	-	1,444
- PCCU (was ICU & HDU)	40,322	9,889	(10,920)	-	39,291
- Radiology	2,445	19	-	-	2,464
- Renal	4,895	-	-	-	4,895
- Rheumatology	22,063	540	(18)	-	22,585
- RMTL	1,204	-	-	-	1,204
- Ryegate Bike	20	-	-	-	20
- Ryegate Centre	26,914	6,095	(2,380)	-	30,629
- Ryegate Epilepsy	4,160	-	-	-	4,160
- Ryegate Helena's Specialist Nurses	5,194	-	(162)	-	5,032
- Ryegate House	13,604	-	(9,011)	-	4,593
- Ryegate Therapy Block	7,278	1,029	-	-	8,307
- Sleep	72,171	2,824	-	-	74,995
- Spinal Unit	11,587	738	(435)	-	11,890
- Theatre Admissions Unit	463	75	-	-	538
- Theatres	3,177	51	(1,923)	-	1,305
- Urology	240	-	-	-	240
- Ward 1 (formerly S1)	19,113	295	-	-	19,408
- Ward 2 (formerly S3)	24,727	1,074	-	-	25,801
- Ward 3 (formerly M2)	3,995	1,325	-	-	5,320
- Ward 4 (formerly M1)	675	-	(266)	-	409
- Ward 5 (formerly S2 - Neurosciences)	121,626	22,779	(6,024)	-	138,381
	-	-	-	-	-
Sub-total	2,139,732	886,162	(120,590)	-	2,905,304

Continued overleaf...

The Children's Hospital Charity Ltd

(A company limited by guarantee not having a share capital)

Notes to the financial statements for the year ended 31 March 2021

17. Unrestricted funds (continued...)	Balance 1 April 2020 £	Incoming Resources £	Expenditure & Grants Committed £	Transfers £	Balance 31 March 2021 £
Designated:					
Brought forward	2,139,732	886,162	(120,590)	-	2,905,304
- Active Challenge	36,996	17,402	-	-	54,398
- Active Challenge - Therapy Rooms Artfelt Project	20,000	-	-	-	20,000
- Artfelt	-	11,950	(87,810)	75,860	-
- Artfelt Ward 4 Project	15,840	-	-	-	15,840
- Safeguarding Support Unit	7,712	4,886	(54)	-	12,544
- HDU (Artfelt)	4,303	-	-	(4,303)	-
- Christmas	-	-	(1,781)	1,781	-
- Donor Recognition - Artfelt MIB Project	25,000	-	(24,839)	(161)	-
- EOS Scanner	15,907	-	(5,000)	-	10,907
- Helipad	27,104	8,082	-	-	35,186
- Patient Entertainment Existing Hospital	9,365	-	-	-	9,365
- Play Specialists	1,553	95	(6,481)	4,833	-
- New Build (Artfelt)	-	-	-	-	-
- New Build - Artfelt (Glazing)	6,000	-	(2,413)	(2,387)	1,200
- New Build - Artfelt (Museum cabinets)	2,250	-	(2,962)	1,387	675
- New Build - Artfelt (Phlebotomy Rooms)	5,000	-	-	-	5,000
- X-Ray Dept. (Artfelt)	6,465	-	-	-	6,465
- Building a Better Future (was Make it Better)	1,310,804	252,332	-	-	1,563,136
- Research	-	80	34,185	-	34,265
- Special Projects Grants	464,527	54,869	(454,995)	-	64,401
- SPECT CT	-	-	-	-	-
Total designated funds	4,098,558	1,235,858	(672,740)	77,010	4,738,686
Undesignated funds	384,695	1,494,312	(794,667)	(77,010)	1,007,330
Total unrestricted funds - Charity	4,483,253	2,730,170	(1,467,407)	-	5,746,016
Profit retained in subsidiary	122,560				13,299
Total unrestricted funds - Group	4,605,813				5,759,315

Name of designated fund	Description of designated fund
Building a Better Future (was Make it Better)	The Children's Hospital Charity's mission is to transform Sheffield Children's NHS Foundation Trust with the Build a Better Future Appeal, transforming the Cancer Ward, Emergency Department, Child Assessment Unit and build a new Helipad.
Other designated funds	Any charitable purpose relating to the service or department specified in the name of the fund.

The Children's Hospital Charity Ltd

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Notes to the financial statements for the year ended 31 March 2021

18. Restricted funds	Balance	Incoming Resources	Expenditure	Transfers	Balance
	1 April 2020				31 March 2021
	£	£	£	£	£
- Artfelt Workshops National Foundation for Youth Music	20,312	-	(8,329)	-	11,983
- Artfelt Workshops The Freshgate Trust Fund	830	-	-	-	830
- Artfelt Workshops National Lottery Community Fund	-	9,395	(9,387)	-	8
- Artfelt Workshops The D'Oyly Carte Charitable Trust	-	3,500	(260)	-	3,240
- Artfelt Workshops Wallace & Gromit's Children's Foundation	6,830	-	-	-	6,830
- Bone Research	11,864	-	-	-	11,864
- Building a Better Future (Ward 6 restricted)	100,000	100,000	-	-	200,000
- Chaplaincy	1,168	-	-	-	1,168
- Children's Brain Disorders Research	-	3,056	-	-	3,056
- Community Exercise Therapist	-	76,061	-	-	76,061
- Cystic Fibrosis (CFCF)	73,117	-	-	-	73,117
- Diabetes Type 1	88	8,379	-	-	8,467
- Do it For You	168	-	-	-	168
- Helipad	2,419,419	5,000	-	-	2,424,419
- Leukaemia Research	51,881	138	-	-	52,019
- Leukaemia and Oncology Restricted	92,352	-	-	-	92,352
- Build it Better	-	593	-	-	593
- Plastic Surgery	175	346	-	-	521
- PLRS	53,988	1,544	-	-	55,532
- Research & innovation	170,000	-	(145,328)	-	24,672
- Ryegate Centre Legacy	10,040	-	-	-	10,040
- Speech Therapy	495	-	-	-	495
- Toms Fund	3,638	-	-	-	3,638
- Trust Projects The True Colours Trust	19,725	-	(15,044)	-	4,681
- Trust Projects Yorkshire Children's Hospital Fund	-	47,500	(47,500)	-	-
- Ward 6 (Build it Better) BNA	-	100,000	-	-	100,000
- Ward 6 (Build it Better) Kay Kendall Leukaemia Fund	-	20,000	-	-	20,000
- Ward 6 (Build it Better) Westfield Health	-	50,000	-	-	50,000
- Ward 6 Staff & Patient Support	-	11,480	(1,250)	-	10,230
	3,036,090	436,992	(227,098)	-	3,245,984

All restricted funds are represented by cash and short term deposits plus £562.5k of accrued income included in the Helipad fund.

Name of restricted fund	Description of restricted fund
Artfelt Workshops: National Foundation for Youth Music	To fund Artfelt Sounds, a 2 year programme of music performances and tutorials for patients across the Trust.
Artfelt Workshops National Lottery Community Fund	To fund the Artfelt Anywhere Project providing virtual workshops at patients bedsides.
Artfelt Workshops The D'Oyly Carte Charitable Trust	To fund virtual art & music workshops at the Becton Centre.
Artfelt Workshops: The Freshgate Trust Fund	To fund a series of circus workshops for our patients.
Artfelt Workshops:Wallace & Gromit's Children's Foundation	To fund DJing sessions for patients in conjunction with the Physiotherapy Team which explore movement and recovery.
Bone Research	Any charitable purpose relating to Bone Research.
Building a Better Future (Ward 6 restricted)	Funding towards the Cancer & Leukaemia Inpatient Ward development project.
Chaplaincy	Any charitable purpose relating to the Chaplaincy.
Children's Brain Disorders Research	To fund research into children's brain disorders, including salaries & equipment.
Community Exercise Therapist	To fund an exercise and physical activity therapist in the community team.
Cystic Fibrosis (CFCF)	Any charitable purpose relating to Cystic Fibrosis. Donation from Caring for Cystic Fibrosis.
Diabetes Type 1	Any charitable purpose relating to Diabetes Type 1'.
Do it For You	A family centred activity day for children and young people who have received treatment for cancer or a bone marrow transplant at Sheffield Children's Hospital. This fund was set up specially for a ringfenced grant from Macmillan.
Helipad	To fund a new helipad as part of the Build It Better appeal.
Leukaemia Research	Any charitable purpose relating to Leukaemia Research.
Leukaemia and Oncology Restricted	For the benefit of patients undergoing bone marrow treatment.
Plastic Surgery	Any charitable purpose relating to Plastic Surgery.
PLRS	Any charitable purpose relating to the Paediatric Limb Reconstruction Service.
Research & innovation	Any charitable purpose relating to Research & innovation.
Ryegate Centre Legacy	Any charitable purpose relating to Ryegate Children's Centre,an assessment and treatment centre for children with a wide range of neurological and neurodisability needs.
Speech Therapy	A legacy donation for use by the Speech Therapy team.
Toms Fund	This fund was set up specifically for donations in memory of Tom Blower and is restricted for use by the Intensive Care Unit.
The True Colours Trust	Grant to make improvements to the Parent Rooms used by Ward 1 & 2 and Ward 5.
Ward 6 (Build it Better)	Funding towards the Cancer & Leukaemia Inpatient Ward development project provided by various trusts.
Yorkshire Children's Hospital Fund	To purchase Gastrointestinal (GI) Mentor Equipment.

The Children's Hospital Charity Ltd

(A company limited by guarantee not having a share capital)

Notes to the financial statements for the year ended 31 March 2021

19. Fund descriptions

Unrestricted funds

These funds are amounts which are not yet designated for a particular project by the Management Committee but also where no restriction as to how the funds can be expensed has been placed on the funds by the donor.

Designated funds

The numerous designated funds are projects or fundraising activities being run by the charity. These funds are set by the Management Committee as to what projects will be run and generally the funds are eligible to be transferred from one to another under the terms of the donations.

Restricted funds

These tend to be a result of one off large donations, regularly from legacies, where the funds are specified to only be spent on a particular type of work. The restrictions do not, usually, restrict the expenditure any further but the Management Committee keep a close watch on how these funds are spent and also what opportunities arise to spend the funds on prospective projects.

20. Analysis of group net assets between funds

	2021 Unrestricted £	2021 Restricted £	2021 Total £
Fixed Assets	2,828,116	-	2,828,116
Cash and current investments	4,027,446	2,683,484	6,710,930
Current assets	951,043	562,500	1,513,543
Current liabilities	(1,719,479)	-	(1,719,479)
Non current liabilities	(327,811)	-	(327,811)
Total	5,759,315	3,245,984	9,005,299

	2020 Unrestricted £	2020 Restricted £	2020 Total £
Fixed Assets	2,692,450	-	2,692,450
Cash and current investments	2,188,676	1,911,090	4,099,766
Current assets	834,793	1,125,000	1,959,793
Current liabilities	(896,287)	-	(896,287)
Non current liabilities	(213,819)	-	(213,819)
Total	4,605,813	3,036,090	7,641,903

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Notes to the financial statements for the year ended 31 March 2021

21. Grants

	2021 £	2020 £
The following grants have been made during the year		
Unrestricted funds:		
▪ Medical research projects within the Sheffield Children's NHS FT	126,029	86,532
▪ Charity projects for which there are designated funds	623,023	706,720
▪ Support costs allocated	<u>32,156</u>	<u>25,137</u>
	<u>781,208</u>	<u>818,389</u>
Restricted funds:		
▪ Grants made projects for which there are restricted funds (note 18)	<u>227,098</u>	<u>46,582</u>
	<u>1,008,306</u>	<u>864,971</u>

All grants made in year to Sheffield Children's NHS FT

22. Related Parties

BHP Chartered Accountants, of which one of the Management Committee is a member, donated their services free of charge to the Charity. This gift of time is difficult to value and has not been included within the financial statements (2019/20: services free of charge).

23. Contingent assets

The charity recognises legacy income when it has received notification of the legacy and has sufficient certainty regarding the amount of the receipt. Where there is uncertainty over the amount of the legacy that will be received, income is not recognised until the estate has been finalised by its executors. The charity prudently estimates that income from such legacies will be in the region of £326,000 (2019/20: £57,000) and will recognise this income in future years.