



Imperial College Healthcare Charity

Annual report and accounts

31 March 2016

A charity registered in England and Wales, no 1128929

Imperial College Healthcare Charity

Report and Financial Statements

For the year ended 31 March 2016

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Trustees' Report

The Trustees submit their report, together with the audited financial statements of Imperial College Healthcare Charity, for the year ended 31 March 2016.

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 (FRS102) (effective 1 January 2015) - (Charities SORP (FRS102) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102). The Charity meets the definition of a public benefit entity under FRS102.

Foreword

2015-16 is the final year of accounts for the Charity in its form as an 'NHS Charity'. On 1 April 2016 we successfully completed the transfer to a new, fully independent charitable Company Limited by Guarantee. The assets, rights and obligations of the original charity were vested in the new charity, by means of a set of orders from the Charity Commission and with help from the Department of Health, on 1 April 2016. Our charitable objectives are unchanged and we remain dedicated to supporting the work of the Imperial College Healthcare NHS Trust and its patients, staff, visitors and families.

The year covered by this report and financial statements was one of growth for the Charity. It was my first full year as Chief Executive, as I took over from Jane Miles following her retirement on 1 December 2014, and alongside the Trustees we used the change in management to undertake a review of our strategic objectives and the resources we needed to carry out our charitable mission. This resulted in some changes to our staffing, particularly in the area of fundraising and communications, and an overall increase in headcount to 20 staff.

The other significant development was the agreement reached with our partner NHS Trust for the Charity to release up to £15million from its asset base in order to fund priority capital projects for the Trust. These have now been identified and following successful grant applications the Charity is funding significant improvements to the environment for outpatient clinics at Charing Cross and Hammersmith Hospitals, an expansion of the emergency department at St Mary's, a new centralised 'Patient Service Centre for outpatient appointments, remodelling of the Riverside operating theatres at Charing Cross, and the near doubling in size of the Paediatric Intensive Care Unit at St Mary's.

The latter project is also the subject of our largest current fundraising appeal, the 'More Smiles' appeal. This aims to raise £2million towards the overall cost of £10million, with a further £2.6million being offered to the Trust through grant funding. Good progress was made on the appeal during the year, thanks in no small part to the efforts of its fundraising committee, and we are confident of hitting the target ahead of schedule.

Significant improvements took place in the operational side of the Charity during the year, not least in grant-giving, refining the Charity's programmes and introducing more rigour into evaluation. In the arts the emphasis was on working towards accreditation of our collection by Arts Council England, alongside developments in arts engagement programmes. The Staff Arts Club has been particularly successful and now has over 1,500 members.

Finally we worked with the NHS Trust on plans to transfer the volunteer service from the Trust to the Charity – which in the event took place after the year end, and hence will be reported on in the first accounts of the new Charity. This will be a major change for the Charity and will bring with it considerable opportunities to offer services to benefit patients, staff and visitors to the Trust's five hospitals.

We have enjoyed an excellent working relationship with the Trust staff over the year, and I would like to thank them, and in particular Trust Chief Executive Dr Tracey Batten, for their positive engagement with the Charity in a true partnership. I would also like to thank our Chairman, David Crundwell, and his fellow Trustees for their commitment and hard work on behalf of the Charity, and of course my colleagues who are a group of dedicated, enthusiastic and passionate individuals whom I take great pride in leading.

Ian Lush, Chief Executive.

Objectives and activities for the public benefit

The objects of Imperial College Healthcare Charity sit under the broad banner “For any charitable purpose or purposes relating to the national health service or for the general or specific purposes of Imperial College Healthcare NHS Trust”.

The Charity is independent of Imperial College NHS Trust and is prevented from funding routine expenditure which would normally be met from NHS funds. The Charity’s focus is therefore on enhancing and improving the quality of patient care beyond that achieved by NHS funding.

In order to make a tangible difference the Trustees discuss and agree a series of strategic priorities through which the Charity can support the Trust by applying its objects. These are reviewed annually at the Trustees’ strategic planning day. While planning these priorities Trustees consider whether they have complied with the duty in section 17(5) of the Charities Act 2011 to have due regard to public benefit guidance published by the Commission.

Strategic priorities

The principal aim of the Charity, as agreed by the Board of Trustees in February 2015, remains as follows:

“The Charity is a key partner of the NHS Trust, fully involved with any major capital project the Trust undertakes, and working as an enabler in supporting initiatives to benefit the Trust, its staff, patients, family members and visitors.”

The most significant addition to the Charity’s strategy in 2015-16 was the planned release of £15million in capital funds to the Trust, through a series of major grants spanning three years. This is to support an agreed range of very large-scale refurbishment and service improvement projects. The first to be identified were the main outpatients services at Charing Cross and Hammersmith Hospitals; the Riverside Operating Theatres at Charing Cross and the Accident and Emergency Department at St Mary’s, as well as a Trust-wide patient service centre providing a centralised appointments service for outpatients.

The Charity’s strategy will also continue to focus on opportunities to boost revenue in order to increase funding to support improvements to services and facilities across the five hospitals.

Public benefit statement

The Trustees confirm they have paid due regard to the Charity Commission’s general guidance on public benefit. The Charity’s objective is to hold and administer funds for charitable purpose or purposes relating to the national health service or for the general or specific purposes of Imperial College Healthcare NHS Trust.

This objective is achieved by providing funding for grants which support projects that improve patient care and their experience while in hospital. The Charity further enhances the patient experience through the arts programme and art workshops for patients. The Charity also supports programmes which improve the physical and mental well-being of staff of the NHS Trust. Extensive research has demonstrated the impact of such programmes on improved patient care.

The fundraising work of the Charity builds upon the grant giving and arts programme, providing the Trust with additional resources and support enabling a higher standard of patient care to members of the public attending the hospital.

Grant Giving

Objectives and activities

In line with the Charity's strategic objectives, the Grants Programme provides funding for a range of projects to improve patient care and experience across the five hospitals of Imperial College Healthcare NHS Trust. From support for pioneering research, hardship funding for patients and their families, improvements to wards and waiting areas, providing patients with access to state of the art equipment and supporting staff development and wellbeing, the Charity's Grants Programme strives to help our hospitals achieve great science, excellent patient care and healthier communities.

To achieve this, grant giving is provided through five grant schemes:

General Grants;
Trustee Controlled Special Purpose Fund Grants;
Research Fellowships;
Major Grants;
Staff Training and Recognition Grants

Committees, management and structure

The majority of the grant giving process at the Charity is managed through the following committees. The remaining grant giving is managed by frontline NHS staff under delegated authority from the Trustees; these form the fund adviser funds.

Grants Oversight Committee

The Grants Oversight Committee is established as a Committee of the Board of Trustees to manage, monitor and scrutinise the Charity's grant making strategy and activities. The terms of reference were expanded in the financial year to incorporate the overseeing of the wider grant making activities of the Charity,

The Committee assists the Board in formulating its policies in relation to grant making through: (i) the development and review of grant making strategy; (ii) the development and approval of funding programme structure and criteria; (iii) establishing appropriate impact measurements; (iv) review of annual grant making budget.

The Committee assists the Board by monitoring major grants, defined as awards of above £150,000. The size of these grants presents particular strategic challenges regarding the reputation of the Charity's grant giving function, how outcomes of these projects are measured and how these grants impact on the reserves and cash management of the Charity.

The Grants Oversight Committee comprises a minimum of three Trustees, to include the Chair of the General Grants Committee, the Chair of the Research Fellowships Committee and an additional independent Trustee, who will act as Committee Chair, the relevant NHS Trust representation (as required), external representation (as required), the Charity Chief Executive, Grants Manager, Grants Officer (as required), Director of Fundraising and Communications (as required) and the Director of Operations (as required).

General Grants Committee

The General Grants Committee meets twice a year, once to review and award grants from the Charity's general grants budget and a further meeting, or electronic consultation, to review grants policy and procedures and Committee membership. The Committee comprises at least two Trustees, the Chief Executive, the Grants Manager and up to three NHS Trust Divisional Directors and other representatives covering all five hospital sites and core specialities.

Research Fellowships Committee

Previously the Research and Development Grants Committee, the focus is now primarily on the review and award of pre- and post-doctoral Research Fellowships. This change in focus is due to general purpose funding constraints but more importantly because of the success of previous fellowships. The Charity's support of pure research and development continues but is now funded through the various Special Purpose Funds which have condition-specific research remits. 2015/16 saw the continuation and growth of the Research Fellowship Programme as its core research grant making channel. The Committee meets twice a year, once to review and award Fellowship grants and a further meeting, or electronic consultation, to review grants policy and procedures and Committee membership.

The Committee comprises a minimum of two Trustees, the Chief Executive, the Grants Manager and four further members comprising Heads of Research and/or Education in the NHS Trust. In addition there are a number of places for Nurses or other Allied Health Professionals of primary care organisations and public health departments.

General Grants

General Grants are awarded to initiatives which create learning and knowledge that can be disseminated within the NHS Trust, across the NHS and even on a national scale. Projects must share and promote the Charity's strategic goals of excellent patient care and working towards healthier communities. As there was a reduction in available general purpose funding for the year, the General Grant budget was funded from two Trustee Controlled Special Purpose Funds. As such, the remit of the two funds dictated the focus of the applications. The two funds were;

- the Lawford Trust, for the purpose of supporting projects focussing on children, neonates through to adolescents;
- and the Thorp Legacy, for the purpose of supporting projects promoting medical and surgical innovation at St Mary's Hospital.

The remaining balance was sourced from unrestricted general purpose funds.

General Grants provide awards of between £10,000 and £100,000 for a period of 12 months. Applications were received in October for review by Committee in November and formal ratification by the Board of Trustees at the December meeting.

Trustee Controlled Special Purpose Fund Grants

The Charity oversees a large number of donor-gifted funds each with a specific purpose to support a particular ward, department, area of research, service or group of patients. Through the generosity of our donors we are able to provide tailored funding opportunities to a wide range of Trust departments and services. These donations are designated funds with a wish from the donor for how the donation can be spent; the Charity makes every effort to endeavour to honour the wishes of the donor.

Applications are accepted year-round with no formal deadlines. Requests for under £10,000 are assessed by the Grants Manager and submitted to the Chief Executive for final review and approval. Requests for over £10,000 and up to £149,999 receive an initial assessment by the Grants Manager, review and recommendation from the Chief Executive and final review and approval from two nominated Trustees. Requests of £150,000 and above are submitted to the Board of Trustees for consideration.

Research Fellowships

Research Fellowship Awards provide a unique opportunity for qualified health professionals within the Trust to undertake a period of research for one year. The Fellowship provides staff interested in research the opportunity to develop their research skills, with candidates expected to identify an important research question to deliver a personal programme of study by which to achieve their research aims. It is intended that successful applicants will be able to utilise the skills and data produced in their 12 month research project to springboard onto successful funding bids for further study.

Fellowships provide a maximum award of £50,000 for a period of 12 months. Funding is used to provide support for an individual's salary and related research expenses.

Major Grants

A Major Grant is defined as awards of above £150,000. The Charity works with the Trust to identify priority large-scale projects. All approaches for financial support at this level must obtain formal approval from the NHS Trust Executive Committee before being considered by the Charity. The Board of Trustees assess, ratify and determine the required conditions of support and receive written monitoring updates for the duration of an award.

Staff Training and Recognition Awards

The Charity continued to support staff development and recognition initiatives which demonstrated a clear impact on patient benefit.

Achievements and performance in the year

The following section provides a brief description of the types of grants awarded. For a more comprehensive and detailed review of achievements and performance during the year, please visit the Charity's website www.Imperialcharity.org.uk and download/read the **Impact 2015/16** report.

In summary:

- 10 General Grants were made totalling £554,453;
- 36 Trustee Controlled Special Purpose Fund Grants were made totalling £1,840,489;
- 7 Research Fellowships were made funded by the Charity and our funding partner, the NIHR Imperial Biomedical Research Centre (BRC) of which:
 - Charity funded 5 Fellowships totalling £235,511 (3 medics and 2 non-medics);
 - BRC funded 2 Fellowships totalling £100,000 (2 non-medics).
- 4 Major Grants were made totalling £9,142,287:
 - Birth Centre Redevelopment £500,000;
 - Witherow Ward Refurbishment £435,287;
 - Outpatients Transformation Project £7,207,000;
 - Riverside Theatres Redevelopment £1,000,000.
- Staff Training and Recognition Awards were made, totalling £200,250

The details and amounts awarded are available on the website and from the Charity Office, upon request.

Plans for future periods

In December 2015 the Board ratified the following grant making objectives for delivery in 2016/17, noting the objectives continue to align with the Charity's core aims of achieving great science, excellent patient care and healthier communities.

(1) Improve the flexibility of funding programme schemes to increase access to "all-purpose" support, year-round, Key output: introduction of a Small Grants Fund (grants of up to £10,000) with a year round application process to meet an evidenced demand for small scale, 'immediate' support to improve patient care and staff amenity across the Trust.

(2) Expand use of Special Purpose Funds to become the primary resource for patient care and service improvement funding requests. Key outputs: ensuring the resources currently held in Special Purpose Funds become the primary source of support for projects going forward. This resource will be key in providing support for medium and larger sized grant requests that the new funding programme structure (Small Grants Fund) will not accommodate. Focus to be directed on promotion, communication and streamlining of underutilised funds.

(3) Strengthen focus on staff training, development and reward through the redistribution of support to the most impactful staff-related initiatives. Trustees recognise the value of staff development and recognition programmes but remain cautious that all future investment from the Charity must be able to demonstrate a clear and justifiable relationship with our core objective of improving patient experience. Key outputs: the Trust will be required to utilise the available funds more effectively across high-impact projects only. Improved monitoring will be exercised to identify where priorities lie for HR awards going forward. A requirement of renewed support for 2016/17 will be a focus on brand identity for Charity supported projects.

(4) Implement a more structured and effective impact measurement framework. Key output: to develop a more effective method of capturing, reporting and utilising monitoring data of grant awards to feed into structured evaluation of the effectiveness of the Charity's grant making.

(5) Improve the communication of funding impact and opportunities across the Trust. Key outputs: to develop a more effective grants communication strategy to emphasise 'what we do' and its impact on patients, staff, the broader work of the Trust and the wider NHS.

Arts

Objectives and activities

The Arts Committee aims to improve and enhance the hospital environment for patients, staff and visitors through the installation of artworks and the provision of an arts engagement programme at the hospitals of Imperial College Healthcare NHS Trust. The Charity's arts team aim to install artworks in a visually stimulating and vibrant way, to enhance the healing environment and promote the well-being of patients, staff and visitors. With the prospect of becoming an accredited museum in the near future, we continue to operate our curatorial and management activities at the highest museum standards.

Committees, management and structure

Art activities at the Charity are managed by the Arts Committee.

Arts Committee

The members of the Art Committee include two Trustees; the Chief Executive; the Director of Nursing or their representative; the NHS Trust Director of Estates; plus external members with relevant experience in the field of art and architecture and representatives of the arts team as required. Committee members are appointed by the Trustees of the Charity in consultation with the arts team. There are 12 members on the committee and they serve for a renewable term of three years. A quorum of the committee comprises 4 members, including at least one Trustee. Meetings are held at least four times a year.

Achievements and performance in the year

Creative activity has long been known to have tangible effects on health and the quality of life. The art collection is now part of our wider arts programme which also includes music workshops for the children at St Mary's, craft workshops for elderly patients and creative workshops for the different hospital communities.

Over the last 12 months we have curated six 'Art in Focus' Exhibitions, hanging a total of 112 artworks. These exhibitions enhance the reception areas of our main sites, helping to make the hospitals a more welcoming and less intimidating place to visit.

We hung 157 artworks in permanent installations across the Trust. Highlights include: original works and prints by Tess Jaray RA in the refurbished Peart- Rose clinic at Hammersmith, contemporary prints by emerging artists from Jealous Gallery for the teenage and young adult cancer services unit at Charing Cross and prints by Jane Joseph in the maternity ward at St Mary's. In other schemes, works from our storage facilities have been installed in clinical and staff areas including artists such as Anthony Gormley, Patrick Caulfield, Bridget Riley and Peter Blake.

We are delighted to report that over the last year, gifts and discounts worth over £56,000 were given to the Charity through artworks from artists and galleries. The Trustees would like to thank the artists and galleries for their generosity in support of the art collection this year.

Our arts engagement programme has grown again over the last 12 months. Working in partnership with 'Paper Birch' we provide creative workshops for our elderly care wards. The project has flourished following a successful pilot programme in Lady Skinner Ward at Charing Cross hospital and we now run three different programmes across the Trust. We continue to run regular art workshops for the hospital community and for the first time this year were able to organise an external workshop at the V&A. The music workshops for the children at St. Mary's paediatric unit have proved very popular and continue to be held twice a month. We obtain feedback from all sessions and are now using the arts observation scale (pioneered by CW+) to provide a statistical analysis of some of the workshops.

The Charity is very pleased that the staff arts club now has a membership total of 1,427. Arts club members benefit from free access to the Royal Academy of Arts, V&A Museum, Tate Modern and Tate Britain (Tate replaced the Barbican in December 2015 following analysis and feedback). Monthly newsletters invite members to attend special events, inform all members of current exhibitions and offers and contain updates on London's vibrant art scene. Club members are invited to join 'Arts Card' for free which offers discounts in the wider arts world including music, theatre and dance productions.

The audit of the collection was completed in January 2016. The results show 1,851 works have been condition checked. Of these, the vast majority are noted as being in a very poor condition – 38% and only 7% in excellent or very good condition. This shows there is work to do to improve the overall condition of the collection and there will be a budget requirement for conservation in the near future. The art volunteers have been cleaning and updating the database records to show the results of the audit and digital copies of condition reports are now held within the system. Overall we are very pleased with the new database and are receiving excellent technical support from the Collectrium team. The database continues to represent a good 'gift in kind' from Christies and we are thankful for their support.

A comprehensive valuation of the art collection took place in April 2016. Approximately 1,000 works were analysed by an external valuations expert. The results show the primary collection has an auction value of c£1.3m and financial records can now also be uploaded to the new collection management system.

This year saw the production of a high quality print catalogue showing a selection of artworks by established artists. Over 250 copies have been sent out and feedback has been full of praise. Leaflets are now available in most exhibition and reception areas.

The application for museum accreditation was submitted in October 2015. We are yet to be informed of the final outcome; however, feedback from the Arts Council has been positive so far. The process has put into place an excellent framework for high standards of collections care both now and for the future.

Plans for future periods

It will soon be possible to take a self-guided art tour at St Mary's, Hammersmith and Charing Cross hospitals using the new 'Arts Trail'. This is a combination of art hubs in highly visible areas and hot spots around our three main sites encouraging patients, visitors and staff to visit the highlights of our collection. Using signage, maps and leaflets, we are working with a graphic designer to make this as engaging as possible. This year we are involved in a number of large commission projects as part of the Charity's commitment to improvement projects across the Trust. This includes the Outpatient departments at Charing Cross and Hammersmith hospital, redeveloped and larger A&E department and paediatric intensive care units at St

Mary's hospital and refurbished operating theatres at Charing Cross hospital. Over the next year we plan to acquire uplifting and relevant new works for the collection in line with the Collection Development Policy.

Our three main sites will continue to benefit from uplifting temporary exhibitions as part of the 'Art in Focus' programme. We are also planning new signage for the Cambridge Wing Gallery space as our main centre for museum accreditation.

Our three most valuable sculptures within the grounds of Charing Cross hospital will all be benefitting from conservation projects this year. The works are by Henry Moore, David Mach and Robert Clatworthy.

Our arts engagement programme continues to grow and we hope to hold more music activities, working with external organisations such as 'Music in Hospitals'. We are investigating the potential for art therapy sessions within the stroke unit at Charing Cross and are in discussions with the Renal team regarding therapy and creative workshops for patients on the Trust's dialysis programme.

Finally, we hope to further increase membership of the staff arts club and strive to continually improve the programme.

Volunteers

Volunteers continue to play a vital role across the organisation, particularly in their roles in the fundraising and arts teams.

The arts team has continued to have two office volunteers twice a week and a database volunteer once a week. The volunteers have continued to work on the audit and have helped with archiving and with arts administration, we value their time to be the equivalent of £22,000 per annum.

The fundraising team continued to use volunteers throughout the year to support the delivery of its events and marketing activity. Time committed by volunteers was the equivalent of half a full time administrator's salary or just over £15,000. The Communications team also recruited a three month intern to support the social media and PR function of the charity.

Plans for future periods

During 2015-16 discussions took place between the NHS Trust and the Charity about the future of the Trust's volunteer service. It was agreed that responsibility for the service would transfer to the Charity during 2016-17, and that the Charity would make a financial commitment to investing in the service to achieve growth and improvement. This will be reported on in full in next year's report.

Fundraising

Objectives and activities

The main fundraising objectives during the year were:

- Complete the Birth Centre Appeal by March 2016;
- Bring the Major Trauma Centre Appeal to a close following its launch in January 2014;
- Achieve first £1m milestone income target for the Children's Intensive Care Appeal by end March 2016;
- Increase the number of active donors across all income streams by 50% by March 2016.

The income target was set at £1.7m, comprised as follows:

Trusts and Foundations	- £ 400,000;
Corporates	- £ 300,000;
Individual giving	- £1,000,000;

Committees, management and structure

The major fundraising appeals at the Charity are each overseen by a steering committee. The committee has no governance role but acts as a steer on fundraising appeals.

More Smiles Fundraising Appeal Committee

The members of the Fundraising Appeal Committee include the Chief Executive, the Fundraising and Communications Director and the Appeals Manager for the Charity. It also includes paediatric consultants from St Mary's Hospital plus external influential people from the local community. The committee Chair is Henry Raine, Managing Director, **Promontory Financial Group (UK) Ltd**. Committee members are appointed by the Chair in consultation with the Director of Fundraising and Communications and the CE of the Charity. There are 12 committee members serving a minimum two year term. This committee is tasked with supporting the charity to raise £2m. The members do not have any governance rights. Meetings are held every month.

Achievements and performance in the year

Directly received fundraised income for the year was £834k. £685k was received across the three appeals and £149k was raised for other projects. This is an increase of 171% on last year's total fundraised income of £489k. In September 2015, the finance committee and the Board of Trustees agreed to a downward revision of the annual fundraising target to £0.8m from £1.7m, reflecting the disappointing performance of the Birth Centre Appeal and delays to the external launch of the Children's Intensive Care Appeal (More Smiles). The delay to the launch of the More Smiles appeal was outside of the Charity's control owing to delays in external approval's for the Trust's refurbishment plans.

During November 2015, the Children's Intensive Care Appeal (More Smiles) was launched externally and over £800k had been raised in total by the end of the financial year. Part of the total funds raised is held at another Trust based charity, Cosmic (Children of St Mary's Intensive Care) whom the appeal is being raised in conjunction with. This will continue to be the main fundraising focus until the £2m target is achieved.

The Major Trauma Appeal was successfully closed in January 2016 having raised over £750k in total, for equipment, refurbishment of patient and relatives' areas, posts for the youth violence project, a neuro rehab nursing post and piloting of a Headway neuro rehab therapist.

The total number of active donors on the database continues to grow with 571 new active donors added to the database throughout the year. Whilst this is below target, the Charity appreciates it takes time to build an active donor database.

The Charity continues to make significant progress in its working relationship with the Trust's Communications teams following the implementation of a new memorandum of understanding between the Trust and the Charity.

Plans for future periods

In December 2015 the Board of Trustees approved a revised fundraising strategy which focused on growing core supporters (patients, relatives and visitors) and building relationships with the local communities of the five hospitals across the Trust. With stronger relationships being built with the Trust through our significant investment in the Care Information Exchange portal and the capital programmes (outpatients, Riverside Theatres, potentially St Mary's Emergency Department) and with our strategic involvement in the Trust and Charity's new Patient and Public Engagement programme it is the perfect time to shift our focus from appeal fundraising to a more stable and sustainable core fundraising strategy focusing on patients, relatives, visitors and the local community.

This revised strategy will ensure that we continue to develop our relationship with the Trust and support our vision to be the charity of choice for staff, patients and visitors to Imperial College Healthcare NHS Trust hospitals.

The income target for 2016/17 is set at £1m comprising:

Trusts and Foundations	- £300,000;
Corporates	- £176,000;
Individual giving	- £524,000.

The majority of fundraised income for 2016/17 will be for the More Smiles Appeal which has a target of £814,000 to be reached by March, 2017. The balance of £186,000 will be for general and special purposes.

Finance

Committees, management and structure

The Board of Trustees have delegated financial oversight of the Charity's assets to the Finance Committee and Investment Committee.

Finance Committee

The Finance Committee serves to oversee the management of the resources of the Charity. The committee reviews the management accounts, approves the statutory accounts for audit and recommends them to the Board for signing by Trustees. Furthermore it approves the annual budget for adoption by the Trustees and reviews the performance of the investment manager in line with the investment policy.

In addition the committee serves to approve financial and investment policies and approve lease renewals of the Charity's properties.

The committee consists of two Trustees chosen by the Board of Trustees and two independent financial advisers and meets four times a year. It requires both Trustees to be present to be quorate and is attended by the Chief Executive, Operations Director and Deputy Finance Director.

Investment Committee

The Investment Committee had its inaugural meeting in November 2015 and is responsible for reviewing investment performance and management.

The committee consists of two Trustees chosen by the Board of Trustees, three co-opted members with financial and investment expertise and meets once a year. It requires both Trustees to be present to be quorate and is attended by the Chief Executive, Operations Director and Deputy Finance Director.

Financial review

The Charity had net expenditure of £11.7m (2014/15: net income £9.6m). The large swing between financial years from net income to net expenditure was due to property gains in 14/15 and exceptionally large grant expenditure in 15/16. The large grant expenditure in 15/16 was planned and is part of the Charity's strategy to actively use nearly half of its free reserves over this year and next, to assist its main beneficiary Imperial College Healthcare NHS Trust. This strategy is particularly welcomed by the Trust given the considerable financial pressures it is currently experiencing. The Charity's use of its free reserves is enabling vital projects at the Trust to proceed, without which these projects would not take place. The remaining free reserves will be held to meet the future needs of its beneficiaries, thereby balancing the need of current beneficiaries to future beneficiaries.

Unrestricted funds at 31 March 2016 were £35.7m (2015: £45.7m), of which £12.3m (2015: £13m) have been designated by the Trustees for specific activities and £23.3m (2015: £32.6m) are for the general purposes of the Charity.

Restricted funds at 31 March 2016 were £1.6m (2015: £1.3m). Transfers for the year were £3k (2015: £26k) of which related to transfers to income from permanent endowment funds.

The Trustees aim to transfer 4% of the total investment return on the expendable endowment to unrestricted funds. This resulted in a transfer out from expendable endowed funds of £1.3m (2015: £1.16m). The Trustees reserves policy ensures where possible, that the return will be used within the year to support the planned activities of the Charity.

The Charity's principal sources of income are the returns from its investments and the generous contributions from its donors.

Reserves policy

The Trustees are aware of the competing needs on the Charity's resources and the need to ensure the longevity of the Charity. The annual return on the expendable endowment and the unrestricted reserves are committed to grant making and charitable activities through the annual budgeting process. The Trustees consider on a quarterly basis the balances on the funds and whether the Charity can commit further funds to these activities.

The Trustees aim to annually transfer 4% of the expendable endowment to general purpose funds for spending on charitable activities. In addition, the Trustees have approved a progressive fundraising strategy through which they hope to fundraise for specific activities in conjunction with the Trust. This will allow for additional charitable spend which otherwise would not be available from the present level of investment return.

In 14/15 the Trustees began a strategic review of the Charity's reserves, looking at the possibility of releasing additional funds above and beyond the 4% transfer from the expendable endowment. The Trustees approved the release of £15m of capital from free reserves for grants to the Trust. Two projects were identified and approved during the year resulting in £8.2m of the £15m allocation being awarded. The Charity expects the remaining allocation to be awarded in 16/17.

At 31 March 2016 the Charity held £81.9m in reserves, the analysis of which is as follows:

	2016 £k	2015 £k
Endowed funds:		
Permanent endowments	348	364
Expendable endowment – investments	28,683	30,293
Expendable endowment – investment property	15,605	15,605
Restricted funds	1,569	1,331
Unrestricted funds:		
Designated funds	10,989	12,117
Designated funds – fixed assets (artwork)	1,386	958
Investment properties	1,940	1,940
Free reserves	21,391	30,698
Total funds	81,911	93,306

The movement in these funds are disclosed in the notes to the accounts (16 to 18).

Investment policy and performance

The financial objective of the Charity is to at least maintain the real value of assets whilst generating a stable and sustainable expenditure, currently set at 4%. The inflation measure the Charity uses is the consumer price index. The Board of Trustees appoints the investment managers based on the

recommendation of the Finance Committee, the investment managers appointment is reviewed every three years. The investments are monitored quarterly by the Finance Committee against the investment target, composite benchmark and comparable peers. Assuming a long term average target of 7% net of fees provides for a 4% spend and 3% accumulation, the accumulation element aims to at least match CPI, retaining comparative future purchasing power.

Investment target: CPI plus 4.5% over the longer-term (at least 20 years).

Risk tolerance: 10% - 11% annualised standard deviation.

The Trustees are prepared to accept a worst case annual volatility of -20%; however there are trigger points prior to that where the Finance Committee will require explanations from the investment managers.

At 31 March 2016, the portfolio was as follows:

UK Equities	26%
Overseas developed Equities	36%
Emerging Market Equities	7%
Fixed interest	17%
Hedge Funds	12%
Private equity	1%
Cash	1%
Total	100%

The total return generated by the portfolio was £1.04m comprised:

Unrealised losses	£-1.82m
Income	£ 1.32m
Cash withdrawn	£ 1.66m
Less: Investment manager's fees	£ 0.12m
Total	£1.04m

This produced an annual return of 1.5% based on the opening market value of the investments held at UBS, well below both the long term average target of 7% and the annual target of CPI +4.5%. The investments also underperformed the composite benchmark over twelve months by 0.49% gross of fees and 0.34% net of fees. This underperformance was mainly attributable to fixed income where the investment manager's preference of credit over high grade bonds weighed on returns as investors sought safety in government bonds following an elevated period of market volatility. The longer term performance of the investment managers is better, providing a 7.5% return, gross of fees. In order to maintain the Charity's 7% long term target, the Charity has increased its risk slightly to 11.6% from 10.1%, giving a forward risk/return projection of 11.6%/6.7%. The Charity is comfortable with this slight increase in risk, given the long term investment horizon. The portfolio was also peer reviewed to an Asset Risk Consultants (ARC) growth fund over the last twelve months, beating it by 0.4%. As the Charity is invested for the long term it appreciates the troughs and peaks that occur over time and that the investment managers may take positions against the market when attempting to outperform, this can lead to underperforming the benchmark some years but equally outperforming the benchmark in other years.

Investment properties generated £302k (2015: £293k) of rental income, returning 1.7% on opening market value. Investment properties represent land at Winsland Street leased to the Trust for outpatients and land at Burlington Danes which is leased to Thames Valley Housing for key worker accommodation. The return on investment properties is low because the Winsland Street site, representing nearly 90% of the investment properties value, is leased to the Trust at significant discount. This agreement was initially determined in 1990 by one of the predecessor Charities and is fixed for fifty years subject to a five yearly RPI uplift calculation.

Ethical investment policy

As part of the investment policy the Trustees have considered their obligation to maximise the return for the Charity against their wish to make ethical investments. The Trustees have informed the investment managers that they do not want any direct investments in tobacco, as smoking has been proven to be harmful to health.

The Trustees acknowledge there are limitations to this policy, as this has not excluded all investments which may be linked to tobacco nor is tobacco the only investment sector whose product may impact on health. The Trustees have given consideration to their legal obligation to maximise the Charity's assets for the benefit of the Charity's beneficiaries and in this respect consider this policy a suitable means to manage their obligations against their wish to invest in line with the mission of Trust. The Finance Committee meets the investment managers twice a year to discuss the financial performance of the portfolio and ethical considerations.

Risks and uncertainties

One potential financial risk facing the Charity is fundraising not achieving its target. The Charity has committed to funding half the cost (£4.8m) of refurbishing the Trust's Paediatric Intensive Care Unit (PICU). This funding is a combination of grant and fundraising. The Charity previously accrued a grant of £1.15m (14/15) and is expecting to commit to a further grant of £1.65m in 16/17. The remaining balance of £2m is expected to be fundraised throughout 15/16 and 16/17. The Charity is aware of the risk a shortfall in fundraising might present and has agreed to hold back £1.65m of the £15m large capital allocation in reserve to cover any shortfall. At the end of the current financial year, £630k had accumulated in a restricted fund, representing total funds raised thus far. The £1.65m held in reserve should be more than sufficient to cover any future fundraising shortfall.

The other main risk the Charity faces is the investment return not achieving its target. The Charity is invested for the long term and undertook steps in 15/16 in conjunction with the Charity's investment managers to change the investment mandate allowing more flexibility around asset allocation. This discretion provided to the investment managers was on the basis they remain within risk/return ratio set by the Charity. This has led to the removal of commodities from the current asset allocation and a change in the composition of equities and fixed interest. Whilst the return for 15/16 was well below target, the investment return has since recovered in 16/17.

However, to provide a more detailed and expert review of the investment manager's performance over the year, the Charity has created an investment committee made up of finance committee members and co-opted members with specific backgrounds in investment management. During the year, the investment committee had its inaugural meeting, reviewing the investment performance and were satisfied with the responses from the investment managers to probing questions. The meeting planned for 16/17 will also include consideration as to whether the Charity should switch change managers, as it will be five years since the current investment managers were appointed.

Given the size of the large capital grants awarded during the year, liquidity poses a potential risk to the Charity. To manage liquidity, the Charity uses the working capital ratio with a target liquidity range of 1 – 1.2. At the end of the financial year the ratio was 0.8, below the target range. The Charity in consultation with its investment managers determined the process for divesting assets into cash to improve the working capital ratio. Over the next two years the Charity will be withdrawing an extra £0.6m of cash per month to cover grant liabilities. This will bring the working capital ratio back up to within the target range and will most likely exceed it in the short-time whilst the projects progress. The projects are initially paid for by the Trust and then recharged back to the Charity. All surplus current cash is transferred to cash investments and invested on the money market through Barclays Wealth, Barclays have notified the Charity they will be withdrawing this service at the end of the financial year. In 16/17 the Charity replaced Barclays Wealth treasury management service with CCLA, investing surplus cash in their COIF Charities Deposit Fund, which has a AA Af/S1 Fund rating by Fitch, where AAA is the highest fund rating achievable. The Charity also acknowledges that some risks exist, which are outside of the Charity's control and develops action plans which can be deployed to try to manage those risks, once materialised.

Structure, Governance and Management

Governing document

Imperial College Healthcare Charity is the working name of Imperial College Healthcare Charities, an NHS charity which was established on 31 March 2009 following the merger of the two former NHS charities of Hammersmith Hospitals NHS Trust and St Mary's NHS Trust.

The Charity is governed by a Charity Commission Scheme dated 31 March 2009. The Trustees are incorporated by a Certificate of Incorporation, issued by the Charity Commission, on 8 May 2009 under the name "The Trustees of Imperial College Healthcare Charities" to manage the Scheme.

The Scheme acts as a single umbrella charity and governs the subsidiary charities of the five hospitals of Imperial College Healthcare NHS Trust. The objects are set out in the Scheme. The purposes of the subsidiary charities are listed below:

Imperial College Healthcare Charity

For any charitable purpose or purposes relating to the national health service or for the general or specific purposes of Imperial College Healthcare NHS Trust (the Trust). This fund holds the general funds of the Charity.

The Newson Fund

For the benefit of maternity patients under the care or recently discharged from the care of the Trust.

The Dresden Fund

For the benefit of patients at the Trust group of hospitals.

Imperial College Hospitals Charity

For such purposes relating to the hospital services (including research) of the Trust, or to any part of the health service associated with any hospital within the Trust.

St Mary's 150th Anniversary Appeal Fund

For the emergency care of children being treated at St Mary's hospital by building and equipping a paediatric accident and emergency unit including such ancillary accommodation and equipment as may be considered necessary.

The Imperial College NHS Trust Nurses Fund

To award fellowships, scholarships and bursaries or grants to enable graduates or senior nurses having a minimum of two years' service with the hospitals of the Trust or hospitals within the Greater London area as Trustees may prescribe to undertake studies.

The above Funds are held on trust and managed by the Trustees for purposes relating to the health service in accordance with the National Health Service Act 1977, the National Health Service and Community Care Act 1990, and the National Health Service Act 2006. A full list of funds and purposes is available from the Charity upon request.

These funds consist of indirectly controlled funds and directly controlled funds. Directly controlled funds are managed by the Trustees through committees, indirectly controlled funds are managed by appointed Fund Advisers. The Trustees are ultimately responsible for the administration and application of both indirect and directly controlled funds.

Fund Adviser funds

Fund Adviser Funds arise from donations which have been given to the Charity to support a particular service, hospital or area of research at the Trust. The management of these funds is delegated by the Trustees to suitably qualified Trust staff. The Trustees ensure that use of these funds by Fund Advisers complies with the purposes of the funds given.

At 31 March 2016 the Charity held 298, (2015: 300) Fund Adviser Funds with a total value of £6,616k, (2015: £7,034k). The notes to the accounts distinguish the types of Funds held.

Trustees' appointment

The Trustee body has been created under paragraph 10 of Schedule 4 to the NHS Act 2006, formerly s11 of the NHS and Community Care Act. Under this legislation, the initial Trustees were appointed by the Secretary of State for Health; this responsibility has now passed to the NHS Trust Development Agency, (NTDA, formerly the Appointments Commission).

At the creation of the Trustee body in 2009, the maximum number of Trustees was set by the Secretary of State at nine; this was to reduce to seven after one year. Initially the Charity was to appoint three NHS-linked Trustees. Only one is now required.

Trustees are appointed by the NTDA after vacancies for suitably skilled individuals have been advertised on the Charity website and around the hospitals. Suitable candidates are interviewed. Nominations to fill vacancies for 'NHS-linked' Trustees are solicited from appropriate NHS bodies (serving NHS employees are not eligible for appointment).

Trustees are appointed initially for a term ranging from two to four years but may be re-elected to serve further terms. A total period of office cannot exceed ten years.

The Charity has a formal induction programme for new Trustees. A pack is provided with information about the Charity, including the governing document, Trustees' annual report and accounts, budgets, policies and minutes, and information about Trusteeship (including Charity Commission booklets CC3 The Essential Trustee, CC10 The Hallmarks of an Effective Charity and Guidance for Charities and Public Benefit). All Trustees are invited to attend seminars and conferences on topics relevant to their roles during their term of office.

Every two years each Trustee undertakes an individual appraisal with the Chairman as part of the wider Board review. The objective of the appraisal is both to review the contribution of the Trustee and the performance of the Board as a whole.

Responsibilities of the Board of Trustees

The Board of Trustees meets four times a year, with an additional meeting day per year for strategy and planning. The Board is responsible for the strategic planning, governance and leadership of the Charity.

The Board has established five sub committees to assist it in exercising its obligations and each committee is chaired by a Trustee, as mentioned in previous sections of this report.

Joint Planning Group

In addition to the Board's sub committees, the Joint Planning Group was established in March 2015, replacing the previous Joint Fundraising Board. The Joint Planning Group comprises the senior management teams of the Imperial College Healthcare NHS Trust and the Charity, including the Chief Executives of both organisations, and is chaired by the Charity's Chief Executive. It meets monthly and is the strategic planning and implementation group ensuring that the work of the Charity and the Trust are fully aligned.

Day to day running of the Charity

The Board of Trustees appoints a Chief Executive who is responsible for ensuring the Board's strategy is implemented. In addition he is responsible, in conjunction with the senior management team, comprising the Director of Fundraising and Communications, Operations Director, Arts Manager and Grants Manager, for the day to day running of the Charity, its policies and procedures. The senior management team meets monthly to discuss progress against the organisation's overarching action plan and other managerial issues.

Members of the senior management team are present at and report directly to the quarterly Trustees meetings and the respective sub committees which they are required to attend.

The Charity's staff is managed by the senior management team. The staff are allocated across four different teams: fundraising and communications; arts; grants; and support and resources. The Charity's offices are located on three different sites across St Mary's and Hammersmith Hospitals. All staff come together at monthly staff meetings to share progress on their work and to have an input into the Charity's strategic and operational planning.

Pay policy for staff

The Board of Trustees annually sets the cost of living increase for all staff. Periodically, a benchmarking exercise of all posts by an external consultancy firm is undertaken, comparing current salary to market rate. Any resulting salary adjustments are approved by the Board of Trustees (refer to note six of the annual accounts for more details). The Charity is an equal opportunities employer and each staff member is issued with a staff handbook containing the HR policies of the Charity such as maternity, paternity, whistleblowing, bribery, anti-bullying and equal opportunities. Members of staff have an annual appraisal with the Chief Executive where performance, development and future training needs are discussed.

Involvement in wider networks

The Charity is a member of the Association of NHS Charities, a membership body representing the interests of NHS charities. The Charity uses the network to influence policy, for support, advice and a place to share and learn the lessons from similar charities. The Charity also organises and chairs a sub-group of the London NHS Charities.

In addition the Charity has membership of the Charity Finance Group, The Charity Tax Group, the Institute of Fundraising and the Association of Chief Executives of Voluntary Organisations (ACEVO). The Charity uses these resources to have an involvement in sector-wide strategic areas, to keep informed on key issues and to ensure legal compliance.

Risk management

The Finance Committee regularly reviews the risk register of the Charity. This register contains the operational risks and key controls by which the Charity believes it mitigates these risks. The Board of Trustees also consider the risks to the Charity of implementing the strategic plan as part of the strategic planning day and at quarterly Board meetings. The Trustees are satisfied that the risks, to which the Charity is exposed, as identified by the Trustees, have been reviewed and that systems and procedures are in place to manage those risks.

The Trustees delegate management of operational risk to the senior management team and focus on the strategic risks facing the Charity; the Trustees consider these to be:

The proposed redevelopment of St Mary's hospital and sale of charity land

The Trust is considering a redevelopment of the St Mary's hospital site, related to the development of the immediately adjacent site, part of which is owned by the Charity (Winsland Street). As the NHS Trust currently occupies the site, the capital value is locked. The redevelopment could involve the sale of Charity land, unlocking its capital value, providing substantial financial support to the Charity and its beneficiaries. The Charity and Trust will work together on this project and on the potential need for fundraising in addition to the revenue from land sales. The Charity has appointed professional advisers to ensure that it complies with all regulatory requirements, as well as to maximise the benefit the Charity may accrue from the sale. The Charity's Trustees will consider the impact of any sale on the Charity's assets and look at the most propitious arrangement before entering into any agreement on the land and its possible sale

Reputational risk of fundraising activities and grants

The Trustees are aware that fundraising and grant making activities pose reputational risks to the Charity. The Trustees have established the Grants Oversight Committee to oversee the progress of major grants, the activities of which are outside the Charity's direct control but may have an impact on the Charity's reputation. The Trustees have also approved an ethical fundraising policy and monitor the proposed fundraising activities to consider reputational risk. The Charity does not use external agencies for any of its fundraising activities and has no plans to do so in the future.

Fund Adviser funds

The Trustees are aware that delegated day to day management of some funds to Fund Advisers mean that decisions regarding a proportion of the Charity's reserves, £6,616k at 31 March 2015 (2014: £7,034k) are managed by NHS Trust staff outside of the direct management of the Charity and the Trustees. The Trustees are aware of this risk and all expenditure is checked against fund purpose before being awarded. Goods and services are usually placed through the Trust's procurement system to ensure compliance with Trust policies.

Investment risk

The biggest financial risk to the Charity is its investments performance; this section is covered within the financial review.

Deregulation of NHS charities

In light of the changes to the governance of NHS Charities, including the cessation of the 'S11' status the Charity previously enjoyed, the Charity's Trustees agreed to move to full independence from 1 April 2016. These will be the last set of accounts for the Charity in its current form.

Change in legal structure

The 'new' charity established on 1 April 2016 is known as Imperial College Healthcare Charity, with the charity number 1166084, and is a company limited by guarantee, company number 09999900. With effect from 1 April 2016, this new entity was appointed as the sole corporate Special Trustee of the original charity by the Department of Health. Immediately thereafter, the Charity Commission made an order under section 263 of the Charities Act 2011, which had the effect of vesting all of the property, rights and obligations of the incorporated body of Trustees in the new charity. The legal ownership having vested, the assets of the original charity were released from the existing trust so that the new charity owns them absolutely.

Going concern

As detailed above, the property, rights and obligations of the charity were transferred to a new charity on 1 April 2016. The Trustees have reviewed the financial position of the original charity along with its successor charity, including their forecast cash flows, liquidity position and existing and potential funding commitments for the next three years. The new charity has inherited the assets and grant obligations of the original charity and the Trustees will only commit funds to charitable activities and other capital projects when they are confident that these obligations can be met. As a consequence, the Trustees believe that there are adequate resources to continue in operation through the new charity for the foreseeable future. The Trustees intend to cease activities and deregister the original charity. The Trustees do not believe the going concern basis is appropriate and, in consequence, these financial statements have not been prepared on that basis. However, this has had no impact on the valuation of the assets and liabilities of the original charity that have transferred to the new charity.

Imperial College Healthcare Charity

Reference and administrative details

For the year ended 31 March 2016

Status	The Imperial College Healthcare Charity was registered under a Charity Commission Scheme as a charity, registered charity number 1128929, on 31 March 2009.		
Charity number	1128929		
Trustees	The Trustees are incorporated as a body corporate by an order of the Charity Commission on 8 May 2009.		
Registered office and operational address	Charity Offices Ground Floor Clarence Memorial Wing St Mary's Hospital Praed Street London W2 1NY		
Trustees	David Crundwell	Chair	
	Professor Hilary Thomas	Vice Chair	
	Robert Creighton		
	Valerie Jolliffe		
	Dr Mary O'Mahony		
	Lena Choudary Salter	Resigned	01 July 2015
	Sir Thomas Legg	Resigned	30 September 2015
	Caroline Lien	Appointed	13 June 2016
	Michelle Dixon	Appointed	13 June 2016
	Julian Redhead	Appointed	13 June 2016
Chief Executive	Ian Lush		
Bankers	National Westminster Bank 81 Edgware Road London W2 2ZW		
Auditors	BDO LLP 55 Baker Street London W1U 7EU		
Investment Managers	UBS AG Wealth Management 1 Finsbury Avenue London EC2M 2AN		
	Barclays Wealth 1 Churchill Place Canary Wharf London E14 5HP		

Statement of Trustees' responsibilities

The Charity Trustees are responsible for preparing the Trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business. As explained in note 1b to the financial statements, the Trustees have transferred the charity's business and assets to a new charitable company and intend to cease activities and deregister the original charity. The Trustees do not believe the going concern basis is appropriate and, in consequence, these financial statements have not been prepared on that basis.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the *Charities Act 2011*. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the Charity and financial information included on the Charity's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

By order of the Board of Trustees

INDEPENDENT AUDITORS REPORT TO THE TRUSTEES OF IMPERIAL COLLEGE HEALTHCARE CHARITY

We have audited the financial statements of Imperial College Healthcare Charity for the year ended 31 March 2016 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of financial statements which give a true and fair view. We have been appointed as auditor under section 149 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

Emphasis of matter – Basis of preparation

We draw attention to note 1b to the financial statements which explains that, as it is the Trustees' intention to cease activities and have transferred all assets and liabilities to the new charity, the financial statements have been prepared on a basis other than that of a going concern. The note also explains the effect of the change in basis on the financial statements. Our opinion is not modified in this respect.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2016, 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

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

BDO LLP

Leigh Lloyd-Thomas
London
United Kingdom
Date: 31 January 2017

BDO LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006. BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Imperial College Healthcare Charity

Statement of financial activities

For the year ended 31 March 2016

	Note	2016 Unrestricted £ '000's	2016 Restricted £ '000's	2016 Endowment £ '000's	2016 Total £ '000's	2015 Unrestricted £ '000's	2015 Restricted £ '000's	2015 Endowment £ '000's	2015 Total £ '000's
Income from:									
Voluntary sources:									
Donations	2.1	1,433	681	-	2,114	1,172	285	-	1,457
Legacies	2.2	1,601	-	-	1,601	3,802	-	-	3,802
Other trading activities		37	36	-	73	14	2	-	16
Investments	4	1,099	27	582	1,708	986	27	517	1,530
Other		-	-	-	-	15	-	-	15
Total incoming resources		4,170	744	582	5,496	5,989	314	517	6,820
Resources expended on:									
Raising funds		830	2	52	884	597	7	33	637
Charitable activities:									
Grants	7	12,333	449	-	12,782	1,343	149	-	1,492
Fund Adviser	7	1,357	32	-	1,389	2,242	40	-	2,282
Arts activities	7	228	-	-	228	232	-	-	232
Other		(19)	-	-	(19)	(16)	-	-	(16)
Total resources expended	5	14,729	483	52	15,264	4,398	196	33	4,627
Net gains/(losses) on investments:									
Realised		(71)	(2)	(56)	(129)	59	1	48	108
Unrealised		(995)	(24)	(796)	(1,815)	472	55	6,741	7,268
Total net gains/(losses) on investments		(1,066)	(26)	(852)	(1,944)	531	56	6,789	7,376
Net income/(expenditure)		(11,625)	235	(322)	(11,712)	2,122	174	7,273	9,569
Transfers between funds		1,301	3	(1,304)	-	1,146	26	(1,172)	-
Other recognised gains:									
Gains on revaluation of fixed assets		317	-	-	317	-	-	-	-
Net movement in funds		(10,007)	238	(1,626)	(11,395)	3,268	200	6,101	9,569
Reconciliation of funds									
Funds at the beginning of the year		45,713	1,331	46,262	93,306	42,445	1,131	40,161	83,737
Funds at the end of the year		35,706	1,569	44,636	81,911	45,713	1,331	46,262	93,306

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in restricted funds are disclosed in Note 17 to the financial statements.

Imperial College Healthcare Charity

Balance sheet

31 March 2016

	Note	Unrestricted £ '000's	Restricted £ '000's	Endowment £ '000's	2016 Total £ '000's	2015 Total £ '000's
Fixed assets						
Tangible fixed assets	9	1,386	-	-	1,386	973
Investments	10	38,237	822	44,613	83,672	87,164
Total fixed assets		39,623	822	44,613	85,058	88,137
Current assets						
Debtors	11	1,388	71	-	1,459	1,515
Cash investments		9,482	230	58	9,770	9,689
Cash at bank and in hand		291	1,500	(35)	1,756	1,960
Total current assets		11,161	1,801	23	12,985	13,164
Creditors: amounts due within one year	12	15,078	1,054	-	16,132	7,995
Net current assets/(liabilities)		(3,917)	747	23	(3,147)	5,169
Net assets	15	35,706	1,569	44,636	81,911	93,306
Funds						
Endowment funds:						
Permanent	16			348	348	364
Expendable	16			44,288	44,288	45,898
Restricted funds	17		1,569		1,569	1,331
Unrestricted funds:						
Designated funds	18	12,375			12,375	13,076
General funds	18	23,331			23,331	32,637
Total funds		35,706	1,569	44,636	81,911	93,306

Approved by the Trustees on 5 December 2016 and signed on their behalf by

David Crundwell

Imperial College Healthcare Charity

Cashflow statement

For the year ended 31 March 2016

	Note	2016 £ '000's	2015 £ '000's
Cash flows from operating activities:			
Net cash provided by operating activities	13	<u>(3,395)</u>	<u>1,207</u>
Cash flows from investing activities:			
Dividends, interest and rents from investments		1,708	1,530
Movement in cash held as investments		1,325	(4,048)
Purchase of tangible fixed assets		(96)	(60)
Purchase of investments		(27,248)	(27,545)
Proceeds from sale of investments		<u>27,502</u>	<u>28,567</u>
Net cash provided by investing activities		<u>3,191</u>	<u>(1,556)</u>
Change in cash and cash equivalents in the reporting period		(204)	(349)
Cash and cash equivalents at the beginning of the reporting period		1,960	2,309
Cash and cash equivalents at the end of the reporting period	14	1,756	1,960

The notes 13 and 14 form part of this statement

Imperial College Healthcare Charity

Notes to the financial statements

For the year ended 31 March 2016

1. Accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. They have been applied consistently during the year and in the preceding year.

a). 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 (FRS102) (effective 1 January 2015) - (Charities SORP (FRS102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102). The Charity meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

b). Going concern

As described more fully in the Trustees' report on page 18, the Trustees have transferred the property, rights and obligations of the original NHS charity's business to a new charity and intend to cease and deregister the original charity. The Trustees have concluded that it is not appropriate to adopt a going concern basis of preparation in these financial statements. However, this has had no impact on the valuations of the assets and liabilities of the original charity as these have transferred in an orderly manner to the new charity under an Order made by the Charity Commission.

c). Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

The impact of recognising liabilities arising from employee benefits was considered immaterial, as the Charity applies a policy limiting the number of annual leave days carried forward. The head count note six has been restated, showing the change from full time equivalents to average number of employees. No other restatements were required.

d). Fund accounting

Unrestricted funds are those where the donor has not imposed a restriction or preference on use. They can be spent at the discretion of the Trustees, in furtherance of the charity's objects.

Restricted funds are held for specific purposes, for example, set out by the donor at the point of donation, including bequests or by the terms of a public appeal or grant.

Designated funds are created at the discretion of the Trustees, where donors have expressed a wish or preference for use without imposing a trust. These are held in furtherance of the charity's object.

The charity holds an expendable endowment which can be applied in furtherance of the charity's objects. A percentage of this balance is transferred to the general purpose fund for disbursement each year.

The charity also holds three permanent endowments; the income generated by these funds is transferred annually to restricted income funds, for disbursement.

e). Incoming resources

All incoming resources are included in the Statement of Financial Activities when the all of the following criteria are met:

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

Imperial College Healthcare Charity

Notes to the financial statements

For the year ended 31 March 2016

Legacies are recognised post probate, when the award has been finalised.

Gifts in kind are recognised as income and expenditure at the market rate of the goods or services provided.

f). Resources expended

Liabilities arise from legal or constructive obligations that commit the Charity to expenditure, a liability and related expenditure is recognised when all of the following criteria are met:

- Obligation - a present legal or constructive obligation exists at the reporting date as a result of a past event.
- Probable - it is more likely than not that a transfer of economic benefits, often cash, will be required in settlement.
- Measurement - the amount of the obligation can be measured or estimated reliably.

Expenditure is recognised on an accruals basis when a liability is incurred. Expenditure includes any VAT which cannot be fully recovered and is included as part of the expenditure to which it relates.

Direct costs are attributed to activities. Support costs consist of the salaries of the administration and overhead costs of the charity. These are apportioned to the charitable activities on the basis of staff time.

Balances remaining on grant awards which are not drawn down in full are written back six months after the end of the award period. Those which are not drawn down are written back six months after the agreed start date of the project.

g). Tangible Fixed Assets

Tangible fixed assets comprise the art collection held by the Charity. A revaluation of art held at the end of the year was undertaken by Tim Ritchie associates, these works have been valued at current market value based on a comparison of recent prices achieved at auction. This revaluation resulted in a gain in value to the collection. A comprehensive revaluation is performed by an external consultant every three years. Annually, the value of the collection is reviewed in house, by the Arts Curator. Additions to the collection during the year comprise of purchases and donated works (gifts in kind) these are shown at purchase cost or equivalent purchase cost. The collection is not depreciated, as the Charity conserves the works throughout the year, negating any decrease in value through wear and tear.

h). Investment Fixed Assets

Investment assets are shown at market value.

- i). Property assets are not depreciated but are shown at market value. Valuations are carried out by the District Valuer (Winsland Street) and DTZ (Burlington Danes). The last such valuations were at March 2015 and the Trustees do not consider there to have been any significant change in value since this date. Valuation gains and losses are recorded in the statement of financial activities with the balance sheet reflecting the revalued amounts. Burlington Danes is valued on the basis of comparable recent market transactions on arm's length terms and Winsland Street is valued on the basis of a combination of rent up to 2025, estimated market value at 2025 and sale price with vacant possession at 2020 forming part of a wider redevelopment of the Paddington site. The Charity holds a small freehold property at Enford Street, which is valued on the basis of an estimated value for redevelopment, on the assumption the Charity owns good title and that Imperial College Healthcare NHS Trust would not claim adverse possession. The Charity also owns a Royal Albert Hall box, which is shown at an approximate market value (£315k) based on previous sales of similar boxes. The sale prices are provided by the Royal Albert Hall and the Trustees have estimated the market value based on those sales. The Trustees appreciate given the uniqueness of the boxes, that a true market value will only ever be determined by sale at auction.

Imperial College Healthcare Charity

Notes to the financial statements

For the year ended 31 March 2016

- ii). Quoted stocks and shares are included in the balance sheet at mid-market price, ex-dividend, the Charity considers the difference between mid and bid price to be immaterial. Other investment assets are included at the Trustees' best estimate of value.
 - iii). Private equity represents the cash and cash equivalents of the holding company and the combined nominal asset values of the companies held within the portfolio.
- i). Charitable commitments**
- The Trustees award grants after evaluating the merits of each grant application. At the point at which an application is approved, the grant is accounted for as resources expended in the Statement of Financial Activities on the basis approval represents a firm intention that is communicated to the recipient.
- Major grants are approved in full, in the year in which they are awarded. These grants are planned to take place over several financial years however many factors can influence the timing of these projects. The Trustees therefore consider it prudent to account for the grant in full, in the year it is awarded.
- j). Pension costs**
- The charity operates two pension provisions: In the first scheme, the charity pays pension contributions to staff members' own personal pension plans. No further obligation or liability arises on these payments. In addition the charity pays employer's contributions to the NHS pension fund on behalf of an employee who remains in the scheme. As the scheme is a multi-employer scheme it is not possible to identify the charity's assets and liabilities in this scheme and so full disclosure is not possible. All pensions are therefore treated as defined contribution.
- k). Finance lease**
- The Charity has issued a finance lease to Thames Valley Housing for part of the Burlington Danes site. The future minimum lease payments have been accrued and a finance lease debtor has been recognised. The term of the lease is 125 years from date of issue, upon expiration the land reverts back to the Charity.
- l). Financial instruments**
- The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at fair value as at the balance sheet date. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year. The Trust does not acquire put options, derivatives or other complex financial instruments.
- m). Current asset investments**
- The Charity holds current asset investments with a maturity of less than one year, measured at settlement value. This cash on deposit is held for investment purposes rather than to meet short term cash liabilities as they fall due.

Imperial College Healthcare Charity

Notes to the financial statements

For the year ended 31 March 2016

2.1 Incoming resources

	Unrestricted £ '000's	Restricted £ '000's	2016 £ '000's	2015 £ '000's
Donations from individuals				
Donations over £1,000	241	263	504	185
Small donations under £1,000	75	42	117	74
Donations from events	2	85	87	24
In memorium	7	5	12	17
Gifts in Kind	56	-	56	15
Total donations from individuals	381	395	776	315
Corporate donations				
Donations over £1,000	613	81	694	141
Donations under £1,000	20	3	23	1
Total corporate donations	633	84	717	142
Trust awards				
Star & Storm	-	73	73	-
The Michael Uren Foundation Charity	60	-	60	-
The Robert Gavron Charitable Trust	50	-	50	-
Other Trust Awards	309	129	438	-
Total trust awards	419	202	621	1,000
Total gifts and donations	1,433	681	2,114	1,457
2.2 Legacies				
Louise Thorp	1,443	-	1,443	2,500
Jeanette Jenkins	59	-	59	-
Other legacies	99	-	99	1,302
Total legacies	1,601	-	1,601	3,802

Imperial College Healthcare Charity

Notes to the financial statements

For the year ended 31 March 2016

3. Net income/(expenditure)

This is stated after charging the following:

	2016	2015
	£	£
Auditor's fees	8,775	15,040
Trustee indemnity insurance	3,000	3,029
Trustee recruitment	6,000	-
Expenses paid on behalf of Trustee Board	1,292	342

No Trustees were reimbursed for expenses, remunerated or received any other benefit (2015: nil). The Trustees Board incurred expenses of £1,292 during the year (2015: £342).

4. Gross investment income

	2016	2015
	£ '000's	£ '000's
UK Investments		
Investment properties	302	293
Listed stock exchange investments	568	689
Cash held for investment	2	2
Current asset interest	88	68
	<u>960</u>	<u>1,052</u>
Overseas Investments		
Listed stock exchange investments	748	478
	<u>748</u>	<u>478</u>
Total	<u><u>1,708</u></u>	<u><u>1,530</u></u>

Imperial College Healthcare Charity

Notes to the financial statements

For the year ended 31 March 2016

5. Total resources expended

	Cost of generating funds	Grants	Fund Adviser	Arts	Other resources expended	Governance costs	Support costs	2016	2015
	£ '000's	£ '000's	£ '000's	£ '000's	£ '000's	£ '000's	£ '000's	£ '000's	£ '000's
Staff costs	311	48	-	96	-	-	349	804	647
Professional fees	30	-	-	10	-	-	3	43	113
Grants awarded	-	12,344	1,314	37	-	-	-	13,695	3,401
Legal fees	-	-	-	-	-	26	-	26	21
Audit fees	-	-	-	-	-	13	-	13	15
Investment Managers' fees	118	-	-	-	-	-	-	118	86
Insurance costs	6	-	-	5	-	8	-	19	13
Trustees' expenses	-	-	-	-	-	7	1	8	-
Fundraising costs	100	-	-	-	-	-	-	100	137
Property management fees	11	-	-	-	-	-	-	11	8
Bad debts written back	-	-	-	-	(19)	-	-	(19)	(16)
Office administration	-	-	-	-	-	-	10	10	17
Office rent	-	-	-	-	-	-	88	88	70
Information technology	-	-	-	-	-	-	244	244	29
Staff training	-	-	-	-	-	-	69	69	11
Recruitment	-	-	-	-	-	-	13	13	56
Other costs	-	-	-	-	-	-	22	22	19
	<u>576</u>	<u>12,392</u>	<u>1,314</u>	<u>148</u>	<u>(19)</u>	<u>54</u>	<u>799</u>	<u>15,264</u>	<u>4,627</u>
Governance and Support costs	<u>308</u>	<u>390</u>	<u>75</u>	<u>80</u>	<u>-</u>	<u>(54)</u>	<u>(799)</u>	<u>-</u>	<u>-</u>
Total expenditure	<u>884</u>	<u>12,782</u>	<u>1,389</u>	<u>228</u>	<u>(19)</u>	<u>-</u>	<u>-</u>	<u>15,264</u>	<u>4,627</u>

Imperial College Healthcare Charity

Notes to the financial statements

For the year ended 31 March 2016

6. Staff costs and numbers

Staff costs were as follows:

	2016 £ '000's	2015 £ '000's
Salaries and wages	684	553
Social security costs	76	60
Pension costs	44	34
	<u>804</u>	<u>647</u>

The number of employees who earned more than £60,000 during the year was as follows:

	2016 No.	Restated 2015 No.
£60,000 - £70,000	1	1
£70,000 - £80,000	1	1
£90,000 - £100,000	1	0
	<u>1</u>	<u>0</u>

Employer's pension contributions were paid at a rate of 10% of gross salary for staff who are not members of the NHS scheme. For one member of staff, in the NHS scheme, employer contributions were 14%, costing £5k (£5k 2015). Total key management personnel compensation was £225k (£159k, 2015). Key personnel comprise Chief Executive, Fundraising Director and Operations Director.

The average number of employees during the year was as follows:

	2016 No.	Restated 2015 No.
Organisational support	6	6
Fundraising	7	5
Grant making	2	1
Arts	3	3
	<u>18</u>	<u>15</u>

7. Grants awarded

Grants awarded to Institutions were as follows:

	2016 No. of grants	2016 £ '000's	2015 No. of grants	2015 £ '000's
Imperial Healthcare NHS Trust	207	12,164	436	1,100
Imperial College London	48	691	41	1,418
Institutes / NHS Trusts / charities	22	165	48	255
	<u>277</u>	<u>13,020</u>	<u>525</u>	<u>2,773</u>

Grants awarded to individuals were as follows:

Grants to individuals	1,221	675	1,390	628
	<u>1,221</u>	<u>675</u>	<u>1,390</u>	<u>628</u>
Total grants awarded	<u>1,498</u>	<u>13,695</u>	<u>1,915</u>	<u>3,401</u>

Imperial College Healthcare Charity

Notes to the financial statements

For the year ended 31 March 2016

8. Taxation

The charity's net incoming resources and gains are exempt from corporation tax as all proceeds are applied to its charitable objectives.

9. Tangible fixed assets

	Artworks £ '000's
Value at 1 April 2015	
At the beginning of the year	973
Additions at cost	96
Revaluation	<u>317</u>
Value at 31 March 2016	<u><u>1,386</u></u>

10. Fixed asset investments

	2016 £ '000's	2015 £ '000's
Quoted UK investments	17,471	23,255
Listed overseas investments	47,005	43,558
Private equity	749	500
Cash held as part of the investment portfolio	<u>899</u>	<u>2,303</u>
	<u>66,124</u>	<u>69,616</u>
Investment properties	<u>17,548</u>	<u>17,548</u>
Total investments	<u><u>83,672</u></u>	<u><u>87,164</u></u>

Investments at market value:	£ '000's
At beginning of the year	69,616
Additions in the year	27,248
Less: disposals at market value	(27,502)
Dividend and investment income	1,293
Movement in cash due to trading	254
Cash withdrawn	(2,841)
Losses on investments	<u>(1,944)</u>
Market value at the end of the year	<u><u>66,124</u></u>

The investments of the charity have been acquired in accordance with powers available to the Trustees under the Charity Commission Order.

Imperial College Healthcare Charity

Notes to the financial statements

For the year ended 31 March 2016

11. Debtors	2016	Restated	
	£ '000's	2015	
		£ '000's	
Finance lease debtors	865	927	
Trade debtors	52	16	
Prepayments and accrued income	206	271	
Other debtors	336	301	
	1,459	1,515	
Finance lease debtor	2016	2015	
	£ '000's	£ '000's	
Gross investment in finance lease	2,500	2,600	
Within 1 year	100	100	
After 1 year but before 5 years	400	400	
After 5 years	2,000	2,100	
Unearned finance income	1,634	1,673	
Present value of future minimum lease payments	866	927	
Within 1 year	58	61	
After 1 year but before 5 years	254	266	
After 5 years	554	600	
12. Creditors: amounts falling due in less than one year	2016	2015	
	£ '000's	£ '000's	
Accruals	16,003	7,880	
Trade creditors	129	115	
	16,132	7,995	
Analysis of accruals	2016	Movement	2015
	£ '000's	£ '000's	£ '000's
Grant accruals brought forward	7,880	697	7,183
Paid in year	(4,470)	(2,933)	(1,537)
Released in year	(288)	694	(982)
Grant accruals in year	12,792	9,620	3,172
Other accruals in year	89	45	44
	16,003	8,123	7,880

Imperial College Healthcare Charity

Notes to the financial statements

For the year ended 31 March 2016

13. Reconciliation of net income/(expenditure) to net cashflow operating activities

	2016 £ '000's	2015 £ '000's
Net income/(expenditure) for the reporting period	(11,712)	9,569
Adjustments for:		
(Gains)/losses on investments	1,944	(7,376)
Dividends, interest and rents from investments	(1,708)	(1,530)
Decrease in debtors	(56)	(104)
Increase in creditors	8,137	648
Net cash provided by operating activities	(3,395)	1,207

	2016 £ '000's	Movement £ '000's	2015 £ '000's
14. Movements in cash			
Cash in hand and at bank	1,756	(204)	1,960

15. Analysis of net assets between funds

Fund balances at 31 March 2016 are represented by:

	Restricted funds £ '000's	Endowed funds £ '000's	Designated funds £ '000's	General fund £ '000's	Total
Tangible fixed assets	-	-	1,386	-	1,386
Investments	822	44,613	8,611	29,518	83,564
Net current assets	747	23	2,391	(6,200)	(3,039)
	1,569	44,636	12,388	23,318	81,911

Imperial College Healthcare Charity

Notes to the financial statements

For the year ended 31 March 2016

	At the start £ '000's	Incoming £ '000's	Outgoing £ '000's	Transfers £ '000's	Gains £ '000's	At the end £ '000's
16. Endowed funds						
Permanent endowed funds						
Dresden Fund	74	1	-	(1)	(1)	73
Imperial College hospitals Charity	235	4	1	(10)	(7)	221
Imperial College Healthcare NHS Trust Nurses Fund	55	1	-	-	(2)	54
	<u>364</u>	<u>6</u>	<u>1</u>	<u>(11)</u>	<u>(10)</u>	<u>348</u>
Expendable endowment fund						
Imperial College hospitals Charity	45,898	576	51	(1,292)	(843)	44,288
	<u>46,262</u>	<u>582</u>	<u>52</u>	<u>(1,303)</u>	<u>(853)</u>	<u>44,636</u>

The expendable and permanent endowment funds are Trustee directly controlled funds.

	At the start £ '000's	Incoming £ '000's	Outgoing £ '000's	Transfers £ '000's	Gains £ '000's	At the end £ '000's
17. Restricted funds						
Imperial College Healthcare Charity	199	180	67	-	(1)	311
Newsom Fund	69	1	61	-	(2)	7
The Dresden Fund	258	5	53	1	(7)	204
Imperial College hospitals Charity:						
Special purpose funds	684	538	270	-	(16)	936
Fund adviser funds	73	20	32	2	-	63
St Mary's 150th Anniversary Appeal Fund	33	-	-	-	-	33
Imperial College Healthcare NHS Trust Nurses Fund	15	-	-	-	-	15
	<u>1,331</u>	<u>744</u>	<u>483</u>	<u>3</u>	<u>(26)</u>	<u>1,569</u>

Trustee directly controlled funds at 31 March 2016 comprised £1,506k (96%) of the total end of year balance, £63k (4%) is indirectly controlled through the use of Fund Advisers. Refer to page 15 of the annual report for more details.

	At the start £ '000's	Incoming £ '000's	Outgoing £ '000's	Transfers £ '000's	Gains £ '000's	At the end £ '000's
18. Unrestricted funds						
Designated funds						
Imperial College Healthcare Charity:						
Special purpose funds	2,221	352	141	102	295	2,829
Fund adviser funds	6,034	882	1,267	(4)	(101)	5,544
	<u>8,255</u>	<u>1,234</u>	<u>1,408</u>	<u>98</u>	<u>194</u>	<u>8,373</u>
Imperial College hospitals Charity:						
Special purpose funds	3,885	1,522	2,295	2	(122)	2,992
Fund adviser funds	936	186	95	(7)	(10)	1,010
	<u>4,821</u>	<u>1,708</u>	<u>2,390</u>	<u>(5)</u>	<u>(132)</u>	<u>4,002</u>
Total designated funds	<u>13,076</u>	<u>2,942</u>	<u>3,798</u>	<u>93</u>	<u>62</u>	<u>12,375</u>
Undesignated fund						
Imperial College Healthcare Charity	32,637	1,228	10,931	1,207	(810)	23,331
	<u>45,713</u>	<u>4,170</u>	<u>14,729</u>	<u>1,300</u>	<u>(748)</u>	<u>35,706</u>

Trustee directly controlled designated funds at 31 March 2016 comprised £5,821k (47%) of the total end of year balance, £6,554k (53%) is indirectly controlled through the use of Fund Advisers. Refer to page 15/16 annual report.

19. Related Parties

There were no related party transactions.