

& Annual Report Financial Statement

2017/18



Trustees

Anna Walker	Chair
Carol Varlaam	Vice-Chair (Retired 30 September 2017)
Anthony Marshall	Treasurer
Hazel Norman	(Retired – 1 December 2017)
Zeynep Meric-Smith	
Michael Rappolt	
Katie Mantell	(Appointed 29 September 2017)
Paul Sarfaty	(Appointed 29 September 2017)
Schellion Horn	(Appointed 29 September 2017)
Kathy Tyler	(Appointed 29 September 2017)
Timothy Wright	(Appointed 19 January 2018)

Executive Management Team

Martyn Willis	Chief Executive Officer (Retired 31 March 2018)
Kabba Njie	Director of Finance & Operations
Noel Cramer	Director of Fundraising & Marketing

Investment Managers and Advisers

Investec Wealth and Investment Ltd
2 Gresham Street, London EC2V 7QN

Bankers

National Westminster Bank PLC
282 London Road, Mitcham CR4 2ZP

Independent Auditors

Grant Thornton UK LLP
30 Finsbury Square, London EC2A 1AG

Solicitors

Withers LLP
16 Old Bailey, London EC4M 7EG

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Charity Number 1171195 (Formerly 241527)

ST GEORGE'S HOSPITAL CHARITY

Registered Charity Number: 1171195 (Formerly 241527)

Constituted by Statutory Instrument 2001 No. 171 and No 190 which came into effect from 1 April 2001. Reconstituted as a Company Limited by Guarantee on 1 April 2017.

Registered Address: **St George's Hospital Charity, St George's Hospital, Blackshaw Road, London SW17 0QT**

Foreword

Thank you for your support of St George's Hospital Charity, which became an independent charity on 1 April 2017, and is one of a number of hospital charities that have recently followed this route. This new status in no way affects our mission: to improve the experience of all those using St George's and Queen Mary's Hospitals.

Our work in 2017-18 raised £1.3 million for St George's University Hospitals NHS Foundation Trust, which continues to develop its future strategy under a new leadership team and as a member of the South West London Health and Care Partnership. This was an 8% reduction in fundraising income compared with 2016/17, exemplifying the challenges facing the charity sector at this time. However, our fundraising still supported important projects for those using St George's, including new equipment in crucial areas such as cancer and spinal cord injuries and facilities for those supporting patients at the hospital.

We awarded grants of £1.6 million to the Trust during 2017-18, an increase of 2.5% over 2016-17. The grants focussed on improving the patient and family experience, staff development and welfare, research and new medical equipment. In addition, we are committed to making a further £600,000 available for research projects which involve both the Trust and the St George's University London medical school. To this end, we formed a Medical Advisory Group, which includes representatives from the Trust and the University to advise us on the areas of research to be funded.

We maintain our very close engagement with Trust staff, as was demonstrated this year by the highly successful inaugural Staff Achievement Awards event. There we recognised and celebrated the huge contribution staff make to patient experience at the hospital.

This year we continued to support the activities of Arts St George's, including several exhibitions and a very successful evening exploring the life of Edward Wilson, the Antarctic explorer and a distinguished physician at St George's. The Arts team also ran several successful arts programmes for the health and wellbeing of patients and staff.

Our Governing Body welcomed five new Trustees, one of whom is also a Board member of the Trust. They bring new and varied perspectives which will benefit the Charity and its stakeholders as we go forward.

During the year, we said farewell to two long-standing Trustees: our Vice-Chair Dr Carol Varlaam and Dr Hazel Norman. At the end of March 2018 our Chief Executive Officer, Martyn Willis, retired following 8 years of service, during which he oversaw significant change and advancement in the operation of the Charity. We record our warm thanks for each of these people and their significant contributions.

As the NHS celebrates its 70th birthday in an age of change and innovation, we relish the challenge to further develop and grow the support being given by St George's Hospital Charity to the Foundation Trust and those who use it.



Anna Walker
Chair

Trustees' Annual Review of 2017/18

Introduction

In this report, we describe the principal grants that we have awarded and how they have been used, our fundraising activity, and the support that we receive from our donors, our volunteers and the staff of both the Charity and the Trust.

All of this is aimed at improving patient and family experience within the St George's Foundation Trust community which includes Queen Mary's Hospital, Roehampton.

The Charity also seeks to advance and promote knowledge and education in health care and health-related research, and works closely with St George's University of London.

On 1 April 2017 and following a national review of NHS Charities, St George's Hospital Charity became independent of and no longer accountable to the Department of Health. It is now registered with the Charity Commission and at Companies House as a company with limited liability, and its Trustees are accountable to the Charity Commission.

This change has been undertaken by a number of peer charities: it allows for greater flexibility of operation, and in no way affects the aims and aspirations of the Charity.



How we made a difference

- More than 50,000 people benefitted from the Charity's activities
- Of these, at least 20,000 were assisted by way of other funding, including Special Purpose Funds which are described below
- Grant awards increased by 2.5% to £1.6 million
- £600,000 of funds were earmarked for future research

Projects that we undertook in order to make a difference include:

Intraoperative Electrophysiology System

Consultant neurosurgeon Mr Matthew Crocker demonstrates the Intraoperative Electrophysiology System that allows surgeons to monitor sensitivity when operating on some extremely high risk conditions including spinal tumours. In a three month period from December 2017 the equipment was used on 15 patients. It has allowed neurosurgeons to run one of the few studies worldwide on early surgical treatment for spinal cord injuries with the aim of stem cell transplantation. Operative electrophysiology is a critical part of this study. This equipment helped to make high-risk operations safer, and brought new technology to St George's.



Intraoperative Electrophysiology System

Training Health Care Assistants to become Registered Nurses:

The high vacancy rate across London for nursing and midwifery posts affects the Trust. To ease the situation, a cohort of some 30 non-UK Health Care Assistants who are registered nurses in their own country will undertake the training required for the examinations needed to advance to Registered Nurse level in the UK. This is designed to increase the number of registered nurses at the Trust, and thus improve patient safety and quality care.

Sofa Beds for Parents to stay with Children:

The 5th floor Paediatric Unit of Lanesborough Wing needed modern sofa beds to allow parents to stay with their children overnight. Having a parent close at hand helps to prevent child distress and disorientation, and the purchase of 23 new beds allows the potential for over 8,000 child support nights per year.



Dr Phil Moss, Clinical Director of St George's Emergency Department, is an enthusiastic supporter of the Charity and found time to run the Brighton Marathon and raise funds. Dr Moss was a grateful recipient of a jelly baby at the Charity's cheer station.

*Jane Burdett and her family network have raised money in celebration of the life of her late and much loved daughter, Molly, in whose name **Molly's Smile Fund** was established and major fundraising initiatives were undertaken. Following the family's experience of Molly's time at St George's they were keen to help enhance the relatives' space in General Intensive Care which benefitted from a makeover.*



Portable Echo Cardiogram: This machine permits a non-invasive ultrasound examination which enables doctors to gain detailed information about the size and function of the heart's chambers, valves and the major blood vessels attached to it. It will be used across many departments to aid diagnosis and allow the hospital to provide more timely treatment to a greater number of inpatients at their bedside. It thus avoids the need to move patients who are gravely ill for cardiac

investigations, allowing more timely treatment at the bedside and a more efficient use of clinical time.

Neurosurgical Equipment for deep brain

stimulation: The deep brain stimulation service team treated 24 patients in its first year. The unit is the fifth busiest centre in the UK, and the new equipment is designed to double the capacity of the team which has experienced growing referrals and hence waiting times.

***Michael Howard Bold** was an in-patient at St George's and spent a long period undergoing procedures including regular needle injections throughout his cancer treatment. Michael resolved that young people who require regular needle interventions should have the best possible chance of reducing pain and unease. When he heard about the Venous Access team (whose role it is to manage efficient access to veins which is less invasive) he wanted to find out more. A Venous Access Ultrasound Machine was identified and Michael, his family, friends and community embarked on a number of fundraising initiatives to raise the £25,000 required. Sponsored football matches, walks from Liverpool to London, and other sponsorships helped Michael to achieve his goal. The specialist Venous Access Team at St George's, the hospital Charity and many patients are incredibly grateful for the efforts of Michael and his network and their generous supporters.*



Grant Giving



During 2017/18 we awarded £1.6 million to St George's and Queen Mary's Hospitals. Our grants fall into the following categories:

- Patient and Family Experience
- Staff Development and Welfare
- Research
- Capital Projects and Infrastructure
- Medical Equipment

Patient and Family Experience

We work to improve the patient and family experience at St George's and Queen Mary's hospitals and those who receive a health related service in the community.

This year the Charity awarded £436,000 for projects which included:

- The creation of a Teenage and Young Adult Room adjacent to the Ruth Myles Unit in St James's Wing, to provide a more relaxed space for young people away from the ward area
- Enhancement of the relatives room in the Neuro Intensive Care Unit

- Automatic voice message technology to prevent falls in impulse patients with acute brain injury
- Home video telemetry equipment for adults and children to help with a potential diagnosis of epilepsy which avoids the need to be tested overnight in hospital
- Sofa beds for relatives wishing to stay with their children in the paediatric in-patient wards
- Re-decoration of the waiting area in Paediatric Ultrasound
- Recliner chairs for the Maternity Unit, to replace existing seating not fit-for-purpose
- Funding support groups for relatives and patients with early onset dementia
- Sensory play equipment to help children with relaxation and distraction
- Overnight accommodation for those accompanying a small number of emergency cases from distant locations.

In addition, our annual award of funds for Arts St George's brings colour, interest and vibrancy to the environment through bedside musical therapies and the promotion of the heritage of St George's. In November 2017 the team at Arts St George's held an event which included a speech by the grandson of Edward Wilson, physician, St George's alumnus and Antarctic expeditioner. The history of St George's goes back to 1733 and we aim to generate awareness of the impact that St George's has had on the world of medicine.



Staff Development and Welfare

The skill and knowledge required to deliver first class clinical care within a professional environment needs constant support and development. The cost of this amounted to £673,000 in 2017/18. The increased funding included the following:

- The award of £300,000 in response to a request from the Trust for a co-ordinated programme of training aimed at enhancing learning and decision-making for a range of staff groups (primarily nursing and healthcare assistant posts)
- A clinical reasoning training course for a staff member dealing with patients with complex health conditions, as a precursor to becoming a clinical prescriber
- An award from a funder keen to support first year nurses working in London for the first time and helping them to access learning materials or leisure activities to ensure a healthy work/life balance

The Trust Staff Appreciation Awards 2018 was an innovation kindly supported and sponsored by the Pelican London Hotel & Residence and Yellow Brick Group, in memory of the Chairman and CEO's late mother. The Awards celebrated the excellence of many healthcare staff whose achievements were selected by a panel of experts. The event at Wandsworth Town Hall in March 2018 involved 200 guests, and going forward we plan to hold the Awards annually.



Staff from the Hospital's Community, Homeless, Refugee and Asylum team – winners of the 'Team that provides Outstanding Care, Every time' award. Presented by Dr Rosena Allin-Khan, MP for Tooting.

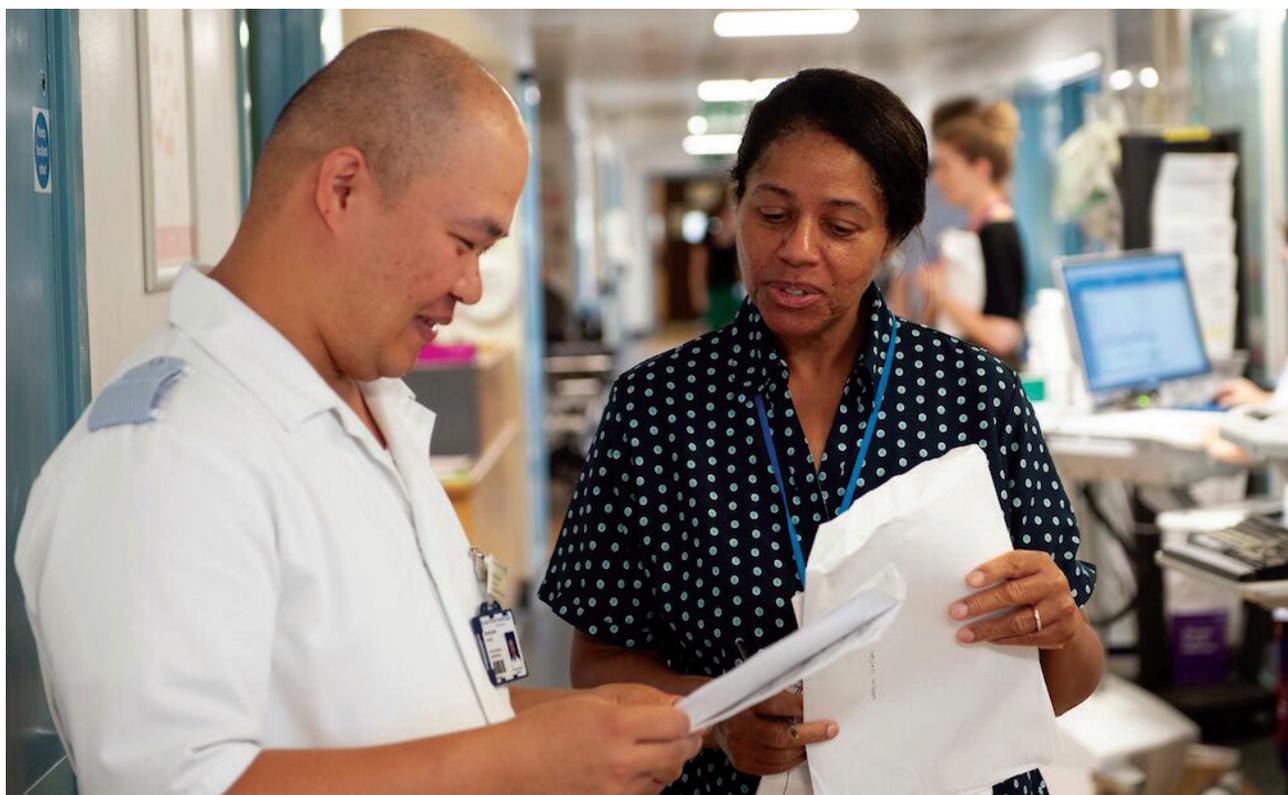
Research

Each year the Charity supports pioneering research conducted by St George's Hospital and St George's University London to aid discoveries that will improve the lives of seriously ill patients now, and in the future. This year we provided £318,000 for investigations that included:

- Research into methodologies for tubal ectopic pregnancy to establish whether reduced fertility occurs following ectopic pregnancies
- A study to test whether physiotherapy treatment improves the walking of people with Intermittent Claudication

- An anti-malarial drug trial to ascertain potential links to the treatment of colorectal cancer
- And support for a specialist research post developing haematology and oncology clinical trials to offer patients more treatment choice and access to new therapies.

The Charity has been a supporter of medical research for many years and aims now to define a clear focus for funding that matches the priorities of the Trust, University and external funding bodies.



This year, we established a Charity's Medical Advisory Group which has Charity, Trust, University and external membership with the aim of awarding targeted funding to priority areas of research.

This builds on the unique opportunities provided by having the Hospital and the University Medical School share the same campus.

To support this, the Charity has made a funding commitment of £600,000, set aside in 2017/18, for future research.

Capital Projects and Infrastructure

The ability of the Foundation Trust to undertake major capital and infrastructure projects during this period has been constrained, resulting in a modest award of £21,000 during 2017/18.

Going forward, the Charity will be a meaningful partner when priority projects are identified.

Medical Equipment

This year we bought state of the art equipment so that patients at St George's have access to the latest and most effective treatments. £175,000 was committed to purchases which included:

- A facial nerve monitor for neurosurgery
- A Motormed machine for bedbound patients to help reduce muscle wastage and to facilitate early rehabilitation avoiding secondary complications
- A podiatry extracorporeal shock wave therapy machine
- Physio-Touch equipment for the lymphoedema department
- Neurosurgical deep brain stimulation equipment to increase the number of operations performed and reduce patient waiting lists
- Tracheal occlusion equipment for fetal medicine
- Venous access ultrasound equipment for paediatric patients to allow for less invasive and painful access to children's veins
- Imaging and proteomic assessment equipment for certain aortic aneurysms
- A machine for intraoperative spinal cord real time monitoring during surgery so to help prevent paralysis
- A new gamma probe to support the expansion of the hospital's breast cancer services, to aid surgery, shorten operative times and reduce post-operative sequelae.

Fundraising

Fundraising Activities

We raised £1.3 million, a reduction of 8%, as we faced a more challenging fundraising environment.

However, proactive fundraising income improved by 14% compared to the previous year towards

dedicated Appeals which are proving to offer clarity and focus for donors.

During 2017/18, our appeals raised £288,000, with the majority going to Neuro (£101,000) and to the Children's Appeal (£83,000).



Principal fundraising activities

The Charity benefits from a very broad and diverse support base who donate in a wide variety of ways. In 2017/18 these included:

- Regular donations
- Individual donations: these are supporters who have responded to specific appeals or attended a Charity event
- Community fundraising: these are community based activities or challenge events taking place in support of the Charity, sometimes organised by a patient or their friends and relatives. These include large events such as the London and Brighton Marathons and Ride London
- Corporate fundraising: support from companies in the area takes many forms and is good for business, staff morale and social impact
- Grants and donations: from Trusts and Foundations
- Legacies: we received legacy gifts this year, where supporters have chosen to donate to the Charity in their Will

Community and Events fundraising benefitted from high levels of supporter care and more proactive outreach to our key audiences.

For instance, at the beginning of the year we were supported by the friends and family of Samantha and Alexander Johns who were instrumental in securing surgical equipment for the neurosurgeons at St George's. Together with Emma Holloway's efforts with the Malden Centre, the Charity has been able to supply vital equipment to keep patients safe during surgery.

The support of our local community is important to us, and we thank:

- Furzedown Events (FACE) for six years of fundraising that resulted in a new Teenage and Young Adult room in St James's Wing;
- Molly's Smile Fund whose community efforts allowed us to redesign and renovate the Relatives Room in the General Intensive Care Unit;

- BATCA in Tooting for helping patients of all ages through the Tooting Annual Fun Day;
- London and Brighton Marathon runners who each year dedicate hundreds of hours training as well as thousands of pounds fundraised;
- The Royal Albert Hall Christmas collections which were shared between our Charity and Paul's Cancer Support;
- Michael Howard-Bold and his family who helped other young cancer patients to have an easier experience with vein access;
- And the Earlsfield Events Committee who undertook an outstanding local collection;
- Not to mention the abseilers, cyclists, joggers, walkers, skydivers (including the Trust's Chief Nurse), cake bakers, dressers up and dressers down, givers of toys, race night and comedy night organisers, golfers, gyms, fitness groups, restaurants and pubs who hold our collection tins, and friends and relatives who give in celebration or in memory of a loved one as a means of expressing appreciation for the work of the dedicated staff at St George's and Queen Mary's hospitals.

Our aim to further develop Patient Experience was enhanced with the disbursement and management of Year Two of a Four Year award from the National Lottery Fund Reaching Communities grant programme supporting renal, neurorehabilitation and Parkinson's patients at St George's and Queen Mary's. This award supports patients and relatives with purposeful activity intended to strengthen their physical, emotional, or therapeutic development

The Charity's Annual Supporter Thank You Event in January 2018 allowed us to recognise those who raised funds, and to demonstrate what was purchased with their help.

Volunteering

St George's Hospital Charity enjoys the dedicated support of volunteers who assist our fundraising team and we would welcome the assistance of more. In particular, During 2017/18, three volunteers gave time on a regular basis for which we are immensely grateful. We also enjoy the support of volunteers who may wish to join a cheer squad at a challenge event or help us with a staff-led event such as the Staff Appreciation Awards.

Engaging our community through donated time and skill is very much part of our ambition for the future as we build more volunteering initiatives for the Charity.

Special Purpose Funds

St George's Hospital Charity manages more than 240 Special Purpose Funds (SPF's), each of which is dedicated to a particular ward/department or area of research within the Trust. Every fund has defined charitable objectives, some designated and some

restricted, to serve towards the enhancement of patient and family experience and/or improving staff development within the hospital. These charitable funds are usually administrated by clinicians and administration staff, who give their time freely, with delegated authority by the Charity's Trustees to act on their behalf.

At 31 March 2018, SPF's managed by St George's Hospital Charity had a total value in excess of £6.3 million including a share of investment portfolio gains. The amount spent by Fund Advisors in 2017-18 on charitable activities was £1.2 million, including a proportion of support costs.

Our Special Purpose Funds are largely led by the Trust's medical staff, and include donations to specific wards and departments. The latter have reduced of late, coinciding with operational pressures that the Trust has experienced, and we are looking to enhance the support that the Charity is able to give to the Fund Advisors.



We are grateful to the staff of the Tooting Broadway branch of Sainsbury's, (one of our corporate partners) for volunteering their time and helping to raise vital funds for St George's.

Fundraising Governance

As a fundraising charity, we rely upon the generosity of our donors to help raise funds for St George's Hospital. Therefore, we are acutely aware of how important it is to maintain the trust of our supporters. We know that it matters not just how the money they give is spent, but also how we go about raising funds.

The number of volunteers operating their own fundraising activities for our benefit is always changing and the regulations around the management of volunteers from the new Fundraising Regulator and the Code of Fundraising Practice means we are obliged to extend different levels of governance to each type of volunteer. This can mean that in order to protect volunteers who are fundraising in our name we need to provide more guidance than in previous years to be compliant.

Protecting and motivating volunteers are key priorities and the guidance from the Regulator is helpful.

Complaints

The Charity received three complaints in 2017/18 upon which we acted and remedied matters to the satisfaction of those who raised concerns. We take complaints and/or feedback seriously and are satisfied that our processes are responsive, speedy in being resolved, and transparent.

The Charity records complaints received from the public as required by the Fundraising Regulator. This covers feedback that we receive from those with whom we have direct fundraising contact, those who observe something taking place in our name with which they are unhappy, or occasionally where supporters feel we did not meet the standards they expected.

Our approach to complaints is that we assess the complaint, escalate it if required to a senior staff member, assess what we could have done better

or differently, change our practices or procedures in light of the learning, and report this to our Trustees at quarterly intervals.

We also receive requests via the new Fundraising Preference Service through which members of the public can ask for contact from any Charity to be suppressed. Together with the changes to data privacy including preparing for the General Data Protection Regulations that came in to force in May 2018 we endeavour to communicate only with people who do wish to hear from us and whose details we are permitted to hold.

In 2017/18 we developed an additional strand to our Whistleblowing Policy that was designed initially for staff and volunteers. This extended the Whistleblowing option to members of the public who may have concerns about activity they see and report to us whilst themselves remaining anonymous. Trustees concurred that this was a wise addition to our policy and it is to be made available on the Charity's website.

Our supporter commitment

Our commitment to our supporters is that their desire to assist the Charity will be matched by the staff's professionalism and knowledge.

Our staff will guide supporters through the choices available to them, will advise on when specific support is possible towards specific items, and be intermediaries between the wishes of the supporter and the departments within the hospitals.

It is quite common for busy medical professionals to be hard to reach at certain times. This can mean that getting firm commitments for particular initiatives takes time. We will always be transparent about the likely timeframe required to get a decision, and where this is a decision that the hospitals need to make we will endeavour to speed this along. We recognise that the pace at which our enthusiastic supporters move forward and the pace

at which busy hospital managers can respond might differ.

Our commitment is to offer the highest levels of professionalism to our supporters and the best guidance available to ensure fundraising is compliant with the ever-increasing governance and regulatory requirements.

Data protection and information governance

We are committed to ensuring compliance with privacy legislation, working to safeguard our supporters' information and in respect to their preferences. During the year, we began to prepare for the new General Data Protection Regulation (GDPR), which came into effect in May 2018. As a result, we have reviewed and amended the Charity's privacy policy, with a new version on our website. We have updated the data protection statements

included in our fundraising and marketing materials to ensure the Charity's practices are as clear as possible for donors and supporters.

In addition, we have developed and implemented procedures to allow the Charity's donors and supporters to choose when and how they wish to be contacted by us. Our data privacy policy is available on the Charity's website.

Any queries are welcome as we continue to ensure supporter data is protected. We neither buy nor sell lists of supporter data.

Data that we share with third party providers such as our lottery providers is protected by formal agreements stating the terms under which this is shared, but above all it is made clear that the data is only to be used for the purposes of recording supporters who are donating to the Charity through an intermediary.



Reception team member Colin celebrated his 70th birthday by raising funds for the Charity. Over 9,000 staff are employed by the Trust and many are supporters of the Charity.

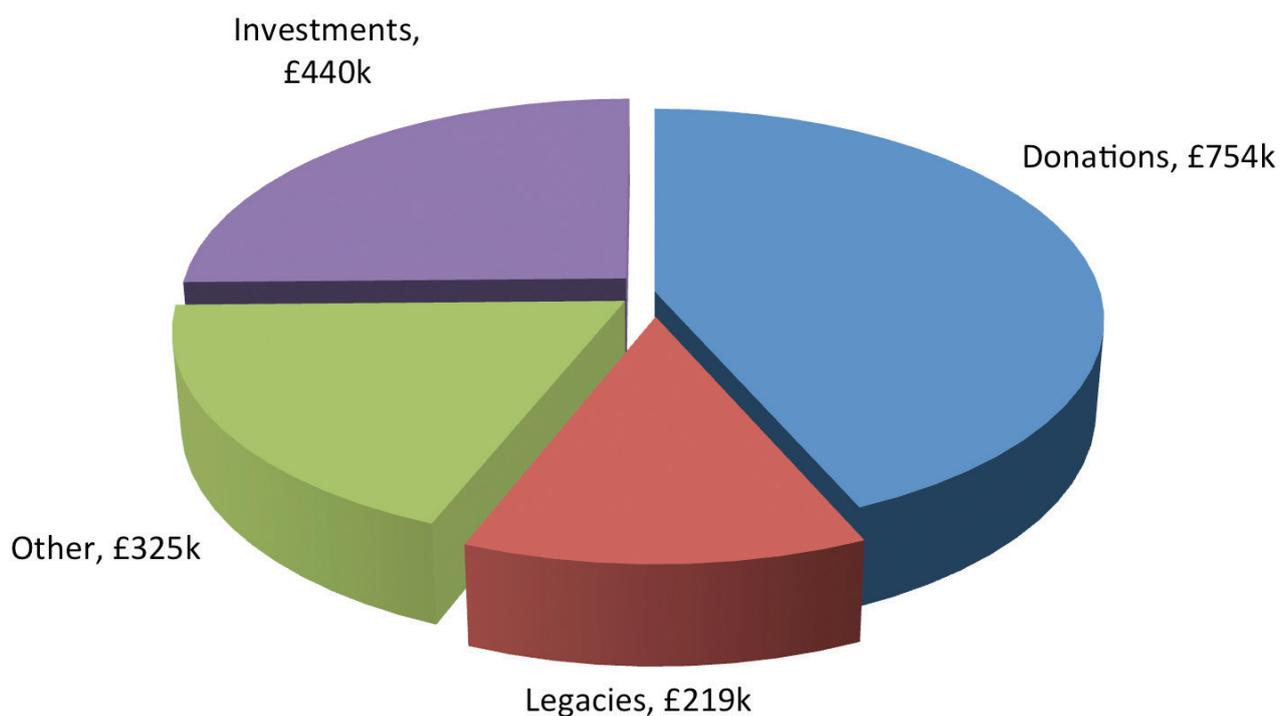
Financial review

Income

In the year to 31 March 2018, total income amounted to £1.7 million (2016/17: £1.8 million). This decline was mainly due to a reduction in voluntary donations received through our Special Purpose Funds, compared with positive results from our direct fundraising activities in the year. Overall performance for the year has been greatly affected by the absence of a significant capital project within the Foundation Trust that could be used to initiate a major appeal for the Charity.

Funding Sources 2017/18

	2017/18	2016/17
Fundraising activities	£'000	£'000
Donations	755	963
Legacies	219	224
Other	325	225
	1,299	1,412
Investments	440	438
Total	1,739	1,850



Expenditure

The total costs of generating funds increased by £81k to £639k (2016/17: £558k) primarily as a result of continuing investment in fundraising and recruitment of full time staff to support planned increased activities. There was also a share of cost associated to management and administration in recognition of resources indirectly applied for generating funds within our fundraising activities. The Charity expects the investment in fundraising and support functions to provide significant growth in long-term sustainable income in the coming years.

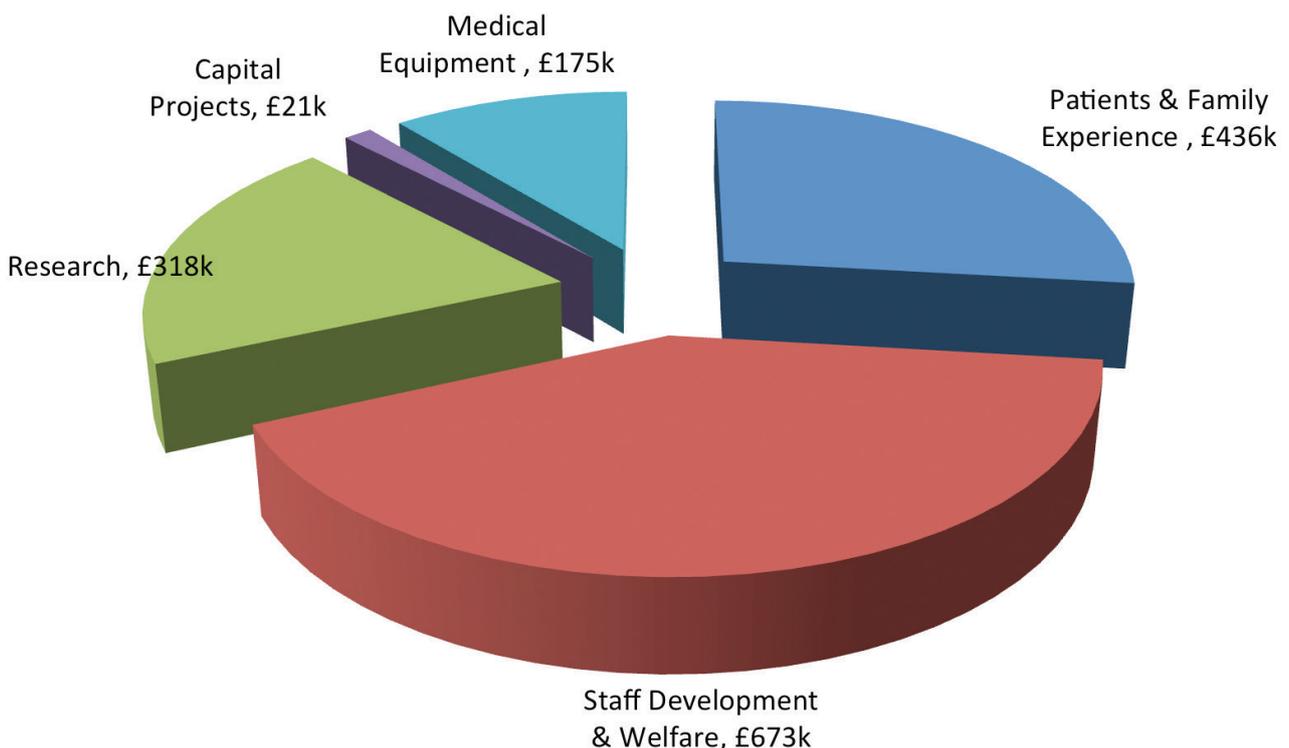
Total expenditure for the year was £2.4 million (2016/17: £2.6 million), with £1.6 million (2016/17 £1.9 million) being spent or committed to charitable activities. Charitable activities are grouped into five broad categories for reporting: Patient & Family experience, Staff Development & Welfare, Research, Capital Projects and Medical Equipment, and this year in total we have approved spending as follows:

Charitable activities 2017/18

Type of activity	Grants awarded 2017/18 £'000	Grants Retracted* 2017/18 £'000	Other costs** 2017/18 £'000	Total 2017/18 £'000	Total 2016/17 £'000
Patients & Family Experience	436		136	572	621
Staff Development & Welfare	673	(96)	181	758	434
Research	318		111	429	401
Capital Projects	21		7	28	259
Medical Equipment	175	(232)	(18)	(75)	246
Total	1,623	(328)	417	1,712	1,961

*Grants retracted include balances accrued in previous years and now not owing by the Charity as well as return of grants previously awarded but have not been fully used.

**Other costs are the allocation of costs incurred by the Charity to support and facilitate these charitable activities.



Operating costs

The Charity endeavours to maximise the proportion of expenditure devoted towards enhancing services and therefore patients experience at the hospital. Our costs of raising funds have risen this year as a consequence of strengthening our fundraising team and undertaking a review of Special Purpose Funds. We believe this will enhance our capability to raise additional income in the coming years as projected in our five year business plan.

Administrative details, governance and management

The administrative details of the Charity are listed on page 2.

Governance

The Trustees confirm that the financial statements comply with Companies Act 2006, Charities Act 2011, the Accounting and Reporting by Charities: Statement Of Recommended Practice (SORP) – 2015, applicable accounting standards and the provisions of the Memorandum and Articles of Association for the Charity.

Legal structure and governing documents

For many years, St George's Hospital Charity (Charity number 241527) was an unincorporated charitable trust. However, the Trustees of St George's Hospital Charity took the opportunity offered by what is now Part 12 of the Charities Act 2011 to incorporate the body of Trustees of that Charity under the name "The Trustees of St George's Hospital Charity". This incorporated body held all the assets and contracts of the charitable trust and shares in its wholly owned subsidiary St George's Hospital Trading Ltd.

A new Charity was incorporated on 16 January 2017, St George's Hospital Charity (Charity number 1171195), which is a Company Limited by Guarantee (company number 10565339), with effect from 1 April 2017, and appointed as the sole corporate 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, all the assets of the original Charity were released from the existing trust so that the new Charity owns them absolutely.

This change in legal structure had the effect of improving our governance arrangements but has not changed our charitable objects or day to day operations.

Trustees' appointment

The volunteer Board of Trustees consists of a Chairman and eight Trustees, chosen for their skills and experience. During the course of 2017/18 two Trustees retired and five new Trustees were appointed, further strengthening the Board's expertise. Trustees are appointed to serve for a period of four years. On retirement, they can be reappointed but no Trustee may serve for longer than ten years.

An induction programme is provided for Trustees on appointment. The Trustees set annual objectives for the Board that are reviewed at each meeting and formally reviewed at the year end. Each member of the Board receives an annual appraisal and the Chairman's performance is in turn evaluated by fellow Trustees. Members of the Board have individual areas of expertise and share information on relevant changes in legislation affecting the Charity and best practice when required.

Trustees' responsibilities

The Board of Trustees meets five times per year, including a strategic Away Day, and is responsible for providing governance for, and leadership to, the Charity. It agrees strategic plans for fundraising and other operations and approves the allocation of charitable expenditure. The Board also sets operating plans and budgets and there is a review of operating and financial performance at every meeting. The Executive Management Team is invited to attend all meetings of the Trustees and other managers are invited to attend for presentations and discussions of specific relevant topics. While most of the business of the Charity is conducted at the scheduled Trustee meetings, there are occasional ad-hoc meetings to deal with matters of special interest.

Much of the Board's work is delegated to three sub-committees with remits as follow:

Finance Committee

- Monitor and review the integrity of the Charity's financial statements and financial reporting (recommending the annual financial statements to the Board of Trustees for approval), including the approval of all accounting policies
- Agreement of both external and internal audit plans and reports. Recommending appointment and reviewing the effectiveness of the internal and external auditors
- Monitor major internal Charity projects and review of associated business cases
- Monitor the allocation and performance of the Charity's investment portfolios

- Review the appointment of professional advisors annually and evaluate their performance
- Review the investment strategy and policy and recommend required changes to the Board of Trustees
- Invest funds in accordance with the investment policy and in support of the Board's financial plan.

Fundraising Committee

- Review and monitor performance against the Charity's fundraising strategy
- Review compliance with Fundraising Standards Board and Charity Commission guidelines
- Monitor performance against fundraising and marketing priorities, ensuring that resources are put to good use
- Advise on the strength of the Charity's brand
- Ensure compliance with Data Protection legislation in relation fundraising activities.

Remuneration Committee

- Review of all key HR policies and the annual pay award proposals on which it makes recommendations to Trustees
- Review pay and pay structure, which may include conducting benchmarking studies as considered appropriate
- Ensures the Charity has appropriate nomination procedures in place for all key posts and advises the Board on the suitability of all nominations for Executive and Trustee positions
- Gives assurance to the Board that equality and diversity policies are being adhered to.

Management

Authority is delegated to the Chief Executive, who reports to the Trustees, and to the members of the Executive Management team, who report to the Chief Executive. Detailed allocation and administration of certain grants that have been awarded are delegated to committees of staff. These committees report to the Trustees on their activities and decisions, as do the Chief Executive, the Director of Finance and Operations and the Director of Fundraising and Marketing.

To ensure that our accounting records are accurate, that accounting systems are developed to meet the Charity's needs, and to support the work of our statutory auditors, the Charity has appointed William Giles Chartered Accountants as internal auditors to carry out financial audits and to report on other aspects of the Charity's operations.

Martyn Willis retired from his post as the Chief Executive Officer of the charity on 31 March 2018.

Prior permission was sought from the Charity Commission to install Paul Sarfaty, a member of our current Trustee Board, as Interim Chief Executive until Amerjit Chohan takes up appointment as the new Chief Executive Officer effective from 1 October 2018.

Risk Management

The Trustees have continued the process of reviewing the Risk Register every year, with the assistance of the internal auditors, to ensure that it records the major strategic and operational risks to which the Charity is exposed. The Trustees acknowledge their legal responsibility to minimise significant risks to the Charity. A statement of major risks is compiled using a scoring system in the risk register. Both the statement of major risks and the risk register are reviewed by the Trustees annually.

We have put in place specific action and contingency plans to ensure that the risks are properly managed and any potential harmful impact is minimised. The Internal Audit plan for each year is also designed with the Risk Register in mind so as to further manage the risks that the Charity faces.

Meeting the Public Benefit Test

We have referred to the guidance issued by the Charity Commission on public benefit when reviewing our aims and objectives, when making grants and in planning our future activities. The improved facilities, which the Charity helps to provide, benefit a wide cross-section of the public. The Foundation Trust treats more than 500,000 patients every year from a wide catchment area not limited to South West London.

In making grant decisions, Trustees have been keen to fund and support services and activities which fall outside the mainstream provision and which are not likely to attract priority funding, but which can nevertheless make a substantial difference to the experience of a large numbers of patients. The choice of projects which we have supported over the past few years reflects this and we are confident that the grants that we have made do indeed fulfil the public benefit test. We continue to be guided by those requirements when making grant decisions.

The charity's grants policy is structured to ensure that the money raised is used to best effect to support the Foundation Trust's work and is in line with donors' wishes and the charity's mission and objectives. Our charity does not provide facilities directly to the public but provides them to the Foundation Trust and, in so doing, for the patients of the Foundation Trust. Grants made to the Foundation Trust provide benefit to any patient requiring the service of the hospital, which are available to all who are entitled to NHS treatment.

Going concern

The Trustees have reviewed the financial position of the Charity, including forecast cash flows, liquidity position and existing and potential funding commitments for the next five years. The charity's fundraising streams are well diversified and therefore a drop in any one channel would not adversely affect the ability to meet existing financial commitments. The Trustees will only agree to commit to fund 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 for the foreseeable future.

Investment Policy and performance

The investment policy of the charity is risk averse, with the Trustees' first priority being to preserve capital in order to meet existing commitments and to increase our ability to make more grants available to the hospital. The portfolio is broadly split between short-term fixed income bonds, equities and investments in alternative assets and managed on a medium risk basis with the objective of maximising total return. The Trustees consider this appropriate given the current short-term nature of the charity's commitments and intentions to award funds to the Trust.

The charity uses the services of Investec Wealth and Investment, a reputable funds management company, who follow strict guidelines in line with the Charity's moral and ethical policy. The performance of the investment manager is closely monitored by the Trustees involving a requirement to provide quarterly reports on income and capital. The investment manager meets annually with the Board and twice yearly with the Finance Sub-committee.

This year Trustees undertook a review of the management of our investment portfolio, which involved inviting six reputable management firms, including the current provider Investec Wealth and Investment, to tender their services to the Charity. This was a rigorous process that concluded with Trustees agreeing to continue with the current provider.

The Charity does not invest in companies categorised by ethical screening as falling within the categories of Alcohol Manufacture (Major), Alcohol Retail (Major) and Tobacco Manufacture.

Reserves Policy

The Trustees review the level of free reserves required on an annual basis, in line with FRS 102 and guidance issued by the Charity Commission. They recognise the need to ensure that the reserves held enable financial stability; are adequate to meet

working capital requirements and can safeguard the charity's current commitments against fluctuation in income levels. Especially, the Trustees wish to ensure that sufficient unrestricted reserves are available to guarantee that operations can continue over the short-term and financial commitments to the Trust can be met.

The balance of general reserves at 31 March 2018 was £5.2m. The Trustees have reviewed the minimum level of reserves required to meet the higher of operating liabilities of the Charity, should it suffer a major downturn in its income, or to effect a managed cessation of activities and to provide adequate cover for contingent liabilities. They have assessed this to be £4.0m. Therefore, the Trustees believe that the current level of reserves at 31 March 2018 to be appropriate.

The charity has various funds available to finance its activities:

Special Purpose funds

These are individual funds intended for a specific purpose and are divided into two categories:

Restricted Funds

Expendable or permanent endowments are treated in accordance with the donor's wishes in so far as these are compatible with the Charity's aims and policies. If they are not compatible, efforts will be made to reach agreement with the donor or the donor's representatives.

Restricted funds consist of the unexpended balance of income received under trusts where the donor has defined what the money must or can only be used for, or in response to a specific appeal or fundraising event.

Restricted funds are expended only for the specific purposes for which they were received with the general expectation that this will be within 2 years of receipt, unless there are specific reasons for delaying expenditure beyond this point.

Designated funds

Designated funds from donors are expended only for the specific purposes for which they were received with the general expectation that this will be within 2 years of receipt, unless there are specific reasons for delaying expenditure beyond this point.

If designated funds have not been expended within 2 years of receipt and there are no specific reasons for delaying expenditure further, the Trustees may use their discretion to re-designate the funds for a relevant purpose while respecting the original donor's wishes. In some cases it might be appropriate to remove the designation and transfer the funds to general funds.

Endowment funds

The Charity holds one endowment fund, which has been granted in order to generate funds to support a specific charitable purpose.

Unrestricted funds

These are funds that are expendable at the discretion of the Trustees in furtherance of the Charity's objectives. Free reserves are that part of the unrestricted fund that are not held as fixed assets or designated for other purposes. Designated funds are that part of the unrestricted funds that have been earmarked for a particular purpose by the Trustees.

General funds

General funds are those unrestricted funds which have not been designated. General funds are available for charitable expenditure subject to retention of a reasonable balance to cushion the effects of the economic cycle and to provide a reasonable level of investment income within Charity Commission guidelines. Taking account of the strategic designated funds, the Trustees now judge the appropriate level of reserves for these purposes to be £4.0 million, with flexibility to implement the Charity's grant making policy.

The Strategic fund

The Strategic Fund has been established to provide for the costs of developing the Charity's infrastructure to meet its strategic objectives.

Fixed assets (tangible and intangible)

The charity owns fixed assets, the majority of which form part of the Arts Collections installed around the hospital. This collection is made up of a selection of fine art and sculptures. The majority of the fine art is displayed in wards and corridors around the hospital as part of our Arts Therapy programme. Similarly the sculptures installed in the grounds of the hospital play an important role in the patients' experience of the hospital.

As these assets serve a charitable purpose and are not held as investments, they cannot be easily converted into funds for day-to-day use. Therefore the Trustees have decided that reserves relating to fixed assets should be placed in a designated fund, which by definition, will increase or decrease to reflect the net book value of these assets. If a decision is made to dispose of any the collections, the attributable value is transferred from the fixed asset fund.

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' annual report (including the strategic report) and the financial statements, in accordance with applicable law and regulations. In preparing this report, the trustees have taken advantage of the small

companies exemptions provided in part 15 of the Companies Act 2006 in preparing the directors' report and from the requirement to prepare a strategic report.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law, the Trustees have prepared the financial statements in accordance with FRS 102 – THE Financial Reporting Standard – applicable in the UK and Republic of Ireland (UK Accounting Standards) and applicable law.

Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity, including income and expenditure 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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions, and to disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Anna Walker

Anna Walker
Chair

Independent auditor's report to the Trustees of St George's Hospital Charity

Opinion

We have audited the financial statements of St George's Hospital Charity (the 'charitable company') for the year ended 31 March 2018 which comprise the Statement of financial activities, the Income and Expenditure Statement, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102; The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 March 2018 and of its incoming resources and application of resources including, its income and expenditure for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We have been appointed as auditor under the Companies Act 2006 and report in accordance with regulations made under that Act. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Who we are reporting to

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

charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you, where:

- The trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- The trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006.

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

- The information given in the Strategic Report and Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- The Strategic Report and Trustees' Annual Report has been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

Matters on which we are required to report by exception

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

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The directors were not entitled to take advantage of the small companies' exemptions in preparing the directors' report from the requirement to prepare a strategic report.

Responsibilities of trustees for the financial statements

As explained more fully in the Statement of Trustees' responsibilities on page 27, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being

satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Grant Thornton UK LLP

Jennifer Brown

Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
London

Date: 12 October 2018

Statement of financial activities

for the year ended 31 March 2018

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2018 £'000	Total 2017 £'000
Income and Endowments						
Donations & Legacies	2.1	351	623	-	974	1,187
Charitable activities	2.2	50	230	-	280	180
Other trading activities	2.3	29	16	-	45	44
Investments	2.4	205	227	8	440	438
Total income and endowments		635	1,096	8	1,739	1,850
Expenditure on:						
Raising funds	4.1	704	-	-	704	623
Charitable activities	4.2	581	1,110	21	1,712	1,961
Total expenditure		1,285	1,110	21	2,416	2,584
Net gains on investments		94	57	-	151	1,800
Net (expenditure)/income		(556)	42	(13)	(526)	1,066
Transfers between funds	15	138	(138)	-	-	-
Other recognised Gains:						
Gains on revaluation of fixed assets	8	263	-	-	263	-
Net movement in funds		(155)	(96)	(13)	(263)	1,066
Reconciliation of funds:						
Fund balances brought forward at 1 April 2017		8,320	5,938	229	14,487	13,421
Fund balances carried forward at 31 March 2018		8,165	5,842	216	14,223	14,487

Notes 1 to 18 form part of the financial statements.

All income relates to continuing activities.

There is no material difference between the net income of the year and the historical cost equivalents.

All gains and losses recognised in the year are included in the Statement of Financial Activities.

Income and Expenditure Account

for the year ended 31 March 2018

	Notes	Total 2018 £'000	Total 2017 £'000
Income			
Donations and legacies income	2.1	974	1187
Income from charitable activities	2.2	280	180
Income from other trading activities	2.3	45	44
Investment income	2.4	440	438
Net gains on investments	10.1	151	1800
Total income		1890	3649
Expenditure			
On raising funds	4.1	704	623
On charitable activities	4.2	1712	1961
Total expenditure		2416	2584
Net (income) / expenditure for the year		526	(1065)

An Income and Expenditure Account is an alternative summary of the information contained in the Statement of Financial Activities and is included in the financial statements in order to comply with the Companies Act 2006.

Balance Sheet

as at 31 March 2018

	Notes	31st March 2018 £'000	31st March 2017 £'000
Fixed assets			
Tangible assets	8	1,253	955
Intangible assets	9	61	98
Investments	10	14,341	14,925
Total Fixed Assets		15,655	15,978
Current assets			
Debtors: amounts falling due within one year	11	260	270
Cash at bank and in hand		159	230
Total Current Assets		419	500
Creditors			
Creditors: amounts falling due within one year	12	1,851	1,991
Net current Assets		(1,432)	(1,490)
Total assets less current liabilities			
Creditors: amounts falling due after more than one year		-	-
Total Net Assets		14,223	14,487
The Funds of the Charity			
Endowment Funds	15.1	216	229
Funds:			
Restricted	15.2	5,842	5,939
Unrestricted			
Designated	15.3	3,098	2,995
General	15.3	4,804	5,324
Revaluation Reserve		263	-
Total Funds		14,223	14,487

The Financial statements on pages 30 to 50 were approved by the Board of Trustees on 12th October 2018 and signed on its behalf by

Anna Walker

Anna Walker
Chair
12 October 2018

Statement of Cash Flows

For the year ended 31 March 2018

	2018	2017
	£'000	£'000
Cash flows from operating activities		
Net income for the financial year	(527)	1,066
Adjustments for:		
Amortisation of intangible assets	37	35
Profit on investments	(151)	(1,800)
Interest received	(440)	(438)
Decrease in debtors	10	14
(Decrease)/ increase in creditors	(140)	135
Cash from operations	(1,211)	(988)
Interest paid	-	-
Income taxes paid	-	-
Net cash provided used in operating activities	(1,211)	(988)
Cash flows from investing activities:		
Proceeds from sale of fixed assets	-	4
Proceeds from sale of investments	3,781	2,539
Purchase of tangible and intangible assets	(35)	(117)
Purchase of investments	(3,046)	(2,109)
Interest received	440	438
Net cash provided by investing activities	1,140	755
Change in cash & cash equivalents in the reporting period	(71)	(233)
Cash & cash equivalents at beginning of reporting period	230	463
Cash and cash equivalents at end of year	159	230

Notes to the financial statements

for the year ended 31 March 2018

1. Principal of accounting policies

1.1 Accounting policies

The following accounting policies have been applied consistently for all years in dealing with items that are considered material in relation to the financial statements of the charity.

1.2.1 Company information

St George's Hospital Charity (charity number 1171195) operates with the objective of raising funds to further such charitable activities as:

- a) The hospital services (including research) of St George's University Hospitals NHS Foundation Trust;
- b) Any other part of the health service associated with St George's University Hospitals NHS Foundation Trust as the Trustees think fit, provided that such support is not of a kind that would ordinarily be given under the statutory provision for the NHS;
- c) Research in areas that benefit the welfare and health of patients.

The charity has been constituted as a company limited by guarantee and is incorporated in England. The address of its registered office is St George's Hospital, Blackshaw Road, London, SW17 0QT.

1.2.2 Basis of preparation and assessment of going concern

These financial statements have been prepared on a going concern basis as a public benefit charity, under the historic cost convention, as modified for the revaluation of certain investments and the art collections measured at fair value, and in accordance with the Statement of Recommended Practice (SORP) Accounting and Reporting by Charities, published in 2015. The Financial Reporting Standard 102 - "The Financial Reporting Standard applicable in the UK and Republic of Ireland", the Charities Act 2011 and the Companies Act 2006.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the charity's accounting policies. The areas involving a higher degree of judgement and complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 1.2.4 below.

1.2.3 Going concern

The charity meets its day-to-day working capital requirements through its bank facilities. The charity's forecasts and projections, taking account of possible

changes in performance, show that the charity should be able to operate within the level of its current facilities. The Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future.

As described above and in the Annual Report, following the Trustees' assessment of going concern (see page 16), the Trustees continue to adopt the going concern basis in preparing the financial statements.

1.2.4 Merger accounting

On the 1st April 2017 the Charity was reconstructed as an independent charity and ceased to an NHS charity. The entire undertaking of the unincorporated trust was transferred to a new charitable company called St George's Hospital Charity and a company limited by guarantee and registered in England and Wales.

All property, rights and obligations of the old charity were transferred to the Charity on the same terms.

The first accounting period of the charitable company runs from the 16 January 2017 until 31st March 2018 but no transactions occurred until 1 April 2017. Merger accounting has been applied in these financial statements in accordance with paragraphs 27.12 – 27.13 Charities SORPS FRS 102 in recognition that the new legal entity is continuing with the charitable purposes and beneficiaries of the Old Charity. Consequently, the comparative figures presented in these financial statements relate to the Old Charity for the year ended 31 March 2017.

1.2.5 Critical accounting judgements and estimation uncertainty

The charity makes estimates and assumptions concerning the future. Estimates and judgements are continually evaluated and are based on historical experience and other operational factors, including expectations of future events that are believed to be reasonable under certain circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Recognition of legacy income

Legacy income is recognised when three criteria are met. Entitlement is established, receipt of the income is probable and it can be reliably measured.

- Entitlement is established when we receive

notification of an interest in an estate

- Income receivable is probable when the statement of assets and liabilities is received
- Measurement criteria are considered met once the final estate accounts are received.

Only when these criteria have been met is income from legacies recognised in the financial statements.

The accounts have been presented in pounds sterling.

(A) Income recognition

Income is included in full in the Statement of Financial Activities as soon as the following factors can be met:

- i. **entitlement** – when control over the expected economic benefit that arises from the incoming resource has passed to the Charity and in the case of donations, when received; and legacies, when all conditions of probate are passed and it is probable that funds will be received;
- ii. **probability** – when it is more likely than not that economic benefit will flow to the Charity;
- iii. **measurement** – when the fair value or value to the Charity of the incoming resources can be measured with sufficient reliability.

The material items of income for the Charity, and applicable accounting policies are as follows:

(A1) Donations

Donations are recognised when the Charity has been notified in writing of both the amount, and settlement date. Where a donation is subject to conditions that require a level of performance before the Charity is entitled to funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Charity and it is probable that those conditions will be fulfilled in the reporting period.

(A2) Legacies

Legacies are accounted for as income once payment has been agreed with the Executors prior to the Balance sheet date and the payment is either received before the Accounts are approved or is notified as receivable and receipt is considered probable.

(A3) Grants receivable

Grants receivable are recognised when the Charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

(B) Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to that expenditure, it is probable that settlement will be required, and the amount of the

obligation can be measured or estimated reliably.

Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

All expenditure is accounted for on an accrued basis.

(B1) Expenditure on raising funds

Expenditure on raising funds includes the cost of generating voluntary income such as donations and legacies, and does not include the costs of disseminating information in support of charitable activities. It also includes the cost of managing the Charity's investment portfolios shown as investment management costs.

(B2) Expenditure on charitable activities

Expenditure on charitable activities include all costs incurred in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the Charity apportioned to its charitable activities.

Charitable activities at St George's Hospital Charity consist of grants payable to third parties (including NHS bodies) in furtherance of the charitable objectives. They are accounted for on an accruals basis where the conditions for their payment have been met or where a third party has a reasonable expectation that they will receive the grant. Contributions to the NHS Trust's capital programme are recognised on the same basis.

If a grant is not spent within 3 years then it will be written back.

(B3) Support costs

Support costs are the costs of those functions that assist the work of the Charity but do not directly undertake charitable activities. They include costs incurred in supporting income generating activities such as fund raising, management of Charity assets, and all aspects of Charity administration. Some of these costs are recharged from the NHS Trust on the basis of staff time in accordance with a Service Level Agreement.

Governance costs - in accordance with SORP 2015, Governance costs are now classed as support costs, and allocated to activities along with the other support costs. These are costs associated with the governance arrangements of the Charity such as audit, insurances, legal advice, and meeting statutory & constitutional requirements.

(C) Holiday pay

The Charity recognises the requirement to include an accrual for annual leave accrued by employees as a result of services rendered in the current period, and which employees are entitled to carry forward and use within the next 12 months. The accrual is measured

at the salary cost payable for the period of absence.

Although the Charity considers this accrual to have immaterial impact on these accounts, an accrual of £6k (2016/17: £5k) was made to this effect.

(D) Fund accounting

Unrestricted funds are those funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity. They are divided between General funds, where there are no constraints on how the Trustees may use these funds, and Designated funds where the Trustees might need to have due regard for donors' wishes.

Strategic designated funds have been set aside by the Trustees. The Art Collection funds represent the balance sheet value of the art collection as these funds are not available for distribution. Other strategic funds have been designated for specific purposes for expenditure within the next five years. Details of the funds are given towards the end of Note 15 below.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for specific purposes.

(D1) Allocation and apportionment of costs and income

Fundraising costs are charged directly to specific funds where these can be readily attributed. The balance of fundraising costs and all support costs and governance costs are apportioned to each fund on the basis of average balances in the funds during the year. Investment management costs are charged separately by the investment managers to the different classes of funds on the basis of their costs of providing the service.

Investment income and gains are apportioned to each fund on the basis of the average balances of the underlying assets.

(E) Fixed assets

E1. Intangible assets

Intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

Software development costs are recognised as an intangible asset when all of the following criteria are demonstrated:

- The technical feasibility of completing the software so that it will be available for use or sale.
- The intention to complete the software and use.
- The ability to use the software.
- How the software will generate probable future economic benefits.

- The availability of adequate technical, financial and other resources to complete the development and to use the software.
- The ability to measure reliably the expenditure attributable to the software during its development.

Amortisation is charged so as to allocate the cost of intangibles less their residual values over their estimated useful lives, using the straight-line method. The software development costs are amortised over 4 years to match their useful economic life.

If there is an indication that there has been a significant change in amortisation rate or residual value of an asset, the amortisation of that asset is revised prospectively to reflect the new expectations.

E2. Tangible assets

The only tangible fixed assets currently held by the Charity are works of art. These are considered as heritage assets and included at estimated market value based on valuations made every five years. The latest valuation was made in April 2018 by Tim Ritchie and Associates, Fine Arts Valuers and Consultants. Any works of art purchased subsequently are included at cost until the next valuation. Donations of works of art received are included at a valuation provided by the Arts Director and then revalued in accordance with the above policy.

Depreciation has not been charged because the assets, being works of art, generally have very long useful lives and their residual value cannot be estimated to differ materially from their carrying amount. Thus any depreciation charge would not be material and would not contribute to an understanding of the charity's financial position.

(F) Fixed asset investments

Investments are included at closing mid-market value at the balance sheet date. Any realised and unrealised gains and losses on revaluation are combined in the Statement of Financial Activities. Income from investments is included in the year in which it is received by the investment managers. Cash held by the investment managers for the purpose of re-investment is included in fixed asset investments.

(G) Realised gains and losses

Realised gains and losses on investments are calculated as the difference between the net sale proceeds and the market value at the beginning of the year. Unrealised gains and losses are calculated as the difference between the market value at their opening carrying at the end of the year and the market value at the beginning of the year.

(H) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any discount due.

(I) Cash at bank and in hand

Cash at bank includes amounts paid in before the year-end but credited to the bank account after the year end, and excludes cheques issued before the year-end but not presented until after the year-end. Any cash balance held by the investment managers with the expectation that it will be withdrawn to meet expenditure commitments in the following year is included in cash at bank and in hand.

(J) Liabilities

Liabilities include amounts owing to third party creditors and accruals, and constructive obligations to one of the beneficiary organisations in the form of an agreement to pay a grant. Third party creditors and accruals are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Constructive obligations are recognised on the date the Charity Trustees approve the grant or in the period to which they determine the grant is attributable.

Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

(K) Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are recognised at transaction value and subsequently measured at settlement value. The Charity does not hold any bank loans at the year end.

(L) Connected companies

Three Trustees of St. George's Hospital Charity each currently hold one nominal £1 share in a dormant company, St. George's Trading Limited (Company Number 3481144). This company is being retained as it might be used to facilitate trading in furtherance of appeals that the Charity might run.

(M) Pension contributions

Most employees are members of a defined contribution pension scheme. Contributions are chargeable to the SOFA in the period to which they relate.

The charity also participates in the NHS Pension Scheme, with one current employee and a former employee being covered by the provisions of that scheme. Details of the benefits payable under these provisions can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. The scheme is an

unfunded, defined benefit scheme that covers NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The scheme is not designed to be run in a way that would enable the Charity to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as if it were a defined contribution scheme: the cost of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

(N) Taxation

St George's Hospital Charity as a registered charity is exempt from income tax under part 10 of the Income Tax Act 2007 or Section 256 of the Taxation of the Chargeable Gains Act 1992, to the extent that surpluses are applied to its charitable purposes.

The Charity is not registered for Value Added Tax. Any irrecoverable Value Added Tax is charged to the Statement of Financial Activities as a cost against the activity for which the expenditure was incurred, or capitalised as part of the related asset, where appropriate.

(O) Revaluation reserve

The revaluation reserve contains the gains made by the Charity arising from increases in the fair value of its tangible fixed assets. The balance is reduced when assets with accumulated gains are:

Revalued downwards or impaired and the gains are lost or disposed of and the gains are realised.

The reserve contains only revaluation gains accumulated since 1 April 2016, the date of transition to FRS 102, as the charity elected to use transition provision permitted by section 35 of FRS 102 to use fair value as at 31 March 2016 determined under old UK GAAP as the deemed cost on transition.

(P) Significant accounting estimates and judgements

In determining the carrying amounts of certain assets and liabilities, the Charity makes assumptions of the effects of uncertain future events on those assets and liabilities at the balance sheet date. The Charity's estimates and assumptions are based on historical experience and expectation of future events and are reviewed periodically.

There is estimation uncertainty on the accrued legacy income of £135k due to the judgemental nature of determining the exact amount to include. Management is satisfied that valuation of the investment portfolio based upon the mid-price results is a materially correct carrying value for investments.

2. Incoming resources

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total 31 March 2018	Total 31 March 2017
	£000	£000	£000	£000	£000
Incoming resources from generated funds					
2.1 Donations & legacies					
Direct gifts from individuals and trusts	142	163	-	305	488
Legacies	13	206	-	219	224
Community fundraising	161	229	-	390	445
Corporate, campaigns, events and other income	35	25	-	60	31
Total	351	623	-	974	1,187
2.2 Charitable activities					
Grants	50	230	-	280	180
Total	50	230	-	280	180
2.3 Other trading activities					
Course fees, sponsorship and other income	29	16	-	45	44
Fundraising trading				-	-
Total	29	16	-	45	44
2.4 Investment income	205	227	8	440	438
Total income & endowments	635	1,096	8	1,739	1,850

2.5 Legacies

In accordance with the accounting policy (Note 2.1 above) legacies are recognised as income once payment has been agreed with the Executors of the Will prior to the Balance Sheet date and the payment is either received before the Accounts are approved, or is notified as receivable, and receipt is considered probable. The Charity has been notified of three legacies (one – 2016/17) with a potential value to the Charity of about £87k (£135k 2016/17). These have been included in these Accounts because they meet the above criteria.

3. Investment income

	Unrestricted funds	Restricted funds	Endowment funds	Total 31 March 2018	Total 31 March 2017
	£000	£000	£000	£000	£000
Investments and fixed income portfolio	204	226	8	439	434
Cash Investments	1	-	-	1	4
Total	205	226	8	440	438

4. Resources Expended

4.1 Cost of raising funds

Direct	Direct costs	Support costs	Total 31 March 2018	Total 31 March 2017
Donations, legacies and grants	354	285	639	558
Investment managements costs	65	-	65	65
Total cost of generating voluntary income	419	285	704	623

4.2 Charitable activities

	Direct costs £000	Other Adj costs £000	Support costs £000	Total 31 March 2018 £000	Total 31 March 2017 £000
Patients and family experience	436	0	136	572	622
Staff development and welfare	673	(96)	181	758	435
Research	318	0	111	429	402
Capital projects	21	0	7	28	258
Medical equipment	175	(232)	(18)	(75)	244
Total	1,623	(328)	417	1,712	1,961

Other adjustments include balances accrued in previous years and now not owing by the charity as well as return of grants previously awarded but have not been fully used.

4.3 Expenditure include charges for:

	2018	2017
Fees payable to the charity's auditor for the audit of the accounts (inclusive of VAT)	18	15
Professional fees	32	42
Indemnity insurance for trustee liability	1	1

4.4. Support costs

	Staff costs £'000	IT and Comms £'000	Other £'000	Total 31 March 2018	Total 31 March 2017 £'000
Cost of fundraising	194	7	84	285	260
Patient Welfare	93	4	39	136	113
Staff Welfare	123	5	53	181	76
Research	75	3	33	111	81
Capital projects	5	0	2	7	43
Medical equipment	(13)	(0)	(5)	(18)	80
Total	477	19	206	702	653

Support costs include the costs of the following: Finance, Information Technology, Human Resources, Administration and Business Support including governance costs. Total support costs have been apportioned over other resources expended on the basis of time spent.

A proportion of support cost was allocated to cost of fundraising to show the time spent supporting this activity in line with FRS 102.

5. Grant Funded Activities

Grant funded activities included charitable activities as set below. The remaining grants consist of payments to suppliers or reimbursement of expenses incurred by employees of the NHS Trust and St George's University of London, thus indirectly benefitting those institutions.

	Total at 31 March 2018 £000	Total at 31 March 2017 £000
Name of recipient:		
St. George's University Hospitals NHS Foundation Trust	1,431	1,340
St. George's University of London	192	228
Total	1,623	1,568
Name of recipient:		
St. George's University Hospitals NHS Foundation Trust	1,431	1,340
St. George's University of London	192	228
Total	1,623	1,568

6. Analysis of staff numbers, staff costs and remuneration of key management personnel

6.1 Staff numbers

	2018 No. of staff	2017 No. of staff
The FTE* average number of employees is split as follows:		
Fundraising	6	5
Management and administration	8	7
	14	13

6.2 Analysis of staff costs

	Total at 31 March 2018 £000	Total at 31 March 2017 £000
Salaries and wages	578	562
Social security costs	59	51
Pension costs	23	32
Ex-gratia and redundancy	43	17
Total emoluments of employees	703	662

Staff costs include £24k (£57k - 2016/17) payment to St George's University Hospitals NHS Foundation Trust relating to employees seconded to the Charity under a service level agreement. This arrangement terminated at the end of this year.

Salaries and wages include £38k (£58k - 2016/17) relating to costs of temporary staff employed in the year to provide cover within the finance function. Also included in salaries and wages was £43k (£17k - 2016/17) redundancy and ex-gratia payment to a senior executive for loss of service.

The Charity employs 16 members of staff, only one of whom contributed to the NHS pension scheme. The member of staff working for the Charity is employed by St. George's University Hospitals NHS Foundation Trust and paid for by the Charity either under a Service Level Agreement or under a salary recharging scheme. The remainder of the staff are enrolled to a Defined Contribution pension scheme that is compliant with auto-enrolment. No Trustee received any remuneration from the Charity during the year.

6.3 Key management personnel

The Charity considers its key management personnel to be the following:

- Executive Management team (Chief Executive Officer, Director of Finance & Operations and Director of Fundraising & Marketing)

The following number of senior employees received emoluments within the following range:

Range	2018 No. of staff	2017 No. of staff
£70,000 - £79,999	2	1
£80,000 - £89,999	1	1

The aggregate total amount of remuneration for senior management was £241k (£205k - 2016/17)

7. Trustees expenses and remuneration

None of the Trustees received any remuneration from the Charity during the current or previous financial year. No Trustees were reimbursed for expenses incurred while carrying out their responsibilities for the Charity during the year (2016/2017 - £nil).

8. Tangible fixed assets

Heritage assets

	31 March 2018 £'000	31 March 2017 £000
Cost		
Balance as at 1 April	955	930
Additions	35	30
Disposals	-	(5)
Revaluations	263	-
Balance as at 31 March	1,253	955
Net Book Value	1,253	955

The Charity undertakes a full independent professional valuation of the Art Collections every five years, with impairment reviews undertaken as necessary in accordance with the Statement of Recommended Practice 2015. A full valuation was performed at 31 March 2018 by Tim Ritchie & Associates Ltd, acting as independent valuers. The assets were revalued to their fair value, which was assessed as the retail replacement value for purchased artworks and the open market value for heritage items.

Five year financial summary of heritage assets

	2017/18	2016/17	2015/16	2014/15	2013/14
	£'000	£'000	£'000	£'000	£'000
Additions					
Purchases	35	-	1	-	-
Donations	-	28	-	-	-
Revaluation	263	-	-	-	
Total Additions	298	28	1	-	-
Disposals					
Carry value	-	5	10	3	4
Sales proceeds	-	3	10	1	4

The artworks are held entirely in pursuance of the charitable objects of the Charity – for the benefit of patients and staff in St George's University Hospitals NHS Foundation Trust. In accordance with our accounting policy depreciation has not been changed.

9. Intangible fixed assets

	2018	2017
	£'000	£'000
Cost		
Balance as at 1 April	148	60
Addition	-	88
Balance as at 31 March	148	148
Accumulated amortisation		
Balance as at 1 April	(50)	(15)
Charge in the year	(37)	(35)
Balance as at 31 March	(87)	(50)
Net Book Value at 31 March	61	98

10. Investments**10.1 Analysis of fixed asset investments**

	31 March	31 March
	2018	2017
	£000	£000
Fixed asset investments: Market value at 1 April	14,925	13,555
Less:		
Disposals at carrying value	(3,781)	(2,539)
Add:		
Acquisitions at cost	2,985	2,046
Net Cash Re-invested	61	63
Net (loss)/gain on revaluation	151	1,800
Market value at 31 March	14,341	14,925
Historic cost at 31 March	11,067	10,989

10.2 Market value

	2018 £000	2017 £000
Investments assets in the UK	11,285	11,374
Investments assets outside the UK	3,056	3,551
Total fixed asset investments	14,341	14,925

10.3 Investment portfolio

	31 March 2018		31 March 2017	
	£'000	%	£'000	%
Fixed Interest Bonds	2,483	17.3	2,283	15.3
UK Equities	6,970	48.6	7,426	49.8
Overseas Equities	3,056	21.3	3,551	23.8
Property & Alternative Assets	1,831	12.8	1,665	11.2
	14,340	100.0	14,925	100.0

10.4 Investment powers

The Charity Commission Scheme dated 18 August 1998 gives the Charity unrestricted investment powers to manage its own portfolio.

11. Debtors

	Total at 31 March 2018 £000	Total at 31 March 2017 £000
Trade Debtors	2	23
Accrued Income	250	247
Other Debtors	8	-
Total debtors falling due within one year	260	270

12. Creditors: amounts falling due within one year**10.2 Market value**

	Total at 31 March 2018 £000	Total at 31 March 2017 £000
Trade Creditors	126	72
Creditors - grants (Note 13)	1,502	1,810
Other Creditors	223	109
Total Creditors falling due within one year	1,851	1,991

13. Grants Awarded

	Total 2018	Total 2017
	£000	£000
Outstanding liabilities at 1 April	1,810	1,667
Awarded during the year		
St George's University Hospitals NHS Foundation Trust	1,431	1,340
St George's University of London	192	228
Total	1,623	1,568
Paid during the year		
St George's University Hospitals NHS Foundation Trust	(1,442)	926
St George's University of London	(161)	179
Total	(1,603)	1,105
Adjustments in the year		
St George's University Hospitals NHS Foundation Trust	(328)	(321)
St George's University of London	–	–
Total	(328)	321
Outstanding liabilities at 31 March	1,502	1,810
Grant amounts falling due within one year	1,502	1,810
Total	1,502	1,810

Liabilities for grants awarded represent the unpaid balance on grants awarded by the Charity as at the balance sheet date.

They relate to current activities funded by

14. Analysis of net assets between funds

	Unrestricted		Restricted	Endowment	2018	2017
	General	Designated			Total Funds	Total Funds
	£'000	£'000	£'000	£'000	£'000	
Fund balances at 31 March 2017 are represented by:						
Tangible and intangible fixed assets		1,314			1,314	1,052
Investments	6,186	2,047	5,892	216	14,341	14,925
Current assets and liabilities	(1,382)		(50)		(1,432)	(1,490)
Total net assets	4,804	3,361	5,842	216	14,223	14,487

15. Charity funds

	Balance 31 March 2017 £000	Incoming Resources £000	Expended £000	Transfers Resources Funds £000	Gains and losses £000	31 March between 2018 £000
15.1 Endowment funds						
William A Amanet Bequest	229	8	21	-	-	216
Total endowment funds	229	8	21	-	-	216
15.2 Restricted funds						
Special Purpose Funds:						
Cancer & Oncology	437	57	73	-	6	427
Surgical & ICU	377	112	157	-	5	338
Children & Women	484	56	102	(4)	6	440
Therapy & Rehab.	39	7	7	(1)	1	39
Medical	779	35	126	11	10	709
Neurosciences	107	45	6	(15)	2	133
Cardio	112	14	15	-	1	112
Community & Nursing	593	37	83	(33)	7	521
Research	1,543	190	237	(119)	19	1,395
Total	4,471	553	806	(161)	57	4,114
Other	1,467	543	304	23	-	1,727
Total Restricted Funds	5,938	1,096	1,110	(138)	57	5,842
15.3 Unrestricted funds						
General funds	5,324	290	857	(20)	67	4,804
Designated funds:						
Special Purpose Funds:						
Cancer & Oncology	103	15	5	-	1	114
Surgical & ICU	207	24	32	(12)	3	190
Children & Women	105	32	35	9	2	113
Therapy & Rehab.	2	0	1	-	-	1
Medical	477	86	87	124	8	608
Neurosciences	76	47	37	34	2	121
Cardio	107	53	43	-	2	118
Community & Nursing	301	17	23	(8)	4	291
Research	514	36	110	10	6	456
Total	1,892	310	373	157	28	2,012
Other Designated Funds:						
Fixed Asset Funds	1,052	35	37	-	-	1,051
Strategic Fund	52	-	16	-	-	36
Total	1,104	35	53	-	-	1,087
Total unrestricted funds	8,320	635	1,285	138	94	7,902
Revaluation Reserve	-	-	-	-	263	263
Total funds	14,487	1,739	2,416	-	414	14,223

The fixed asset fund includes the value of general funds invested in the art collections which are not, by nature of fixed assets, readily available for use for other purposes.

15. Charity Funds (continued)

Endowment funds

NAME OF FUND	DESCRIPTION OF THE NATURE AND PURPOSE OF EACH FUND
B William A Amanet Bequest	Capital in perpetuity bequests for general purposes

Restricted funds

FUND DIRECTORATE	DESCRIPTION OF THE NATURE AND PURPOSE OF EACH FUND
A Cancer & Oncology	To support development of Cancer and Oncology treatments
B Surgical & ICU	To support patients' experience and staff development for Surgical & ICU
C Children & Women	To provide funds for family support and children's play services
D Therapy & Rehab.	To support the therapy treatments & rehabilitation of patients.
E Medical	To support all areas of medicine not under the other directorates.
F Neurosciences	To advance Neurosciences at St George's Hospital
G Diagnostics	To develop research in to Diagnostics for all ailments.
H Cardio	To support all areas of the Cardiology Department to benefit patients.
I Community & Nursing	To support Community Services including Queen Mary's Hospital.

Unrestricted and designated funds

The fixed asset fund is designated to facilitate the replacement or refurbishment of assets belonging to the Charity. The value of this fund does not include properties identified for sale.

The Capital Appeal Costs Fund was set up to cover direct fundraising cost that would have resulted from the fundraising activities relating to the Children's & Women's project that is now no longer going to take place. As a result, the Trustees decided to release the balance of this designation for general use. This figure also included income from fundraising relating to this project that has been transferred to restricted funds.

Transfers between funds represent:

- Where subsequent instructions are received from a donor restricting income that was originally received with no restrictions
- Where two restrictions have a common purpose, transfers may be made to support an individual project which matches their restriction

16. Commitments, liabilities and provisions

The Trustees do not have any other commitments, liabilities or provisions requiring disclosure other than those included in the financial statements (2016/17: £ nil) under grants award.

17. Related-party transactions

During the year none of the Trustees or members of the key management staff or parties related to them has been involved in any material transactions with St. George's Hospital Charity.

Board members (and other senior staff) take decisions on both policy and financial matters, but do not seek to benefit personally from such decisions.

Declarations of personal interest have been made in both capacities and are available to be inspected by the public.

There were no transactions with other entities in which either Trustees or senior employees of the Charity hold positions of authority other than as described opposite.

Related party	Connected party	Relationship	2018 £'000	2017 £'000	Details of transaction
St George's University Hospitals NHS Foundation Trust	Mr Timothy Wright	Mr Timothy Wright currently serves as a Non-Executive Director for University Hospitals NHS Foundation Trust St George's Hospital	1,431	1,340	Grants made to St George's
			1,502	1,810	Creditors outstanding
			51	134	Amounts paid for services provided, i.e. rent and other charges

18. Financial assets & liabilities

	2018 £'000	2017 £'000
Financial assets measured at fair value	14,341	14,925
Financial assets measured at amortised costs	291	345
Financial liabilities measured at amortised costs	354	441

