



TRUSTEES' ANNUAL REPORT AND ACCOUNTS

FOR THE NINE MONTHS ENDED 31 DECEMBER 2016



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OBJECTIVES AND ACTIVITIES

We are the official charity for Chelsea and Westminster Hospital NHS Foundation Trust which includes our two major hospitals: - Chelsea and Westminster Hospital and West Middlesex University Hospital.

Our supporters and partners enable us to:

- Finance the building of new facilities, invest in health innovations and bring the latest technologies to our hospitals
- Deliver a unique art and design programme to transform the patient experience and clinical environment
- Support research to help improve treatments and care for patients.

Our work would not be possible without the wonderful generosity of our supporters, to whom we are immensely grateful.

SUMMARY

2016 saw CW+ successfully achieve many of its key aims and objectives. Highlights include:

- Launching our £10 million Critical Care Campaign, to expand and redevelop both the adult and neonatal intensive care units creating a world-class critical care service to treat 700 more critically ill adults and babies every year
- Successfully fundraising over £236,000 from a sponsored walk to purchase two laser machines to significantly improve scar healing outcomes for patients who have suffered from major burns injuries
- Expanding our **CW+ MediCinema** service to four screenings a week enabling more patients and their loved ones to enjoy the latest film releases free of charge whilst in hospital
- Redeveloping and installing bespoke art and design to transform the patient environment in the remaining wards in Chelsea Children's Hospital
- Creating a carefully designed new Emergency Department that provides a calmer environment for patients, visitors and staff that includes distractions in clinical areas, music and artwork
- Expanding our Care of Older People programme to enhance the patient experience by including percussion, arts and crafts, and gardening workshops at both the Chelsea and Westminster and West Middlesex Hospital sites
- Investing £101,000 in **clinical innovations** targeting improvements in patient care and experience including apps, health services and innovative technologies
- Supporting research into the causes of premature birth, through Borne, which was launched as an independent charity 'The Borne Foundation' Registered Charity Number 1167073 on 13 May 2016



- Chris Chaney became our new Chief Executive in July 2016.

We became independent of the Department of Health on 1st January 2017. CW+ is the official charity for Chelsea and Westminster Hospital NHS Foundation Trust, governed by the Charity Commission with the official name of CWPLUS, Registered Charity Number 1169897. This governance change will allow our work to be more closely aligned with the strategies, aims and objectives of Chelsea and Westminster Hospital NHS Foundation Trust. We have recruited members of the Foundation Trust on to our Trustee board. This is a very positive and exciting opportunity for CW+ which should enable even more impactful targeting of the work of the charity.

In 2017 we will focus our fundraising activities around our £10m Critical Care Campaign at Chelsea and Westminster Hospital.

On 1 January we received the West Middlesex University Hospital Charitable Funds and we are extending our activities to fully engage with patients and staff at this site.

In April 2017 we launched a new £500,000 per annum grants programme which will further support staff ideas to improve patient care and experience with grants ranging from small, fast track awards to larger innovative projects.

Our Long-Term Capital Fund is delivering the resources to enable us to fund our operations and deliver the grants programme. This allows voluntary income to be applied directly to support our charitable priorities in patient environment and experience, research and clinical innovation.

For more detail of any of our projects, please visit www.cwplus.org.uk or speak to our CEO, Chris Chaney.

A fuller report on our achievements and plans is set out below.

ACHIEVEMENTS, PERFORMANCE AND IMPACT

PATIENT ENVIRONMENT AND EXPERIENCE

OUR ART AND DESIGN PROGRAMME - WHICH COMBINES DIGITAL, VISUAL AND PERFORMING ARTS WITH INNOVATIVE DESIGN - AIMS TO TRANSFORM THE HOSPITAL EXPERIENCE AND ENVIRONMENT FOR PATIENTS, THEIR FAMILIES AND THE STAFF WHO CARE FOR THEM



In 2016 our impact was focused on improving the patient environment and experience in the following areas:

- We installed art and design enhancements throughout the redeveloped and expanded **Emergency Department** including installing a 'digital zoo' in the paediatric treatment rooms to distract children and a bespoke designed waiting area with comfortable seating and colourful artworks. We also undertook impact measurement work to evaluate the impact of the art and design interventions on patients throughout the department. Initial findings have been very positive with clinicians reporting a significant reduction in patient anxiety and perceived pain.
- We completed the redevelopment of the two paediatric wards improving the environment for our younger patients. The redevelopment included bespoke art and design throughout the units, furniture, sensory equipment, play room, and a dedicated area for teenagers.
- Expanded our **CW+ MediCinema** service to four screenings a week, including screenings dedicated to adolescent patients and 'silver screenings' where we screen classic films for our older patients.
- Extended our **Care of Older People** programme to West Middlesex University Hospital and expanded the range of daily activities to include percussion, gardening, movement and pet therapy workshops. As part of this programme, we formed partnerships with Royal Opera House, V&A museum, Rosetta Life, Royal British Society of Sculptors, British Museum, and Hammersmith Community Garden Association.
- In partnership with the Royal College of Music, we undertook a research study of over 150 new mothers examining the potential benefits of music and singing in reducing **post-natal depression**.
- Recruited a **music and sound research lead** to develop music software to use with patients in the clinical environment.
- **A Modern Herbal** – a new commission by Chloe Dewe Mathews was installed in the Patient Transport Lounge corridor. A Modern Herbal is a photographic project that provides a modern take on botanical imagery. Based on research into historical botanical images at the nearby Chelsea Physic Garden, the artist focused on photographing medicinal plants through a range medical equipment such as x-ray, microscopes and a 3D cranial scanner.
- We created a new indoor garden '**CW+ Greenhaven**' designed by our artist in residence Jinny Blom which is used by staff and patients for therapeutic relaxation.
- We managed, expanded and maintained our extensive **art collection** to help transform and improve the environment and experience of being in hospital. This included a major restoration of one of our largest sculptures, Falling Leaves, by Sian Tucker.



RESEARCH AND EDUCATION

WE RAISE FUNDS TO SUPPORT RESEARCH AIMING TO BETTER TREAT AND PREVENT ILLNESS FOR PATIENTS

In 2016 we:

- Awarded a grant of £679,000 to enable The Borne Foundation (registered charity number 1167073) to secure its independence and continue to deliver research to prevent premature birth
- Raised £83,000 towards international maternity projects including research to prevent obstetric fistula and education programmes to improve clinical outcomes for mothers and babies in resource-poor countries
- Raised a further £96,000 towards research into treating, and ultimately preventing the devastating newborn condition Necrotising Enterocolitis which is the most common cause of death on our neonatal intensive care unit at Chelsea and Westminster Hospital
- Raised a further £77,000 to support clinical research into understanding and treating severe burns injuries
- Invested £108,000 in the **Joint Research Committee** to support medical research activity in the hospital through funding fellowships, PhD studentships and other small grants.

INNOVATION

WE INVEST IN HEALTH INNOVATIONS, FACILITIES AND TECHNOLOGIES DESIGNED TO IMPROVE CLINICAL OUTCOMES FOR PATIENTS

In 2016:

- We continued to fund and develop innovative ideas from staff to deliver impact by improving patient experience and clinical outcomes. Examples of projects funded include:
 - Our **Smoking Cessation** project delivered 139 quits in the second year which has improved the health and wellbeing of these individuals and is also an estimated saving for the NHS of over £100,000. As this programme was structured as a social impact bond with financial incentives for targeted outcomes, we can recover £53,000 from the Clinical Commissioning Group (CCG).
 - A 12-week evaluation of new wearable technology **Sensium®** in the Acute Medical Unit at West Middlesex University Hospital. The device constantly senses and wirelessly tracks patient temperature, pulse and respiratory rate. This



technology aims to reduce the length of patient stay, detect patient deterioration earlier and help to prevent sepsis - which claims over 35,000 lives in the UK each year.

- **BeYou+** – a mobile app to support the health and wellbeing of people living with HIV
- **A novel gynaecological medical device** for patients with pelvic organ prolapse at West Middlesex University Hospital
- A **burns rehab** mobile app to support patients with their rehabilitation and wound care. The app will contain over 70 video demonstrations from specialist nurses to support patients achieve optimum healing and outcomes.
- Establishing an in-house facility for **facemask and splint production** for patients with facial burns. This aims to reduce facemask delivery times for patients from 12 weeks to 1 week – rapidly accelerating the healing process.
- A **clinical burns fellow** to identify innovation opportunities to fund and develop which will improve patient care and experience, while also providing cost benefits to the Foundation Trust.
- We are a delivery partner for the new **DigitalHealth.London Accelerator (DH.LA)** programme, which supports digital health businesses to engage with the NHS and wider health sector. Through the programme we will identify and link prospective innovation companies with the Foundation Trust, to bring exciting new innovations to our hospitals such as 11 Health's 'ostom-I', a wireless sensor for ostomy pouches.
- Our **Small Change Big Impact** initiative aims to be accessible to rapidly meet small scale needs from any areas of the hospital's patient-focused activity. We successfully allocated a total of £21,000 to 24 different projects within the hospital applied for by staff and patients. Projects included ward enhancements, equipment and recreational activities.

SPECIAL FUND PAYMENTS

Outside specific appeals and projects, CW+ holds £996,000 in ninety-three designated special purpose funds in support of a range of activities across the hospital. CW+ made commitments of £178,000 from these funds in the year. Commitments support a wide range of activities, including staff welfare, patients' welfare, medical equipment, education and training. Fund advisers, who are hospital specialists in the relevant fields, advise CW+ on best use of the funds.

FUNDRAISING

CW+ raised £1.286m in the nine months to 31 December 2016 (year ended 31 March 2016: £1.600m) from its fundraising activities.

We actively fundraised to support burns research and equipment, international maternity, NEC research, and the Emergency Department. We launched our £10m Critical Care Campaign to redevelop and expand the critical care facilities (neonatal and adult intensive care) at Chelsea and Westminster Hospital, so we can treat 700 more critically ill adults and babies every year.



We have recruited a Campaign Board, headed by John Carrafiell to spearhead the Critical Care Campaign. In addition, we have appointed a Head of Campaign Development to help the us deliver our target.

In the next financial year, our major focus will be our Critical Care Campaign, but we will also develop fundraising activity at West Middlesex University Hospital.

Our Impact Report details more of our achievements and can be found at www.cwplus.org.uk

FINANCIAL REVIEW

Total income for nine months to 31 December at £1.709m represented a pro rata increase of circa 7% on the previous year. Income from 'Donations and legacies' and 'Trading activities' at £1.286m increased by a similar level.

Investment income for the nine months ended 31 December was £354,000 (year to 31 March 2016: £459,000). Net gains on investment assets amounted to £3.371m (2016: losses of £25,000).

Fundraising costs were £408,000 for the nine months ended 31 December 2016 (year to 31 March 2016: £683,000).

The rate of spend on charitable activities increased by 18%. Charitable activities are split between Grants Payable and Patient Experience and the Environment. In the nine months ended 31 December 2016 expenditure on grants payable was £2.027m, (year ended 31 March £2,303m in 2016) and Patient Experience and the Environment was £558,000 (£604,000 in 2016).

Support costs, including governance, at £465,000 (year ended 31 March 2016: £429,000), saw a significant increase, due principally increased staffing levels and the costs of converting the charity to independent status. These costs are apportioned against the area of activity to which they related and are therefore included in the figures quoted above. CW+ continues to be satisfied that such costs are being appropriately controlled.

As a result of the above transactions, total charity funds increased from £36.539m at 31 March 2016 to £38.548m at 31 December 2016. £1.287m (2015: £1.604m) is held in restricted funds.

After designations, Free Reserves stood at £40,000 at 31 December 2016 (31 March 2016: £297,000).



RISK MANAGEMENT POLICY

In order to meet their obligations for risk management in relation to CW+, the Trustees have adopted a framework under which they identify and monitor risks. CW+ carries out a formal risk assessment resulting in the preparation of a detailed risk map. The procedures entail the following:

- Development of a clear link between the Trustees' business plan, objects of CW+ and the identification of risks
- Preparation of an impact analysis once risks are identified
- Quarterly review of existing and proposed business activities to ensure that new risks are identified and that existing documented risks are revised or removed if no longer appropriate.

Using this process, the Trustees have carefully examined the major strategic and operational risks which CW+ faces.

There are as follows:

- The principal risk is maintaining and protecting the value in real terms of its long term capital funds. There are calls on long term capital to provide for the current needs of the hospital. The Trustees need to carefully balance these needs with the needs of future generations. This risk is managed by developing a clear long term investment policy with the advice of expert investment consultants with regular monitoring through the Finance and Investment Committee which meets quarterly.
- CW+ has launched its £10m Critical Care Campaign. This is the largest appeal CW+ has undertaken and a major initiative for both the NHS Foundation Trust and the charity. Without careful planning and management there is a risk that the campaign may not achieve its £10m target. After carefully establishing the feasibility of the campaign, CW+ has developed a campaign plan and recruited both executive and voluntary leadership to deliver the campaign.

GRANTS AND DISTRIBUTIONS POLICY

Grant applications and other awards are considered at the Performance and Impact Committee and recommendations made to the Board of Trustees. The Trustees have agreed to proactively focus on the initiatives described in this report. These are in the long-term interests of the hospital's beneficiaries - patients.

RESERVES POLICY

CW+ normally plans the distribution or designation of all its free reserves through its charitable activities. It therefore does not plan the long-term retention of undesignated free reserves. Free reserves stand at £40,000 at 31 December 2016 (31 March 2016: £297,000).



FUNDS

Unrestricted funds

CW+ holds £37.160m in unrestricted funds. It has designated the majority of these for different purposes. The breakdown and projected timescales for application of these funds is shown in notes 10.3 to the accounts.

Designated Funds:

- **Long Term Capital**

The Long-Term Capital Fund has been established over many years to provide for both current and future needs of the patients and communities served by the hospital and CW+. The £33.156m Long Term Capital Fund is invested to provide stability and liquidity for CW+'s activities in the long-term. The fund will also provide major funding for charitable activities.

- **Arts: Assets**

This £2.901 million fund represents the art on display in and around the hospital. It is not readily realisable and therefore does not constitute free reserves.

- **Arts: Projects Reserve**

This represents assets held for resale.

- **Chelsea Children's Hospital**

This £51,500 fund is set aside for planned expenditure on Chelsea Children's Hospital.

- **Other designated funds**

CW+ holds 93 funds totalling £996,000 which are designated to support activity at different parts of Chelsea and Westminster Hospital. A full list of the funds is available on request from CW+.

Restricted Funds

Restricted funds are reserved for specific purposes. Details of the funds are shown in note 10.2.

Endowment Funds

£101,000 originated from the closed Parkwood Convalescent Hospital to support discharged or convalescent patients. CW+ is looking at the best ways to use this fund to benefit patients.

INVESTMENT PERFORMANCE

The return in the portfolio for the nine months ended 31 December 2016 was 16.5% versus a policy benchmark of 15.9%. The five year annualised return to 31 December 2016 of the total portfolio was 10.6% versus a benchmark of 6.7% (a target of 4.5% plus inflation). This represented outperformance of 3.9% per annum.

INVESTMENT POLICY

Our Long Term Capital Fund delivers the resources to enable CW+ to considerably increase its impact and fundraising capacity. This allows voluntary income to be delivered directly to support our charitable priorities in art and design, research and clinical innovations. CW+



invests its Long Term Capital Fund in accordance with its Investment Policy Statement ('IPS'). This is summarised below.

The primary **financial objectives** of the overall portfolio are to:

- Preserve and enhance the real (inflation-adjusted) purchasing power of the portfolio, and
- Provide a stream of relatively predictable, stable and constant earnings in support of annual budgetary needs.

The **long-term investment objectives** of the portfolio are to:

- Preserve real value. The portfolio should attain an average annual real total return (net of investment management and consultancy fees) in excess of the annual spending rate. A real return performance target of 4.5%p.a. has been identified over the long-term (defined as a period of 20+ years).
- The portfolio should attempt to achieve these objectives within acceptable risk. Over the long term, it is expected that portfolio risk (volatility), as measured by the standard deviation of annual returns, will be in the range of 10-13%.

SPENDING POLICY

CW+ will target a spending rate of 3.0% of long term capital. To preserve the portfolio's long term value, the target spend rate is smoothed over a 3-year period to ensure that spending volatility is managed within an acceptable range. The Trustees have discretion to increase this spending rate in any one year. 3.5% was targeted in 2016-2017, but the Trustees have agreed to spend up to 5% in 2017-2018 to allow the charity to build fundraising capacity for the future.

PLANS FOR FUTURE PERIODS

Chelsea and Westminster Hospital NHS Foundation Trust has an ambition to lead the NHS with world class, patient focused healthcare delivered locally. Key to achieving this ambition is the calibre of leadership, staff, facilities, environment and service the hospital offers. This requires significant investment which goes beyond basic NHS provision. CW+ aims to generate and make this investment to support the hospital in its outstanding efforts.

Our Trustees have recently approved a new three-year strategy for the charity which will focus our work to deliver the following objectives:

- CW+ will be a leading evidence-based arts-in-health practitioner aiming to transform the patient environment and experience
- CW+ will be the principal provider and coordinator of capital and revenue charitable fundraising for Chelsea and Westminster Hospital NHS Foundation Trust
- CW+ will deliver a discretionary grants programme aligned to Trust priorities supported by ground-breaking external innovation partnerships, including DH.LA.



To successfully achieve these objectives, we will focus the majority of our patient environment and experience and fundraising efforts towards the Critical Care Campaign.

On 1 January 2017 the assets of the West Middlesex University Hospital Charitable Funds were transferred to CW+, following the merger of the two hospitals under one Foundation Trust in September 2015. In future our grants and patient environment programmes will be open to all Foundation Trust sites. We will also establish a presence at West Middlesex University Hospital and our main fundraising focus there will be to raise £100,000 for the paediatric units by engaging with patients, staff and the local community.

We will invest in building our fundraising capacity to deliver increased appeal income but also develop unrestricted fundraising initiatives.

CW+ aims to develop systems to define deliver and disseminate our impact across its programme of charitable activities.

In 2017 we will use our new constitutional form effective from 1 January 2017, to enable us to be even more closely aligned with the aims and objectives of Chelsea and Westminster Hospital NHS Foundation Trust.

STRUCTURE, GOVERNANCE AND MANAGEMENT

OBJECTS

Throughout the nine months ended 31 December 2016 ended the principal objects of CW+ were set out in two governing instruments:

- The Charity Commission scheme dated 26 March 2002 (as effected by statutory instrument 2005 no. 2427 and resolution dated 20th September 2005), relating to funds deriving from the Special Trustees of Westminster and Roehampton Hospitals, with objects as stated in section 93(2) – (3) NHS Act 1977 (now section 220 (3) – (5) NHS Act 2006) – that is, purposes relating to hospital services (including research) or to any other part of the NHS associated with any hospital.
- A declaration of trust dated 27 November 1997 (as effected by the Charity Commission scheme dated 26 March 2002), the objects being charitable purposes relating to the NHS wholly or mainly for the services provided by the Chelsea and Westminster Hospital NHS Foundation Trust.

The Trustees also held other charitable funds on trust for specific purposes connected with Chelsea and Westminster Hospital NHS Foundation Trust and the wider NHS, a number of which are registered with the Charity Commission as part of the Trustees' group.

On 1 January 2016, the charity reconstituted as CWPLUS, an independent charitable company limited by guarantee with charity registration number 1169897 and company number



10410134. All the funds of the charity were transferred to be the corporate property of the new charitable company along with funds from West Middlesex University Hospital Charitable Fund, charity registration number 1061153.

SUBSIDIARY UNDERTAKING

CW+ has a non-charitable wholly owned subsidiary company, CWHC Trading Limited which did not trade in the financial year. Details can be found in note 7.3 to the accounts.

GOVERNANCE

CW+ has an independent Board (currently nine Trustees). The Chairman and Vice Chairman are elected annually by the Trustees. Until 31 December 2016 the Trustees of CW+ were appointed for four year terms by the NHS Trust Development Authority on behalf of the Secretary of State under Section 51 NHS Act 2006. The Trustee body itself was incorporated by the Charity Commission under the Charities Act 2011 (formerly Charities Act 1993). From 1 January 2017, CWPLUS trustees were appointed by a Nominations Committee established under its Articles of Association. Trustees can be reappointed for a second four-year term.

New Trustees receive an induction pack and have a series of induction meetings. All Trustees are updated on current issues and are invited to attend relevant seminars and conferences. In addition to attending quarterly meetings of the Board of Trustees, each Trustee is a member of at least one of these Committees:

- Arts Advisory Board
- Development
- Finance and Investment
- Performance and Impact (Grants)

The Committees meet at least four times a year and make decisions under delegated authority and make recommendations to the Board of Trustees. The minutes of the Committees are formally recorded and submitted to the Board of Trustees.

PAY AND REMUNERATION ARRANGEMENTS

The Board of Trustees has specific responsibility for remuneration matters. It will agree final recommendations on annual increases to the salary budget at its March meetings through the budget setting process for the forthcoming financial year.

The Chief Executive and Senior Management Team will make recommendations on starting salaries for new staff, and will make recommendations on increases and performance related bonuses for existing staff subject to approval of the budget by the Board. The Board of Trustees will agree remuneration matters for the CEO.

CW+ has a flexible salary structure. Each Individual's remuneration will be fair and appropriate with reference to prevailing market rate for similar roles and responsibilities. There are no salary scales or set incremental rises.



There will be an annual review of salaries each year. The annual review will not guarantee an increase in salary. The review will take into consideration changes in the cost of living and prevailing market rates for comparable work and performance in the year under review.

MANAGEMENT

Day-to-day operations of CW+ are managed by the Chief Executive, who reports to the Board of Trustees. The heads of CW+'s functional departments all report to the Chief Executive.

RELATED PARTIES

None of the Trustees receive remuneration or any other benefit from their work with CW+. Any connection between a Trustee or senior management of CW+ with providers of services to CW+ must be disclosed to the full Board of Trustees. There were no such connections reported in the period ended 31 December 2016.

VOLUNTEERS

The Trustees would like to pay tribute to the role of volunteers who have played a key role in delivering our art and design programme. We would also like to thank our committee and advisory panel members who volunteer their time to provide CW+ with valuable advice, guidance and fundraising support.

REFERENCE AND ADMINISTRATIVE DETAILS

NAME

Until 31 December the group name for all the charities which the Trustees administer is "Chelsea and Westminster Health Charity (and related charities)". From 1 January 2017 the group name was CWPLUS.

REGISTERED OFFICE

4 Verney House, 1B Hollywood Road, London SW10 9HS

MEMBERS OF THE BOARD OF TRUSTEES

Tony Bourne, Chairman
Nick Jordan, Vice Chairman
Paul Best, Trustee
Laura Howard, Trustee (term finished 31 October 2016)
Jane Lawson, Trustee
Jeremy Loyd, Trustee
Sarah Waller, Trustee
Nicholas White, Trustee
Edwin Wulfsohn, Trustee



CHIEF EXECUTIVE

Mark Norbury (departed 9 May 2016)
James Varley (acting 9 May 2016 - 10 July 2016)
Chris Chaney (started 11 July 2016)

SENIOR MANAGEMENT TEAM

James Varley, Finance Director
Trystan Hawkins, Director of Patient Environment
Kerry Huntington, Head of Individual Giving
Roberta Jones, CW+ West Middlesex Director
Sarah Holland, Communications Manager
Oliver Gell, Head of Campaign Development (started 7 November 2016)

BANKERS

CAF Bank Limited, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent ME19 4JQ

AUDITORS

Kingston Smith LLP, Devonshire House, 60 Goswell Road, London EC1M 7AD

SOLICITORS

Bird & Bird LLP, 15 Fetter Lane, London EC4A 1JP
RadcliffesLeBrasseur, 5 Great College Street, Westminster, London SW1P 3SJ
Withers LLP, 16 Old Bailey, London EC4M 7EG

INVESTMENT CONSULTANTS

Cambridge Associates Limited, 80 Victoria Street, Cardinal Place, London SW1E 5JL

Tony Bourne, Chairman

Date

22 June
2017



STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

- (a) select suitable accounting policies and then apply them consistently;
- (b) comply with applicable accounting standards, including FRS 102, subject to any material departures disclosed and explained in the financial statements;
- (c) state whether a Statement of Recommended Practice (SORP) applies and has been followed, subject to any material departures which are explained in the financial statements;
- (d) make judgements and estimates that are reasonable and prudent;
- (e) prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Charity will continue in business.

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

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

In so far as the Trustees are aware:

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

By Order of the Trustees

Tony Bourne, Chairman

Date 22 June
2017



INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF CHELSEA AND WESTMINSTER HEALTH CHARITY (AND RELATED CHARITIES)

We have audited the financial statements of Chelsea and Westminster Health Charity (and Related Charities) for the nine months ended 31 December 2016 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland'.

This report is made solely to the Charity's Trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the Charity and Charity's Trustees as a body, for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITOR

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees are responsible for the preparation of financial statements which give a true and fair view. We have been appointed as auditors under section 151 of the Charities Act 2011 and report in accordance with regulations made that Act. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



OPINION ON THE FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 December 2016, and of its income and application of resources, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

- We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:
- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Kingston Smith LLP
Statutory Auditor

Devonshire House
60 Goswell Road London EC1M 7AD

Date: 3/7/2017

Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006

STATEMENT OF FINANCIAL ACTIVITIES FOR THE NINE MONTHS ENDED 31 DECEMBER 2016

	Note	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	Total Funds £000	9 months ended 31 December 2016	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	Year ended 31 March 2016 Total Funds £000
Income and endowments from:										
Income from generated funds										
Donations and legacies	2.1	144	887	-	1,031		326	945	-	1,271
Charitable activities	2.2	69	-	-	69		49	16	-	65
Trading activities	2.3	1	254	-	255		(29)	358	-	329
Investment income	7.5	351	3	-	354		459	-	-	459
Total income and endowments		565	1,144	-	1,709		805	1,319	-	2,124
Expenditure on:										
Raising funds										
Fundraising		403	5	-	408		554	129	-	683
Investment management costs		76	-	-	76		90	-	-	90
Charitable activities										
Grants payable	3.1	607	1,420	-	2,027		825	1,478	-	2,303
Patient Experience and Environment	3.1	450	108	-	558		439	165	-	604
Other: Loss on sale of assets held for own use		2	-	-	2		10	-	-	10
Total expenditure	4	1,538	1,533	-	3,071		1,918	1,772	-	3,690
Net (expenditure)/ income before net (losses)/gains on investment assets		(973)	(389)	-	(1,362)		(1,113)	(453)	-	(1,566)
Net gains/(losses) on investment assets	7.1	3,363	-	8	3,371		(27)	-	2	(25)
Net (expenditure)/ income		2,390	(389)	8	2,009		(1,140)	(453)	2	(1,591)
Transfers between funds	10	(72)	72	-	-		1,129	(1,129)	-	-
Net (outgoing)/incoming resources before other recognised gains and losses		2,318	(317)	8	2,009		(11)	(1,582)	2	(1,591)
Net movement in funds	5	2,318	(317)	8	2,009		(11)	(1,582)	2	(1,591)
Reconciliation of funds										
Total funds brought forward at 1 April 2016		34,842	1,604	93	36,539		34,853	3,186	91	38,130
Total funds carried forward at 31 December 2016		37,160	1,287	101	38,548		34,842	1,604	93	36,539

The notes at pages 22 to 37 form part of these accounts. All activities derive from continuing operations.

BALANCE SHEET AS AT 31 DECEMBER 2016.

Note	Unrestricted funds £000	Restricted funds £000	Endowment funds £000	Total 31 December 2016 £000	Unrestricted funds £000	Restricted funds £000	Endowment funds £000	Total 31 March 2016 £000
Fixed assets								
Intangible Assets	159	-	-	159	162	-	-	162
Tangible assets	2,762	-	-	2,762	2,755	-	-	2,755
Investments	35,317	1,023	-	36,340	32,855	1,433	93	34,381
Total fixed assets	38,238	1,023	-	39,261	35,772	1,433	93	37,298
Current assets								
Stock: Donated artworks held for resale	16	-	-	16	16	-	-	16
Debtors	167	44	101	312	195	154	-	349
Cash at bank and in hand	-	917	-	917	-	1,248	-	1,248
Total current assets	183	961	101	1,245	211	1,402	-	1,613
Liabilities								
Creditors: Amounts falling due within one year	(1,152)	(497)	-	(1,649)	(958)	(1,231)	-	(2,189)
Net current assets (liabilities)	(969)	464	101	(404)	(747)	171	-	(576)
Long term debtors	100	-	-	100	100	-	-	100
Total assets less current liabilities	37,369	1,487	101	38,957	35,125	1,604	93	36,822
Creditors: Amounts falling due within more than one year	(209)	(200)	-	(409)	(283)	-	-	(283)
Total net assets	37,160	1,287	101	38,548	34,842	1,604	93	36,539
Funds of the Charity								
Endowment funds	-	-	101	101	-	-	93	93
Restricted funds	-	1,287	-	1,287	-	1,604	-	1,604
Unrestricted funds	37,120	-	-	37,120	34,545	-	-	34,545
Designated funds	40	-	-	40	297	-	-	297
General	37,160	1,287	101	38,548	34,842	-	-	36,539
Total unrestricted funds	37,160	1,287	101	38,548	34,842	1,604	93	36,539
Total Charity funds	37,160	1,287	101	38,548	34,842	1,604	93	36,539

22 June 2017

Signed: Tony Bourne
Chairman

The notes at pages 22 - 37 form part of these accounts. All activities derive from continuing operations.

STATEMENT OF CASH FLOWS 31 DECEMBER 2016

	31 December 2016 Total Funds £000	31 March 2016 Total Funds £000
Cash flows from operating activities:		
Net cash used in operating activities (i)	(2,086)	(769)
Cash flows from investing activities:		
Dividends, interest and rents from investments	354	459
Proceeds from sale of fixed assets: art assets	4	12
Purchase of fixed assets: art assets	(15)	-
Purchase of computer software	-	(15)
Purchase of fixtures, fittings and equipment	-	(16)
Proceeds from the sale of investments	4,682	2,681
Purchase of investments	(3,270)	(2,422)
Net cash inflows from investing activities:	1,755	699
Change in cash and cash equivalents in the reporting period	(331)	(70)
Cash and cash equivalents at the beginning of the reporting period (ii)	1,248	1,319
Change in cash and cash equivalents in the reporting period	(331)	(71)
Cash and cash equivalents at the end of the reporting period (ii)	917	1,248
(i) Net income (expenditure) for the reporting period (as per the statement of financial activities)	2,009	(1,591)
Adjustments for:		
Depreciation and amortisation charges	5	6
Losses (gains) on investments	(3,371)	25
Dividends interest and rents from investments	(354)	(459)
Loss on the sale of fixed assets	2	10
Donated assets held as fixed assets	-	(150)
Increase/decrease in stocks	-	36
Increase/decrease in debtors	37	842
Increase/decrease in creditors	(414)	512
Net cash provided by/used in operating activities	(2,086)	(769)
(ii) Analysis of cash and cash equivalents		
Cash in hand	917	1,248
Total cash and cash equivalents	917	1,248

NOTES TO THE ACCOUNTS

1 Accounting policies

1.1 Basis of preparation

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

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charity is a public benefit entity for the purposes of FRS 102 and therefore the Charity also prepared its financial statements in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (The FRS 102 Charities SORP) and the Charities Act 2011.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest one thousand pounds.

The principal accounting policies adopted in the preparation of the financial statements are set out below.

1.2 Critical accounting areas and the use of judgments

In the view of the Trustees, in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

1.3 Income

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

- entitlement - arises when a particular resource is receivable or the Charity's right becomes legally enforceable;
- probability - when it is probable that the income will be received; and
- measurement - when the monetary value of the income can be measured with sufficient reliability.

Legacies

Legacies are accounted for as income once the receipt of the legacy becomes measurable, is probable and the Charity has entitlement to income.

Donated goods for resale

Donated goods for resale are recognised on receipt.

Endowment funds

Income received from permanent endowment funds are treated as restricted income.

1.4 Expenditure

The financial statements are prepared in accordance with the accruals concept. All expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party. Costs are inclusive of irrecoverable VAT.

NOTES TO THE ACCOUNTS (CONTINUED)

Expenditure on raising funds

The cost of raising funds are the costs associated with generating income for the Charity's funds. This will include the costs associated with investment actions.

Charitable activities

Grants payable are payments, made to third parties in the furtherance of the charitable objectives. They are accounted for on an accruals basis where the conditions for their payment have been met or where the grants have been communicated to the recipient and the third party has a reasonable expectation that they will receive the grant. This includes grants paid to NHS bodies.

Operating lease costs

Rentals under operating leases are charged on a straight-line basis over the term of the lease.

Pension costs

The amount charged to the Statement of Financial Activities in respect of pension costs to the defined contribution schemes is the total of the contributions payable in the year.

1.5 Structure of funds

The Charity's funds are classified under Unrestricted funds (including designated funds), restricted funds and endowment funds. The major funds held within these categories are disclosed in note 10.

Unrestricted funds and the designated funds

Unrestricted funds earmarked by the Trustees for particular purposes in the future are classified as designated funds.

Restricted funds

Where there is a legal restriction on the purpose to which a fund may be put, the fund is classified in the accounts as a restricted fund.

Endowment funds

Funds where the capital is held to generate income for charitable purposes and cannot itself be spent, are accounted for as a endowment funds.

1.6

Fixed assets

Intangible and tangible arts assets are held as functional assets to provide a service to its beneficiaries. The works of art, selected for display, are all sited in public areas where they can be enjoyed by the patients, visitors, staff and the general public.

Christie's have provided a valuation of the arts collection at current auction estimates as at 31 March 2013. The Trustees value the art collection at the lower auction estimate or cost if an auction estimate is not attributable. Items purchased more than five years ago with no attributable auction estimate are valued at zero in the accounts.

No depreciation is charged as the residual value of arts assets is considered to be comparable with the book value and therefore any depreciation charge to the assets is considered to be immaterial.

Computer software and fixtures and fittings and equipment are capitalised at cost and depreciated on a straight line basis at 20% per annum.

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

1.7

Investment fixed assets

Investment fixed assets are shown at market value.

Property assets are not depreciated but are shown at market valuation.

The Trustees revalued their properties at 31 March 2014. This valuation was carried out by Gerald Eve LLP, Chartered Surveyors note 7.2.

NOTES TO THE ACCOUNTS (CONTINUED)

Other investments are included in the balance sheet at market price.

1.8 Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening market value (or value on date of purchase if later). Unrealised gains and losses are calculated as the difference between market value at each period end and opening market value (or value on date of purchase if later).

1.9 Official pooling scheme

An official pooling scheme is operated for all investments relating to the Charity's non-endowment funds. The scheme was registered with the Charity Commission on 26 March 2002.

1.10 Allocation of support costs

Support costs have been allocated between expenditure on raising funds, the charitable activities. The support costs are allocated to the relevant activity cost category they support on the bases detailed in note 4.1.

1.11 Going concern

The Trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the Charity to continue as a going concern. The Trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the Trustees have considered the Charity's forecasts and projections and have taken account of pressures on income. After making enquiries the Trustees have concluded that there is a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. The Charity therefore continues to adopt the going concern basis in preparing its financial statements. See also Note 16, Post balance Sheet Events.

1.12 Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

With the exceptions of prepayments and deferred income all other debtor and creditor balances are considered to be basic financial instruments under FRS 102. See notes 8 and 9 for the debtor and creditor notes.

1.13 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

1.14 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

NOTES TO THE ACCOUNTS (CONTINUED)

2 Income**2.1 Donations and Legacies**

	31 December 2016		31 March 2016	
	Unrestricted £000	Restricted £000	Total £000	Total £000
Donations from individuals	61	251	312	469
Donated assets for Charity's own use	-	-	-	130
Donated assets for resale	3	-	3	12
Trusts and foundations	53	493	546	284
Corporate donations and sponsorship	25	44	69	260
Legacies	2	99	101	116
	144	887	1,031	1,271

2.2 Charitable Activities

	31 December 2016		31 March 2016	
	Unrestricted £000	Restricted £000	Total £000	Total £000
Smoking Cessation Project	53	-	53	47
Courses	5	-	5	10
Other	11	-	11	8
	69	-	69	65

2.3 Trading Activities

	31 December 2016		31 March 2016	
	Unrestricted £000	Restricted £000	Total £000	Total £000
Profit/(Loss) on sale of donated assets	1	-	1	29
Fundraising events	-	254	254	358
	1	254	255	329

NOTES TO THE ACCOUNTS (CONTINUED)

3 Details of expenditure including support costs

3.1 Analysis of charitable expenditure

	Unrestricted 31 December 2016 £000	Restricted 31 December 2016 £000	Total 31 December 2016 £000	Unrestricted 31 March 2016 £000	Restricted 31 March 2016 £000	Total 31 March 2016 £000
Grants payable:						
Research and Education	-	679	679	-	833	833
Borne- Obstetrics research	-	83	83	-	104	104
International Maternity	108	-	108	125	-	125
Joint Research Committee*	-	-	-	500	-	500
Advanced Immunotherapy Facility	-	300	300	-	-	-
Necrotizing enterocolitis (NEC)	50	231	281	-	264	264
Chelsea Children's Hospital (including MediCinema)						
Delivering patient centred care						
Enterprising Health	101	-	101	158	3	161
Small Change Big Impact	21	-	21	2	18	20
Burns initiatives	35	123	158	-	-	-
Other grants	21	-	21	(22)	-	(22)
Other special fund grants in support of activities at Chelsea and Westminster Hospital NHS						
Total grants payable	136	-	136	-	242	242
	472	1,416	1,888	763	1,464	2,227
Support costs	135	4	139	62	14	76
Total grants payable including support costs	607	1,420	2,027	825	1,478	2,303
Patient experience and environment						
Support costs	283	108	391	278	165	443
	167	-	167	161	-	161
	450	108	558	439	165	604
	1,057	1,528	2,585	1,264	1,643	2,907

* In the year awards were made through the Westminster Medical School Research Trust in respect of the Joint Research Committee (JRC) for research fellowships in respect of projects detailed in the Trustees' Annual Report.

NOTES TO THE ACCOUNTS (CONTINUED)

3.2 Grants made to Institutions and Individuals

Institution

Chelsea and Westminster Hospital NHS Foundation Trust
Westminster Medical School Research Trust (JRC)
Imperial College
The Borne Foundation

	31 December 2016 Total £000	31 March 2016 Total £000
	1,101	769
	108	125
	-	1,333
	679	-
	<u>1,888</u>	<u>2,227</u>
	139	76
	<u>2,027</u>	<u>2,303</u>

Support costs

4 Total expenditure

4.1 Support costs

	Expenditure on Raising Funds £000	Charitable Expenditure £000	31 December 2016 Total £000	Expenditure on Raising Funds £000	Charitable Expenditure £000	31 March 2016 Total £000
Unrestricted						
Staffing costs	87	182	269	107	130	237
Other office costs	48	87	135	73	75	148
Governance costs (note 4.2)	24	33	57	12	18	30
Total support costs	<u>159</u>	<u>302</u>	<u>461</u>	<u>192</u>	<u>223</u>	<u>415</u>
Restricted						
General administration	-	4	4	-	14	14

4.2 Governance costs

	Total 31 December 2016 £000	Total 31 March 2016 £000
Audit fees	13	13
Trustees' liability insurance	3	5
Legal fees	33	12
Other	8	-
	<u>57</u>	<u>30</u>

Audit fees
Trustees' liability insurance
Legal fees
Other

The allocation of support costs has been made in line with the Charity's strategic objectives. Where appropriate, expenditure has been directly attributed to a cost category. Where this has not been possible expenditure has been allocated on an estimated time basis.

NOTES TO THE ACCOUNTS (CONTINUED)**4.3 Salary and pension entitlements of senior managers****Remuneration - senior management**

	Number of employees 31 December 2016	Number of employees 31 March 2016
Band		
£120,001- £130,000	-	1
£60,001 - £70,000	-	2

Contributions in the period for the provision of retirement benefits under the defined contribution scheme in respect of the above amounted to £14,553 in the year ended 31 March 2016.

4.4 Analysis of employment costs**Costs**

	Total 31 December 2016 £000	Total 31 March 2016 £000
Salary costs	494	585
National insurance costs	54	67
Pensions costs (defined contribution schemes)	27	33
	<u>575</u>	<u>685</u>

Numbers

	Number of employees 31 December 2016	Number of employees 31 March 2016
Charitable activities	8.0	5.5
Fundraising	4.5	6.0
Administration and finance	4.0	4.0
	<u>16.5</u>	<u>15.5</u>

The above are based on the average number of employees during the respective periods.

The Charity defines the seven members of its senior management team as its key management personnel. The total amount of their remuneration and employee benefits was £295,000 (year ended 31 March 2016 £393,000).

5 Changes in resources available for Charity use

	Total 31 December 2016 £000	Unrestricted £000	Restricted £000	Endowment £000	Unrestricted £000	Restricted £000	Endowment £000	Total 31 March 2016 £000
Net movement in funds for the year	2,318	8	(317)	-	(11)	(1,582)	2	(1,591)
Net expenditure on fixed assets (excluding investments)	6	-	-	-	(181)	-	-	(181)
Net movement in funds available for future activities	<u>2,324</u>	<u>8</u>	<u>(317)</u>	<u>-</u>	<u>(192)</u>	<u>(1,582)</u>	<u>2</u>	<u>(1,772)</u>

NOTES TO THE ACCOUNTS (CONTINUED)

6 Fixed Assets

6.1 Fixed Assets: Intangible Assets

Asset cost or valuation	Art assets £000	Computer software £000	Total £000
Balance brought forward at 1 April 2016	150	15	165
Additions	-	-	-
Revaluation	-	-	-
Balance carried forward at 31 December 2016	150	15	165
Accumulated depreciation			
Balance brought forward at 1 April 2016	-	(3)	(3)
Charge for the year	-	(3)	(3)
Balance carried forward at 31 December 2016	-	(6)	(6)
Balance carried forward at 31 December 2016	150	9	159
Balance carried forward at 31 March 2016	150	12	162

The art asset is a digital artwork, 'Stones against Diamonds', by Isaac Julien. Filmed deep within the remote glacial caves in the wilderness south west of Iceland, Isaac Julien has created a unique five screen work for our hospital waiting rooms.

6.2 Fixed Assets: Tangible Assets

Asset cost or valuation	Art assets £000	Fixtures, fittings and equipment £000	Total £000
Balance brought forward at 1 April 2016	2,742	30	2,772
Additions	15	-	15
Disposals	(6)	-	(6)
Balance carried forward at 31 December 2016	2,751	30	2,781
Accumulated depreciation			
Balance brought forward at 1 April 2016	-	(17)	(17)
Charge for the year	-	(2)	(2)
Balance carried forward at 31 December 2016	-	(19)	(19)
Balance carried forward at 31 December 2016	2,751	11	2,762
Balance carried forward at 31 March 2016	2,742	13	2,755

The art assets were revalued as at 31 March 2013 by Christie's, 8 King Street, London SW1Y 6QT.

NOTES TO THE ACCOUNTS (CONTINUED)

7 Analysis of investments**7.1 Investment movements**

As at 1 April:
 Less: Disposals at carrying value
 Add: Acquisitions at cost
 Net gain on revaluation

	31 December 2016 £000	31 March 2016 £000
	34,381	34,665
	(4,682)	(2,681)
	3,270	2,422
	3,371	(25)
	<u>36,340</u>	<u>34,381</u>

7.2 Investments

Investment properties - held in the UK
 Investments listed on Stock Exchange - held in the UK
 Investments in investment funds - held overseas
 Cash held as part of the investment portfolio
 Investments in subsidiary undertakings - held in the UK (Note 7.3)

	31 December 2016 £000	31 March 2016 Total £000
	11,600	11,600
	3,944	2,942
	17,731	15,918
	2,943	3,921
	<u>36,218</u>	<u>34,381</u>

The investment property was re-valued by Gerald Eve LLP on 31 March 2014 in accordance with the Practice Statements and Guidance Notes contained in the Valuation Standards of the Royal Institution of Chartered Surveyors (RICS) 6th Edition. The valuations are based on the market value of the Charity's interests subject to the existing tenancies as at 31 March 2014.

7.3 Programme related investments

Unlisted Health innovation investments in RetVas Ltd retinal imaging digital solutions (held in UK)

	31 December 2016 £000	31 March 2016 £000
	122	-

7.4 Subsidiary undertakings

The Charity has one wholly owned non-charitable subsidiary undertaking registered in England and Wales.

CWHC Trading Limited - incorporated on 11 March 2008 and started trading on 23 July 2008 - undertaking retail activities, making commission arrangements and sponsorship agreements.

Other costs: Governance costs

Net profit

Net liabilities (due to Chelsea and Westminster Health Charity)

	31 December 2016 £000	31 March 2016 £000
	(1)	(1)
	(1)	(1)
	<u>(66)</u>	<u>(63)</u>

The costs are included in support costs.

The subsidiary's accounts have not been consolidated on the grounds that they are immaterial to the understanding the financial statements.

NOTES TO THE ACCOUNTS (CONTINUED)

7.5 Analysis of gross income from investments

	31 December 2016			31 March 2016		
	Unrestricted £000	Restricted £000	Endowment £000	Unrestricted £000	Restricted £000	Endowment £000
Investment properties	329	-	-	437	-	-
Investments listed on Stock Exchange - UK	-	3	-	-	-	-
Investments in investment funds - held overseas	-	-	-	-	-	-
Cash held as part of the investment portfolio	22	-	-	22	-	-
	<u>351</u>	<u>3</u>	<u>-</u>	<u>459</u>	<u>-</u>	<u>-</u>
			<u>354</u>			<u>460</u>
						<u>23</u>
						<u>437</u>

The unrestricted and restricted funds are pooled for investment as per note 1.9.

8 Analysis of debtors

8.1 Amounts falling due within one year:

Prepayments and accrued income

Other debtors

Total debtors falling due within one year

	31 December 2016 £000	31 March 2016 £000
Prepayments and accrued income	134	242
Other debtors	178	107
	<u>312</u>	<u>349</u>

8.2 Amounts falling due more than one year

Other debtors

Total debtors

	31 December 2016 £000	31 March 2016 £000
Other debtors	100	100
	<u>412</u>	<u>449</u>

9 Analysis of creditors

9.1 Amounts falling due within one year:

Trade creditors

Accruals and deferred income

Other creditors

Total creditors falling due within one year

	31 December 2016 £000	31 March 2016 £000
Trade creditors	34	144
Accruals and deferred income	146	43
Other creditors	1,469	2,002
	<u>1,649</u>	<u>2,189</u>

9.2 Amounts falling due within more than one year:

Other creditors

	31 December 2016 £000	31 March 2016 £000
Other creditors	409	283

NOTES TO THE ACCOUNTS (CONTINUED)**10 Analysis of funds****10.1 Endowment funds**

	Balance 1 April 2016 £000	Income £000	Expenditure £000	Gains £000	Balance 31 December 2016 £000
Parkwood	93	-	-	8	101

	Balance 1 April 2015 £000	Income £000	Expenditure £000	Gains £000	Balance 31 March 2016 £000
Parkwood	91	-	-	2	93

This fund originated from the closed Parkwood Convalescent Hospital. The Parkwood fund is now being used to support discharged or convalescent patients.

10.2 Restricted funds

	Balance 1 April 2016 £000	Income £000	Expenditure £000	Transfers £000	Balance 31 December 2016 £000
Critical Care Campaign	25	318	(1)	-	342
Emergency Department Appeal	361	17	(108)	-	270
Paediatric Burns Fund	10	273	(123)	-	160
International Maternity	189	30	(83)	-	136
Hutt Will Trust	-	98	(14)	-	84
Burns Research Appeal Fund	-	77	-	-	77
Wynne Thomas Oncology Fund	55	15	(1)	-	69
Play Specialist A&E	-	44	-	-	44
Parkwood Convalescent Fund	26	3	-	-	29
NEC	231	96	(304)	-	23
Chelsea Children's Hospital	225	-	(209)	-	16
Borne	444	142	(681)	100	5
Others (three funds at 31 December 2016)	38	31	(9)	(28)	32
Total	1,604	1,144	(1,533)	72	1,287

NOTES TO THE ACCOUNTS (CONTINUED)

10.2 Restricted funds (continued)

	Balance 1 April 2015 £000	Income £000	Expenditure £000	Transfers £000	Balance 31 March 2016 £000
Emergency Department Appeal	299	125	(63)	*	361
Borne	571	824	(952)	*	443
NEC	125	117	(11)	*	231
Chelsea Children's Hospital	477	13	(265)	*	225
International Maternity	282	12	(105)	*	189
Burns Research Appeal Fund	-	64	-	(64)	-
Wynne Thomas Oncology Fund	57	-	(2)	-	55
Schwaiger Fund	132	-	(104)	-	28
Parkwood Convalescent Fund	26	-	-	-	26
Critical Care Campaign	-	25	-	-	25
Melanoma Fund	108	-	(66)	(42)	*
C&W Hospital Postgraduate Centre	115	-	(12)	(103)	*
Neonatal Unit and Harry Freedman Trust Fund	79	15	(34)	(60)	*
Small Change Big Impact	72	-	(18)	(54)	*
Others (two funds at 31 March 2016)	843	124	(140)	(806)	21
Total	3,186	1,319	(1,772)	(1,129)	1,604

Name of fund	Description
Critical Care Campaign	Appeal to transform adult and neonatal intensive care at Chelsea and Westminster Hospital.
Emergency Department Appeal	Appeal fund to transform the experience in Accident and Emergency department at Chelsea and Westminster Hospital.
Paediatric Burns Fund	Funds raised to purchase, install and operate cutting edge medical equipment in paediatric burns.
International Maternity	To fund the development of maternity teams from Chelsea and Westminster working in resource poor settings.
Hutt Will Trust	Legacy to Support Children's Services.
Burns Research Appeal fund	To support burns research.
Wynne Thomas Oncology Fund	To support the work of the oncology unit.
Play Specialist for A&E	Funds donated specifically to provide an A&E play specialist.
Parkwood Convalescent Fund	To support discharged or convalescent patients.
NEC	For research into necrotising enterocolitis.
Chelsea Children's Hospital	Appeal for the benefit of the Chelsea Children's Hospital.
Borne	Preventing disability and death in childbirth and creating life long health for mothers and babies. In 2014-2015 Borne also included funds for International Maternity. The fund has been split and are shown as two separate areas of activity from 1 April 2015.
Schwaiger Fund	To support improvements in patient experience.
Melanoma Fund	Research in treatment, salaries and equipment.
C&W Hospital Postgraduate Centre	Staff educational activities including purchase of equipment.
Neonatal Unit and Harry Freedman Trust Fund	Equipment purchase, staff training and unit development.
Small Change Big Impact	For small projects that benefit patients. £77,000 was transferred from other funds with broadly similar objects.

NOTES TO THE ACCOUNTS (CONTINUED)

10.3 Unrestricted funds

	Balance 1 April 2016 £000	Income £000	Expenditure £000	Transfers £000	Gains £000	Balance 31 December 2016 £000
Designated funds						
Long Term Capital	30,336	-	-	(543)	3,363	33,156
Art: Assets	2,892	-	-	9	-	2,901
Art: Project reserves	50	1	-	(35)	-	16
Chelsea Children's Hospital	102	-	(51)	-	-	51
Borne	100	-	-	(100)	-	-
Enterprising Health Partnership	-	-	-	-	-	-
Other designated funds (note 10.4)	1,065	109	(178)	-	-	996
	34,545	110	(229)	(669)	3,363	37,120
Free reserves	297	455	(1,309)	597	-	40
Total Unrestricted funds	34,842	565	(1,538)	(72)	3,363	37,160

	Balance 1 April 2015 £000	Income £000	Expenditure £000	Transfers £000	(Losses) £000	Balance 31 March 2016 £000
Designated funds						
Long Term Capital	31,105	-	(90)	(652)	(27)	30,336
Art: Assets	2,764	-	-	128	-	2,892
Art: Project reserves	67	-	-	(17)	-	50
Chelsea Children's Hospital	102	-	-	-	-	102
Borne	-	-	-	100	-	100
Enterprising Health Partnership	15	-	-	(15)	-	-
Other designated funds (note 10.4)	-	-	-	1,065	-	1,065
	34,053	-	90	609	(27)	34,545
Free reserves	800	805	(1,828)	520	-	297
Total Unrestricted funds	34,853	805	(1,918)	1,129	(27)	34,842

Name of fund

Long Term Capital
Art Assets

Arts: Project Reserves
Burns Research
Enterprising Health Partnership
Borne
Chelsea Children's Hospital

Description of the nature and purpose of each fund
Assets invested to provide stability and liquidity for the Charity's activities in the long-term (more than ten years).
Represented by art on display in and around the hospital. It is not readily realisable and therefore does not constitute free reserves. It is also held for the long term (more than ten years).
Funds received in advance for various arts projects. These will be applied within one year.
£387,000 was committed to burns research which will be funded over 2013-2015.
A social investment fund in health enterprise at Chelsea and Westminster Hospital.
Preventing disability and death in childbirth and creating life long health for mothers and babies (this will be spent within one year).
For the benefit of Chelsea Children's Hospital (this will be spent within one year).

NOTES TO THE ACCOUNTS (CONTINUED)

10.4 Other designated funds

	Balance 1 April 2016 £000	Income £000	Expenditure £000	Transfers £000	Balance 31 Dec. 2016 £000
C&W Hospital Postgraduate Centre	103	-	(5)	-	98
Therapy Research, Development and Education Fund	62	-	(1)	-	61
Neo-Natal Unit & Harry Freedman Trust Fund	61	3	(3)	-	61
56 Dean Street	71	40	(43)	-	68
Small Change Big Impact	55	1	(18)	-	38
Obstetric Anaesthesia Fund	39	1	(2)	-	38
Haematology Fund	37	-	(1)	-	36
X-Ray Staff Amenities Fund	36	-	(2)	-	34
Dr Azadian's Fund	33	-	(3)	-	30
Ophthalmic Plastics Fund	31	-	-	-	31
Melanoma Fund	42	-	(11)	-	31
Others (eighty two funds)	495	64	(89)	-	470
Total	1,065	109	(178)	-	996

10.4 Other designated funds

	Balance 1 April 2015 £000	Income £000	Expenditure £000	Transfers £000	Balance 31 March 2016 £000
C&W Hospital Postgraduate Centre	-	-	-	103	103
56 Dean Street	-	-	-	71	71
Therapy Research, Development and Education Fund	-	-	-	62	62
Neo-Natal Unit & Harry Freedman Trust Fund	-	-	-	61	61
Small Change Big Impact	-	-	-	55	55
Melanoma Fund	-	-	-	42	42
Obstetric Anaesthesia Fund	-	-	-	39	39
X-Ray Staff Amenities Fund	-	-	-	36	36
Haematology Fund	-	-	-	34	34
Dr Azadian's Fund	-	-	-	33	33
Others (eighty one funds)	-	-	-	529	529
Total	-	-	-	1,065	1,065

NOTES TO THE ACCOUNTS (CONTINUED)**Name of fund****Description of the nature and purpose of each fund**

C&W Hospital Postgraduate Centre	Staff educational activities including purchase of equipment.
56 Dean Street	To support the operation of the 56 Dean St sexual health clinic.
Therapy Research, Development and Education Fund	To support the work of the Therapy Department.
Neo-Natal Unit & Harry Freedman Trust Fund	Equipment purchase, staff training and unit development.
Small Change Big Impact	Small grants fund which awards up to £2,000 to support patient care.
Obstetric Anaesthesia Fund	To support research, education and staff welfare related to obstetric anaesthesia.
Haematology Fund	To support haematology staff and patients.
X-Ray Staff Amenity Fund	To support the X-Ray Department.
Dr Azadian's Fund	To support microbiology research and other costs.
Ophthalmic Plastics Fund	To support departmental activities.
Melanoma Fund	Research in treatment, salaries and equipment.

The above funds were reclassified as designated funds at 31 March 2016, in accordance with Charity Commission Guidance, after undertaking a review of all special purpose funds. The transfers totalling £1,065,000 represent the re-designation of these funds from restricted to unrestricted funds.

It is not possible to predict the exact timing of expenditure, but we would anticipate that funds would be spent up in under five years.

11 Commitments and liabilities

CW+ has no commitments this nine month period (year to 31 March 2016- None). All of the current grant liabilities have been included in the balance sheet. Liabilities for commitments budgeted but not confirmed will be recognised in the balance sheet when grants are notified to recipients.

12 Trustee and connected persons transactions

12.1 No trustee remuneration was paid in the period (year to 31 March 2016 - £Nil). Expenses of £85 were reimbursed to one trustee in the nine months to 31 December 2016.

12.2 Trustee Indemnity Insurance was taken out in the nine month to 31 December 2016 costing £2,735 (31 March 2016 - £4,853).

12.3 Donations of £44,000 were received from Trustees and connected persons during the nine months to 31 December 2016 (year to 31 March 2016: £39,000).

13 Related party transactions

There are no related party transactions other than those disclosed in note 12.

14 Taxation

As a registered charity, Chelsea and Westminster Health Charity (and Related Charities) is potentially exempt from taxation of income and gains falling within s505 Income and Corporation Taxes Act 1988 and s256 Taxation of Chargeable Gains Act 1992. No tax charge has arisen in either of the years ended 31 March 2016 or the nine months ended 31 December 2016.

NOTES TO THE ACCOUNTS (CONTINUED)

15 Lease commitments

At the balance sheet date the Charity had the following annual lease commitments which fall due as follows:

	Property		Office equipment	
	31 December 2016	31 March 2016	31 December 2016	31 March 2016
	£000	£000	£000	£000
Within one year - for land and buildings and office equipment	96	96	1	1
Within two to five years - for land and buildings and office equipment	312	50	2	3
	<u>408</u>	<u>146</u>	<u>3</u>	<u>4</u>

16 Post Balance Sheet Events

On 1 January 2017, CW+ (the Charity) was reconstituted as an independent charity, and ceased to be an NHS charity. The Charity's entire undertaking was transferred to CWPLUS, a new charitable company limited by guarantee, and registered in England and Wales with company number 10410134, and registered with the Charity Commission for England and Wales with registered charity number 1169897 (the New Charity) as follows: The legal and beneficial title to the unrestricted assets of the Charity were transferred to the New Charity. The restricted funds of the Charity were transferred to the new Charity to be held on the same terms. The Parkwood permanent endowment restriction was removed and the fund was Parkwood fund was transferred to the New Charity as a restrict fund called "Patient Support Fund" with similar objects. This resulted in a change in the Charity's year end to 31 December 2016 and therefore these accounts are prepared for a nine month period.