



**Edinburgh Children's Hospital Charity  
Trustees' Report and Accounts**

**Year to 31 December 2021**

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## **TRUSTEES' REPORT**

The Trustees are pleased to present the Annual Report and Accounts of Edinburgh Children's Hospital Charity for the year to 31 December 2021.

The information on page 65 forms part of this report.

## **ABOUT EDINBURGH CHILDREN'S HOSPITAL CHARITY (EHC)**

Edinburgh Children's Hospital Charity believes that nothing should get in the way of being a child. We exist to transform the lives of children and young people in hospital so they can be a child first and a patient second.

As a result of what we do:

- Children and young people's lives are less interrupted by illness
- Children and young people are less scared of hospital and have a positive experience
- Children and young people's families are better supported and comforted
- Children and young people have an improved experience of healthcare in their community

What we do:

- Grants Programme
- Arts Programme
- The Wellbeing Hub - youth, children and family support service
- Support for Child and Adolescent Mental Health Services
- Volunteering service in children's services
- Hospital shop
- Play and Family Support

It is our privilege to continue to support over 110,000 babies, children and young people who come to The Royal Hospital for Children and Young People (RHCYP) - both locally and from across Scotland to access specialist services. We also continue to support the tens of thousands who attend other healthcare settings such as St John's Hospital in Livingston; community health centres across the Lothians, Borders and Fife; and Child and Adolescent Mental Health Services (CAMHS).

## CHAIR'S FOREWORD

After another year of uncertainty, on behalf of the Trustees, I would like to extend our thanks to all our supporters, partners, volunteers and staff for everything they do for Edinburgh Children's Hospital Charity.

We entered 2021, like many, with cautious optimism. Although the roll-out of the covid-19 vaccine programme was progressing, Scotland entered 2021 in lockdown and we were unsure of our ability to raise funds and deliver against our objectives. We do not receive any statutory or government funding and therefore solely rely on donations. It is, therefore, heartening to be able to report that 2021 was a very successful year for EHC and we were proud to continue our support of babies, children and families throughout.

We were pleased to support children, young people and their families at the old 'Sick Kids' hospital right up to the doors closing in March 2021. Since the move into the new Royal Hospital for Children and Young People we have continued our support and have been working more closely with departments to support children attending clinics, or staying overnight, to feel less anxious and to have opportunities to meet peers.

We continued to distribute through our Grants Programme, half a million pounds in 2021, supporting bereavement services, play, and research, as well as providing rewards and distractions. We continued our commitment to creating therapeutic, healing environments through several enhancement projects and, in partnership with the Welch Trust and NHS Lothian, we brought life changing epilepsy surgery to Scotland.

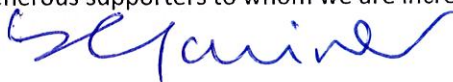
We are very grateful for the positive relationship which we have with NHS Lothian and Children's Services in particular. Working in partnership has allowed us to continue to deliver a range of wellbeing services to babies, children and young people at the time they need it most.

Across the charity, our incredible team of Trustees, staff and volunteers have allowed us to provide our vital services. Volunteers support us in our Wellbeing Hub, chaperoning artists on the wards, serving in the hospital shop, and supporting the fundraising, admin and finance functions of our office. Our staff team, once again, showed an outstanding level of enthusiasm and commitment. Against a backdrop of uncertainty around fundraising, events and activities, we were very pleased to have raised over £1.5 million in donations to fund our services. Further details are set out later in this report.

We were thrilled to win both the People's Choice and Charity of the Year awards at the SCVO Scottish Charity Awards 2021. The People's Choice award is voted for by the public, so it is very gratifying to have our work recognised by both our supporters and sector experts.

We end 2021 with a new three-year strategy, including plans for exciting new developments to further support children and young people at some of the most difficult of times. All of this is made possible by our loyal and generous supporters to whom we are incredibly grateful.

Lindsay Gardiner  
Chair



May 2022



**Edinburgh  
Children's  
Hospital Charity**  
child first, patient second.

We exist to transform the lives of children and young people in hospital and healthcare so they can be a child first and a patient second.

### As a result of what we do:

- Children and young people's lives are less interrupted by illness.
- Children and young people are less scared of hospital and have a positive experience.
- Children and young people's families are better supported and comforted.
- Children and young people have an improved experience of healthcare in the community.

### What we do:

- Grants Programme
- Arts and Activities Programme
- The Hub - youth, child and family support service
- Support for Child and Adolescent Mental Health Services (CAMHS)
- Volunteering Service
- Hospital Shop
- Play and Family Support

### Many of the projects we funded throughout the year supported children and young people with specific conditions including:

- |                          |                    |                       |
|--------------------------|--------------------|-----------------------|
| • Brain injury           | • Diabetes         | • Epilepsy            |
| • Cancers                | • Cystic Fibrosis  | • Crohn's and Colitis |
| • Renal conditions       | • Liver conditions | • Asthma              |
| • Arthritis/rheumatology | • Cerebral Palsy   | • Pain                |

### In total, we awarded 50 grants, including:

**£140,000**

to bring cutting edge laser surgery to Scotland for the first time, in partnership with the Welch Trust.

**£45,000**

to create a bespoke, child-friendly website for Children's Services in partnership with NHS Lothian.

**£37,000**

to create an outdoor Music Garden at the RHCYP for independent music-making for children and outdoor performances.

**£22,000**

to fund emergency bronchoscope kits to urgently save babies' lives when no other ventilation option is possible.



We provided £4500 worth of sensory toys, games and equipment for children in need of physiotherapy and mental health support.



We provided special memory boxes for the palliative care team, made up of keepsake items to bring comfort to bereaved families.



We funded rewards, bravery certificates, stickers and welcome gifts for children and young people at the RHCYP, St John's Hospital and CAMHS Edinburgh.

## In 2021

**£1.5m** 

voluntary income received thanks to all our incredible supporters.

**50** 

grants approved to support children, young people, families and NHS staff.

**558** 

arts workshops and activities delivered to children and young people in hospital and healthcare settings.

**33** 

thrill-seeking fundraisers jumped out of a plane at 10,000ft.

**310** 

ran a 5k to a marathon and everything else in between. They ran a total of 4129 miles - almost the distance to the North Pole and back again!

**31** 

staff teams given welcome hampers to support the move to the RHCYP.

**3** 

industry recognised award wins - Charity of the Year and People's Choice at the Scottish Charity Awards 2021 and a Health and Wellbeing award at the Scottish Children's Health Awards 2021.

## Children's Wellbeing Services:

The Children's Wellbeing Team incorporates our Arts Programme, Wellbeing Hub, Hospital Youth Workers and Volunteer Service.



In 2021, 5361 children, young people, family members and staff participated in arts workshops and activities.



We held our first ever All in Bloom gardening competition which tasked the hospital staff to transform their outdoor spaces into 'Enchanted Gardens'.



Our Christmas activity programme was bigger than ever, with a Living Advent Calendar, Christmas light switch on, projections, inflatables, an advent window competition and even a superhero abseil!



We held an exciting week of activities to coincide with the 2020 Olympic Games, including an Olympic Torch Relay and indoor curling.



We are embarking on the LGBT Youth Scotland Charter, working towards the Silver Award to ensure children and young people from the LGBT community feel safe and supported when accessing our services.



Our Youth Group restarted face to face, with young people coming from as far as Dundee to take part.



We ran weekly creative sessions in CAMHS, including an interactive session to find out what kind of environment the young people wanted their space to feel like.



Arts/Hub volunteers were appointed to support the team and have volunteered a fantastic 216 hours since September.

“Thank you to Rhys for playing guitar with my son. It really brightens up his day to do some guitar playing with a great musician.”

Parent of teenage boy in for a long stay

“It doesn't feel like we're in hospital at all.”

Young person using The Hub

“All the fun activities make everything better. The children almost forget where they are. If you ask him what happened to him in hospital now, he'll just tell you he played in the playroom!”

Parent of young boy who had several week-long stays

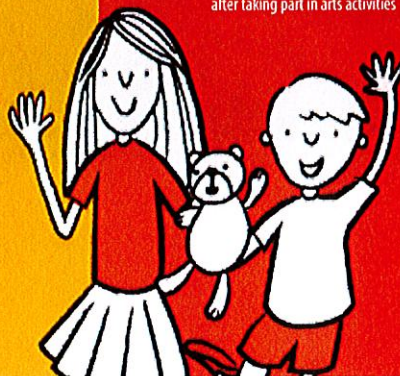
“It's so nice to be included. I often miss out on things because of my cancer.”

Young person on Lochranza Ward after taking part in arts activities

## 2021 Key Highlights

- The children's hospital moved to its new home at Little France in March and Team ECHC was on hand in the run up to and on the day of the move to support children, families and NHS colleagues where needed.
- We partnered with the Welch Trust to bring MRI-guided Laser Interstitial Thermal Therapy (LITT) to the hospital – the first time this laser technology will be available in Scotland – giving children and young people living with epilepsy the life-changing chance to be seizure free.
- Our St John's Children's Fund, which support babies, children and young people cared for by St John's Hospital and community healthcare settings across West Lothian, launched its maternity appeal.

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## ACHIEVEMENTS AND PERFORMANCE

### NEW HOSPITAL

We are delighted that the new RHCYP is now open and caring for children and families from Edinburgh and beyond. ECHC staff and volunteers ensured a presence in the run up to and on the day of the move to support NHS colleagues where needed.

Children, young people and their families arrived at the new hospital to a round of applause from gathered staff. ECHC gave every child a welcome present and a limited-edition artwork and assisted the removal teams with wayfinding. Our Children's Wellbeing Team organised musical performances to create a calming yet welcoming environment, as well as fun and distracting activities on the wards throughout the week.

All 31 staff teams/depts throughout the building were given ECHC Welcome Hampers and we ran staff art classes in the Hub to support wellbeing.

We worked very closely, in partnership, with NHS Comms to develop a communications strategy that focused on getting positive messages to children and young people. This ramped up in the week prior and highlighted the parts of the building which we had funded. Social media interactions at this time were the highest they have ever been for the charity.



Margaret from the Play Team with an ECHC Welcome Hamper

Highlights from our move activities included:

### **Olly the Octopus**

The weekend before the move, we displayed giant inflatable octopus tentacles from various windows at the Sick Kids. We then released the story that a giant octopus had taken over the building, so we would therefore need to move to our shiny new, octopus-free home just down the road at Little France. Olly was very popular with the local (as well as hospital) community and had a steady stream of visitors coming to see him and take photos over the weekend. Olly was also shared widely in the press and across social media. We have been told since that staff morale was given a considerable boost by the silliness of Occupation Octopus and most importantly it gave us a chance to speak out against some of the negative reporting that the building had received.



*Olly the Octopus taking over the Sick Kids*

### **Farewell Film**

In 2019, before the hospital move was delayed, we worked with videographer Laura Froud to create 'The Final Farewell' – a film in which Sick Kids staff shared their memories of and said goodbye to the children's hospital. We shared this across all social media channels five days before the move and said a heartfelt thank you to all the children, young people, families, staff and volunteers who made the Sick Kids more than a hospital for so many. It received a fantastic response and has been viewed over 42,000 times.

### **Sick Kids Time Capsule**

As the Sick Kids is a building which means so much to so many, we wanted to honour its legacy and ensure all those who have passed through its doors could digitally revisit it in the future. We partnered

with virtual reality company Virtronix to create an online virtual time capsule of the RHSC and called out to families, supporters and staff to submit their memories, photos and videos for inclusion. The response was phenomenal and the time capsule currently includes over 1700 memories, as well as a 360° digital walkthrough of the building itself.

### Ambulance Transfer Film



The brilliant Scottish Ambulance and Scotstar teams

On the day of the move, around 28 babies, children and young people were transferred from RHSC to RHCYP by Scotstar and Scottish Ambulance from 8am to lunchtime.

ECHC had worked with Scottish Ambulance Service in advance to create a film and interactive map of the route. As some children being transferred couldn't see out of the windows of their ambulance, the film was played to them on

an iPad to create distraction and reduce anxiety.

In addition, ECHC was able to influence a previously made decision that children should travel alone; and got last minute agreement that one parent could travel with them.

"Kieran was so excited to be one of the very first kids to be transferred to the new children's hospital this week! The welcome we received when we arrived from the old hospital was absolutely world class. His face lit up the entire place!

"He was spoiled with gifts and keepsakes which will always be a special part of his journey. As well as all the treats, ECHC came round the wards every day with surprises, fun and games. It was a huge support.

"It was an emotional day for many reasons, but to see him being treated like a celebrity all throughout the day by so many people was very humbling, and you wouldn't believe how much it lifted our spirits. It was a long day, but one we won't forget in a hurry. A good memory for sure!" - **Dad of young boy who was one of the first to be transferred to the RHCYP**

## Branding the RHCYP

We commissioned a branding company to assist us in making sure that those parts of the building which we have funded will be clearly visible to visitors. Phase one of the branding work included window and wall vinyls, adding our logo/illustrations/strapline to various areas of the hospital including The Hub, lift doors and playrooms, and branded noticeboards.

## Charity of the Year 2021

We were thrilled to win both the People's Choice and Charity of the Year awards at the SCVO Scottish Charity Awards 2021. The People's Choice award is voted for by the public, so it is very gratifying to have our work recognised by both our supporters and sector experts.

We are so grateful to everyone who voted for us, to the panel who chose us, and to our wonderful supporters, partners, volunteers, staff and trustees for their unwavering dedication to supporting children, young people, families and NHS staff. These awards are recognition of their phenomenal efforts to ensure children in hospital could be children first, patients second, even in a global pandemic.

"There was so much to love (and bring a tear to your eye) about Edinburgh Children's Hospital Charity over the past year, supporting children during pandemic restrictions AND dealing with a hospital move. So much impactful work – and we totally loved the Olly the Octopus story!"

– David McNeill, Director at SCVO

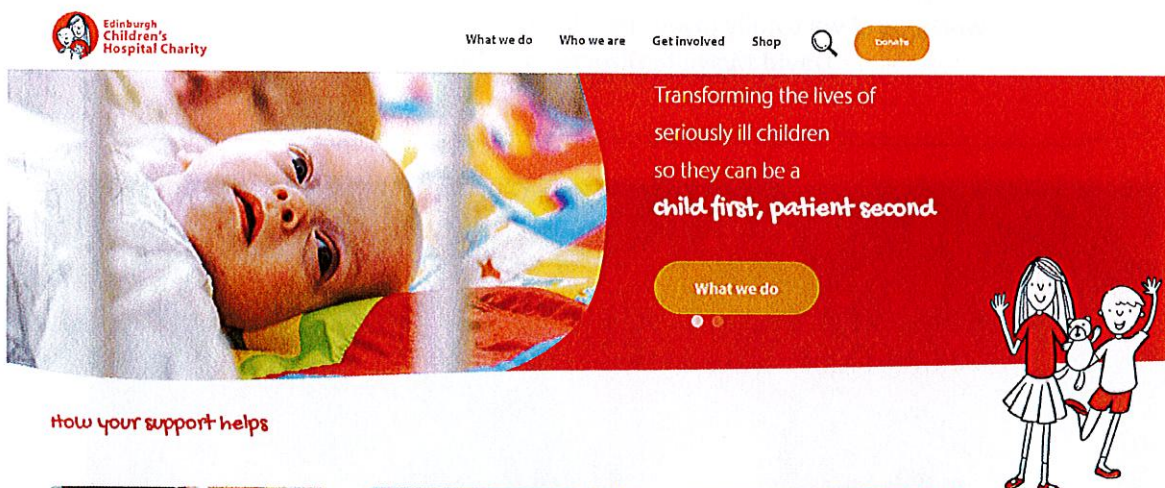


Team ECHC with the Charity of the Year and People's Choice awards

## New Website

We appointed design agency DaySix to develop a brand new, engaging and user-friendly EHC website. The project brief was for DaySix to improve and modernise our website so it better communicates our offering, has simpler user journeys and is easier for our Marketing team to manage content updates.

The web team successfully delivered an image led, easy to navigate and easy to manage site that better demonstrates the difference EHC makes and encourages support. The build of the site means it can be constantly refined depending on need, so can be used long term to showcase what we do, encourage sign ups for events, drive supporters to make donations or support NHS teams in applying for grants.



The homepage of our new website

## Grants Programme

ECHC distributes grants to the RHCYP and other children and young people's community healthcare settings. Applications can be accepted from any NHS staff member who can demonstrate that their application will deliver at least one of ECHC's four strategic outcomes and fit with our charitable purpose.

This year, we streamlined our grant application process by moving to a new online grant application system, making it easier than ever for applicants to request the funding they need. The new system enables applicants to fill out the form online via our website – saving significant time and alleviating administration.

In 2021, ECHC received 53 grant applications. Of these, 48 were approved, four are pending approval and one was declined. The majority of applications were funded with restricted funding sources; three were fully supported with unrestricted funds and five were funded with a combination of restricted and unrestricted funds.

Throughout the year we supported all wards within the hospital and provided support to other departments, as well as in other locations, including St John's Hospital in Livingston, Child and Adolescent Mental Health Services (CAMHS) and Sunndach and Calaréidh Respite Services. The awards made throughout the year supported children and young people with conditions including epilepsy, cancer, cystic fibrosis, Crohn's and colitis and pain.

Examples of new grants that were awarded this year are:

- Laser Interstitial Thermal Therapy (LITT): We partnered with the Welch Trust to provide £140k of funding to bring cutting edge LITT laser surgery to Scotland for the first time, giving children and young people living with epilepsy the life-changing chance to be seizure free.
- Life-saving airway kits: We provided funding of £22k for five emergency bronchoscope kits to urgently save babies' lives when they cannot breathe and where no other ventilation option



*Life-saving airway kits for newborn babies*

is possible. The kits are placed in strategic locations across NHS Lothian, meaning they are readily available for use at key sites of local critical care.

- Children's Services Website: We provided funding of £45k to create a bespoke, standalone, child-friendly website for Children's Services in partnership with NHS Lothian. The launch of this coincided with the opening of the RHCYP.
- Play for Physiotherapy: We provided £4.5k of sensory toys, games and equipment for children in the care of the RHCYP Community Physiotherapy and CAMHS teams to encourage those in need of physiotherapy and mental health support to engage with treatment and build confidence.
- Jess Mackie Music Garden: We awarded over £37k to fund the creation of an outdoor Music Garden and Performance Space in the ground floor paediatric acute receiving unit (PARU) courtyard at the RHCYP. The garden's large static musical instruments mean that children can independently engage in music-making in the garden. It will also be used by our Children's Wellbeing Team for outdoor performances with artists and musicians.



*The Jess Mackie Music Garden and Outdoor Performance Space*

- Lauriston Outpatients Department: £50k of funding has been approved to deliver enhancements to the clinic rooms and waiting spaces within the department to create a welcoming, non-clinical environment which reduces visitor anxiety, helps to support engagement with treatment/appointments and creates a positive experience for children and their families.

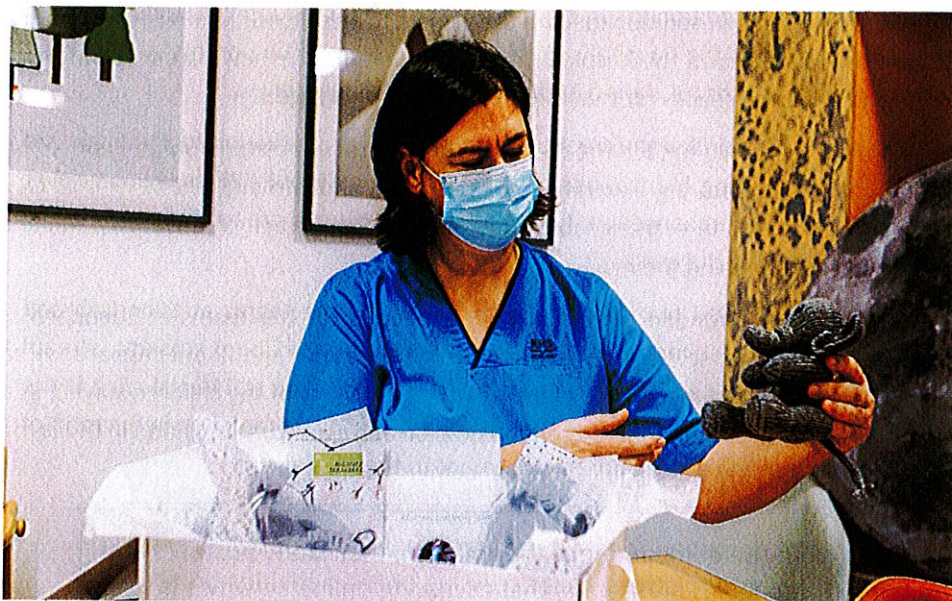
- **St John's Maternity Unit:** In addition to funding a project to enhance St John's ED, we approved a grant of £40k to transform the hospital's maternity unit, to give new parents comfortable, welcoming and relaxing spaces for their first family moments together.
- **Meet the Dental Team:** We funded the creation of an interactive distraction tool noticeboard for the Dental Team, featuring illustrations of staff with and without PPE as well as clever magnetic laminates with interchangeable body parts, to encourage creative play and show children who really is behind the mask.
- **Staying Connected:** We funded two mobile Wi-Fi devices for the teams at Sunndach and Calaréidh respite centres so children can interact on Facetime and Zoom sessions, stream movies and music and access a wealth of online activities. Many of the children staying at the respite centres are unable to speak, so communication and sensory stimulation in the form of music and colour is a vital and significant enhancement to their lives.

"We know from the demeanour of the children, their body postures and often the reduced levels of distress, that accessing online activities brings a great sense of comfort. We are very grateful to ECHC for funding the mobile Wi-Fi devices necessary for us to continue to do this."

**- Jennifer Pyper, Senior Charge Nurse at Sunndach**

In addition to the new projects we supported in 2021, we also continued to provide funding for ongoing projects. Examples of these are:

- **'Talk To Us'** – a joint project with 6VT Edinburgh City Youth Cafe which supports 13-18 year olds who may have been victims of crime; have misused alcohol or substances; or who may be at risk of self-harm. The service is the first of its kind for young people in Scotland and the team supports the RHCYP Emergency Department team on Friday and Saturday nights.
- **KILTS** – We provided a research grant of £10k to continue to support the Kids Liver Trends in Scotland (KILTS) research project - a project we have supported over the past three years. This project's aim is to allow for the best possible care for children with chronic liver disease with better data to inform local and regional health services.
- We continued to fund rewards, bravery certificates, stickers and welcome gifts for children and young people at the children's hospital, at St John's and in CAMHS.
- We continued our funding of the entire hospital voluntary services team, supported staff wellbeing and provided toys, books and games for the playrooms throughout the hospital.
- **Memory Making for Bereaved Families:** We provide the Palliative Care team with an annual grant of £10k, which funds items including memory boxes, charms, framed hand and foot casts and quilts. These enable the team to support children and young people approaching end of life with creating memories with their families before death.



*Palliative Care staff member with an ECHC funded memory box*

### **Giving Children with Epilepsy the Chance to be Seizure Free**

We are thrilled to have been instrumental in bringing world class laser surgery to the RHCYP, giving children and young people living with severe epilepsy in Scotland the life-changing chance to be seizure free.

Our partnership with the Welch Trust and NHS Lothian is bringing MRI-guided Laser Interstitial Thermal Therapy (LITT) to the hospital – the first time this laser technology will be available in Scotland.

LITT is a new, minimally invasive treatment which uses a laser to remove brain tissue that is causing seizures. Children and young people who will be referred for laser surgery are diagnosed with refractory (medication resistant) epilepsy; they may experience up to 100 'drop down' seizures a day. In appropriately selected cases, laser surgery can stop seizures entirely and cure the child's epilepsy.

LITT surgery treatment is currently only available at Great Ormond Street Hospital (GOSH) and in Houston, Texas. The current surgery choice practiced in Edinburgh is open brain surgery, which lasts around seven hours and results in an ear to ear scar. The LITT precision technology will reduce this surgery time to around two hours and is much less invasive.

**"Having the laser surgery available in Edinburgh gives families more choice in their place of care and means they will no longer need to endure the financial and emotional cost of national or international travel and separation at a very stressful time. It will also place Edinburgh on the map as a world-leading provider of epilepsy surgery and treatment."** –

**Roslyn Neely, CEO of ECHC**

## Children's Wellbeing Services

The Children's Wellbeing team, which incorporates our Arts Programme, Wellbeing Hub, Hospital Youth Workers and Volunteer Service settled well into their new home at the RHCYP. From March onwards, there was a steady increase in demand for their services and a significant increase in requests for support from wards and departments.

The team continued to grow, with a Children's Wellbeing Officer, Arts Commissions Coordinator and Assistant Project Worker appointed this year, all of whom have settled into their roles well.

The appointment of the Children's Wellbeing Officer enabled one-to-one support for children and young people on the wards to resume. From June the team were able to slowly welcome children, young people and families back into The Hub and, since September, it has continued to gather momentum, with 116 families supported in November.

The team were crowned the very worthy winners of a Health and Wellbeing Award at the Scottish Children's Health Awards 2021. The judging panel commented that they were amazed at the sheer scale of what they do, providing support from the moment children, young people and families arrive at the hospital. We are enormously grateful to the panel for voting for us, and to the children, young people and their families for all their kind words and wonderful feedback which was instrumental to us securing the win.

## Arts Programme & Youth Work

Our innovative arts and activities programme, the only one of its kind in any of Scotland's healthcare settings, delivers exciting workshops at RHCYP as well as within community health settings including Queen Margaret Hospital and Musselburgh Care Centre.

Pre-Covid, the team ran over 1,000 arts workshops per year in the hospital and in other NHS Lothian healthcare settings. This year, while still working within Covid restrictions, we have been able to rebuild the service delivering 558 workshops to babies, children and young people staying in hospital and using community healthcare settings. The team transform bedsides into art galleries and waiting areas into discos to bring fun, laughter and distraction when they are needed most. Whether it's magic, music or messy play, the activities help children and young people to have a positive experience from the moment they begin their healthcare journey. Highlights include:

- Continued to deliver our five day a week Core programme, with weekend activities also taking place as part of our Christmas Living Advent Calendar. Core activities include dance with Theiya Arts and Dance Base, Tinderbox Music, Baby Sensory, Magic and ECHC's Art Carts. This year marked resident magician Tricky Ricky's 25 year anniversary, and we gifted him with a hoodie and a trophy, as well as a cake, a banner and balloons.
- To coincide with the 2020 Olympic Games, we held an exciting week of 'RHCYP Olympics' activities,



*Olympic Torch Relay*

including an Olympic Torch Relay featuring a 2012 London Olympic torch and indoor curling in the hospital wards, corridors and garden spaces.

- Our Easter Bonnet Parade ran for its sixth year. In the two weeks leading up to Easter, children and young people on the wards decorated their Easter bonnets, which were then put up as a parade on our social channels, with the winners judged by our Royal Patron, HRH Princess Beatrice.
- October saw a fun, seven-day week of Halloween activities, including a Spooky Animation session, potion making, a slime lab and costume making. These activities were a great segue into introducing The Hub, and from this we gained some regular visitors.
- We held our first ever All In Bloom garden competition which tasked the hospital ward staff to transform their outdoor spaces into 'Enchanted Gardens.' The competition was a huge success and was judged by horticulturist and BBC's Beechgrove Garden presenter Kirsty Wilson. 100 All in Bloom boxes filled with garden themed activities were also distributed to children and young people on the wards to coincide with the competition.



*All In Bloom garden competition entries*

- Our first live-streamed screening was held in The Pod using the purpose-built cinema projector. Scottish Book Trust brought their project 'The World made a Rainbow' for Mental Health Awareness week.
- Our first performance in The Pod and Castle Mey music garden was held in September. Tinderbox Orchestra played a Sunday afternoon performance and we even had the young people conducting the orchestra.

- Studio Boxes – designed during Covid restrictions to bring arts activities to children while our artists were unable to visit the wards. These boxes proved so successful that they have continued to be used throughout 2021, with new themed boxes being developed to respond to the hospital's needs. A total of 3630 provided throughout the RHCYP, as well as to St John's hospital, Queen Margaret hospital and Lauriston CAMHS.
- We are embarking on the LGBT Youth Scotland Charter. We will be working towards the Silver Award with NHS Lothian, 6VT Youth Café and Healthy Respect. This is a great chance for us to work with these three organisations to be sure that children and young people from the LGBT community feel safe and supported when accessing our services.
- We continued our support of Sunndach and Calareidh respite services through weekly music and storytelling sessions, Wellbeing Boxes for staff, Studio Boxes to support their summer festival and Christmas decorations.
- CAMHS IPU sessions – we continued to run weekly creative sessions in CAMHS, including a creative, interactive consultation session to find out what kind of environment the young people wanted their space to feel like.
- Our youth group restarted face to face in September, with young people coming as far as from Dundee to take part. As part of this, we ran a four-week song writing workshop with Tinderbox Collective, where the young people collaborated on a song to be used at ECHC's Sports Quiz.
- Trialled visits from a yoga practitioner who supports young people with bespoke relaxation, breathing exercises and gentle movement. Feedback was very positive.

"Thank you to Rhys for playing guitar with my son. It really brightens up his day to do some guitar playing with a great musician."

**- Parent of teenage boy in for a long stay**

"It doesn't feel like we're in hospital at all." – **Young person using The Hub**

"Thank you so much for the most fun afternoon I've had in here! I've been very bored."

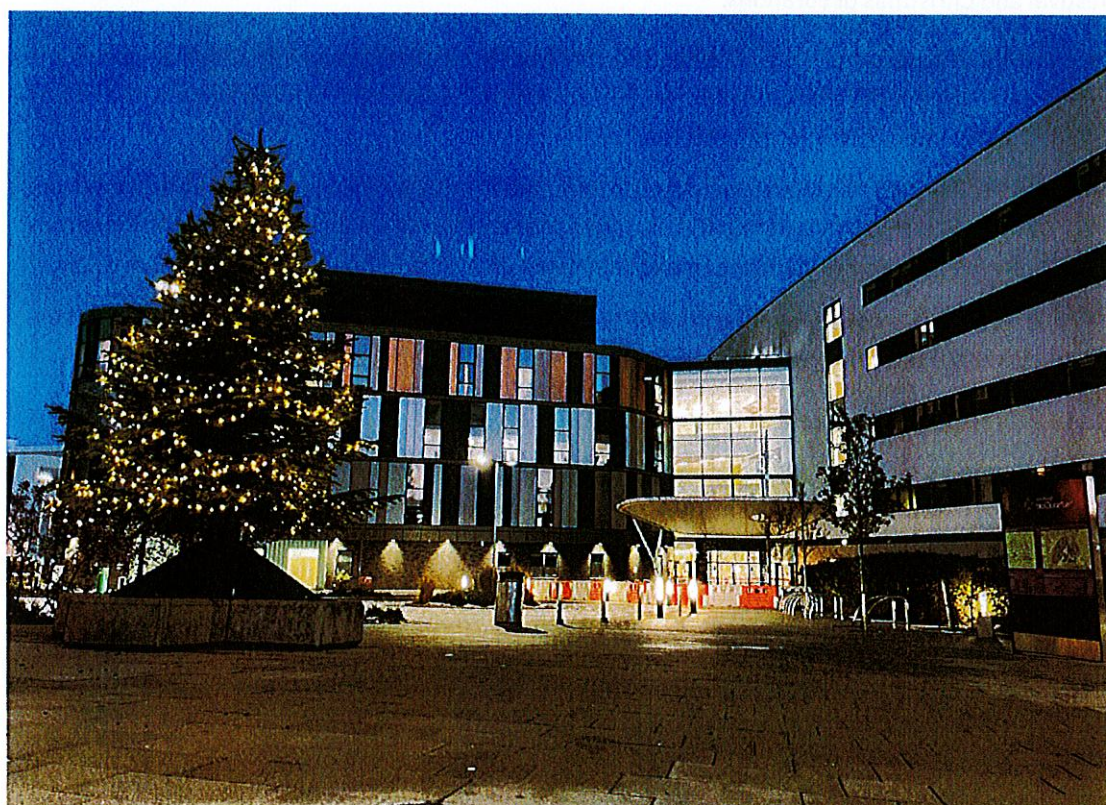
**- Young person after arts session**

### A December to Remember

For our first Christmas in the new hospital, we were determined to make it bigger and better than ever before. All of this year's activities tied in with the Fundraising and Marketing team's #LightUpChristmas appeal, and highlights included:

- Living Advent Calendar - Once again, we ran our Christmas Advent Calendar which sees a new surprise activity or workshop revealed for all 24 days of December. This year, each activity was accompanied by an Advent Calendar projection.

- Advent Calendar Projections - We were keen to have a new, creative way to reveal the activity of the day, so commissioned illustrator and animator Henry Cruickshank to design an animation that counted down to the day's activity. Henry worked with children and young people in the hospital who created their own characters which he incorporated into the final design. The animations were projected daily on to the spine wall in the Atrium.
- Christmas Tree Light Switch On - We worked with Bouygues, NHS Lothian, Conifox Adventure Park, Edinburgh City Council and Field and Lawn to erect and dress a 22ft Christmas tree outside the main hospital entrance. We then invited children, families and staff to a Christmas Light Switch On event, hosted by Forth One's Boogie in the Morning. Baby Joey, the star of our Christmas fundraising campaign, and his family pressed the big red button to switch on the tree lights and officially begin the countdown to Christmas.



*Our 22ft Christmas tree lit up outside the hospital*

- Superhero Abseil – Children and young people were given a Marvel-lous surprise when a team of costume-clad superheroes and villains scaled the side of the hospital. The team from Edinburgh Rope Access abseiled into Lochranza garden and past Dalhousie and Dirleton wards into the staff courtyard to make sure as many families had the chance to see the spectacle as possible.
- Inflatables – Thanks to a kind donation from Mega Inflatables, we transformed the Hub courtyard with beautiful 5ft LED inflatable candles.

- Advent Calendar Windows**  
Competition – 24 staff teams were given an Advent Calendar window and materials to decorate it with a festive theme to spread Christmas cheer around the hospital. There were so many impressive entries – from Santa arriving on the helipad to snowy mountain scenes. In the end we all agreed the Emergency Department's clever version of 'Christmas Past' (in the old Sick Kids) and 'Christmas Present' (in the RHCYP) was a very worthy winner.
- Christmas Trees and Decorations** – We sourced a 10ft metal tree for the Pod and had laminated Christmas trees designed for each bed space to ensure we met infection control and fire safety regulations. Each bedspace was given a window hung LED Christmas decoration.



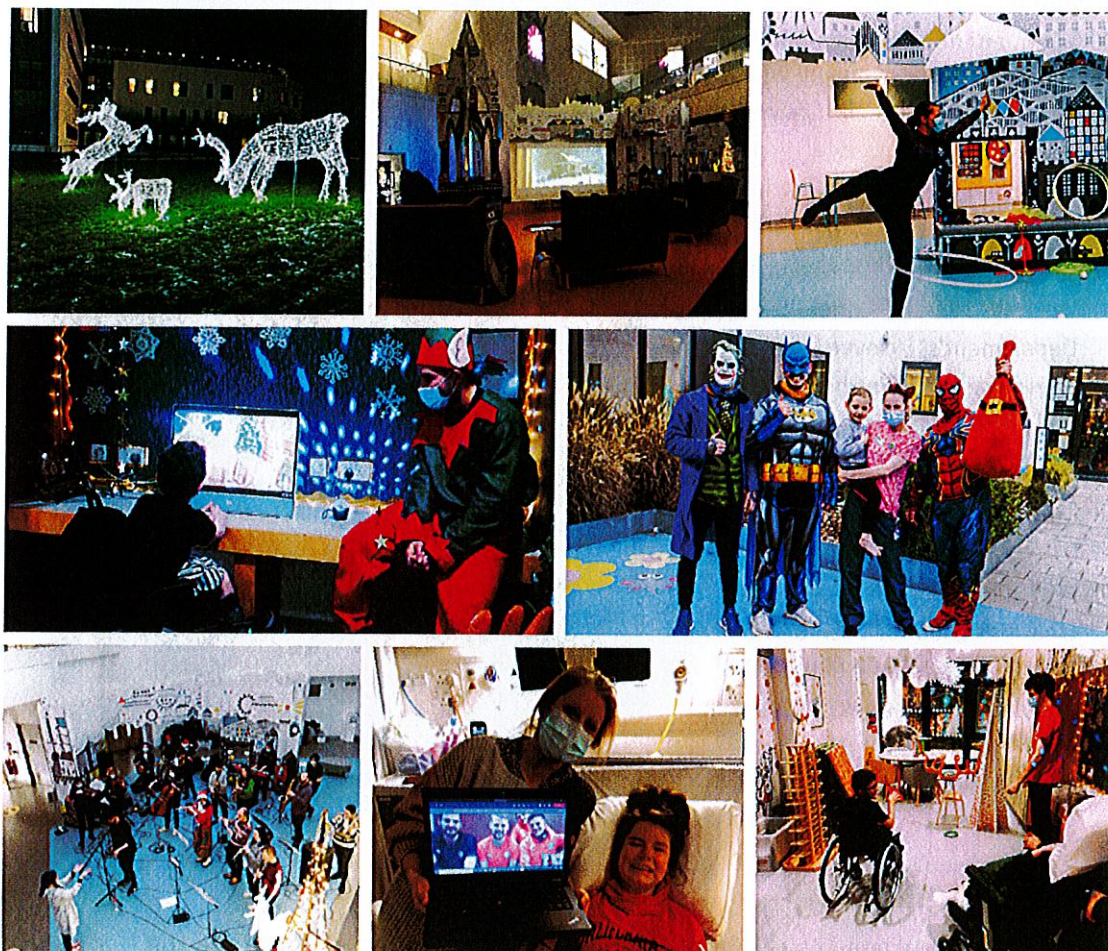
Advent Calendar Window Competition entries

“Archie has leukaemia so his hospital admissions are so unpredictable and the length of stay is really unpredictable as well. At this time of year, to have him come into hospital and go home talking about something like this, rather than the things he’s had to go through, makes such a huge difference.”

– Mum of 4 year old boy after the superhero abseil

The following table details the number of participants who attended the sessions we delivered in 2021.

Arts Session Participants	
Children and Young People	2626
Staff	1071
Family Members	1664
<b>Total</b>	<b>5361</b>



A collage of Light Up Christmas activities

### Commissions

A new Art Commissions Coordinator was employed this year to coordinate enhancements in the hospital and community healthcare settings. They have since been working alongside designers to facilitate enhancements to St John's Hospital's A&E department and working with East Lothian Community Hospital to facilitate enhancements to the children's waiting spaces.

We were approached by the dentistry team to come up with a solution to their problem of being unrecognisable when dressed in PPE. We commissioned artist Mick Peter to design a series of "crazy body parts" to be placed under photographic portraits of the dental staff in full PPE. Children can easily swap heads, middles and legs to transform the staff team into robots, ballerinas and frogs, encouraging creative play and easing anxieties.

As many consultants are having to hold appointments virtually to discourage large numbers of children from coming to the hospital, we also worked with NHS Lothian to create a child friendly poster called 'Near Me', explaining how the video appointment with their doctor or nurse will work.

## Volunteer Services

Volunteers have been instrumental in supporting the Children's Wellbeing Team with establishing their service offering within the new hospital. Arts/Hub volunteers were appointed this year to support the team and, since September, have volunteered a fantastic 216 hours. Volunteers also supported the shop throughout Covid and beyond, fundraising events including the Ultimate Sports Quiz, community activities at The Gyle and our Christmas choirs at the Dome.

All current volunteers and those who supported us during the pandemic will now receive a 'Volunteer Hero' badge, and we are working on creating gold, silver and bronze badges for long service recognition.

We would like to say an enormous thank you to all our volunteers who give up their time and continue to go above and beyond to support children, young people, families and staff at the hospital.



Children's Wellbeing Team volunteers in action

## Voluntary Income

The pandemic continued to impact fundraising income streams in 2021, though the return of sports challenges - and events and community fundraising in the latter part of the year – was very positive.

Voluntary income for the twelve months to 31 December 2021 was £1,508,065 a slight increase on 2020's income of £1,506,032.

Following the opening of the new hospital, the Fundraising and Marketing team have a base in the Family Support corridor of RHCYP and have a presence five days per week.



*Little Joey was the star of our Light Up Christmas appeal*

We ran two fundraising appeals in 2021 – More Than A Hospital to coincide with the hospital move to the RHCYP and Light Up Christmas, both of which used case studies to ensure children were at the heart of our ask, and donation options to showcase the work of ECHC and the difference a gift can make.

More Than A Hospital raised £6,766 and Light Up Christmas raised £144,053. Our heartfelt thanks go to the families who shared their stories and ECHC's generous supporters for their donations.

"ECHC was there for us at every turn. The charity's activities gave us a break from our daily reality. Seeing Joey respond to bubbles in baby sensory sessions, and hearing singing and live music was wonderful. It gave us hope. The change that came over the ward when the charity arrived was amazing, everyone's faces lit up.

"Without doubt, the support from the charity made a huge difference to his first months of development, his recovery and our first memories as a family." – **Sam, mum of Joey, who was the lead case study for our Light Up Christmas appeal**

St John's Children's Fund was launched through a targeted mailing and new social media channels. Our initial appeal is supporting the enhancement of the maternity unit and the generosity of the Livingston community has been overwhelming. Livingston FC, local churches and Brownies group, Primark (Livingston), local group PJ Foundation and many local families have helped raise funds and awareness of supporting children's services across West Lothian.

Fundraising from corporate supporters continued to be challenging, particularly those partners who rely on employee fundraising as many employees continued to work from home, however support

from long term ECHC friends such as Walter Scott, Rockstar North, Intergen and Baillie Gifford was bolstered by a new partnership with Gillespie McAndrew. Our thanks go to all corporate supporters throughout the year including those who gifted a door of the Living Advent Calendar over Christmas.

The National Collective working group, made up of Glasgow Children's Hospital Charity (GCHC), The Archie Foundation and ECHC, secured a nationwide fundraising week with all Morrisons stores in Scotland. 2022 plans for the collective include launching as 'Scotland's Children's Hospitals' and we will be looking for national partners to join this exciting opportunity to make a difference to all children in hospital across Scotland.

The resurgence of community fundraising towards the end of the year provided a fantastic boost to income. We were delighted to welcome our choir and brass band supporters back to the steps of The Dome for performances throughout December, and to hold collections at both The Gyle and on three occasions at the pantomime at The Kings Theatre.

More than ever, we are reliant on the support of Charitable trusts and corporate foundations. We are grateful to all funders for enabling our work and always welcome conversations with those interested in supporting our services.

A huge number of supporters donned their red ECHC T-shirts to take part in sports challenges, collectively raising £255,820. While official large-scale events were still hampered by restrictions, more supporters than ever before organised their own challenges. ECHC supporters have climbed Canada's 5 Peaks, run a marathon a month and have been wild swimming every day of December. Families of the hospital continue to inspire us, with long standing ECHC supporter Donna Nelson raising over £10,000 by swimming 20km in St Mary's Loch in memory of her son Christopher.

The Lap the Map challenge, in partnership with GCHC, returned for a second year and saw over 1000 'Lappers' joining the mighty Team Edinburgh! It was a close race this year, with Team Glasgow just getting the win in the last hours, but Team Edinburgh did us proud raising £40,617. Tour de Little France, our inaugural cycling challenge launched in June and took place during the three weeks of the official 'Tour'. 50 cyclists took part, with £5,500 raised. Our Save Point gaming marathon was also a huge success. With Rockstar North's backing, it saw 45 participants raise a phenomenal £45,697.

Finally, thanks to the efforts of our Fundraising Committee, led by Fundraising Ambassador Frankie Cusack and the commitment of our Sports Quiz enthusiasts, we were thrilled to have our Ultimate Sports Quiz return for 2021 – our first in person event since 2019. A full house of supporters attended and raised over £100k.

In the current uncertain climate, fundraising remains challenging and the staff and volunteer team continues to work collaboratively and creatively to adapt and make the most of the changing fundraising landscape, digital technologies, and face to face fundraising.

We operate in a highly competitive arena and understand that the public make a choice to support ECHC over many other deserving charities. The charity is indebted to everyone who gave a donation, shared our appeals, took part in an event, sang, shook a bucket and volunteered. We would like to thank all supporters for standing by ECHC during another challenging year for everyone.

We would encourage anyone interested in transforming children's healthcare to contact us directly to discuss supporting ECHC. We work hard to match funders' wishes to our most urgent priorities in the

hospital. We are proud to show funders the difference their support makes through progress reports, sharing case studies and first hand through service visits.



*Just a few of our army of sports challengers!*

#### Did you know...?

- In 2021, overall had 1,700 participants run, walk, jump and cycle for Edinburgh Children's Hospital Charity
  - 33 thrill seeking fundraisers jumped out of a plane at 10,000 feet
- 2,495 supporters clocked their kilometres for Lap the Map and covered the full distance of the European coastline, all 75,868km of it
- 310 people ran 5km to a marathon and everything in between. They ran a total of 4,129 miles, which is almost the distance from Edinburgh to the North Pole and back again
  - An army of 80 red ECHC t-shirts summited Ben Nevis!

## Retail

At the beginning of 2021, we were running two shops concurrently having opened a new shop within the main entrance area of the RHCYP in May 2020 to support the opening of the Department of Clinical Neurosciences. In addition, the original shop in the RHSC continued to operate until March 2021, when it was closed in conjunction with the RHSC move to RHCYP.

The new shop at RHCYP is now operating a full seven day a week service thanks to our wonderful staff of volunteers and it continues to provide a vital lifeline to children, families and NHS staff, particularly during lockdown at the beginning of this year.

The shop also serves a vital role of raising money and awareness for ECHC with all profits being transferred from ECHC's trading company Task Trading to ECHC at the end of the year and used for charitable purposes. Since opening, footfall has continued to increase along with sales with the new shop benefitting from its prime location in the busy atrium and its reputation amongst staff and visitors for its product range, friendly welcome and longer opening hours.

Covid restrictions continue to be implemented where necessary, with a one-way system, limit on customers coming in, social distancing, safety screens and contactless payment all having been in place at times throughout 2021.

We are enormously grateful and continue to be overwhelmed by the support from volunteers (new and existing) who have been instrumental in helping the shop go from strength to strength through the pandemic.

### Some fun facts about the shop...

- The most popular chocolate bars are Orange Twirls (5,000 per year) and Giant Buttons
  - We sell about 200 cans of Pepsi Max a week - that's 10,400 a year
  - 670 sandwiches are sold every week - nearly 35,000 per year
- We sell about 50 cuddly toys a week with Monkeys and Mermaids the most popular (2,500 per year)



*One of our wonderful volunteers working in the shop*

### **Royal Patron**

We are delighted to continue to receive invaluable support from our Royal Patron, HRH Princess Beatrice of York. This year, Her Royal Highness once again judged the hospital Easter Bonnet competition and the children and young people were delighted to have their efforts judged by a Princess.

### **NHS Lothian**

We would like to thank NHS Lothian for the many years of rent free shop and office space in the RHCYP. We are also delighted to have been given office space rent free within the new hospital for at least five years. This is combined with the same arrangement for our shop and The Hub, for which we are incredibly grateful.

## ECHC would like to say thank you to...

**With no statutory funding, we rely on the generosity of our supporters and volunteers. We would like to thank everyone who supported us in 2021, every £1 donated or hour of time given is hugely appreciated. With special thanks to:**

Children in Need	AEB Charitable Trust
Barclays Covid 19 Community Relief Programme	Bank of Scotland Foundation
Scottish Government - Adapt and Thrive Programme	Chance to Study - Scottish Children's Lottery
Intergen UK	Children's Aid
Nathans Wastesavers	Cruden Foundation
Gillespie Macandrew	Kilpatrick Fraser Charitable Trust
Baillie Gifford & Co.	Miss A M Pilkington Charitable Trust
Walter Scott & Partners	National Lottery
Jess Mackie Memorial Fund	Community Fund
PJ Foundation	PF Charitable Trust
Team Nelson	Snowball Trust
Craig Gowans Memorial Fund	SPIFOX
Billy MacDougall's Fund	Tesco Community Grants Scheme
Star for Harris	The Meikle Foundation
Love Oliver	The Welch Trust
Yiannis Hadjipieris Fund	TK Maxx and Homesense Foundation
Tom Gilzean's Fund	William Syson Foundation
Our Little Darling	
Bill Manson Memorial Fund	
Sofia McLaren Fund	
Rafael Gillet Madrid	
Professor David Wilson	
Aberdeen Standard Charitable Foundation	



## **FINANCIAL REVIEW**

Total income for the year to 31 December 2021 equalled £1,799,513 (£1,681,781 in the year to 31 December 2020) and total expenditure equalled £1,726,121 (£1,821,503 in 2020). The total net income was £73,392 (net expenditure of £139,722 in 2020).

Details are provided in the following paragraphs and further analysis is provided in the notes to the accounts.

### **Reserves Policy**

At any one time, ECHC holds funds which have been restricted by either the charity or supporters for a specific purpose. This is managed in line with our 'Policy on Management of Restricted Funds'.

Funds at 31 December 2021 totalled £2,505,412 (£2,432,020 at 31 December 2020) of which £938,181 (£835,832 at 31 December 2020) represents Restricted Funds (funds received which are earmarked by the donor for a specific ward, department or project) and £1,567,231 (£1,596,188 at 31 December 2020) represents Unrestricted Funds.

Out of the unrestricted funds, the Trustees have designated a sum totalling £164,447 which will be spent on specific projects during the next year. This is shown separately in the balance sheet as Designated Funds.

Historically, a sum of money equivalent to six months operating costs have been allocated to the Operating Fund.

During the past two years, the charity has been able to successfully navigate the impact of Covid-19 despite the significant impact the pandemic had on a large number of our core income streams. Success came partially through the charity's ability to react to the changing landscape, by revising its fundraising strategy and focusing on prioritising those income streams still available which provided the highest return on investment, and partially due to its ability to be agile due to the discretionary nature of much of its spend.

Due to the resilience that the charity has shown, its ability to be agile again should the need arise, the confidence in the plans for 2022 that have been developed in line with a detailed budgeting process as well as the significant rise in demand for the services provided by our Children's Wellbeing Service, the Trustees have deemed that the appropriate level of funds for the charity to allocate to the Operating Fund this year should be sufficient to cover an orderly winding up of the charity (£230,000). This ensures that the relevant funds would be available in a worse-case scenario but results in a larger proportion of funds being available to deliver an increasing programme of support to children, young people and babies whilst the charity continues to regrow its traditional income streams previously halted by Covid-19. Detailed monitoring and response plans have been developed and implemented to ensure that in the event of unforeseen drop in income, actions can be taken to ensure there remains sufficient headroom in the level of unallocated unrestricted reserves to safeguard the financial stability of the charity.

### **Going Concern**

In light of the COVID-19 pandemic, the Trustees have carefully considered the continued impact of COVID-19 on the charity and have undertaken a detailed going concern review.

Despite the impact that the pandemic has had on key income streams, ECHC have performed strongly over the past two years. Whilst it appears promising that these income streams will start to rebuild in 2022 (for example in November 2021, ECHC held its first large event since 2019 and expect its flagship events to take place in 2022), it is likely that COVID-19 will continue to have an impact on the charity's ability to generate income. As such, financial modelling has been undertaken to reflect the actions that can be taken to ensure the charity can continue to operate going forward both in the short-term and beyond if this is the case.

The Trustees are satisfied that the accounts should be prepared on a going concern basis taking comfort in the resilience of the charity given:

- The strength of the charity's cash position and level of reserves
- The charity's ability to be agile due to the discretionary nature of much of its expenditure. The grants programme and large parts of the Children's Wellbeing Service can be stopped, delayed or reduced, as required, providing the charity with flexibility and control over a large proportion of its expenditure
- During the past two years, the charity has been able to successfully revise its fundraising strategy to focus on prioritising those income streams still available which provided the highest return on investment. Whilst the budget for 2022 assumes the rebuilding of those income streams that have been predominately on pause for the past two years, the charity's ability to be flexible and react to the changing landscape has been proven and a similar approach can be taken if there are further restrictions that limit the fundraising activity that has been planned.

## **Risk Management**

Senior Management Team continually evaluate and mitigate the risks faced by the Charity on an ongoing basis throughout the year. The charity's risk register is the framework used to set out the current and ongoing identified risks faced by the charity and the mitigants and controls that have been put in place to reduce the impact of each risk.

Historically, the risk register was reviewed twice yearly by the Audit Committee and Board of Trustees however during the pandemic it was deemed appropriate for there to be a more regular examination of the risk faced by the charity and as such a full review of the charity's risk register was undertaken by the Senior Management Team ahead of each Board Meeting where an update was provided to Trustees.

The principal risk to the charity during this time remained the impact of the Covid-19 pandemic. Due to the mitigations put in place which included: revising the fundraising and marketing strategy; undertaking a detailed recovery planning and budgeting exercise; continually evaluating activity and expenditure; as well as ensuring business continuity plans were in place to ensure services and operations could continue to be delivered despite the impact of covid on restrictions and on staff, the charity has shown its resilience and ability to react quickly to ensure its financial stability whilst still delivering on our charitable objectives through the Children's Wellbeing Service and Grants Programme.

The Senior Management Team continue to keep areas of potential risk under constant review, however with the impact of Covid on the charity having eased, the decision was taken in Summer 2021

to return to a twice yearly report by the Senior Management Team to the Audit Committee and Board of Trustees.

## **FUTURE PLANS**

Throughout the pandemic, ECHC has remained able to provide services and support to babies, children, young people in hospital and at home. The focus throughout this time period has been on recovering from the immediate impacts of the pandemic, such as loss of income. We are pleased to now be able to consider the future, with a focus on rebuilding stronger and sustainably.

Trustees considered a new three-year strategy for the organisation at their Awayday in December 2021. We remain committed to nothing getting in the way of being a child. Our aim is to transform the lives and experiences of children and young people in hospital and healthcare so they can be a child first and a patient second.

Our long-term vision is to...

- improve every child and young person's experience of hospital and healthcare by supporting them (and their whole family) through their hospital journey with innovative support services which reduce anxiety and isolation, increase self-esteem and encourage positive relationships with each other and care providers.
- transform the clinical outcomes of children and young people across the globe by funding world class medical care, ground-breaking research and equipment.
- address the mental health crisis experienced by children and young people, and support them and their families, by offering a safe place to turn to and a programme of interventions which builds resilience and improves wellbeing.
- change the lives of children across the UK by using evidence of our success to encourage the adoption of our Wellbeing and Resilience Programme by other children's health organisations across the country.
- change the face of children's healthcare by being a leading, global voice for children in hospital and advocate for the benefits and importance of non-medical interventions and therapeutic, healing environments in all children's healthcare settings.
- ensure children's healthcare rights are respected by promoting these to health professionals, policy and decision makers and by giving children and their families opportunities to have their own voices heard in relation to their healthcare rights.

Our Organisational Strategy for 2022-2025 sets out four strategic goals:

- To Transform Lives
- To Deliver Innovation
- To Build Lasting Relationships
- To Tell Our Story

Full details of our strategy and our strategic goals can be found on our website: [www.echcharity.org](http://www.echcharity.org).

There are several exciting projects which will be developed and rolled out from 2022. These include:

- Supporting the wellbeing of children and young people in isolation rooms through the delivery of our unique Space Academy programme, rolled out from 2022 (thanks to funding from Barclays).
- Designing, piloting, evaluating and rolling out a bespoke programme of Wellbeing and Resilience for children and young people on the CAMHS waiting list (thanks to funding from one of our supporters)
- Creating therapeutic, healing environments which support anxiety reduction and distraction through the delivery of high-quality enhancement projects in healthcare settings.
- Delivering a range of condition specific support sessions and activities in The Hub in partnership with clinical teams
- Improving the experience of children, young people and families through the expansion of our volunteering service
- Developing a range of merchandise and an online shopping facility, including offering a 'gift delivery' service to bedsides and wards
- Providing evidence of the difference we make, increase awareness of our work and inspire support through the appointment of a Social Impact Manager (thanks to funding from Scottish Government Adapt and Thrive)
- Improving our inclusivity by achieving the LGBT Silver Charter
- An anticipated return to regular fundraising events.

All actions are detailed in departmental priority plans and monitored regularly by the lead Senior Manager and their team. Performance is reported at Senior Management Team meetings with reports on progress against the strategy being received by the Board annually.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

Edinburgh Children's Hospital Charity was formed as an unincorporated association on 7 December 1992. On 1 October 2010 the assets and liabilities of the association were transferred into a company limited by guarantee, then called The Sick Kids Friends Foundation. The 'Memorandum and Articles of Association' is the governing document for the organisation and sets out the charitable purpose and governance structure. ECHC is recognised by HM Revenue & Customs as a charity and is registered with the Office of the Charity Regulator (OSCR) as a Scottish Charity with Scottish Charity Number SC 020862.

These accounts are the eleventh accounts of the charity in the form of a company limited by guarantee and cover the twelve months to 31 December 2021.

### **Trustees**

The Directors of the Company (the Trustees) are responsible for the strategy and governance of the Charity and monitoring performance in line with the strategic objectives. The Trustees include members with professional experience in public sector (including health and education) and private

sector (including retail, property, legal and financial services). The responsibility for delivering the strategy is delegated by the Board to the staff team.

There are currently 11 Trustees who are all volunteers. Biographies of the Trustees are given on the ECHC website. They receive no remuneration other than reasonable expenses, such as travel, should they wish to claim it. No expenses were claimed during the year. When being recruited, Trustees undergo a selection process led by a delegated Governance Sub-Committee. All Trustees have a Role Description and Person Specification, sign up to the ECHC Trustee Code of Conduct and complete a Register of Interests annually. A full induction is provided to each new Trustee including the provision of a Trustee Handbook which provides helpful information about the organisation. Informal training is provided throughout the year covering areas including legal, governance and compliance. Board Effectiveness reviews were introduced in 2017. Opportunities are offered to the Trustees for touring RHCYP and shadowing the Children's Wellbeing Service Team.

The Board also hold an away day each year to review the strategic direction of the charity.

The Trustees on an ongoing basis give consideration to the range of skills and experience on the Board. During the twelve months (and up to the signing of these accounts) there were the following changes to the Board of Trustees:

- Robin Blacklock, a Property Director, retired from the Board in April 2021.
- Dr Louise Potter, a Consultant Clinical Psychologist who runs a private practise following eight years of experience within the NHS, joined the Board in February 2021.
- Jon McCormack, a Consultant Paediatric Anaesthetist at RHCYP, joined the Board in December 2021.
- Angus Blacklock, was appointed in February 2022 following a recruitment process which targeted attracting younger applicants to the Board. Angus has personal experience of the hospital services and has been an Ambassador and fundraised for the charity in the past.

The Trustees would like to record their grateful thanks to Robin Blacklock, who has been a supportive and dedicated member of the Board since 2013 having started out with ECHC as a fundraising supporter inspired by his son Angus' hospital journey at RHSC. Robin and his friends and family have undertaken numerous fundraising challenges since 2011 and have helped to raise hundreds of thousands of pounds for charities, including ECHC over this time.

### **Decision Making**

The Trustees meet regularly to monitor progress, decide on applications and receive reports. A schedule of meetings is agreed annually. The Trustees approved the current Strategy in December 2021 and on an annual basis a budget for income and expenditure is approved. Responsibility for delivering the strategy is delegated to the Chief Executive and staff as detailed in the Scheme of Delegation and Sub-Committee Terms of Reference. Regular reports on progress are given at Trustee meetings.

There are three sub-committees, which meet as required and make recommendations to the Board. These are:

#### *Audit Committee*

The Audit Committee meet up to three times a year and comprises two Trustees and one non-Trustee.

The committee receives reports from the CEO and the finance team on financial activity, systems and processes. Each year the organisation undergoes an audit whereby the robustness of ECHC's financial processes is assessed. The auditors report to the Trustees on any issues or areas requiring improvement.

#### *Grants Committee*

The Grants Committee, who meet three times a year and comprise both Trustees and external members, are responsible for:

- Having oversight of grant applications for amounts less than £5,000 which are granted by the CEO
- Considering and approving grant applications for amounts of £5,000 up to £50,000
- Advising the full Trustee board on grant applications for amounts over £50,000.

#### *Governance Committee*

The Governance Committee take delegated responsibility on behalf of the board of trustees for ensuring effective and improving governance.

They are responsible for:

- Considering and make recommendations to the board on all matters relating to governance
- Considering and advising the board on the composition and balance of the board
- Nominating and determining the process for selecting candidates to be recommended for appointment to the board and committees
- Developing and recommending to the board policies and procedures
- Reviewing and advising the board on the charity's pay awards

#### **Management**

The charity is led by the Chief Executive and has four senior managers, the Director of Relationships; Director of Corporate Development; the Chief Operating Officer and the Director of Children's Wellbeing Services.

#### **Organisational structure**

The staff team is made up of:

- The Chief Executive
- Fundraising and marketing team
- Finance and operations team
- Children's Wellbeing Services Team
- A Shop Manager and team
- Admin support

The team comprises ten full time staff and fifteen part-time staff on average throughout the year.

## **Finance and Administration**

The organisation has robust financial management procedures. These include processes for committing the organisation to expenditure, ordering from suppliers and cash handling.

All staff play an important role in ensuring that financial management policies and processes are followed at all times.

An income and expenditure budget is developed annually with input from all staff. This is approved by the Trustees and progress against the budget is monitored through monthly management accounts.

ECHC also has robust policies and procedures in relation to information governance (the storing, management and processing of personal data). All supporter information is stored on our Raisers Edge database in line with Data Protection legislation.

### **Salary review**

A salary review was conducted in 2021 by an external HR consultant. In considering this, the consultant benchmarked against a number of charities, including two with similar purpose; used online salary comparison sites; and considered the scope and salary of similar posts advertised in sector recruitment sites. The pay of senior management was subject to the same approach.

Whilst the large majority of roles were considered to be in line with the market, a small number of roles were deemed to be slightly out of kilter and an adjustment to these roles was proposed to and approved by the Governance Committee and Board of Trustees.

### **Connected Bodies**

Task Trading Limited is a wholly owned subsidiary company through which the trading activities for Edinburgh Children's Hospital Charity are carried on. Task Trading Limited shares its principal address with Edinburgh Children's Hospital Charity. Gross income for the year to 31 December 2021 amounted to £288,501 (£170,214 in 2020) with the significant increase being due to the excellent performance of the shop since it has moved into the new RHCYP at Little France where it is located in a more prominent position within the hospital, with higher footfall. The net profit to be gifted to Edinburgh Children's Hospital Charity for the year to 31 December 2021 was £39,995 (£696 in 2020). The Sick Kids Friends (Little France) Limited was set up in December 2010 and has not traded.

### **Relationship between the Charity and Related Parties**

- Task Trading Ltd was set up as the trading company of the charity and donates its profits to the charity under the Gift Aid Scheme on an annual basis.
- As at the year end, two Trustees, Lindsay Gardiner (Chair) and John Brodie are directors of Task Trading Ltd. The CEO of ECHC, Roslyn Neely, is also a director of Task Trading.
- One Trustee, Lindsay Gardiner (Chair) is a director of The Sick Kids Friends (Little France) Limited, as is the CEO of ECHC, Roslyn Neely.
- One Trustee, John Brodie (CEO of Scotmid) has continued to support our retail activities throughout the year.
- One Trustee, Fiona Linklater was a Director at Lindsays. During 2021 we received employment law advice from a colleague of Fiona's at Lindsays to the value of £324.

- One Trustee, Jon McCormack, is employed by NHS Lothian.
- One member of the Grants Committee, Paul Leonard, is a Consultant in Emergency Medicine at the RHSC. During the year, the Emergency department has benefitted from grants provided by ECHC.

#### **Auditors**

Henderson Loggie LLP were re-appointed by the members at the Annual General Meeting in October 2021. So far as each Trustee is aware, there is no relevant audit information of which the auditors are unaware. Each Trustee has taken the appropriate steps to make themselves aware of such information and to establish that the auditors are aware of it. The Trustees' report is prepared in accordance with special provisions of the Companies Act 2006 relating to small companies.

Approved by the Trustees and authorised for signature by:



**Lindsay Gardiner**  
Chair  
9 May 2022

## Statement of the Trustees' Responsibility in respect of the Accounts

The Trustees are responsible for preparing the Report of the Board of Trustees and the financial statements in accordance with applicable law and regulations.

Law applicable to incorporated charities in Scotland requires the Trustees to prepare an annual report and financial statements for each financial period in accordance with applicable law and regulations. Under that law the Trustees prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom 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 and of the group at the end of the period and of its financial activities including its income and expenditure during the period then ended.

In preparing those financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK accounting standards and statements of recommended practice 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 and the group will continue in operation.

The Trustees are responsible for keeping proper and adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and the charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

## **Edinburgh Children's Hospital Charity**

### **Independent auditor's report to the Trustees and Members of Edinburgh Children's Hospital Charity**

#### **Opinion**

We have audited the financial statements of Edinburgh Children's Hospital Charity Limited (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 December 2021 which comprise the Group and Parent Charitable Company Statements of Financial Activities, the Group and Parent Charitable Company Statements of Financial Position, the Group and Parent Charitable Company Cash Flow Statements 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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 December 2021 and of 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, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended)

#### **Basis of opinion**

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

#### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue. Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

#### **Other information**

The other information comprises the information included in the Trustees' report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. 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.

## **Edinburgh Children's Hospital Charity**

### **Independent auditor's report to the Trustees and Members of Edinburgh Children's Hospital Charity**

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.

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

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

- the information given in the Trustees' Report, which includes the Directors' Report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report, which includes the Directors' Report, has been prepared in accordance with applicable legal requirements.

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

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

We have nothing to report in respect of the following matters where the Companies Act 2006, the Charities and Trustees Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require 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 Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

### **Responsibilities of Trustees**

As explained more fully in the Trustees' Responsibilities Statement, 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 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 company or to cease operations, or have no realistic alternative but to do so.

## **Edinburgh Children's Hospital Charity**

### **Independent auditor's report to the Trustees and Members of Edinburgh Children's Hospital Charity**

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

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud, is detailed below:

- Enquiring with management about any known or suspected instances of non-compliance with laws and regulations, including GDPR and employment law, and fraud;
- Review of correspondence with regulators including OSCR and the Health & Safety Executive;
- Review of legal fee expenditure and board minutes;
- Challenging assumptions and judgements made by management in their significant accounting estimates, and
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness

Because of the field in which the client operates, we identified the following areas as those most likely to have a material impact on the financial statements: Health and Safety; employment law (including the Working Time Directive); and compliance with the UK Companies Act, Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts Regulations 2006.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognize the non-compliance.

## Edinburgh Children's Hospital Charity

### Independent auditor's report to the Trustees and Members of Edinburgh Children's Hospital Charity

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

#### Use of our report

This report is made solely to the members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charity's trustees', as a body, in accordance with Section 44 (1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the members and the charity's trustee's those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity, its members as a body and its directors as a body, for our audit work, for this report, or for the opinions we have formed.

*Henderson Loggie LLP*

**James Davidson** (Senior Statutory Auditor)  
For and on behalf of Henderson Loggie LLP  
Chartered Accountants  
Statutory Auditor

11 -15 Thistle Street  
Edinburgh  
EH2 1DF

Date: 9 May 2022

## Edinburgh Children's Hospital Charity

### Consolidated Income and Expenditure Account and Statement of Financial Activities for the year ended 31 December 2021

		Year to 31 December 2021			Year to 31 December 2020		
	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds £	Unrestricted Funds £	Restricted Funds £	Total Funds £
<b>Income:</b>							
Donations and Legacies	2	938,708	569,357	1,508,065	749,381	756,651	1,506,032
Other Income	3	-	-	-	1,017	-	1,017
Other Trading Activities	4	290,001	-	290,001	168,381	-	168,381
Income from Investments	5	1,447	-	1,447	6,351	-	6,351
<b>Total Income</b>		<b>1,230,156</b>	<b>569,357</b>	<b>1,799,513</b>	<b>925,130</b>	<b>756,651</b>	<b>1,681,781</b>
<b>Expenditure</b>							
Expenditure on Raising Funds	7,8	568,388	117,548	685,936	454,763	182,821	637,584
Expenditure on Charitable Activities	7,9	344,894	695,291	1,040,185	471,316	712,603	1,183,919
<b>Total expenditure</b>		<b>913,282</b>	<b>812,839</b>	<b>1,726,121</b>	<b>926,079</b>	<b>895,424</b>	<b>1,821,503</b>
<b>Net Income / (Expenditure)</b>		<b>316,874</b>	<b>(243,482)</b>	<b>73,392</b>	<b>(949)</b>	<b>(138,773)</b>	<b>(139,722)</b>
Transfers between funds	12	(345,831)	345,831	-	(171,180)	171,180	-
<b>Net movement in funds</b>		<b>(28,957)</b>	<b>102,349</b>	<b>73,392</b>	<b>(172,129)</b>	<b>32,407</b>	<b>(139,722)</b>
<b>Reconciliation of funds</b>							
Total funds brought forward at 1 January 2020		1,596,188	835,832	2,432,020	1,768,317	803,425	2,571,742
<b>Total funds carried forward</b>		<b>1,567,231</b>	<b>938,181</b>	<b>2,505,412</b>	<b>1,596,188</b>	<b>835,832</b>	<b>2,432,020</b>

## Edinburgh Children's Hospital Charity

### Income and Expenditure Account and Statement of Financial Activities for the year ended 31 December 2021

		Year to 31 December 2021			Year to 31 December 2020		
	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds £	Unrestricted Funds £	Restricted Funds £	Total Funds £
<b>Income:</b>							
Donations and Legacies		939,404	569,357	1,508,761	921,016	756,651	1,677,667
Other Income	3	5,736	-	5,736	6,721	-	6,721
Other Trading Activities	4	1,500	-	1,500	-	-	-
Income from Investments	5	1,447	-	1,447	6,351	-	6,351
<b>Total Income</b>		<b>948,087</b>	<b>569,357</b>	<b>1,517,444</b>	<b>934,088</b>	<b>756,651</b>	<b>1,690,739</b>
<b>Expenditure</b>							
Expenditure on Raising Funds	6,7,8	325,706	117,548	443,254	290,949	182,821	473,770
Expenditure on Charitable Activities	9	344,894	695,291	1,040,185	471,316	712,603	1,183,919
<b>Total Expenditure</b>		<b>670,600</b>	<b>812,839</b>	<b>1,483,439</b>	<b>762,265</b>	<b>895,424</b>	<b>1,657,689</b>
<b>Net Income / (Expenditure)</b>		<b>277,487</b>	<b>(243,482)</b>	<b>34,005</b>	<b>171,823</b>	<b>(138,773)</b>	<b>33,050</b>
Transfers between funds	12	(345,831)	345,831	-	(171,180)	171,180	-
<b>Net movement in funds</b>		<b>(68,344)</b>	<b>102,349</b>	<b>34,005</b>	<b>643</b>	<b>32,407</b>	<b>33,050</b>
<b>Reconciliation of funds</b>							
Total funds brought forward at 1 January 2020		1,595,580	835,832	2,431,412	1,594,937	803,425	2,398,362
<b>Total funds carried forward</b>		<b>1,527,236</b>	<b>938,181</b>	<b>2,465,417</b>	<b>1,595,580</b>	<b>835,832</b>	<b>2,431,412</b>

# Edinburgh Children's Hospital Charity

## Balance Sheet at 31 December 2021

		Group		Charity	
		31 December	31 December	31 December	31 December
		2021	2020	2021	2020
Notes		£	£	£	£
<b>FIXED ASSETS</b>	13	<b>12,645</b>	-	<b>12,645</b>	-
<b>CURRENT ASSETS</b>					
Stock		8,631	12,894	1,150	2,786
Debtors	14	99,765	205,607	122,129	256,186
Cash at bank and in hand		2,531,760	2,384,187	2,454,915	2,326,283
<b>CURRENT ASSETS</b>		<b>2,640,156</b>	<b>2,602,688</b>	<b>2,578,194</b>	<b>2,585,255</b>
Other grants and creditors	15	(147,389)	(170,668)	(125,422)	(153,843)
<b>CREDITORS: amounts falling due within one year</b>		<b>(147,389)</b>	<b>(170,668)</b>	<b>(125,422)</b>	<b>(153,843)</b>
<b>NET CURRENT ASSETS</b>		<b>2,492,767</b>	<b>2,432,020</b>	<b>2,452,772</b>	<b>2,431,412</b>
<b>NET ASSETS</b>		<b>2,505,412</b>	<b>2,432,020</b>	<b>2,465,417</b>	<b>2,431,412</b>
Net assets comprising:					
<b>Restricted funds</b>	11,12	<b>938,181</b>	<b>835,832</b>	<b>938,181</b>	<b>835,832</b>
Unrestricted funds	12	1,172,784	955,535	1,132,789	954,927
Operating fund	10,12	230,000	454,212	230,000	454,212
Designated funds	10,12	164,447	186,441	164,447	186,441
<b>Total unrestricted funds</b>		<b>1,567,231</b>	<b>1,596,188</b>	<b>1,527,236</b>	<b>1,595,580</b>
		<b>2,505,412</b>	<b>2,432,020</b>	<b>2,465,417</b>	<b>2,431,412</b>

These accounts have been prepared in accordance with special provisions of the Companies Act 2006 relating to small companies.

These accounts were approved and authorised for issue by the Trustees on 9 May 2022 and signed on their behalf by:

**Lindsay Gardiner**  
Chair

# Edinburgh Children's Hospital Charity

## Consolidated Statement of Cash Flows

	Year to 31 December 2021 £	Year to 31 December 2020 £
<b>Cash flows from operating activities</b>		
Net cash used in operating activities	146,126	182,488
<b>Cash flows from investing activities</b>		
Dividends, interest and rents from investments	1,447	6,351
<b>Net cash provided by investing activities</b>	1,447	6,351
<b>Change in cash and cash equivalents in the reporting period</b>	147,573	188,839
Cash and cash equivalents at the beginning of the year	2,384,187	2,195,348
<b>Total cash and cash equivalents at the end of the year</b>	<b>2,531,760</b>	<b>2,384,187</b>

### Notes to the statement of cash flows

Note a -	Year to 31 December 2021 £	Year to 31 December 2020 £
<b>Reconciliation of net income to net cash flow from operating activities</b>		
Net income for the year	73,391	(139,722)
<b>Adjustments for:</b>		
Depreciation	4,215	-
Donation of tangible asset	(16,860)	-
Dividends, interest and rents from investments	(1,447)	(6,351)
Decrease in stock	4,263	6,376
Decrease in debtors	105,842	328,137
(Decrease) in creditors	(23,278)	(5,952)
<b>Net Cash used in Operating Activities</b>	<b>146,126</b>	<b>182,488</b>

Note b -	At start of year £	Cash Flow £	Non-cash changes £	At end of year £
<b>Analysis of cash and cash equivalents</b>				
Cash at bank	2,384,187	147,573	-	2,531,760
<b>Net funds</b>	<b>2,384,187</b>	<b>147,573</b>	<b>-</b>	<b>2,531,760</b>

# Edinburgh Children's Hospital Charity

## Charity Statement of Cash Flows

	Year to 31 December 2021 £	Year to 31 December 2020 £
<b>Cash flows from operating activities</b>		
Net cash used in operating activities	127,185	424,505
<b>Cash flows from investing activities</b>		
Dividends, interest and rents from investments	1,447	6,351
<b>Net cash provided by investing activities</b>	1,447	6,351
<b>Change in cash and cash equivalents in the reporting period</b>	128,632	430,856
Cash and cash equivalents at the beginning of the year	2,326,283	1,895,427
<b>Total cash and cash equivalents at the end of the year</b>	2,454,915	2,326,283

### Notes to the statement of cash flows

Note a - Reconciliation of net income/(expenditure) to net cash flow from operating activities	Year to 31 December 2021 £	Year to 31 December 2020 £
<b>Net income for the year</b>	34,005	33,050
<b>Adjustments for:</b>		
Dividends, interest and rents from investments	(1,447)	(6,351)
Depreciation	4,215	-
Donation of tangible asset	(16,860)	-
Decrease in stock	1,636	86
Decrease in debtors	134,057	397,104
(Decrease)/Increase in creditors	(28,421)	616
<b>Net Cash used in Operating Activities</b>	127,185	424,505

Note b - Analysis of cash and cash equivalents	At start of year £	Cash Flow £	Non-cash changes £	At end of year £
Cash at bank	2,326,283	128,632	-	2,454,915
<b>Net funds</b>	2,326,283	128,632	-	2,454,915

## **Edinburgh Children's Hospital Charity**

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

### **1. ACCOUNTING POLICIES**

#### **Basis of preparation**

The financial statements have been prepared under the historic cost convention. The charity is a public benefit entity and a company limited by guarantee, incorporated in Scotland with the registered office as noted on page 65. The financial statements are compliant with the charity's Articles, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006, the Companies Act 2006, the Statement of Recommended Practice FRS102 (SORP FRS102) "Accounting and Reporting by Charities" (revised 2015) and in accordance with Financial Reporting Standard 102 (FRS102). The principal accounting policies adopted in the preparation of the financial statements are set out below. The financial statements are prepared in pounds sterling which is the functional currency of the charity. Monetary amounts are rounded to the nearest pound.

#### **Going Concern**

These accounts have been prepared on a going concern basis. The Trustees have carefully considered the potential impacts of COVID-19 on the charity and believe that it is appropriate to prepare accounts on a going concern basis due to the following. Further information is given on page 28.

- The charity is in a strong cash position, with a high level of reserves
- The charity has the ability to be agile. Much of the charity's expenditure, as a grant-giving charity, is discretionary and can be stopped or delayed as required.
- During the past two years, the charity has been able to successfully revise its fundraising strategy and has performed well, generating income through planned activity that focuses on those income streams still available which provided the highest return on investment. Whilst the budget for 2022 assumes the rebuilding of those income streams that have been predominately on pause for the past two years, the charity's ability to be flexible and react to the changing landscape has been proven and a similar approach can be taken if there are further restrictions that limit the fundraising activity that has been planned.

#### **Group financial statements**

These financial statements consolidate the results of the charity and its wholly owned subsidiary Task Trading Limited on a line by line basis incorporating income and expenditure under activities and expenditure on raising funds respectively.

#### **Critical accounting judgements and estimation uncertainty**

In preparing the financial statements, the Trustees are required to make judgements, estimates and assumptions, which may affect reported income, expenses, assets and liabilities. The estimates and associated assumptions are based on historical experience and other factors considered relevant. Actual results may differ from such estimates. Judgements made in preparing these financial statements comprise:

- The assessment of leases to determine whether the risks and rewards of ownership remain with the lessor or are transferred to the Charity.
- Tangible fixed assets are depreciated over a period to reflect their estimated useful lives. The applicability of the assumed lives is reviewed annually, taking into account factors such as physical condition, maintenance and obsolescence.
- Fixed assets are also assessed as to whether there are indicators of impairment. This assessment involves consideration of the economic viability of the purpose for which the asset is used.

#### **Recognition of income**

Donations and legacies income, which also includes gifts and grants, including government grants, that provide core funding or are of a general nature, is recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Income tax reclaims are recognised when claimed.

## Edinburgh Children's Hospital Charity

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

### 1. ACCOUNTING POLICIES *(continued)*

#### **Gifts in kind**

Where gifts in kind are donated for the purposes of auction or other sale the proceeds from the auction are included in the donations and legacies figures in the Statement of Financial Activities. Where goods or services are donated directly to Edinburgh Children's Hospital Charity these are included in the Statement of Financial Activities if the value is known with any certainty or in fixed assets, where appropriate. If there is uncertainty over the quantification of donations these are noted in the financial statements, if significant. Where goods are held for distribution to beneficiaries they are held in stock at fair value. The general volunteer time of the volunteers is not recognised.

#### **Grants payable**

Grants awarded are recognised in full in the period in which they are payable.

#### **Expenditure on Raising Funds**

The expenditure on raising funds consists of direct expenditure, trading activity costs, investment management costs and an apportionment of overhead and support costs as shown in note 7.

#### **Charitable activities**

Expenditure on charitable activities includes grants made, direct expenditure on charitable activities, and an apportionment of overhead and support costs as shown in note 7.

#### **Pensions**

The charity operates a defined contribution pension scheme. The amount charged to the income and expenditure account represents the contribution payable to the scheme in respect of the accounting period.

#### **Redundancy costs**

Redundancy costs are charged in the year in which the commitment has been made to the employee.

#### **Fixed Assets**

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Equipment	-	over 4 years (straight line)
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Assets costing less than £5,000 are not capitalised.

#### **Stocks**

Stocks are stated at the lower of cost incurred in bringing each product to its present location and condition or net realisable value.

#### **Debtors**

Debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discounts due.

#### **Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of twelve months or less from the date of acquisition or opening of the deposit or similar account.

#### **Creditors and Provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in a transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

## **Edinburgh Children's Hospital Charity**

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

### **1. ACCOUNTING POLICIES** *(continued)*

#### **Financial Instruments**

The group only has basic financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

#### **VAT policy**

Edinburgh Children's Hospital Charity is not registered for VAT and accordingly expenditure includes VAT where appropriate. However, Task Trading Limited is registered for VAT and accordingly its income and expenditure are stated net of VAT, other than irrecoverable VAT.

#### **Fund accounting**

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity. Designated funds are unrestricted funds which have been granted by the Trustees for particular purposes from which the expenditure has not been incurred. Restricted funds are subject to restrictions on their expenditure imposed by the donor or through the terms of an appeal. Transfers between restricted funds are made where special purpose activities are continuing but the delivery has changed due to the closure of, for example, a ward. Such transfers are separately disclosed in note 11. Where other transfers are required the reasons are noted in the appropriate funds note.

## Edinburgh Children's Hospital Charity

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

### 2. DONATIONS AND LEGACIES

Group			Year to 31 December 2021	Year to 31 December 2020
	Unrestricted	Restricted	Total	Total
	£	£	£	£
Corporate	148,234	49,096	197,330	197,903
Individuals	178,016	10,107	188,123	223,243
Community	101,456	31,538	132,994	80,799
Events	93,720	-	93,720	17,643
Sports challenges	229,063	26,756	255,819	279,377
Trusts and Foundations	113,583	238,080	351,663	353,230
Major Donors	72,275	132,225	204,500	204,966
Appeal	-	11,555	11,555	1,820
Government Wellbeing Fund	-	70,000	70,000	98,500
Government Job Retention Scheme	2,361	-	2,361	48,551
	<b>938,708</b>	<b>569,357</b>	<b>1,508,065</b>	<b>1,506,032</b>

Charity			Year to 31 December 2021	Year to 31 December 2020
	Unrestricted	Restricted	Total	Total
	£	£	£	£
Corporate	148,234	49,096	197,330	197,903
Individuals	178,016	10,107	188,123	223,243
Community	101,456	31,538	132,994	80,799
Events	93,720	-	93,720	17,643
Sports challenges	229,063	26,756	255,819	279,377
Trusts and Foundations	113,583	238,080	351,663	353,230
Major Donors	72,275	132,225	204,500	204,966
Appeal	-	11,555	11,555	1,820
Government Wellbeing Fund	-	70,000	70,000	98,500
Government Job Retention Scheme	2,361	-	2,361	46,718
Transfer of profits from Trading subsidiary	696	-	696	173,468
	<b>939,404</b>	<b>569,357</b>	<b>1,508,761</b>	<b>1,677,667</b>

## Edinburgh Children's Hospital Charity

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

### 3. OTHER INCOME

During 2021, we charged management fees to Task Trading of £5,736 (2020: management charge of £5,704 and additional other income of £1,017)

### 4. OTHER TRADING ACTIVITIES

	Year to 31 December 2021 £	Year to 31 December 2020 £
Shop turnover	288,501	168,381
Government Grants	-	1,833
Donation in lieu of room rental	1,500	-
	<b>290,001</b>	<b>170,214</b>

Incoming resources from trading activities are stated net of value added tax and represent the value of sales made in the course of Task Trading Limited's activity.

### 5. INCOME FROM INVESTMENTS

	Year to 31 December 2021 £	Year to 31 December 2020 £
Interest from cash deposits	1,447	6,351

### 6. STAFF COSTS

Group	Year to 31 December 2021 £	Year to 31 December 2020 £
Salaries	613,809	707,733
Social security costs	50,976	59,670
Pension costs	21,088	23,718
	<b>685,873</b>	<b>791,121</b>

Charity	Year to 31 December 2021 £	Year to 31 December 2020 £
Salaries	577,249	676,047
Social security costs	48,368	57,661
Pension costs	19,991	22,987
	<b>645,608</b>	<b>756,695</b>

The Group team comprises ten full time staff and fifteen part time (thirteen and fourteen in 2020). The charity team comprises nine full time staff and fourteen part time (twelve and thirteen in 2020).

During the year, there were no redundancy payments made (2020: £13,443).

A defined contribution pension scheme for all staff was introduced on 1 October 2011. At 31 December 2021 £3,206 was due to be paid by the Group team (2020: £3,442) and £2,989 by the Charity team (2020: £3,239).

## Edinburgh Children's Hospital Charity

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

### 6. STAFF COSTS (continued)

No Trustees received any remuneration during the year (nil in 2020). No trustees received any reimbursement of expenses during the year (nil in 2020). Trustee indemnity insurance was provided during the period at a cost of £791 (£791 in 2020).

In line with the Statement of Recommended Practice for Charities, the allocation of staff costs between fundraising, charitable activities and governance is shown in Note 7.

The total remuneration for key management during the year was £226,556 including employers' national insurance of £22,826 (2020: £206,314 including employers' national insurance of £20,829). This figure includes the salary of one member of the management team from September only as this is the date they were promoted to the Senior Management Team. During the year one employee received annual emolument between £70,000 and £80,000 (one in 2020).

### 7. ALLOCATION OF COSTS

Group		Expenditure on Raising Funds	Fundraising trading	Charitable activities	Year to 31 December 2021 Total
	Basis	£	£	£	£
Staff costs (see note 6)	1	213,437	40,264	346,254	599,955
Special events	2	44,272	-	-	44,272
Promotional	2	34,610	-	-	34,610
Other direct fundraising costs	2	39,443	-	-	39,443
Travel	3	582	-	944	1,526
Postage and communications	3	5,402	-	8,765	14,167
Computer expenses and maintenance	2	22,663	-	-	22,663
Office expenses and other items	4	7,357	10,718	11,936	30,011
Premises costs	3	21,803	-	35,371	57,174
Other professional fees	3	5,496	-	8,916	14,412
Governance Costs	5	48,189	1,157	63,274	112,620
<b>Total</b>		<b>443,254</b>	<b>52,140</b>	<b>475,460</b>	<b>970,854</b>

#### Allocation

Restricted funds	117,548	-	293,363	410,911
Unrestricted funds	325,706	52,140	182,097	559,943
	<b>443,254</b>	<b>52,140</b>	<b>475,460</b>	<b>970,854</b>

Costs are allocated as follows:

1 Time allocation

2 Direct attribution

3 Allocation based on staff costs

4 Direct attribution to activities for generating funds and the remainder allocated on staff costs

5 Governance cost split and allocation is shown on page 52, allocated from unrestricted funds only

Included within expenditure is £1,524 of non-audit fees paid to the auditor (2020: £958).

Fundraising trading governance cost of £1,157 is audit fees (2020: £1,128). A split of all other governance costs is shown on page 52.

## Edinburgh Children's Hospital Charity

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

### 7. ALLOCATION OF COSTS (continued)

Charity		Expenditure on Raising Funds	Fundraising trading	Charitable activities	Year to 31 December 2021 Total
	Basis	£	£	£	£
Staff costs (see note 6)	1	213,437	-	346,254	559,691
Special events	2	44,272	-	-	44,272
Promotional	2	34,610	-	-	34,610
Other direct fundraising costs	2	39,443	-	-	39,443
Travel	3	582	-	944	1,526
Postage and communications	3	5,402	-	8,765	14,167
Computer expenses and maintenance	2	22,663	-	-	22,663
Office expenses and other items	4	7,357	-	11,936	19,293
Premises costs	3	21,803	-	35,371	57,174
Other professional fees	3	5,496	-	8,916	14,412
Governance Costs	5	48,189	-	63,274	111,463
<b>Total</b>		<b>443,254</b>	<b>-</b>	<b>475,460</b>	<b>918,714</b>

#### Allocation

Restricted funds	117,548	-	293,363	410,911
Unrestricted funds	325,706	-	182,097	507,803
	<b>443,254</b>	<b>-</b>	<b>475,460</b>	<b>918,714</b>

#### Governance Costs Breakdown

	Basis				
Staff costs (see note 6)	3	32,764	-	53,153	85,917
Travel	3	89	-	145	234
Postage and communications	3	829	-	1,345	2,175
Office expenses and other items	3	1,129	-	1,832	2,962
Premises costs	3	3,347	-	5,430	8,777
Audit fee	2	9,186	-	-	9,186
Other professional fees	3	844	-	1,369	2,212
<b>Total charity</b>		<b>48,189</b>	<b>-</b>	<b>63,274</b>	<b>111,463</b>
Audit fee – trading subsidiary	2	-	1,157	-	1,157
<b>Total group</b>		<b>48,189</b>	<b>1,157</b>	<b>63,274</b>	<b>112,620</b>

## Edinburgh Children's Hospital Charity

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

### 7. ALLOCATION OF COSTS (continued)

Group		Expenditure on Raising Funds	Fundraising trading	Charitable activities	Year to 31 December 2020 Total
	Basis	£	£	£	£
Staff costs (see note 6)	1	291,015	34,425	356,987	682,427
Special events	2	11,256	-	-	11,256
Promotional	2	11,047	-	-	11,047
Other direct fundraising costs	2	34,403	-	-	34,403
Travel	3	741	-	909	1,650
Postage and communications	3	6,451	-	7,914	14,365
Computer expenses and maintenance	2	23,096	-	-	23,096
Office expenses and other items	4	7,058	10,082	8,658	25,798
Premises costs	3	23,207	-	28,467	51,674
Other professional fees	3	1,271	-	1,559	2,830
Other charitable Expenditure	2	-	-	62,000	62,000
Governance Costs	5	64,225	1,128	67,848	133,201
<b>Total</b>		<b>473,770</b>	<b>45,635</b>	<b>534,342</b>	<b>1,053,747</b>
<b>Allocation</b>					
Restricted funds		182,821	-	297,853	480,674
Unrestricted funds		290,949	45,635	236,489	573,073
		<b>473,770</b>	<b>45,635</b>	<b>534,342</b>	<b>1,053,747</b>

## Edinburgh Children's Hospital Charity

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

### 7. ALLOCATION OF COSTS (continued)

Charity		Expenditure on Raising Funds	Fundraising trading	Charitable activities	Year to 31 December 2020 Total
	Basis	£	£	£	£
Staff costs (see note 6)	1	291,015	-	356,987	648,002
Special events	2	11,256	-	-	11,256
Promotional	2	11,047	-	-	11,047
Other direct fundraising costs	2	34,403	-	-	34,403
Travel	3	741	-	909	1,650
Postage and communications	3	6,451	-	7,914	14,365
Computer expenses and maintenance	2	23,096	-	-	23,096
Office expenses and other items	4	7,058	-	8,658	15,716
Premises costs	3	23,207	-	28,467	51,674
Other professional fees	3	1,271	-	1,559	2,830
Other Charitable Expenditure	2	-	-	62,000	62,000
Governance Costs	5	64,225	-	67,848	132,073
<b>Total</b>		<b>473,770</b>	<b>-</b>	<b>534,342</b>	<b>1,008,112</b>

#### Allocation

Restricted funds	182,821	-	297,853	480,674
Unrestricted funds	290,949	-	236,489	527,438
	<b>473,770</b>	<b>-</b>	<b>534,342</b>	<b>1,008,112</b>

#### Governance Costs Breakdown

	Basis				
Staff costs (see note 6)	3	48,814	-	59,879	108,693
Travel	3	124	-	153	277
Postage and communications	3	1,082	-	1,327	2,409
Office expenses and other items	3	1,184	-	1,452	2,636
Premises costs	3	3,893	-	4,775	8,668
Audit fee	2	8,916	-	-	8,916
Other professional fees	3	212	-	262	474
<b>Total charity</b>		<b>64,225</b>	<b>-</b>	<b>67,848</b>	<b>132,073</b>
Audit fee – trading subsidiary	2	-	1,128	-	1,128
<b>Total group</b>		<b>64,225</b>	<b>1,128</b>	<b>67,848</b>	<b>133,201</b>

## Edinburgh Children's Hospital Charity

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

### 8. EXPENDITURE ON RAISING FUNDS

Group			Year to 31 December 2021 Total £	Year to 31 December 2020 Total £
	Unrestricted £	Restricted £		
Expenditure on Raising Funds (note 7)	325,706	117,548	443,254	473,770
Fundraising trading:				
Costs of goods sold	190,542	-	190,542	118,179
Costs allocated to fundraising trading (note 7)	52,140	-	52,140	45,635
	242,682	-	242,682	163,814
Total expenditure on raising funds	568,388	117,548	685,936	637,584

Charity			Year to 31 December 2021 Total £	Year to 31 December 2020 Total £
	Unrestricted £	Restricted £		
Expenditure on Raising Funds (note 7)	325,706	117,548	443,254	473,770

To the extent that the costs attributable to generating donations and legacies are not directly attributable between unrestricted and restricted funds, they are allocated in direct proportion to donations and legacies received. The costs attributed to fundraising trading all relate to unrestricted funds.

### 9. EXPENDITURE ON CHARITABLE ACTIVITIES

Group and Charity			Year to 31 Dec 2021 Total £	Year to 31 Dec 2020 Total £
	Unrestricted £	Restricted £		
<b>Grants and donations:</b>				
Art Therapy	-	-	-	6,000
Atrium Enhancements	-	16,076	16,076	-
Auditory Brainstem Response Testing	-	-	-	31,517
Bill Manson Memorial Bench	-	109	109	5,000
ECHC Nurse Specialist	-	-	-	23,626
Children and Young People's Service Website	27,002	-	27,002	18,518
Covid Emergency Response	-	-	-	36,140
Crohn's Research	-	42,140	42,140	69,823
Cystic Fibrosis Multiple Breath Washout	-	-	-	10,669
Cystic Fibrosis – respiratory and sleep monitor	-	9,000	9,000	-
Epilepsy Laser	-	139,370	139,370	-
Family Support	5,659	202	5,861	17,113

## Edinburgh Children's Hospital Charity

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

### 9. EXPENDITURE ON CHARITABLE ACTIVITIES (continued)

			Year to 31 Dec 2021	Year to 31 Dec 2020
	Unrestricted £	Restricted £	Total £	Total £
<b>Grants and donations:</b>				
Impact Ace Research Project Co-ordinator	-	-	-	55,482
Digital Champion (Kidsnet)	-	6,689	6,689	-
KILTS-Kids Liver Trends in Scotland Study	-	-	-	7,875
Lifesaving Airway Equipment	-	24,986	24,986	-
Living Life to the Full – Edinburgh	-	-	-	38,548
Memory Box Supplies	-	9,997	9,997	9,633
Memory Making Critical Care	-	34	34	-
More Than Words	-	-	-	11,254
Music Garden and Outdoor Performance Space	-	27,138	27,138	10,643
Music Therapy for Children in Early Years	-	-	-	5,000
New Hospital Enhancements	-	-	-	68,448
Novel Brain Function Connectivity Assessment	-	5,000	5,000	13,408
Physiotherapy for Haemophilia	10,340	-	10,340	13,800
Psychology Adding Value: Epilepsy Screening	10,000	-	10,000	-
Play Department	-	7,342	7,342	12,469
Therapies Ward 2	-	-	-	4,557
Social Work Department	-	5,000	5,000	13,300
St John's Emergency Department Redesign	-	3,000	3,000	-
Volunteer Services	45,000	-	45,000	45,000
Welcome Presents and Rewards	-	2,304	2,304	1,481
Youth Team – Talks 2 Us (6VT Youth Café)	26,099	16,000	42,099	-
Other grants and donations (under £5,000)	34,406	22,885	57,291	77,614
<b>Total grants and donations</b>	<b>158,506</b>	<b>337,271</b>	<b>495,776</b>	<b>606,918</b>
<b>Direct charitable activity</b>				
Childrens Wellbeing Service (Arts Programme)	76	64,658	64,733	34,638
Christmas Inflatable depreciation – 25% in year 1	4,215	-	4,215	-
The Hub	-	-	-	8,021
<b>Total direct charitable activity</b>	<b>4,291</b>	<b>64,658</b>	<b>68,948</b>	<b>42,659</b>
Costs attributable to charitable activities (note 7) including governance costs	<b>182,097</b>	<b>293,363</b>	<b>475,460</b>	<b>534,342</b>
<b>Total cost of charitable activities</b>	<b>344,894</b>	<b>695,291</b>	<b>1,040,185</b>	<b>1,183,919</b>

All of the grants and donations payable were to support patients, families, projects or staff at the RHSC, RHCYP and other healthcare centres.

The costs attributable to charitable activities are attributed between unrestricted and restricted funds in direct proportion to charitable expenditure.

In 2020, the Arts Programme, Volunteer Service, Youth Work and Drop-In Service merged under the one umbrella of Children's Wellbeing Services.

## Edinburgh Children's Hospital Charity

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

### 10. DESIGNATED FUNDS

In line with the Statement of Recommended Practice for Charities, £164,447 (£186,441 in 2020) has been designated for various charitable projects and £228,998 (£454,212 in 2020) sufficient to cover an orderly winding up of the charity has been designated in the Operating Fund as detailed in the 'Financial Review' on page 28.

A net transfer has been made from unrestricted funds of £136,511. This is the net effect of provisions made in the current financial period for grants approved in the period reduced by designations having been made in a previous financial year which are no longer required. This happens when specific funds are subsequently raised for the project or where the final cost is less than the designated amount.

	<b>Funds Balance at 1 January 2021</b>	<b>(Payments) made during the period</b>	<b>Transfer from/(to) Unrestricted Funds</b>	<b>Funds Balance at 31 December 2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Designated Funds</b>				
Family Support	333	-	(333)	-
Volunteer Services	45,001	(45,000)	44,999	45,000
Development of a Physiotherapy Service for Patients with Haemophilia	10,340	(10,340)	-	-
Psychology Adding Value: Epilepsy Screening	10,000	(10,000)	-	-
Hospital Youth Team (6VT Youth Café)	45,416	(26,099)	24,035	43,352
Social Work	12,000	-	(12,000)	-
Children and Young People's Website	59,028	(27,002)	(28,384)	3,642
Digital Champion (Kidsnet)	-	-	6,963	6,963
Epilepsy Laser Maintenance	-	-	11,425	11,425
Play Department	-	-	6,316	6,316
Lauriston Community Outpatients	-	-	16,758	16,758
St John's Maternity Enhancements	-	-	25,259	25,259
Other approved grants (under 5,000)	4,323	(40,064)	41,473	5,732
<b>Designated Funds</b>	<b>186,441</b>	<b>(158,505)</b>	<b>136,511</b>	<b>164,447</b>
<b>Operating Fund</b>	<b>454,212</b>	<b>-</b>	<b>(224,212)</b>	<b>230,000</b>

Further information on grants paid and accrued during the period is given in the Trustees' Report. The designated funds balance represents our commitments out of unrestricted funds for the next year.

## Edinburgh Children's Hospital Charity

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

### 10. DESIGNATED FUNDS (continued)

	Funds Balance at 1 January 2020	(Payments) made during the period	Transfer from/(to) Unrestricted Funds	Funds Balance at 31 December 2020
	£	£	£	£
<b>Designated Funds</b>				
Family Support	-	(5,093)	5,426	333
Volunteer Services	18,953	(45,000)	71,048	45,001
Drop In Centre Guided Self Help	-	(11,254)	11,254	-
Development of a Physiotherapy Service for Patients with Haemophilia		(1,230)	11,570	10,340
ECHC Nurse Specialist	1,057	(16,116)	15,059	-
Epilepsy Screening	10,869	-	(10,869)	-
Psychology Adding Value: Epilepsy Screening	361	-	9,639	10,000
Welcome and Reward Presents	20	(1,481)	1,461	-
Study on Parental Group Sleep Education in young children with Down Syndrome	15,463	-	(15,463)	-
Out of area placement expenses	5,000	-	(5,000)	-
Wall graphics and distractions in RHYCP Radiology	29,630	(29,630)	-	-
Multiple Breath Washout in Children with Complex Respiratory Disease	10,699	-	(10,699)	-
Update to Software for Neuromate				
Robot for Epilepsy Surgery	6,000	-	(6,000)	-
Living Life to the full - Edinburgh	38,548	(38,548)	-	-
Hospital Youth Team (6VT Youth Café)	-		45,416	45,416
Social Work	-	-	12,000	12,000
Children and Young People's Website	-	(18,518)	77,546	59,028
Other approved grants (under 5,000)	12,217	(17,735)	9,841	4,323
<b>Designated Funds</b>	<b>148,817</b>	<b>(184,605)</b>	<b>222,229</b>	<b>186,441</b>
<b>Operating Fund</b>	<b>627,579</b>	<b>-</b>	<b>(173,367)</b>	<b>454,212</b>

## Edinburgh Children's Hospital Charity

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

### 11. RESTRICTED FUNDS

Restricted funds are funds received which are earmarked by the donor for a specific ward, department or project.

	Funds Balance at 1 January 2021	Transfers between Funds	Transfer from (to) Unrestricted Funds	Income during the period	Payments and Grants during the period	Funds Balance at 31 December 2021
	£	£	£	£	£	£
Arts Programme	3,692	-		17,450	(21,142)	-
Arts Coordinator	6,497	-		-	(6,497)	-
Awake ABR	5,783	-		-	-	5,783
Bill Manson Scholarship	10,084	-		-	-	10,084
Children's Wellbeing Officer	-	-		23,187	(17,503)	5,684
Children's Wellbeing Services	-	-		10,500	(10,500)	-
CWS Christmas Activity	-	1,140		12,655	(13,795)	-
Chronic Fatigue	9,009	-		-	-	9,009
Covid-19	7,969	-	(7,703)	-	(266)	-
Covid-19 Scot Gov Wellbeing Fund	-	-	-	70,000	(10,604)	59,396
Craig Gowans Memorial Trust	25,927	-	10	3,741	-	29,678
Intensive Care & High Dependency	36,457	-	-	1,125	-	37,582
Crohn's Disease Research	145,862	11,013	3,855	125,474	(41,833)	244,371
Cystic Fibrosis	10,216	-	-	-	(9,000)	1,216
Epilepsy Appeal	121,101	-	-	70,625	(139,370)	52,357
Impact Ace Research Coordinator	18	-	-	-	-	18
Jess Mackie Fund	47,194	-	(500)	5,440	(21,823)	30,312
Jess Mackie Music Garden	14,902	-	-	120	(12,221)	2,801
Late Night Youth Work	-	-	-	16,000	(16,000)	-
Lauriston Community Outpatients	-	-	-	25,000	-	25,000
Lifesaving Airway Equipment	30,000	-	-	-	(24,986)	5,014
New Hospital Enhancements	37,453	-	-	-	(18,851)	18,602
Orthopaedic / Spinal	39,004	-	-	467	-	39,470
Physio for Haemophilia	-	-	-	-	-	-
PJs Fund	11,861	-	-	-	-	11,861
Professor Richard Russell	11,013	(11,013)	-	-	-	-
Pull Down Beds	12,099	-	-	200	-	12,299
Rafael Gillet Madrid	4,171	-	-	-	(3,682)	489
Social Work	-	-	5,000	-	(5,000)	-
Space Academy	2,792	-	-	100,000	(2,792)	100,000
St John's Emergency Department	46,020	-	-	-	(3,000)	43,020
Lochranza	-	(400)	93	24,939	(4,186)	20,446
Borthwick	15,471	(350)	-	1,521	(899)	15,743
Borthwick Art/Youth Work	8,000	-	-	-	(8,000)	-
Wireless EEG Headgear	5,000	-	-	-	(5,000)	-
St John's Maternity	-	14,741	-	-	-	14,741
Other funds (under £10,000)	168,237	(15,131)	2,365	60,913	68,450	143,203
<b>Subtotal</b>	<b>835,832</b>	<b>-</b>	<b>(1,610)</b>	<b>569,357</b>	<b>(465,398)</b>	<b>938,181</b>
Raising funds apportioned*	-		113,836		(113,836)	-
Charitable activities apportioned*	-		233,605		(233,605)	-
<b>Total Restricted Funds</b>	<b>835,832</b>	<b>-</b>	<b>345,831</b>	<b>569,357</b>	<b>(812,839)</b>	<b>938,181</b>

## Edinburgh Children's Hospital Charity

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

### 11. RESTRICTED FUNDS (continued)

In 2021 restricted funds were renamed in line with the new hospital ward names. Their purpose has remained the same. New funds have also been created for specific grants in 2021 where funding is agreed by donors across multiple funds. The St John's Maternity fund is an example of this, and the internal transfers are recorded across the funds.

\*These are the costs apportioned to restricted funds per note 7. They are deemed to have been applied to restricted funds in the statement of financial activities but are not charged against each separate restricted fund.

	Funds Balance at 1 January 2020	Transfers between Funds	Transfer from (to) Unrestricted Funds	Income during the period	Payments and Grants during the period	Funds Balance at 31 December 2020
	£	£	£	£	£	£
Arts Programme	6,900	-	-	7,255	(10,463)	3,692
Arts Coordinator	14,458	-	-	-	(7,961)	6,497
Awake ABR	-	-	-	37,300	(31,517)	5,783
Bill Manson Scholarship	10,205	-	-	-	(121)	10,084
Chronic Fatigue	9,009	-	-	-	-	9,009
Covid-19	-	20,275	-	153,321	(165,627)	7,969
Covid-19 Scot Gov Wellbeing Fund	-	-	-	98,500	(98,500)	-
Craig Gowans Memorial Trust	26,993	(4,000)	2,300	634	-	25,927
Intensive Care & High Dependency	35,257	-	-	1,510	(310)	36,457
Crohn's Disease Research	63,099	-	-	115,370	(32,607)	145,862
Cystic Fibrosis	20,885	-	-	-	(10,669)	10,216
Epilepsy Appeal	-	-	-	121,101	-	121,101
Impact Ace Research Coordinator	27,300	-	-	28,200	(55,482)	18
Jess Mackie Fund	54,493	(12,000)	-	9,261	(4,560)	47,194
Jess Mackie Music Garden	-	10,000	-	15,545	(10,643)	14,902
Lifesaving Airway Equipment	-	-	-	30,000	-	30,000
New Hospital Enhancements	61,121	-	-	15,150	(38,818)	37,453
Orthopaedic / Spinal	39,464	-	-	-	(460)	39,004
Physio for Haemophilia	12,570	-	-	-	(12,570)	-
PJs Fund	18,861	(2,000)	-	4,133	(9,133)	11,861
Professor Richard Russell	113,013	-	-	-	(102,000)	11,013
Pull Down Beds	7,099	-	-	5,000	-	12,099
Rafael Gillet Madrid	19,271	(14,000)	-	-	(1,100)	4,171
Social Work	-	-	-	4,500	(4,500)	-
Space Academy	10,500	(5,436)	-	-	(2,272)	2,792
St John's Emergency Department	49,420	-	-	-	(3,400)	46,020
Ward 7 Neurology	16,534	-	-	581	(1,644)	15,471
Ward 7 Art/Youth Work	-	-	-	8,000	-	8,000
Wireless EEG Headgear	26,650	(8,242)	-	-	(13,408)	5,000
Other funds (under £10,000)	160,323	15,403	2,804	101,289	(111,582)	168,237
<b>Subtotal</b>	<b>803,425</b>	<b>-</b>	<b>5,104</b>	<b>756,650</b>	<b>(729,347)</b>	<b>835,832</b>
Raising funds apportioned*	-	-	67,015	-	(67,015)	-
Charitable activities apportioned*	-	-	99,061	-	(99,061)	-
<b>Total Restricted Funds</b>	<b>803,425</b>	<b>-</b>	<b>171,180</b>	<b>756,650</b>	<b>(895,423)</b>	<b>835,832</b>

## Edinburgh Children's Hospital Charity

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

### 12. FUNDS SUMMARY

The movements during the year allocated to the different funds are summarised as follows:

Group	Restricted Funds £	Unrestricted Funds £	Operating Fund £	Designated Fund £	Total Funds £
<b>Funds per Balance Sheet at 31 December 2020</b>	<b>835,832</b>	<b>955,535</b>	<b>454,212</b>	<b>186,441</b>	<b>2,432,020</b>
Net Income from the Statement of Financial Activities	(243,482)	316,874	-	-	73,392
Grants paid from Designated Funds	-	158,505	-	(158,505)	-
Transfers to Designated Funds	-	(136,511)	-	136,511	-
Operating Fund movement	-	224,212	(224,212)	-	-
Transfer to Restricted funds	345,831	(345,831)	-	-	-
<b>Funds per Balance Sheet at 31 December 2021</b>	<b>938,181</b>	<b>1,172,784</b>	<b>230,000</b>	<b>164,447</b>	<b>2,505,412</b>

Charity	Restricted Funds £	Unrestricted Funds £	Operating Fund £	Designated Fund £	Total Funds £
<b>Funds per Balance Sheet at 31 December 2020</b>	<b>835,832</b>	<b>954,927</b>	<b>454,212</b>	<b>186,440</b>	<b>2,431,411</b>
Net Income from the Statement of Financial Activities	(243,482)	277,487	-	-	34,006
Grants paid from Designated Funds	-	158,505	-	(158,505)	-
Transfers to Designated Funds	-	(136,511)	-	136,511	-
Operating Fund movement	-	224,212	(224,212)	-	-
Transfer to Restricted funds	345,831	(345,831)	-	-	-
<b>Funds per Balance Sheet at 31 December 2021</b>	<b>938,181</b>	<b>1,132,789</b>	<b>230,000</b>	<b>164,447</b>	<b>2,465,417</b>

## Edinburgh Children's Hospital Charity

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

### Analysis of Net Assets

Group	Restricted Funds £	Unrestricted Funds £	Operating Fund £	Designated Fund £	Total Funds £
Fixed assets	-	12,645	-	-	12,645
Net Current assets	938,181	1,160,139	230,000	164,447	2,492,767
<b>Net Assets at 31 December 2021</b>	<b>938,181</b>	<b>1,172,784</b>	<b>230,000</b>	<b>164,447</b>	<b>2,505,412</b>
	Restricted Funds £	Unrestricted Funds £	Operating Fund £	Designated Fund £	Total Funds £
Net Current assets	835,832	955,535	454,212	186,441	2,432,020
<b>Net Assets at 31 December 2020</b>	<b>835,832</b>	<b>955,535</b>	<b>454,212</b>	<b>186,441</b>	<b>2,432,020</b>

Charity	Restricted Funds £	Unrestricted Funds £	Operating Fund £	Designated Fund £	Total Funds £
Fixed assets	-	12,645	-	-	12,645
Net Current assets	938,181	1,120,144	230,000	164,447	2,452,772
<b>Net Assets at 31 December 2021</b>	<b>938,181</b>	<b>1,132,789</b>	<b>230,000</b>	<b>164,447</b>	<b>2,465,417</b>
	Restricted Funds £	Unrestricted Funds £	Operating Fund £	Designated Fund £	Total Funds £
Net Current assets	835,832	954,927	454,212	186,441	2,431,412
<b>Net Assets at 31 December 2020</b>	<b>835,832</b>	<b>954,927</b>	<b>454,212</b>	<b>186,441</b>	<b>2,431,412</b>

### 13. FIXED ASSETS

	Group		Charity	
	Plant & Equipment £	Total £	Plant & Equipment £	Total £
<b>Cost</b>				
As at 1 January 2021	-	-	-	-
Additions	16,860	16,860	16,860	16,860
<b>As at 31 December 2021</b>	<b>16,860</b>	<b>16,860</b>	<b>16,860</b>	<b>16,860</b>
<b>Depreciation</b>				
As at 1 January 2021	-	-	-	-
Charge for year	4,215	4,215	4,215	4,215
<b>As at 31 December 2021</b>	<b>4,215</b>	<b>4,215</b>	<b>4,215</b>	<b>4,215</b>
<b>Net Book Value</b>				
As at 31 December 2021	12,645	12,645	12,645	12,645
As at 31 December 2020	-	-	-	-

## Edinburgh Children's Hospital Charity

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

### 14. DEBTORS

	Group		Charity	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
	£	£	£	£
Interest receivable	42	63	42	63
Accrued legacies	10,000	13,000	10,000	13,000
Prepayments and other accrued income	89,723	192,544	89,298	192,464
	<b>99,765</b>	<b>205,607</b>	<b>99,340</b>	<b>205,527</b>
Due from Task Trading Limited:				
- Balance of Task Trading A/c at 31 December	-	-	22,789	50,659
	<b>99,765</b>	<b>205,607</b>	<b>122,129</b>	<b>256,186</b>

### 15. CREDITORS: amounts falling due within one year

	Group		Charity	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
	£	£	£	£
Trade creditors	25,077	22,920	10,270	13,535
Other grants due	53,722	96,439	53,722	96,439
Other creditors	30,000	26,138	27,435	24,249
PAYE/NIC	14,467	-	13,835	-
Dilapidation provision	20,160	19,620	20,160	19,620
VAT due to HMRC	3,963	5,551	-	-
	<b>147,389</b>	<b>170,668</b>	<b>125,422</b>	<b>153,843</b>

### 16. COMMITMENTS UNDER OPERATING LEASES

At 31 December 2021 the charity had annual commitments under non-cancellable operating leases as set out below:

	Group and Charity		Group and Charity	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
	Buildings	Buildings	Office Equipment	Office Equipment
	£	£	£	£
Operating leases which expire				
Within 1 year	36,317	36,317	2,409	1,516
Within 2 to 5 years	51,449	87,766	6,008	3,953
Over 5 years	-	-	-	-
	<b>87,766</b>	<b>124,083</b>	<b>8,417</b>	<b>5,469</b>

The total lease payments recognised as an expense in 2021 is £ 37,833 (2020: £37,833).

## Edinburgh Children's Hospital Charity

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

### 17. CONTINGENT LIABILITY

The charity has received a grant totaling £34,500. This grant is subject to a termination agreement which states that should the project fail to deliver the charitable benefit for certain reasons (including disposing of property, ceasing to trade, or there being a significant change in the nature or focus of the charity's operations), then the money can be reclaimed by the funder on a sliding scale over five years, ending 31 May 2023.

### 18. RELATED PARTY TRANSACTIONS

Certain expenses of Task Trading are paid by Edinburgh Children's Hospital Charity and were reimbursed during the period. The amounts due from Task Trading at 31 December 2021 represented £22,789 (£50,659 in 2020) in respect of net income by Edinburgh Children's Hospital Charity on behalf of Task Trading.

One Trustee, John Brodie (CEO of Scotmid), has continued to support our retail activities throughout the year.

One Trustee, Fiona Linklater was a Director at Lindsays. During 2021 we received employment law advice from a colleague of Fiona's at Lindsays to the value of £324.

One Trustee, Jon McCormack, is employed by NHS Lothian.

One member of the Grants Committee, Paul Leonard, is a Consultant in Emergency Medicine at the RHSC. During the year, the Emergency department has benefitted from grants provided by ECHC.

### 19. SUBSIDIARY COMPANIES

The following companies, incorporated in Scotland, are 100% subsidiaries of Edinburgh Children's Hospital Charity:

Name	Net Assets	Turnover	Expenditure	Profit / (Loss)	Nature of business
The Sick Kids Friends (Little France) Ltd (SC390634)	£1	£-	£-	£-	Dormant
Task Trading Ltd (SC123976)	£39,995	£288,501	£248,419	£40,082	Retail Trading

### 20. ULTIMATE CONTROLLING ENTITY

Edinburgh Children's Hospital Charity is controlled by its voluntary Board of Trustees. There is no parent company.

## REFERENCE & ADMINISTRATIVE DETAILS

### Name and Address

Edinburgh Children's Hospital Charity  
1 Wester Shawfair  
Danderhall  
Dalkeith  
EH22 1FD

Telephone: 0131 668 4949

Scottish charity number: SC 020862  
Company registration number: SC 385020

[www.echcharity.org](http://www.echcharity.org)

### Trustees

The Trustees who held office during the period and up to the date of signing Accounts were:

Professor Keith Anderson  
Tracey Ashworth-Davies  
Angus Blacklock (appointed February 2022)  
Robin Blacklock (resigned in April 2021)  
John R Brodie MBE  
Lynda Cowie  
Lindsay Gardiner (Chair)  
Fiona Linklater  
Dr Jon McCormack (appointed December 2021)  
Professor Angela Thomas OBE  
Michael Tumilty  
Dr Louise Potter (appointed February 2021)

### Royal Patron

HRH Princess Beatrice of York

### Chair

Lindsay Gardiner

### Chief Executive

Roslyn Neely

### Auditors

Henderson Loggie LLP  
11 Thistle Street  
Edinburgh  
EH2 1DF

### Audit Committee

Professor Keith Anderson (Chair)  
Fiona Linklater  
Richard Slater (non-Trustee member)

### Bankers

Bank of Scotland  
Head Office  
The Mound  
Edinburgh EH1 1YZ

### Grants Committee

Michael Tumilty (Chair)  
Lynda Cowie  
Professor Angela Thomas OBE  
Dr Jon McCormack  
Dr Paul Leonard (non Trustee member)  
Lyndsay Gowans (non Trustee member)

### Lawyers

Lindsays  
Caledonian Exchange  
19A Canning Street  
Edinburgh EH3 8HE

### Governance Committee

Lindsay Gardiner (Chair)  
Tracey Ashworth-Davies  
Roslyn Neely (CEO)

