

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

Year to 31 December 2022

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CHAIR'S FOREWORD

On behalf of the Board of Trustees I would like to extend our thanks to all our supporters, partners, volunteers, and staff for everything they do for the children and young people who benefit from the activities of Edinburgh Children's Hospital Charity.

We are now settled into our new facilities at the Royal Hospital for Children and Young People at Little France and are very grateful to all in NHS Lothian, and Children's Services in particular, for the partnership we enjoy with them. Our Children's Wellbeing Service operates out of the ECHC Hub, adjacent to the busy outpatients waiting areas and family support corridor, as well as around the hospital in communal spaces and at bedsides. As awareness of our work continues to grow amongst NHS staff, we have seen a considerable rise in their referrals to our team when they identify a child or young person that they work with as one who could benefit from our holistic support.

Our arts and wellbeing programmes see us support children, young people and their families with creative activities, youth work interventions, complementary therapies, and regular weekly events including visits from the therapists, arts workshops and youth groups.

In an average week we have over 50 unique visits from young people or their families to our Hub. Alongside the direct experience we have, feedback from wider interaction with families demonstrates a need for significant further support for our children and young people, not only when they are dealing with medical matters but also, as they meet the post pandemic and other challenging aspects of society which impact their lives. This is an area that we as a charity will seek to extend our support over the coming months with fundraising to support community interventions.

We remain committed to delivering innovation and transformations in healthcare by providing a Grants Programme which can provide enhancements over and above what the NHS is able to provide.

Our team are our greatest asset and the Board and I extend our thanks to the staff, sessional workers and volunteers who bring their skills, creativity and enthusiasm to the charity for the

benefit of ever-growing numbers of babies, children and young people. We know from feedback that families are grateful for the way in which the charity's people provide comfort and support to them, and their children, at uncertain times.

During the year we welcomed two new "younger" Trustees to our Board, Christy Thomson, and Angus Blacklock. It is particularly helpful to have their input as we shape our future strategy.

We continue to find ourselves in a challenging world as economic uncertainty, the rising cost of living and ongoing Covid-related issues make it an uncertain time for fundraising activities. We remain incredibly thankful for the continued support of so many people and organisations who make donations to the charity throughout the year. We simply can't do what we do without those many welcome contributions.

Lindsay Gardiner
Chair

A handwritten signature in black ink, appearing to read 'Lindsay', written in a cursive style.

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 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006 and the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The information on page 65 forms part of this report.

ABOUT EDINBURGH CHILDREN'S HOSPITAL CHARITY (ECHC)

Everything ECHC does is designed to transform the hospital and healthcare experience for babies, children and young people so their lives are less interrupted by illness, and they have a more positive experience of hospital and healthcare. We think nothing should stand in the way of being a child.

We are child and young person led and whether they are experiencing physical or mental health challenges, we take a holistic approach to supporting children and young people's wellbeing and resilience during what can be the most challenging of times.

- We support children, young people and their entire families during their visits to the hospital by providing a children's wellbeing service, unique to any children's hospital. This includes:
 - A range of activities, one to one support, group work and complementary therapies available daily, as well as a hot cup of tea and the chance to offload, within our homely Hub.
 - An enormous range of creative adventures, activities and performances which distract, reassure and entertain children and young people of all ages and abilities, at bedside, throughout the hospital and outdoors, thanks to our Arts Programme.
 - We support young people in the hospital to feel in control of their hospital visit and promote wellbeing and resilience through many activities including our weekly youth group, daily youth work activities, condition specific workshops and one to one support.
- We reduce anxiety and provide distraction and stimulation for active imaginations by creating bespoke therapeutic environments to support engagement with treatment.
- We transform children and young people's treatment and care, and enable NHS staff at the Royal Hospital for Children and Young People (RHCYP) to develop world leading innovations and research by funding new equipment or services through our Grants Programme.
- We make sure that families have access to refreshments, essential items and gifts as conveniently as possible with our hospital shop and ward trolley.
- We distract, engage, comfort and support a child during their visit to hospital with numerous extras including bravery stickers, emergency toiletries, a visit from a famous sports star, an easter egg or selection box, and ward playrooms filled with toys, books and games.



A little boy takes part in activities in The Hub

Social Impact Highlights 2022



What we do



Deliver innovation



Transform lives



Develop lasting relationships



Tell our story

How we do it



We deliver an ambitious grants programme.



We run a diverse and varied arts programme and flagship projects.



We run a shop where families can buy essentials.



We deliver quality youth work and family support.



We organise fundraising events and challenges.



We have 168 volunteers.

Our outcomes



Children and young people's lives are less interrupted by illness.



Children and young people are less scared of hospital.



Children and young people's families are better supported and comforted.



Children and young people have an improved experience of healthcare in their community.

Long term impact



Every child and young person's experience in hospital and healthcare is improved.



Therapeutic interventions and environments are recognised as being crucial for children's healthcare.



Clinical outcomes are transformed through funding of ground breaking research and equipment.



Children's health organisations change lives by adopting our Wellbeing & Resilience Programme.



Children's healthcare rights are promoted and respected.

Scottish Charity Number: SC020862



ACHIEVEMENTS AND PERFORMANCE

We started 2022 in heightened covid restrictions within the hospital and wider community. Whilst this resulted in the short-term closure of our Hub and our artists not being able to attend the hospital for a couple of weeks, our team continued to strive to support children, young people and their families. During this time our hospital staff team remained on-site for one-to-one referrals and to disseminate activities which children and young people could undertake from their bed by themselves.

Despite this setback to the start of the year, we were pleased to see our services ramp up again from mid-January onwards. Our Children's Wellbeing services were in increasing demand throughout the year, the Hub (which re-opened in mid-January) developed a new service model to provide a calendar of daily activities, and we were pleased to receive more referrals and requests from NHS staff than in any year before.

A Weekly Programme for The Hub

The Hub is a homely space away from the wards, on the ground floor of the hospital, which comprises a kitchen/dining area, living room space, snug, playroom, complementary therapy room and outside courtyard/play space. Our Children's Wellbeing Team works across the hospital in communal spaces and at bedsides. Additionally, visitors to the hospital, from 0 years to Grandparent, are encouraged to drop by The Hub and take part in whatever is happening. In 2022, we had over 2,133 visitors to the Hub.

In 2022, we introduced a weekly programme of activities in The Hub and this is promoted around the hospital to attract children, young people and their families to attend. The programme includes a visit from the therapists, arts workshops, mindfulness activities, themed workshops (eg dinosaurs), visits from partner organisations eg National Galleries, Edinburgh Zoo; and our popular weekly youth group.

The Hub is also a centrepiece for all our seasonal activities and this year, thanks to Kilduff Farm, we had our very own pumpkin patch with hundreds of pumpkins 'picked' by children and then decorated in the Hub. It is also a showcase for our All in Bloom garden competition, whereby wards and departments across the hospital compete to decorate their courtyards in our own version of the Chelsea Flower Show.

Reintroduction of Complementary Therapies

We were so pleased to be able to reintroduce complementary therapies to our Children's Wellbeing Service, after they had to be stopped during covid. Our new therapist has been working with children, young people, families and staff and building up the service in response to their needs. We are now delivering individual and group sessions, using both The Hub and our complementary therapies room. Susie uses several creative approaches to engage children and families including story massage, which uses storytelling to develop self-massage techniques; and "Guess the Aroma", a journey around the world, sampling some surprise aromas in jars, guessing the smells, which evokes memories and feelings. Children especially love making Aroma Slime and Potion Roller Balls. Susie is now also working closely with the Play Team to help children and young people with procedural anxiety by providing relaxing aroma nasal inhalers.

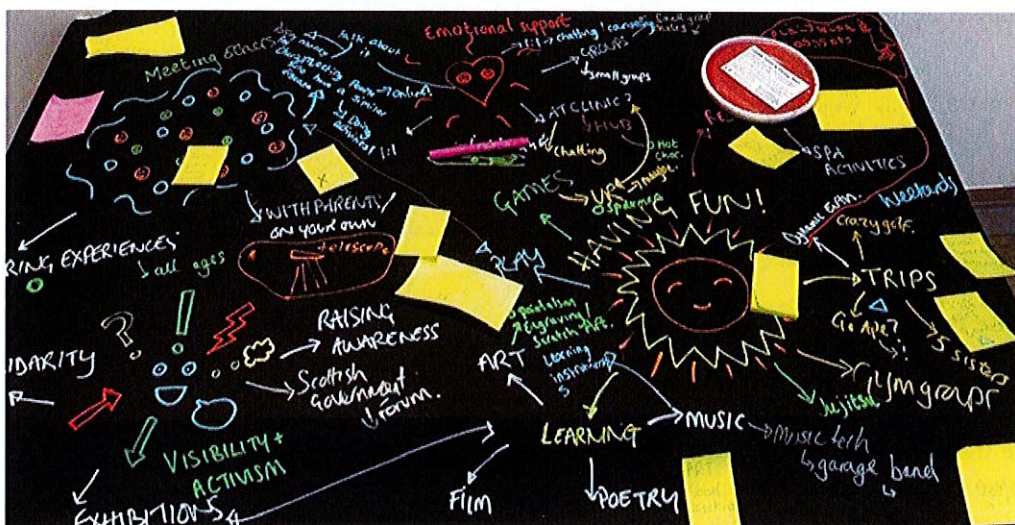
Developing our youth work

individuals and groups.

can come and say hello, just knowing one of you guys is around" Parent

Person

designing the service and how they would like to be supported.



A consultation with children and young people

Clown S'Cool

Question: What kind of doctor believes that laughter is the best medicine?

Answer: A CLOWN DOCTOR!

Laughter certainly was the best medicine for young people who spent a joyful week at 'Clown S'Cool', learning the tricks of the clown trade, creating amazing costumes with Dr Flobble & making marvellous entrance music with Dr Jump!

Clown S'Cool was developed after a consultation with children and young people who have Inflammatory Bowel Disease (IBD) highlighted that they wanted to meet other children with the same condition. The programme was developed by EHC and Hearts & Minds who send Clowndoctors into RHCYP. The intention of Clown S'Cool was to help children and young people with IBD to address feelings of shame and embarrassment associated with their condition using comedy while meeting others with similar experiences to themselves.

These themes were identified from anecdotal evidence collected in consultations with the children and young people. It was hoped that participation would build self-esteem and increase confidence leading to a reduction in feelings of loneliness and isolation by empowering them to feel more comfortable and take control of their own narrative using the tools they'll practice in Clown S'Cool.

An extra special well done to 'Clown S'Cool' graduates Dr Elmo, Dr Shnog, Dr Bubbly, Dr Kitty, Dr Whoops, Dr Tippy Toes, Dr Dinosoar, Dr Flume and Dr Nervous!

Evidence Base for EHC Services

We were pleased to work with psychologist, Dr Raymond Dempsey, to review our children's wellbeing service and help us articulate our service pathway and evidence base. It is important for us to be able to evidence the difference that our children's wellbeing service interventions make, and having an evidence base for these services supports that to happen. Following Dr Dempsey's review, we now know that fundamental to all our work is the model of intervention developed by empirical research by clinical psychologist Dr Dan Hughes. The approach focuses on building trusting relationships, emotional connections, containment, and a sense of security. This model, PACE (Playfulness, Acceptance, Curiosity, Empathy) is a trauma-informed approach to supporting children and young people.

The service pathway for EHC Children's Wellbeing Services relies on collaborative working with a range of organisations and we are grateful to all those who work in partnership with us.

Celebrating the Royal Hospital for Children and Young People's First Birthday

We celebrated the hospital's first birthday on 24 March 2022. EHC worked with NHS Lothian colleagues to organise a day of entertainment for children, young people, families and NHS staff. Activities took place all over the hospital, including wards, gardens, The Pod and The Hub. We had entertainers, a dancing unicorn, a party in The Hub, and an artist who captured the events through live drawing. The highlight was one young person, who was an inpatient, playing her bagpipes in the Pod outpatients waiting area.



RHCYP 1st Birthday

Welcoming New Trustees

We were pleased to make two new appointments to our Board of Trustees following a drive to attract younger trustees. Angus Blacklock and Christy Thomson joined the board this year. Both Angus and Christy have personal experiences of the hospital and were recruited for both this valuable insight and to bring diversity of thought to the Board. Our Board are all volunteers and we are very grateful to them for the time, advice and support that they provide to the charity.

Recognising Success

EHC hosted a Parliamentary Reception in June, sponsored by Jeremy Balfour MSP, to celebrate the innovative work of Psychology Adding Value: Epilepsy Screening (PAVES). This project, part-funded by EHC, has seen a reduction of over 60% in children and young people requiring CAMHS / specialist

neuropsychology services, due to this pathway and its tiered interventions. The reception was well received and following this we are looking at how to evidence the impact of innovative projects which we fund (with a view to making the case for long term sustainability/ adoption), and how we evidence the health economies of what we fund.

Challenging Times

ECHC had been hopeful of a speedy recovery from covid and an improved outlook in terms of income generation. However, the severity of the rising cost of living crisis meant 2022 was in some ways the most challenging of recent years. We continued to monitor the impact of rising inflation/cost of living on our expenditure and income streams as sector press suggested that we were in for a more challenging time for income generation than we saw in the pandemic. We retained some optimism as our income portfolio is diverse and we implemented a range of improvements and innovations across all our fundraising streams to offset some of the challenges. However, three key fundraising roles were vacant for large parts of the year, stretching the team's resource and pulling team members away from their own areas of focus. We are pleased to have filled all these roles now and are looking forward to seeing results pick up in 2023.

CHILDREN'S WELLBEING SERVICE

The Children's Wellbeing Service is a service run by Edinburgh Children's Hospital Charity (ECHC).

The Children's Wellbeing Team (CWT) deliver a range of activities and supports to help children and young people to have a positive experience in hospital. The CWT works with the child or young person to identify the issues they are facing whilst in hospital; and agree and deliver a range of activities and interventions to support them.

In the year we received over 350 one-to-one referrals from nursing staff who had identified a child or young person needing support. We supported children and young people in The Hub, in private or communal areas around the hospital or at their bedside. We received referrals from all wards and most departments and created bespoke activities for individuals or groups of children and young people. Our weekly youth group ran on 41 Mondays in the year, and we introduced activities specifically for over 12s on Tuesday and Thursday afternoons in the adolescent spaces in Dalhousie. We also continued to deliver regular weekly activities in the CAMHS Melville Unit.

All our team are experienced in working with children, young people and their families as well as working in a hospital/ healthcare environment. The team enjoy supporting children and young people to achieve their best and all are committed to providing a safe space which celebrates diversity and where everyone is included. In 2022, we received the LGBT Silver Charter and we worked with Speech and Language Therapy colleagues to learn 'sign-a-long' for improved communications with children. Our team apply a rights-based approach to our work with children and young people.

We will support a baby, child or young person by:

- Encouraging participation in activities and workshops.
- Providing resources which give children and young people control in an environment where they feel they don't have any.
- Using our Arts Programme to engage them in a range of arts and creativity; as well as science, technology and sport.

- Working, where required, on a one-to-one basis to identify issues and concerns and to approaching solutions together.
- Providing a safe, non-judgemental space away from wards and clinic rooms.
- Providing a place where a whole family can be together, especially important in an end of life situation.
- Supporting parents / carers and siblings.
- Making introductions to other organisations who can listen and help with anything that is worrying a child, young person or their family.
- Running groups, workshops and activities that introduce children to other children and young people and help them make friends.

Ask Don't Guess

At EHC, we always ask our experts! 'Ask Don't Guess' has been created by our hospital Youth Group to raise awareness of the importance of not making assumptions when working with young people and to encourage best practice for those who do.

The Youth Group want to spread the message that if you don't know something for sure, you should always – ASK DON'T GUESS!

Whether it's assuming a young person's gender, pronouns or sexuality; their family structure or support system; religious beliefs; abilities or aspirations, making assumptions can have a negative, harmful impact.

"Throughout life, we're always making assumptions and that's essentially part of being human. But as long as we're challenging those assumptions and we're open to being challenged on them, we can't go far wrong".

- ALICE, CHILDREN'S WELLBEING OFFICER, EHC

All Aboard!

One of our Children's Wellbeing Team successes in 2022 was a project developed to help sustain physiotherapy attendance and celebrate the journey of children with Clubfoot. Around 10-20 children per year attend physiotherapy appointments with clubfoot condition, which is diagnosed antenatally. The physiotherapy treatment starts when the child is just one week old and continues until the age of five, every three months. The child wears a boot each night until this age and clinical observation continues until the child is eight years old. This is a lot for young children to deal with and the physiotherapy team asked EHC if we could provide a creative solution to keep children motivated and engaged with their treatment. The result is a beautiful wooden train and each time the child visits the physiotherapy team, they receive a part of their train, which increases in length and colour over the five-year period. They can choose their trucks, symbols, and words of encouragement, and are awarded colourful and celebratory year blocks.

Zoe (pictured below), age 7, was one of the first children to receive her completed train. Mum Anna said: *"Zoe was very excited to contribute to ECHC's clubfoot train project. She loves sparkles and rainbow colours so suggested these and some messages of encouragement. We think this is a lovely idea to help children on their clubfoot journey – which is long and involves many hospital visits. It recognises progress and commitment to the treatment plan and gives children something they can really look forward to each time they attend the hospital."*



Zoe was one of the first children to receive her clubfoot train.

Studio and Wellbeing Boxes

The Children's Wellbeing Team have developed resources designed to support children to undertake self-directed activities. Studio boxes contain child-led activities, focusing on distraction, achievement and fun linked to the passing seasons and cultural events. In the year the team created and distributed 220 studio boxes.

Wellbeing Boxes are resources which have been developed with consultation from CAMHS teams to steer the content and messaging of the bespoke accompanying journal. The activities have been co-produced with young people, informed by what they find most helpful as tools to build resilience and coping techniques while in hospital. They focus on building an array of tools and techniques that can be established when in hospital and carried forward. Over 50 Wellbeing boxes were distributed to children and young people in CAMHS in the year.

"I've just had a look this morning and they are really lovely. They have a journal in with lots of wellbeing promoting activities, there's instructions for fidget toys to make (make your own infinity cube with all the materials required including tape and glue), distractors, pens for colouring, stress ball, putty. I can

see a role for them in ongoing work including as a crisis box, self-care box, but also to gift when we are discharging". CAMHS Staff member

Supporting Children and Young People's Mental Health

The inpatient unit for Child and Adolescent Mental Health Services (CAMHS), The Melville Unit, is located within the Royal Hospital for children and Young People. Our Children's Wellbeing Team were approached by the Occupational Therapy (OT) team to ask us to support in their new initiative, Mindful Mondays. Activities from this have been inspired by our Wellbeing Boxes. The first session was a roaring success and the young people created their own aroma sticks.

We also supported the CAMHS day programme and their initiative "WAVE" (ways to volunteering experience) project. We compiled a programme for four young people who were part of the project to demonstrate some of the work that our volunteers might help us with. Of the young people that arrived, two we had met previously and worked with while they had been on the acute admissions wards following incidents of self-harm and eating disorder assessment. One person 'C' was struggling with extremely high anxiety levels. We made wellbeing boxes with the young people, as well as getting them to explore our "self-care snap" activity. This was a successful activity and helped to bring C into the conversation more. Since then, C has become a regular attendee at our weekly youth group and her OT has informed us that she is "flourishing in so many other ways too".

Space Academy

We were delighted to launch Space Academy in November 2022; a 21-day programme of activities created for children & young people in clinical isolation and based on the daily routine and experiences of an astronaut. It even has the backing of Tim Peake himself!

In Space Academy, children become the captain of their spaceship and the NHS staff their crew, giving them a sense of control over their hospital environment. The children & young people will embark on a journey of space exploration, designed to reduce social isolation and provide plenty of distraction. The mission is to complete daily experiments to help navigate their hospital journey from blast off to touch down...

The project was tested initially with 69 children in the hospital to gather feedback and evaluate how children and young people engage with the experiments and assess how well the experiments work in the hospital environment. Early feedback was that children and young people enjoy the challenge and exploration of the STEM learning activities and the sense of achievement when an experiment works. This will be rolled out in 2023.

"Katie has loved all the activities so far – keeping her busy, entertained and learning. Space Academy kept her brain engaged in something different, not just the same arts and crafts or other activities. She really enjoyed the mixture of arts and crafts as well as science experiments" Dad of Katie, aged 9

We are grateful to Barclays for providing the funding to make this project possible and to STEM UK, EUSA and the UK Space Agency for their assistance in developing the project.



Space Academy experiments

Every Day is a Celebration

Central to everything we do at ECHC is fun. Fun and play are crucial to children's development and help them to express their feelings. We find any excuse we can to have fun and often we theme our activities to a seasonal day or event. This year we have linked to seasonal events including:

Valentine's Day	World Book Day	Spring Holiday Programme
Carnival Week	Edinburgh Fringe	Samba Sunday Performances
Circus	Music Festival Day	Space Week
Halloween	Easter Bonnet Parade	Diwali
Scottish Storytelling Festival	Advent	Edinburgh International Festival
Autumn Programme	The Book Festival	Eid

A weekend performance took place in The Hub by performer and theatre producer Jay McAllister, who told 'The Story of Fergus and Kate' with puppetry, acting and animation. This was linked with the Scottish International Storytelling Festival which was happening concurrently.

During the Edinburgh Fringe Festival, we enjoyed two full day sessions from Matt the Magician, a street performer at the fringe. Families love having the fringe to visit them in hospital, it makes them feel included in the magic of the festival when they might not otherwise be able to go.

Extending our Reach

It is part of our Organisational Strategy 2022-2025 that we will deliver support to children, young people and families beyond the hospital. As part of our Arts Programme, Theiya Arts have been visiting St John's hospital children's ward twice a month.

We have been regularly programming an artist/musician at Queen Margaret Hospital in Dunfermline to support the playworker there with the brilliant work she does in various clinics throughout the year. A lot of these clinics are supporting long term conditions for children and young people, life-changing conditions which can be overlooked (such as diabetes, renal, endocrine, allergies).

"Wow thank you so much for giving us Jamie (Tinderbox) for a session yesterday. He was so good, his way of engaging, his understanding of how children and families felt attending hospital, and he had the ability of pitching it just right for both individuals and the group in the room. He was FANTASTIC. One wee girl who had had a bit of a traumatic morning, was visibly cheered up and went to school happy because Jamie sang a song just for her". Playworker

Step Out

We restarted ECHC's 'Step Out' dance programme for young people accessing physiotherapy services. A parent of one of the children joining the programme for the first time emailed us when booking in to say: *'I've been looking to get her into a class for ages but nothing has been good for her due to her disability'*. This demonstrates the stark need for these fully accessible and genuinely inclusive dance classes, at a venue with accessible parking, where we understand if children are unable to attend for any of the sessions for health reasons. These classes give children with long term health conditions an opportunity for fun and peer support, in a relaxed and supportive environment. They also create space for parents and carers to connect, which is another way of supporting wellbeing.



Step Out Dance troupe performs at All Wrapped Up

VOLUNTEERS

ECHC are privileged to have the support of volunteers helping us in all areas of our work, including the Hub, our arts programme, fundraising and the office. Our 30 regular shop volunteers give a weekly commitment of over 93 hours per week. This lets us open the shop for longer hours and at weekends. In December, 82 volunteers assisted us with the many Christmas activities that happen at the hospital. This included the introduction of volunteer 'elves' who were invaluable in receiving, storing and delivering the many gifts of toys and selection boxes given to the hospital.

In 2022, we launched the ECHC Volunteer Long Service Awards with a total of 43 awards made: seven gold (for 10+ years, including two volunteers with over 20 years' service!); eight silver awards (5+ years) and 28 bronze (1+ year).

To show our ongoing commitment to volunteering and to be sure that all volunteers have a rewarding experience, we signed up to undertaking Investing In Volunteers accreditation and hope to achieve this in 2023.

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.

Having moved our grant application process successfully to a new online grant application system, making it easier than ever for applicants to request the funding they need, we added online evaluation in 2022. The new system enables applicants to fill out the application and end evaluation online. A change to the format of our evaluation forms has also led to an improved standard of data, both quantitative and qualitative.

In 2022, ECHC received 52 grant applications. Of these, 45 were approved, 5 are pending approval and 2 were declined. The majority of applications were funded with restricted funding sources; 34 were fully supported with restricted funds, 3 were fully supported with unrestricted funds and 8 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:

- £20,207.90 to secure bridge funding for a Research Co-ordinator to manage IMPACT-ACE projects to improve patient care, treatments, safety, outcome, and patients' and families' experience of health care. IMPACT-ACE improves patient care through research and appreciating clinical excellence in paediatric critical care.
- Further enhancement of the environment of the bereavement suites, providing a warm, supporting and safe environment for families and carers children and young people to be in at times of extreme distress, including sudden or expected death of a child or young person. We awarded £10,000 and through the creation of new bespoke art work and the replacement

of furniture, families and carers will be provided a safe space with their child, to start the process of mourning. The space will be designed to provide comfort, whilst meeting the needs of the staff who support families, and allowing the family/carers that important time with their child.

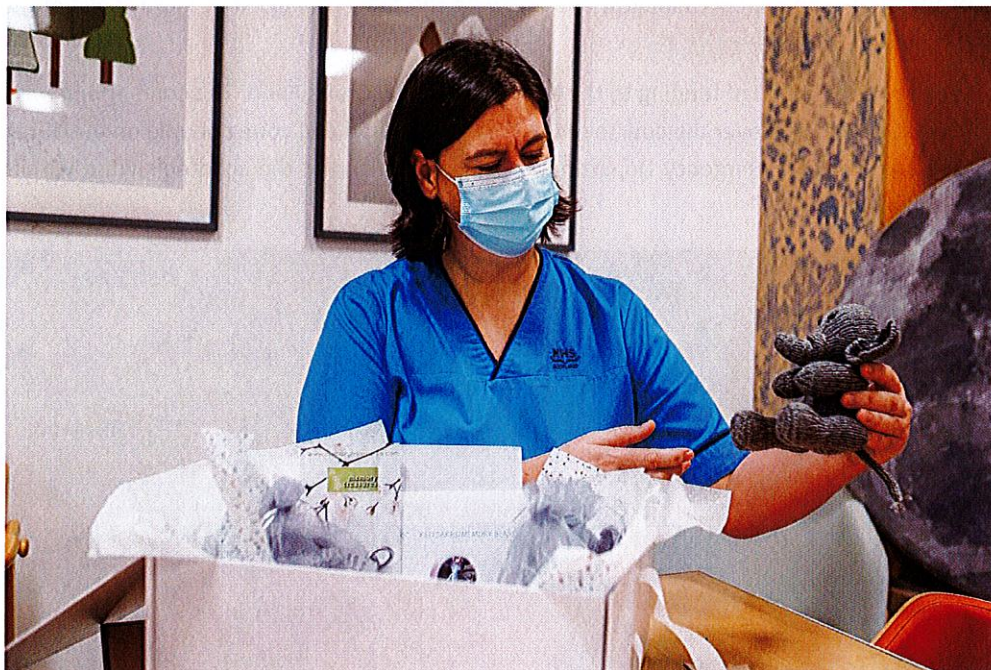
- We provided £7,000 of funding to the Play Team Arts & Crafts Fund. This funding supports all extra supplies used over the course of the year for children and young people on the different wards at RHCYP, Emergency Department, Outpatients and at the children's ward within St. John's hospital.



Arts and crafts with the Play Team

- £5,000 for Reward and Welcome Items for wards within RHCYP. This funding supports children when they come to hospital with a choice of welcome gift or reward item. The Play Team and nursing staff use these items to help create a fun environment for patients. They also use these items to help with distraction if children are showing signs of worry or anxiety during a clinical intervention.
- RHCYP Memorial Service Funding of £400 was used to hold and facilitate a Memorial Service for families who have experienced the death of a child in RHSC, RHCYP and within a community setting. Funding allowed a video to be produced for families who were unable to attend in person, due to distance or caring responsibilities, to participate in a ritual of remembrance. The funding covered hospitality, as well as art materials and coloured stones to allow family members to participate in memory making and remembering rituals throughout the service.
- We provide the Palliative Care team with an annual grant of £12,000, 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.



Memory Boxes for Palliative Care

- We provided £500 to for a paediatric critical care clothing fund. Each year there are around ten child deaths within paediatric critical care. Around half of these involve families out with Lothian and around half of the deaths occur within 48hours of admission. Many of these families therefore do not have suitable clothes for their child to be dressed in after death. The fund allows for an outfit to be bought especially for that family that is suitable for the occasion and appropriate for the individual child.
- We funded £1,380 for Mini Healthcare Buzzy Bees for Insulin injection pain. The use of the Buzzy Bee device provides good disruption of the nerve pathways and can reduce or eliminate the painful stimuli in some children and young people who are struggling with the pain or distress of repeated insulin injections or insulin pump set insertions.
- We funded £1,500 to send ten children to Wave Project Scotland. Wave Project Scotland is a charity which provides a six-week course of surf therapy for children with long term conditions and/or their siblings.
- 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.

St John's Emergency Department

We were delighted to see the completion of our £50,000 enhancement of St John's Emergency Department to provide age appropriate waiting and two treatment spaces. Staunch Industry were the main design team for the St John's project, supported by Louise Kirby as designer for the maternity department (another ECHC enhancement, due in 2023). Consultations were held at St John's Children's ward and with West Lothian Youth Action Partnerships adolescent groups. Some quotes from these are below.

"The last time we were in A&E it was awful... we were in the main area. I found it scary being there, never mind my daughter" Parent

"It is really boring. I like talking to people but there was nothing to do and nobody really wanted to talk. If there were toys or something I could have played with other people but there weren't. So instead I just sat there and thought to myself. I ended up really missing my dog, Teddy." Child

The enhancement completed in early January 2023 and we will run another evaluation to assess the difference that the project has made.



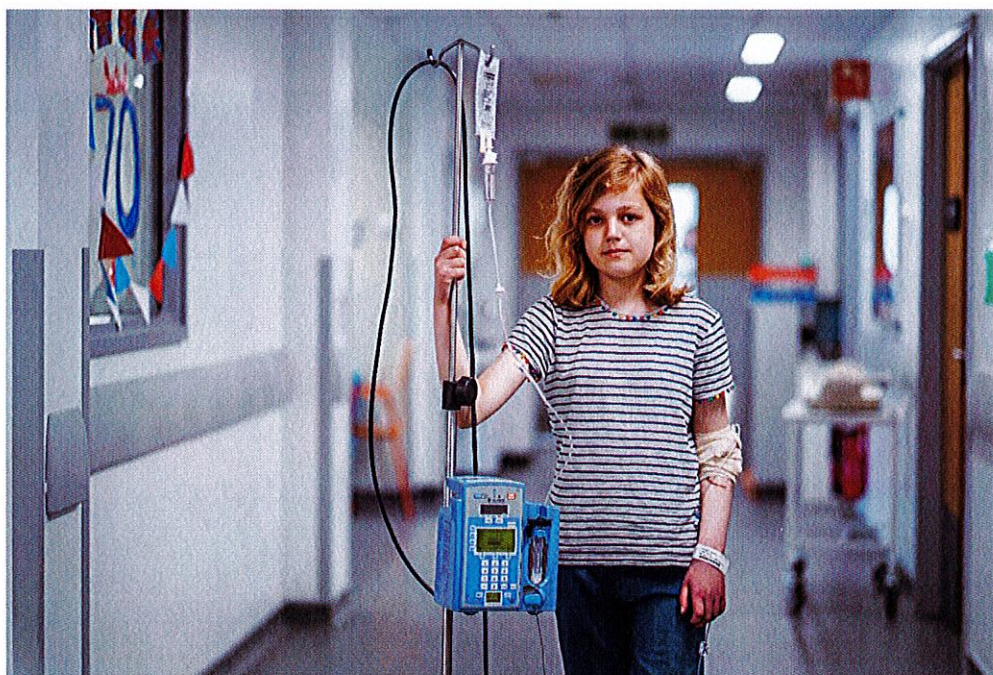
St John's Emergency Department enhancements

Voluntary Income

It was another challenging year for fundraising as the team, and our supporters, recovered from the effects of the pandemic. The watchword for 2022 seems to have been 'change' as we geared the team to respond to a new fundraising landscape; we have focused on getting the right people in the right places doing the right things to secure our ongoing and future success.

Income for the year was £1.35m, which was down on that for 2021 (£1.51m), but we are in the best position possible to build positively on this, with the introduction of a specialist Individual Giving Fundraiser, an addition to the community fundraising team and a new Corporate Fundraiser.

2022 has been the year of focusing on our wonderful donors. Our aim has been to improve donor experience across the board; showing the impact of what we do to a much greater extent by stronger, clearer and more emotive messaging; developing excellent stewardship journeys and using automation and technology to improve our operational effectiveness; using targeted social media advertising to drive supporters to our website and then making it easier to donate online by upgrading our donor platform online. We have inspired a deeper connection to our cause and gained greater support through telling more emotive stories of the children, young people and families our donors are enabling us to support every day. We remain hugely grateful to all our donors for their committed and unfailing commitment.



Jessica was the face of our summer appeal which focused on the loneliness of living with a long-term health condition

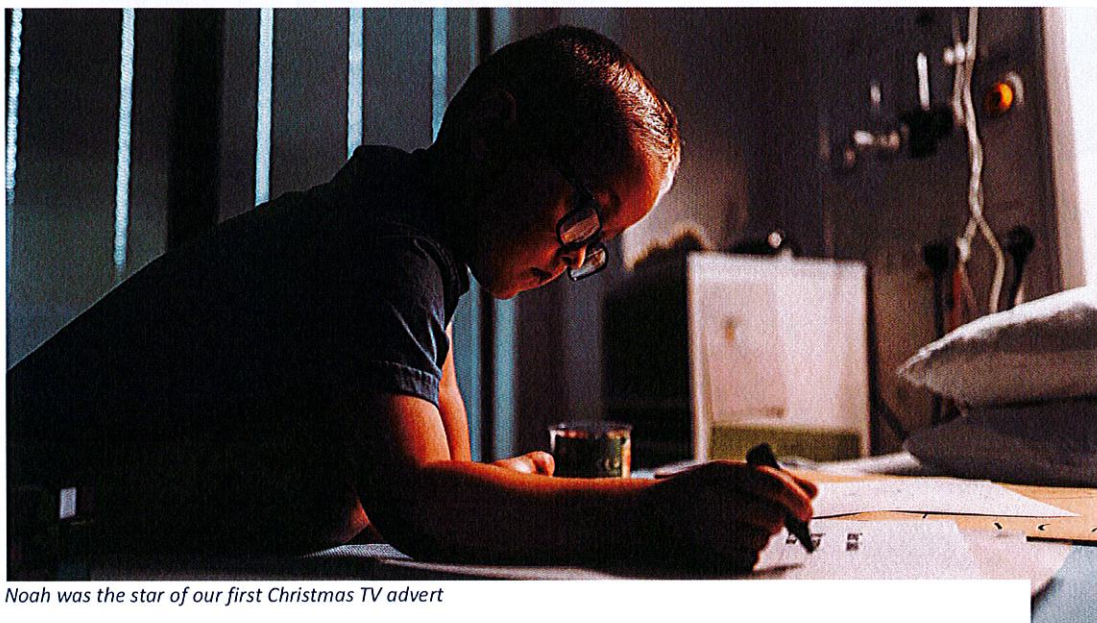
In March, we moved to Legitimate Interest as the legal basis for communication with our supporters, which we know our giving community has appreciated. Remaining committed to the GDPR we are now able to tell a much larger community about the work we do, and seek support for it.

Alongside this, we have put in place a comprehensive review of the data we hold, ensuring that it is clean and up to date. We are testing different messages, giving donors more of what resonates to them, and tracking our performance more closely. Again, by putting our donors first, we are targeting our communication with more relevance, more efficiently and more effectively.

We have focused on upskilling our teams, investing more in training and development. We have reviewed all of our fundraising operations, focusing on a better return on investment and have made great strides with our marketing expertise by tracking and monitoring our output to ensure we have the greatest impact possible.

Our focus on more emotive messaging was tested in our summer appeal, which we based on the first-person experience of a young girl who is fighting loneliness and social isolation due to her long-term condition and frequent visits to the hospital. We increased our reach and impact on social media by investing in digital advertising; we gained more followers and trialled different visuals to gain the best engagement we could. We showcased different and rare long-term conditions which resulted in loneliness and isolation; the mum of one of our case studies, Josh, commented she didn't know any other parents with children who had Cyclical Vomiting Syndrome. Our Facebook post sharing Josh's story received nearly 90 comments from other parents whose children have it too, offering their support to Josh's family.

We were delighted to be offered in-kind creative support from the award-winning Leith Agency to develop a Christmas appeal. 'Redirected Letters to Santa' recognised that not all Christmas wishes can be granted by Santa; sadly children in hospital just want to be better, to be out of pain, to go home, or to have a 'normal' Christmas with their family. This emotive, integrated appeal saw the launch of our first ever TV advert, poster advertising in the city centre and a comprehensive digital advertising campaign. It raised more funds than previous appeals and reached a much wider audience than before.



Noah was the star of our first Christmas TV advert

As always, we are hugely grateful to our committed community of donors who supported this successful appeal, which will help fund our continued work.

With the needs of donors to the fore, we wanted to showcase more of what their unwavering support has helped to achieve through our grant giving programme. So, we showcased much more of this in 2022, and we weren't disappointed by the engagement this generated.

Our familiar events got back to full swing in 2022 after the pandemic hiatus, with the Spring Ball, the Girlie Get Together and the Ultimate Sports Quiz all being staged again at Prestonfield House. Our thanks go to all the attendees, to those who donated prizes, to the volunteers who helped make the events run smoothly, to our hosts and auctioneers and to the children and families whose stores we were able to showcase.

We succeeded in cultivating and engaging those donors with a propensity to invest larger amounts in our work by organising a bespoke, interactive engagement event called Come Dine with EHC. Hosted by our Chair, Lindsay Gardiner, and sponsored by the Edinburgh School of Food and Wine, this event provided guests with an unusual culinary experience. Four competitive clinicians teamed up with four courageous children and young people in hospital and concocted an imaginative taster menu, inspired by their favourite foods, films, and hospital experiences. This highly engaging, small scale event has already opened doors to further funding, and a range of new networks and connections; we are so grateful to the many supporters who made this possible.



Superstar chefs taking part in Come Dine With EHC

Those fundraising on our behalf have done themselves proud in 2022, bouncing back after the challenges of 2021. A total of 384 brave supporters ran, walked, cycled, jumped out of aeroplanes, streamed, waded through mud, all to raise funds for ECHC. And we salute them. Our work could simply not happen without their intrepid efforts.

Always a highlight, Christmas this year saw a particularly impressive improvement in income from community choirs who sang for shoppers in central Edinburgh on the steps of The Dome. A total of 19 choirs (an increase of 8 from 2021) sang and raised a total of £12,598 (an increase on £4,050 for 2021). A huge thank you to all those who sang, supported and donated. And to our wonderful friends at The Dome who have agreed to allow choirs to sing again during the Edinburgh Festival Fringe in 2023.

Receiving no statutory funding, ECHC relies on the generosity of supporters and volunteers of all kinds. We would like to thank everyone who supported us in 2022, including Children in Need and the National Lottery Community Fund.



Christmas choirs fundraising on The Dome steps

The fundraising environment remains challenging. 2022 has been a tough year in which to generate the income we need to support children, young people and families. We have been delighted that, with so many other deserving causes out there, you – our loyal supporters, donors and volunteers – have stuck with us and have dug deep; its hugely appreciated.

Retail

The shop in RHCYP operates a seven day per week service thanks to our wonderful staff and volunteers and continues to be a vital lifeline for children, families and NHS staff.

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.

The shop trolley which visits wards and NHS staff areas on weekday afternoons was reinstated in early 2023. This gives families, who for whatever reason aren't able to visit the shop, access to snacks, cold drinks, essential items and gifts.

"We couldn't have survived a hospital visit without the ECHC shop. When my son was feeling brighter, we would go in and buy some sweeties there – a lovely treat for him being so brave! – A parent

Royal Patron

We are delighted to continue to receive invaluable support from our Royal Patron, HRH Princess Beatrice of York. Her Royal Highness supports the charity throughout the year from forewords in event programmes to judging the annual Easter Bonnet competition and providing prizes to the winners. The children and young people were delighted to have their efforts judged by a Princess and this year we had our largest ever number of entrants.

NHS Lothian

We would like to thank NHS Lothian for many years of rent-free shop and office space in the RHCYP which has continued in the new hospital. We remain incredibly grateful to all in NHS Lothian who support our work but especially to Allister Short, NHSL Service Director for Women's and Children's Services and all the Children's Services team, who provide referrals to our services, make applications to our grants programme and support, assist and promote our work more generally. We are proud of the partnership that we have and grateful to them all.

FINANCIAL REVIEW

Total income on a group basis for the year to 31 December 2022 equalled £1,701,745 (£1,799,513 in the year to 31 December 2021) and total expenditure equalled £2,073,672 (£1,726,121 in 2021). The total net expenditure was £371,927 (net income of £73,392 in 2021).

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 reserves 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'.

Reserves for the group as at 31 December 2022 totalled £2,133,485 (£2,505,412 at 31 December 2021) of which £792,864 (£938,181 at 31 December 2021) represents Restricted Funds (funds received which are earmarked by the donor for a specific ward, department or project) and £1,340,620 (£1,567,231 at 31 December 2021) represents Unrestricted Funds.

Out of the unrestricted funds, the Trustees have designated a sum totalling £60,943 which will be spent on specific projects during the next year. This is shown separately in the balance sheet as Designated Funds.

In addition, a sum of £230,000 is allocated to the Operating Fund to cover an orderly winding up of the charity, in a worst case scenario.

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

Considering the continued increase in the cost of living and the potential ongoing impact on ECHC's expenditure and income streams, the Trustees have undertaken a detailed going concern review.

ECHC performed strongly during the pandemic and had been hopeful of a speedy recovery in 2022. The severity of the cost of living crisis however resulted in another challenging year not helped by having three key vacancies in the fundraising team for large parts of the year.

A number of improvements and innovations were implemented across all our fundraising teams during 2022 and the three vacant fundraising roles have now been filled giving confidence that we are in the best position to build income streams in the year ahead to secure our ongoing and future success.

It is likely however that the cost of living crisis will continue to have an impact on the charity's ability to generate income. As such, the 2023 budget has been prepared to reflect this and additional 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 the impact of the cost of living crisis extends beyond that assumed in the 2023 budget.

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 three years, the charity has been able to successfully revise its fundraising strategy to focus on prioritising income streams available which provided the highest return on investment. The charity's ability to be flexible and react to the changing landscape has been proven and a similar approach can be taken if cost of living increases limits 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.

The principal risk to the charity is the failure to raise the funds required to meet the costs of the charity. This risk of a reduction of income currently continues to be high due to the continued cost of living crisis. Due to mitigations put in place which include; development of a new fundraising strategy, development of new income streams and digital forms of fundraising, comprehensive actions plans in place for all activities focusing on maximising income and creating efficiencies and regular reporting to ensure shortfalls are mitigated, the charity continues to demonstrate 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 and will be reported to the Audit Committee and Board on an annual basis.

FUTURE PLANS

This was the first year of our organisational strategy 2022-2025. 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

There are several exciting projects which will be rolled out and developed in 2023. These include:

- Completion of the pilot activity in relation to our Space Academy programme. This project supports children and young people in clinical isolation by immersing them in a space training programme, complete with a series of missions.
- The commencement of a two-year pilot wellbeing and resilience programme to support children and young people with a mental health concern and their families. More information on this is in the next section, "No Time To Wait".
- Creating therapeutic, healing environments which support anxiety reduction and distraction through the delivery of high-quality enhancement projects in healthcare settings. Projects to be completed in 2023 include an enhancement to support the pre-theatre and recovery journey for children and young people in RHCYP; and at The Child Development Centre in the new Beatlie campus in Livingston, which will provide an outdoor space that supports children to achieve their developmental goals.
- Further development of condition specific support sessions and activities by our Children's Wellbeing Team; as well as identifying creative solutions to issues children face in the hospital eg fear of having blood taken.
- Undertaking Investing in Volunteers accreditation to improve how we support children, young people and families with a skilled and motivated volunteer team across the organisation.
- Expand the work of complementary therapies to achieve greater impact for children, young people and their families
- Provide more service to children, families, and visitors to the hospital by developing the activities of Task Trading, including reintroducing the ward trolley service, developing an online shop, and creating a gift delivery service for relatives who can't visit.
- Work towards a financially sustainable ECHC.
- Improve our social impact reporting and evidencing the difference we make.
- Share the ECHC approach to children and young people's wellbeing and resilience to a wider audience to influence others to adopt our evidenced methods.

No Time To Wait

The ECHC Board of Trustees made a strategic decision in 2019 to increase our support to children and young people with mental health concerns. Our progress with this was slowed by covid but in 2022 we undertook a year-long feasibility study of what ECHC's role might be in tackling the mental health crisis for children and young people.

Our Trustee Dr Louise Potter, who is a Consultant Clinical Psychologist, is chair of the steering group who have been considering what the problems are and how we can help to solve them. This led to ECHC commissioning research, undertaken by the Diffley Partnership. This was a quantitative survey completed by over 900 families across Scotland which gave us insight into the impact on a whole family when a child has a mental health issue. The research highlighted:

- Of the parents surveyed, almost 60% (59%) reported that they thought that their child or children had experienced an issue with their mental health at some time during their life.
- Nearly 60% of those parents reporting a mental health issue consider it to have a "great or fair" impact on their family life.
- Over 60% consider it to have a "great or fair" effect on their children's friendships and social activities.
- Almost 50% believe that their child's mental health issues have a "great or fair" impact on the other children in the household.
- More than one-quarter of parents with children whom they believe have a mental health issue have had to take time off work as a result.

ECHC also carried out its own consultation with 53 families (all self-selected via a social media request by ECHC) who are impacted by a child or young person with mental health challenges. This has allowed us to identify the range of supports which children, young people and families need, and to design a solution based on their feedback.

Through the questionnaire and consultations, it is apparent that many parents feel that lockdown has had a significant impact on their child/young person's wellbeing, with many experiencing anxiety and/or depression. The child's mental health concern impacts not just the child but the whole family, affecting their resilience, health, education, and the ability of parents to attend or perform at work. Children and their siblings feel isolated, alone and are missing out on their childhoods. Some children, due to a lack of early intervention, are becoming acutely unwell unnecessarily which may require mental health services, which we know are oversubscribed. We also know that it is increasingly difficult for children and young people to meet the criteria for CAMHS and that many families report that they feel they have nowhere else to go for support.

"We are struggling badly most days".

Overwhelmingly, families we've spoken to felt that they have nowhere to turn, no one to support their child, no one to support them and tell them they're doing a good job, and no access to support or advice. We believe that this is not right. And we need to change it.

We know we can deliver positive results for families using our unique service model (based on our hospital wellbeing and resilience service) which can be delivered at scale and in partnership with existing community services and reduce the pressures on CAMHS. Once scaled, the service will be

available to all children and young people with any mental health concern, and their families, across Scotland. We now look to secure the funding required to run this pilot with a hope of commencing in summer 2023.

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 twelfth accounts of the charity in the form of a company limited by guarantee and cover the twelve months to 31 December 2022.

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 twelve 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 consider 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:

- 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.
- Christy Thomson was appointed in August 2022, Christy has fundraising and volunteer management experience having worked in these roles in a number of charities in Edinburgh.

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 Organisational Strategy for 2022 to 2025 during the year 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 EHC'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, who meet a minimum of once per year and comprise two Trustees, including the Chair of the Trustees, and the Chief Executive, 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 eleven full time staff and twenty-two 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

Salary reviews are conducted on a regular basis, the last being in 2021 and was done by an external HR consultant. The consultant benchmarked against several 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 2022 amounted to £344,327 (£288,501 in 2021) 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 2022 was £45,983 (£39,995 in 2021). 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, Fiona Linklater was a Director at Lindsays. During 2022 we received legal training for Trustees from a colleague of Fiona's at Lindsays to the value of £900.
- One Trustee, Keith Anderson, is Director of Scottish Power. The charity's electricity is supplied by Scottish Power on a commercial basis, no benefit was derived from this relationship.
- One Trustee, Mike Tumilty, has recently become Global Head of Operations at Aegon, our pension provider. Our pension has been in place for a number of years.
- One Trustee, Jon McCormack, is a Consultant Paediatric Anaesthetist at the RHCYP
- One member of the Grants Committee, Paul Leonard, is a Consultant in Emergency Medicine at the RHCYP.

Auditors

Henderson Loggie LLP were re-appointed by the members at the Annual General Meeting in October 2022. 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
15 May 2023

Statement of the Trustees' Responsibility in respect of the Accounts

The Trustees who are also the directors of the charitable company for the purposes of company law are responsible for preparing the Report of the Board of Trustees and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare an annual report and financial statements for each financial year. 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 charitable company and the group and the incoming resources and application of resources including the income and expenditure of the charitable company and the group for that period.

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

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP (FRS 102);
- 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 charitable company 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 charitable company 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 corporate and financial information included on the charitable company'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.

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 (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 December 2022 which comprise Consolidated and Parent Charitable Company Income and Expenditure Accounts and Statements of Financial Activities, the Consolidated and Parent Charitable Company Statements of Financial Position, the Consolidated and Parent Charitable Company Cash Flow Statements and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 December 2022 and of the group's and parent charitable company's incoming resources and application of resources, including the group's and parent charitable company's 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 regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended)

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' (who are also the directors of the charitable company for the purpose of company law) use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and parent charitable company'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 annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the

other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- 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 group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' 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 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 set out on page 35, the trustees (who are also the directors of the parent 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 group and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor 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 regulations made under those Acts.

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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

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

As part of our planning process:

- We enquired of management the systems and controls the group and parent charitable company has in place, the areas of the financial statements that are mostly susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud. Management informed us that there were no instances of known, suspected or alleged fraud;
- We obtained an understanding of the legal and regulatory frameworks applicable to the group and parent charitable company. We determined that the following were most relevant: Health and safety legislation, employment law, and compliance with the UK Companies Act, Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts Regulations 2006
- We considered the incentives and opportunities that exist in the group and parent charitable company, including the extent of management bias, which present a potential for irregularities and fraud to be perpetrated, and tailored our risk assessment accordingly; and
- Using our knowledge of the group and parent charitable company, together with the discussions held with management at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Inquiry of management about any known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing minutes of relevant board and other trustee or management meetings;
- Review of correspondence with the regulator, where applicable;
- 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.

Owing to the inherent limitations of an audit, there is 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 recognise the non-compliance.

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 charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Keith Macpherson (Senior Statutory Auditor)

For and on behalf of Henderson Loggie LLP

Chartered Accountants

Statutory Auditor

Henderson Loggie LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006.

11 -15 Thistle Street
Edinburgh
EH2 1DF

.....24 May..... 2023

Edinburgh Children's Hospital Charity

Consolidated Income and Expenditure Account and Statement of Financial Activities for the year ended 31 December 2022

				Year to 31 December 2022			Year to 31 December 2021
	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds £	Unrestricted Funds £	Restricted Funds £	Total Funds £
Income:							
Donations and Legacies	2	941,846	406,957	1,348,803	938,708	569,357	1,508,065
Other Income	3	685	-	685	-	-	-
Other Trading Activities	4	347,927	-	347,927	290,001	-	290,001
Income from Investments	5	4,330	-	4,330	1,447	-	1,447
Total Income		1,294,788	406,957	1,701,745	1,230,156	569,357	1,799,513
Expenditure:							
Raising Funds	8	778,631	129,202	907,833	568,388	117,548	685,936
Charitable Activities	7,9	413,865	751,974	1,165,839	344,894	695,291	1,040,185
Total expenditure		1,192,496	881,176	2,073,672	913,282	812,839	1,726,121
Net Income / (Expenditure)		102,292	(474,219)	(371,927)	316,874	(243,482)	73,392
Transfers between funds	12	(328,902)	328,902	-	(345,831)	345,831	-
Net movement in funds		(226,610)	(145,317)	(371,927)	(28,957)	102,349	73,392
Reconciliation of funds							
Total funds brought forward at 1 January 2022		1,567,231	938,181	2,505,412	1,596,188	835,832	2,432,020
Total funds carried forward		1,340,621	792,864	2,133,485	1,567,231	938,181	2,505,412

Edinburgh Children's Hospital Charity

Income and Expenditure Account and Statement of Financial Activities for the year ended 31 December 2022

		Year to 31 December 2022			Year to 31 December 2021		
	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds £	Unrestricted Funds £	Restricted Funds £	Total Funds £
Income:							
Donations and Legacies	2	981,651	406,957	1,388,608	939,404	569,357	1,508,761
Other Income	3	7,579	-	7,579	5,736	-	5,736
Other Trading Activities	4	3,600	-	3,600	1,500	-	1,500
Income from Investments	5	4,330	-	4,330	1,447	-	1,447
Total Income		997,160	406,957	1,404,117	948,087	569,357	1,517,444
Expenditure:							
Raising Funds	8	486,991	129,202	616,193	325,706	117,548	443,254
Charitable Activities	7,9	413,865	751,974	1,165,839	344,894	695,291	1,040,185
Total Expenditure		900,856	881,176	1,782,032	670,600	812,839	1,483,439
Net Income / (Expenditure)		96,304	(474,219)	(377,915)	277,487	(243,482)	34,005
Transfers between funds	12	(328,902)	328,902	-	(345,831)	345,831	-
Net movement in funds		(232,598)	(145,317)	(377,915)	(68,344)	102,349	34,005
Reconciliation of funds							
Total funds brought forward at 1 January 2022		1,527,236	938,181	2,465,417	1,595,580	835,832	2,431,412
Total funds carried forward		1,294,638	792,864	2,087,502	1,527,236	938,181	2,465,417

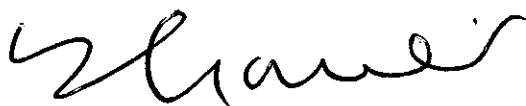
Edinburgh Children's Hospital Charity

Balance Sheet at 31 December 2022

		Group		Charity	
		31 December 2022	31 December 2021	31 December 2022	31 December 2021
	Notes	£	£	£	£
FIXED ASSETS	13	17,331	12,645	17,331	12,645
CURRENT ASSETS					
Stock		11,012	8,631	1,275	1,150
Debtors	14	100,673	99,765	122,705	122,129
Cash at bank and in hand		2,122,873	2,531,760	2,045,947	2,454,915
CURRENT ASSETS		2,234,558	2,640,156	2,169,927	2,578,194
Other grants and creditors	15	(118,404)	(147,389)	(99,756)	(125,422)
CREDITORS: amounts falling due within one year		(118,404)	(147,389)	(99,756)	(125,422)
NET CURRENT ASSETS		2,116,154	2,492,767	2,070,171	2,452,772
NET ASSETS		2,133,485	2,505,412	2,087,502	2,465,417
Net assets comprising:					
Restricted funds	11,12	792,864	938,181	792,864	938,181
Unrestricted funds	12	1,049,677	1,172,784	1,003,694	1,132,789
Operating fund	10,12	230,000	230,000	230,000	230,000
Designated funds	10,12	60,943	164,447	60,943	164,447
Total unrestricted funds		1,340,620	1,567,231	1,294,637	1,527,236
		2,133,485	2,505,412	2,087,502	2,465,417

These accounts have been prepared in accordance with Charities SORP and FRS 102.

These accounts were approved and authorised for issue by the Trustees on 15 May 2023 and signed on their behalf by:



Lindsay Gardiner
Chair

Edinburgh Children's Hospital Charity

Consolidated Statement of Cash Flows

	Year to 31 December 2022 £	Year to 31 December 2021 £
Cash flows from operating activities		
Net cash used in operating activities	(401,349)	146,126
Cash flows from investing activities		
Dividends, interest and rents from investments	4,330	1,447
Fixed Asset	(11,868)	
Net cash provided by investing activities	(7,538)	1,447
Change in cash and cash equivalents in the reporting period	(408,887)	147,573
Cash and cash equivalents at the beginning of the year	2,531,760	2,384,187
Total cash and cash equivalents at the end of the year	2,122,873	2,531,760

Notes to the statement of cash flows

	Year to 31 December 2022 £	Year to 31 December 2021 £
Note a - Reconciliation of net income to net cash flow from operating activities		
Net income for the year	(371,927)	73,391
Adjustments for:		
Depreciation	7,182	4,215
Donation of Tangible asset		(16,860)
Dividends, interest and rents from investments	(4,330)	(1,447)
Increase in stock	(2,381)	4,263
Increase in debtors	(908)	105,842
(Decrease) in creditors	(28,985)	(23,278)
Net Cash used in Operating Activities	(401,349)	146,126

	At start of year £	Cash Flow £	Non-cash changes £	At end of year £
Note b - Movement in Net Funds				
Cash at bank	2,531,760	(408,887)	-	2,122,873
Net funds	2,531,760	(408,887)	-	2,122,873

Edinburgh Children's Hospital Charity

Charity Statement of Cash Flows

	Year to 31 December 2022 £	Year to 31 December 2021 £
Cash flows from operating activities		
Net cash used in operating activities	(413,430)	127,185
Cash flows from investing activities		
Dividends, interest and rents from investments	4,330	1,447
Fixed Asset	(11,868)	
Net cash provided by investing activities	(7,538)	1,447
Change in cash and cash equivalents in the reporting period	(408,968)	128,632
Cash and cash equivalents at the beginning of the year	2,454,915	2,326,283
Total cash and cash equivalents at the end of the year	2,045,947	2,454,915

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 2022 £	Year to 31 December 2021 £
Net income for the year	(377,914)	34,005
Adjustments for:		
Dividends, interest and rents from investments	(4,330)	(1,447)
Depreciation	7,182	4,215
Donation of tangible asset		(16,860)
Decrease in stock	(125)	1,636
Decrease in debtors	(576)	134,057
(Decrease)/Increase in creditors	(25,667)	(28,421)
Net Cash used in Operating Activities	(401,430)	127,185

Note b - Movement in Net Funds	At start of year £	Cash Flow £	Non-cash changes £	At end of year £
Cash at bank	2,454,915	(408,968)	-	2,045,947
Net funds	2,454,915	(408,968)	-	2,045,947

Edinburgh Children's Hospital Charity

Notes to the financial statements for the year ended 31 December 2022

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 (amended), the Companies Act 2006, the Statement of Recommended Practice FRS102 (SORP FRS102) "Accounting and Reporting by Charities" and in accordance with Financial Reporting Standard 102 (FRS102). The charity has availed itself of S396 of the Companies Act 2006, as permitted in paragraph 4(1) of Schedule 1 of SI 2008 No 409, and adapted the Companies Act formats to reflect the special nature of the charity's activity's. 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 cost-of-living increases 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 27.

- The charity is in a strong cash position, with a reasonable 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.
- 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. 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.

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 2022

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.

Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required, and the amount of the obligation can be measured reliably. It is categorised under the following headings:

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.

Grants payable are recognised in full in the period in which the obligation is made.

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.

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.

Edinburgh Children's Hospital Charity

Notes to the financial statements for the year ended 31 December 2022

1. ACCOUNTING POLICIES *(continued)*

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

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.

Tax Accounting

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes and is therefore exempt from corporation tax in respect of its charitable activities. The subsidiary company has no such exemption but mitigates any corporation tax due through payment of gift aid to the parent charity.

Edinburgh Children's Hospital Charity

Notes to the financial statements for the year ended 31 December 2022

2. DONATIONS AND LEGACIES

Group			Year to 31 December 2022	Year to 31 December 2021
	Unrestricted £	Restricted £	Total £	Total £
Corporate	240,212	5,388	245,600	197,330
Individuals	134,300	3,478	137,778	188,123
Community	174,978	12,425	187,403	132,994
Events	151,786	25,452	177,238	93,720
Sports challenges	174,895	18,192	193,087	255,819
Trusts and Foundations	20,900	146,922	167,822	351,663
Major Donors	44,775	195,100	239,875	204,500
Appeal	-	-	-	11,555
Government Wellbeing Fund	-	-	-	70,000
Government Job Retention Scheme	-	-	-	2,361
	941,846	406,957	1,348,803	1,508,065

Charity			Year to 31 December 2022	Year to 31 December 2021
	Unrestricted £	Restricted £	Total £	Total £
Corporate	240,212	5,388	245,600	197,330
Individuals	134,300	3,478	137,778	188,123
Community	174,978	12,425	187,403	132,994
Events	151,786	25,452	177,238	93,720
Sports challenges	174,895	18,192	193,087	255,819
Trusts and Foundations	20,900	146,922	167,822	351,663
Major Donors	44,775	195,100	239,875	204,500
Appeal	-	-	-	11,555
Government Wellbeing Fund	-	-	-	70,000
Government Job Retention Scheme	-	-	-	2,361
Transfer of profits from Trading subsidiary	39,805	-	39,805	696
	981,651	406,957	1,388,608	1,508,761

Edinburgh Children's Hospital Charity

Notes to the financial statements for the year ended 31 December 2022

3. OTHER INCOME

During 2022, the charity charged management fees to Task Trading of £6,893 (2021: management charge of £5,736) and additional other income of £685.

4. OTHER GROUP TRADING ACTIVITIES

	Year to 31 December 2022	Year to 31 December 2021
	£	£
Shop turnover	344,327	288,501
Donation in lieu of room rental	3,600	1,500
	<u>347,927</u>	<u>290,001</u>

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 GROUP AND CHARITY INVESTMENTS

	Year to 31 December 2022	Year to 31 December 2021
	£	£
Interest from charity cash deposits	<u>4,330</u>	<u>1,447</u>

6. STAFF COSTS

Group	Year to 31 December 2022	Year to 31 December 2021
	£	£
Salaries	867,763	613,809
Social security costs	77,833	50,976
Pension costs	29,315	21,088
	<u>974,911</u>	<u>685,873</u>

Charity	Year to 31 December 2022	Year to 31 December 2021
	£	£
Salaries	824,060	577,249
Social security costs	74,770	48,368
Pension costs	28,004	19,991
	<u>926,834</u>	<u>645,608</u>

The Group team comprises eleven full time staff and twenty-two part time (ten and fifteen in 2021).

The charity team comprises ten full time staff and twenty part time (nine and fourteen in 2021).

During the year, there were no redundancy payments made (nil in 2021).

A defined contribution pension scheme for all staff was introduced on 1 October 2011. At 31 December 2022 £6,017 was due to be paid by the Group team (2021: £3,206) and £5,740 by the charity team (2021: £2,989).

Edinburgh Children's Hospital Charity

Notes to the financial statements for the year ended 31 December 2022

6. STAFF COSTS (continued)

No Trustees received any remuneration during the year (nil in 2021). No trustees received any reimbursement of expenses during the year (nil in 2021). Trustee indemnity insurance was provided during the period at a cost of £796 (£791 in 2021).

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 £328,979 including employers' national insurance of £34,681 (2021: £226,556 including employers' national insurance of £22,826). During the year one employee received annual emolument between £70,000 and £80,000 (one in 2021).

7. ALLOCATION OF COSTS

Group		Expenditure on Raising Funds	Fundraising trading	Charitable activities	Year to 31 December 2022 Total
	Basis	£	£	£	£
Staff costs (see note 6)	1	284,383	48,077	518,186	850,646
Special events	2	78,344	-	-	78,344
Promotional	2	77,392	-	-	77,392
Other direct fundraising costs	2	48,448	-	-	48,448
Travel	3	1,074	-	1,957	3,031
Postage and communications	3	6,109	-	11,130	17,239
Computer expenses and maintenance	2	27,282	-	-	27,282
Office expenses and other items	4	10,592	12,620	19,299	42,511
Premises costs	3	19,728	-	35,947	55,675
Other professional fees	3	1,661	-	3,027	4,688
Governance Costs	5	<u>61,179</u>	<u>900</u>	<u>91,282</u>	<u>153,361</u>
Total		<u>616,192</u>	<u>61,597</u>	<u>680,828</u>	<u>1,358,617</u>
Allocation					
Restricted funds		129,202	-	412,564	541,766
Unrestricted funds		<u>486,990</u>	<u>61,597</u>	<u>268,264</u>	<u>816,851</u>
		<u>616,192</u>	<u>61,597</u>	<u>680,828</u>	<u>1,358,617</u>

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 £1,650 of non-audit fees paid to the auditor (2021: £1,524).

Fundraising trading governance cost of £900 is accountancy fees (2021: £1,157 audit fees). A split of all other governance costs is shown on page 51.

Edinburgh Children's Hospital Charity

Notes to the financial statements for the year ended 31 December 2022

7. ALLOCATION OF COSTS (continued)

Charity		Expenditure on Raising Funds	Fundraising trading	Charitable activities	Year to 31 December 2022 Total
	Basis	£	£	£	£
Staff costs (see note 6)	1	284,383	-	518,186	802,569
Special events	2	78,344	-	-	78,344
Promotional	2	77,392	-	-	77,392
Other direct fundraising costs	2	48,448	-	-	48,448
Travel	3	1,074	-	1,957	3,031
Postage and communications	3	6,109	-	11,130	17,239
Computer expenses and maintenance	2	27,282	-	-	27,282
Office expenses and other items	4	10,592	-	19,299	29,891
Premises costs	3	19,728	-	35,947	55,675
Other professional fees	3	1,661	-	3,027	4,688
Governance Costs	5	<u>61,179</u>	-	<u>91,282</u>	<u>152,461</u>
Total		<u>616,192</u>	-	<u>680,828</u>	<u>1,297,020</u>

Allocation

Restricted funds	129,202	-	412,564	541,766
Unrestricted funds	<u>486,990</u>	-	<u>268,264</u>	<u>755,254</u>
	<u>616,192</u>	-	<u>680,828</u>	<u>1,297,020</u>

Governance Costs Breakdown

	Basis				
Staff costs (see note 6)	3	44,032	-	80,233	124,265
Travel	3	166	-	303	469
Postage and communications	3	946	-	1,723	2,669
Office expenses and other items	3	1,640	-	2,988	4,628
Premises costs	3	3,055	-	5,566	8,621
Audit fee	2	11,083	-	-	11,083
Other professional fees	3	<u>257</u>	-	<u>469</u>	<u>726</u>
Total charity		<u>61,179</u>	-	<u>91,282</u>	<u>152,461</u>
Accounts preparation – trading subsidiary	2		<u>90</u>		<u>900</u>
Total group		<u>61,179</u>	<u>900</u>	<u>91,282</u>	<u>153,361</u>

Edinburgh Children's Hospital Charity

Notes to the financial statements for the year ended 31 December 2022

7. ALLOCATION OF COSTS (continued)

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	<u>48,189</u>	<u>1,157</u>	<u>63,274</u>	<u>112,620</u>
Total		<u>443,254</u>	<u>52,140</u>	<u>475,460</u>	<u>970,854</u>
Allocation					
Restricted funds		117,548	-	293,363	410,911
Unrestricted funds		<u>325,706</u>	<u>52,140</u>	<u>182,097</u>	<u>559,943</u>
		<u>443,254</u>	<u>52,140</u>	<u>475,460</u>	<u>970,854</u>

Edinburgh Children's Hospital Charity

Notes to the financial statements for the year ended 31 December 2022

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	<u>48,189</u>	-	<u>63,274</u>	<u>111,463</u>
Total		<u>443,254</u>	-	<u>475,460</u>	<u>918,714</u>

Allocation

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

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	<u>844</u>	-	<u>1,369</u>	<u>2,212</u>
Total charity		<u>48,189</u>	-	<u>63,274</u>	<u>111,463</u>
Audit fee – trading subsidiary	2	-	<u>1,157</u>	-	<u>1,157</u>
Total group		<u>48,189</u>	<u>1,157</u>	<u>63,274</u>	<u>112,620</u>

Edinburgh Children's Hospital Charity

Notes to the financial statements for the year ended 31 December 2022

8. EXPENDITURE ON RAISING FUNDS

Group			Year to 31 December 2022 Total £	Year to 31 December 2021 Total £
	Unrestricted £	Restricted £		
Expenditure on Raising Funds (note 7)	486,990	129,202	616,192	443,254
Fundraising trading:				
Costs of goods sold	230,044	-	230,044	190,542
Costs allocated to fundraising trading (note 7)	61,597	-	61,597	52,140
	291,641	-	291,641	242,682
Total expenditure on raising funds	778,631	129,202	907,833	685,936

Charity			Year to 31 December 2022 Total £	Year to 31 December 2021 Total £
	Unrestricted £	Restricted £		
Expenditure on Raising Funds (note 7)	486,991	129,202	616,192	443,254

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.

Notes 6 and 7 provide a breakdown of costs associated with raising funds.

Edinburgh Children's Hospital Charity

Notes to the financial statements for the year ended 31 December 2022

9. EXPENDITURE ON CHARITABLE ACTIVITIES

Group and Charity			Year to 31 Dec 2022	Year to 31 Dec 2021
	Unrestricted	Restricted	Total	Total
	£	£	£	£
Grants and donations:				
Atrium Enhancements	-	-	-	16,076
Bill Manson Memorial Bench	-	-	-	109
Children and Young People's Service Website	3,837	-	3,837	27,002
Crohn's Research	-	21,261	21,261	42,140
Cystic Fibrosis – respiratory and sleep monitor	-	-	-	9,000
Epilepsy Laser	-	-	-	139,370
Family Support	-	526	526	5,861
Digital Champion (Kidsnet)	9,179	-	9,179	6,689
Gaming Karts	-	7,463	7,463	-
Lifesaving Airway Equipment	-	-	-	24,986
Memory Box Supplies	-	12,489	12,489	9,997
Memory Making Critical Care	-	-	-	34
Music Garden and Outdoor Performance Space	-	-	-	27,138
Novel Brain Function Connectivity Assessment	-	-	-	5,000
Physiotherapy for Haemophilia	-	-	-	10,340
Psychology Adding Value: Epilepsy Screening	-	-	-	10,000
Play Department	794	5,600	6,394	7,342
Sensory Equipment	-	5,740	5,740	-
Social Work Department	9,000	3,000	12,000	5,000
St John's Emergency Department Redesign	-	40,000	40,000	3,000
Volunteer Services	45,000	-	45,000	45,000
Welcome Presents and Rewards	3,867	265	4,132	2,304
Youth Team – Talks 2 Us (6VT Youth Café)	43,352	-	43,352	42,099
Other grants and donations (under £5,000)	<u>28,447</u>	<u>32,929</u>	<u>61,376</u>	<u>57,291</u>
Total grants and donations	143,476	129,273	272,749	495,776
Direct charitable activity				
Childrens Wellbeing Service (Arts Programme)	2,124	198,740	200,864	64,733
Depreciation – 25%	-	<u>11,397</u>	<u>11,397</u>	<u>4,215</u>
Total direct charitable activity	2,124	210,137	212,264	68,948
Costs attributable to charitable activities (note 7) including governance costs	<u>268,264</u>	<u>412,564</u>	<u>680,828</u>	<u>475,460</u>
Total cost of charitable activities	413,865	751,974	1,165,839	1,040,185

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.

Edinburgh Children's Hospital Charity

Notes to the financial statements for the year ended 31 December 2022

10. GROUP AND CHARITY DESIGNATED FUNDS

In line with the Statement of Recommended Practice for Charities, £60,943 (£164,447 in 2021) has been designated for various charitable projects and £230,000 (£230,000 in 2021) 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 27.

A net transfer has been made to unrestricted funds of £218. 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.

	Funds Balance at 1 January 2022	(Payments) made during the period	Transfer from/(to) Unrestricted Funds	Funds Balance at 31 December 2022
	£	£	£	£
Designated Funds				
Volunteer Services	45,000	(45,000)	11,250	11,250
Hospital Youth Team (6VT Youth Café)	43,352	(43,352)	-	-
Children and Young People's Website	3,642	(3,837)	3,696	3,501
Digital Champion (Kidsnet)	6,963	(9,179)	11,396	9,180
Epilepsy Laser Maintenance	11,425	-	(11,425)	-
Play Department	6,316	(794)	1,478	7,000
Lauriston Community Outpatients	16,758	-	(16,758)	-
St John's Maternity Enhancements	25,259	-	(4,000)	21,259
Other approved grants (under 5,000)	<u>5,732</u>	<u>(1,124)</u>	<u>4,145</u>	<u>8,753</u>
Designated Funds	<u>164,447</u>	<u>(103,286)</u>	<u>(218)</u>	<u>60,943</u>
Operating Fund	<u>230,000</u>	<u>-</u>	<u>-</u>	<u>230,000</u>

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 2022

10. GROUP AND CHARITY DESIGNATED FUNDS (continued)

	Funds Balance at 1 January 2021	(Payments) made during the period	Transfer from/(to) Unrestricted Funds	Funds Balance at 31 December 2021
	£	£	£	£
Designated Funds				
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)	<u>4,323</u>	<u>(40,064)</u>	<u>41,473</u>	<u>5,732</u>
Designated Funds	<u>186,441</u>	<u>(158,505)</u>	<u>136,511</u>	<u>164,447</u>
Operating Fund	<u>454,212</u>	<u>-</u>	<u>(224,212)</u>	<u>230,000</u>

Edinburgh Children's Hospital Charity

Notes to the financial statements for the year ended 31 December 2022

11. RESTRICTED FUNDS

Restricted funds are funds received which are earmarked by the donor for a specific ward, department or project. Funds carried forward which were under £10,000 and had income or expenditure of less than £10,000, are included in the other funds under £10,000 funds balance at 1st January 2022.

	Funds Balance at 1 January 2022	Transfers between Funds	Transfer from (to) Unrestricted Funds	Income during the period	Payments and Grants during the period	Funds Balance at 31 December 2022
	£	£	£	£	£	£
Additional ATD Enhancements	-	25,000	-	-	-	25,000
Bill Manson Scholarship	10,084	-	-	-	(2,383)	7,701
Children's Wellbeing Officer	5,684	-	-	9,687	(13,500)	1,871
Children's Wellbeing Services	-	2,000	50,000	167,345	(215,089)	4,256
Complementary Therapy	-	(992)	0	20,000	(9,077)	9,931
Covid-19 Scot Gov Wellbeing Fund	59,396	-	-	-	(57,790)	1,606
Craig Gowans Memorial Trust	29,678	-	-	839	-	30,517
Intensive Care & High Dependency	37,582	(126)	-	88	(160)	37,384
Crohn's Disease Research	244,371	-	-	27,977	(21,261)	251,087
Epilepsy Appeal	52,357	-	-	-	(1,112)	51,245
IBD Pharmacist	-	-	-	26,000	-	26,000
Jess Mackie Fund	30,312	2,801	-	3,493	(19,404)	17,202
Lauriston Community Outpatients	25,000	(16,758)	-	-	-	8,242
Memory Boxes	475	2,000	0	10,668	(12,489)	654
New Hospital Enhancements	18,602	-	-	-	(1,065)	17,537
Orthopaedic / Spinal	39,470	-	-	100	-	39,570
PJs Fund	11,861	(9,100)	323	2,762	(3,070)	2,776
Pull Down Beds	12,299	(7,200)	(5,099)	-	-	-
Space Academy	100,000	-	-	-	(78,471)	21,529
St John's Emergency Department	43,020	-	-	-	(43,020)	-
Lochransa	20,446	(548)	-	17,538	(13,836)	23,600
Borthwick	15,743	(276)	146	-	-	15,613
Wellbeing and Resilience Pilot	-	-	-	75,000	(60,979)	14,021
St John's Maternity	14,741	4,000	-	-	(500)	18,241
Complementary Therapy Room	-	10,000	-	-	-	10,000
Other funds (under £10,000)	167,060	(10,801)	5,172	45,460	(49,609)	157,281
Subtotal	938,181	-	50,541	406,957	(602,815)	792,864
Raising funds apportioned*	-	-	72,184	-	(72,184)	-
Charitable activities apportioned*	-	-	206,176	-	(206,176)	-
Total Restricted Funds	938,181	-	328,902	406,957	(881,176)	792,864

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 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.

Edinburgh Children's Hospital Charity

Notes to the financial statements for the year ended 31 December 2022

11. RESTRICTED FUNDS (continued)

	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
Subtotal	835,832	-	(1,610)	569,357	(465,398)	938,181
Raising funds apportioned*	-	-	113,836	-	(113,836)	-
Charitable activities apportioned*	-	-	233,605	-	(233,605)	-
Total Restricted Funds	835,832	-	345,831	569,357	(812,839)	938,181

Edinburgh Children's Hospital Charity

Notes to the financial statements for the year ended 31 December 2022

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 £
Funds per Balance Sheet at 31 December 2021	938,181	1,172,784	230,000	164,447	2,505,412
Net Income from the Statement of Financial Activities	(474,219)	102,292	-	-	(371,927)
Grants paid from Designated Funds	-	103,286	-	(103,286)	-
Transfers to Designated Funds	-	218	-	(218)	-
Operating Fund movement	-	-	-	-	-
Transfer to Restricted funds	328,902	(328,902)	-	-	-
Funds per Balance Sheet at 31 December 2022	792,864	1,049,677	230,000	60,943	2,133,485

Charity	Restricted Funds £	Unrestricted Funds £	Operating Fund £	Designated Fund £	Total Funds £
Funds per Balance Sheet at 31 December 2021	938,181	1,132,789	230,000	164,447	2,465,417
Net Income from the Statement of Financial Activities	(474,219)	96,304	-	-	(377,915)
Grants paid from Designated Funds	-	103,286	-	(103,286)	-
Transfers to Designated Funds	-	218	-	(218)	-
Operating Fund movement	-	-	-	-	-
Transfer to Restricted funds	328,902	(328,902)	-	-	-
Funds per Balance Sheet at 31 December 2022	792,864	1,003,694	230,000	60,943	2,087,502

Edinburgh Children's Hospital Charity

Notes to the financial statements for the year ended 31 December 2022

12. FUNDS SUMMARY (continued)

Analysis of Net Assets

Group	Restricted Funds £	Unrestricted Funds £	Operating Fund £	Designated Fund £	Total Funds £
Fixed assets	-	17,331	-	-	17,331
Net Current assets	792,864	1,032,346	230,000	60,943	2,116,154
Net Assets at 31 December 2022	792,864	1,049,677	230,000	60,943	2,133,485
	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
Net Assets at 31 December 2021	938,181	1,172,784	230,000	164,447	2,505,412

Charity	Restricted Funds £	Unrestricted Funds £	Operating Fund £	Designated Fund £	Total Funds £
Fixed assets	-	17,331	-	-	17,331
Net Current assets	792,864	986,364	230,000	60,943	2,070,171
Net Assets at 31 December 2022	792,864	1,003,695	230,000	60,943	2,087,502
	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
Net Assets at 31 December 2021	938,181	1,132,789	230,000	164,447	2,465,417

13. FIXED ASSETS

	Group		Charity	
	Plant & Equipment £	Total £	Plant & Equipment £	Total £
Cost				
As at 1 January 2022	16,860	16,860	16,860	16,860
Additions	11,868	11,868	11,868	11,868
As at 31 December 2022	28,728	28,728	28,728	28,728
Depreciation				
As at 1 January 2022	4,215	4,215	4,215	4,215
Charge for year	7,182	7,182	7,182	7,182
As at 31 December 2022	11,397	11,397	11,397	11,397
Net Book Value				
As at 31 December 2022	17,331	17,331	17,331	17,331
As at 31 December 2021	12,645	12,645	12,645	12,645

Edinburgh Children's Hospital Charity

Notes to the financial statements for the year ended 31 December 2022

14. DEBTORS

	Group		Charity	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	£	£	£	£
Trade Debtors	459	-	459	-
Interest receivable	167	42	167	42
Accrued legacies	-	10,000	-	10,000
Prepayments and other accrued income	<u>100,048</u>	<u>89,723</u>	<u>99,669</u>	<u>89,298</u>
	100,674	99,765	100,295	99,340
Due from Task Trading Limited:				
- Balance of Task Trading A/c at 31 December	-	-	<u>22,411</u>	<u>22,789</u>
	100,673	99,765	122,705	122,129

15. CREDITORS: amounts falling due within one year

	Group		Charity	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	£	£	£	£
Trade creditors	34,100	25,077	21,993	10,270
Other grants due	26,427	53,722	26,427	53,722
Other creditors	32,749	30,000	30,635	27,435
PAYE/NIC	-	14,467	-	13,835
Dilapidation provision	20,700	20,160	20,700	20,160
VAT due to HMRC	<u>4,428</u>	<u>3,963</u>	<u>-</u>	<u>-</u>
	118,404	147,389	99,755	125,422

16. COMMITMENTS UNDER OPERATING LEASES

At 31 December 2022 the charity had annual commitments under non-cancellable operating leases as set out below:

	Group and Charity		Group and Charity	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	Buildings	Buildings	Office Equipment	Office Equipment
	£	£	£	£
Operating leases which expire				
Within 1 year	36,317	36,317	2,409	2,409
Within 2 to 5 years	15,132	51,449	3,599	6,008
Over 5 years	-	-	-	-
	51,449	87,766	6,008	8,417

The total lease payments recognised as an expense in 2021 is £ 38,726 (2021: £37,833).

Edinburgh Children's Hospital Charity

Notes to the financial statements for the year ended 31 December 2022

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. The contingent liability in respect of this grant at 31st December 2022 is £13,800.

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 2022 represented £22,411 (£22,789 in 2021) 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 2022 we received Trustee legal training from a colleague of Fiona's at Lindsays to the value of £900.

One Trustee, Jon McCormack, is a Consultant Paediatric Anaesthetist at the RHCYP.

One member of the Grants Committee, Paul Leonard, is a Consultant in Emergency Medicine at the RHCYP.

One Trustee, Keith Anderson, is Director of Scottish Power. The charity's electricity is supplied by Scottish Power on a commercial basis, no benefit was derived from this relationship.

One Trustee, Mike Tumilty, has recently become Global Head of Operations at Aegon, our pension provider. Our pension has been in place for a number of years.

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)	£45,983	£344,327	£298,535	£45,793	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

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 May 2022)
John R Brodie MBE
Lynda Cowie
Lindsay Gardiner (Chair)
Fiona Linklater
Dr Jon McCormack
Dr Louise Potter
Professor Angela Thomas OBE
Christy Thomson (appointed August 2022)
Michael Tumilty

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
Dr Jon McCormack
Professor Angela Thomas OBE
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)