



Trustees' Annual Report

Year Ended 31 March 2022

Registered Charity No. 1160661

A Company Limited by Guarantee

Registered in England Company no. 09389239

ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2022

Trustees' Report

It is a pleasure to present the Annual Report for Alder Hey Children's Charity, together with the audited financial statements for the year ended 31 March 2022.

The 2021/22 Annual Report and Accounts have been prepared in accordance with the Statement of Recommended Accounting Practice: Accounting and Reporting by Charities (FRS102). The Charity's report and accounts include all the separately established funds.

Update from the Chair and Chief Executive

Last year in the annual report we celebrated the dedication of our amazing teams here at Alder Hey as they negotiated the challenges of COVID not only on the lives of our young patients, their families, and our staff but on themselves too. We knew we would need to continue to navigate the pandemic this year also, working closely with our Trust colleagues and adapting to the most difficult of circumstances, though we also reflected that with our donors by our side, there was a bright future ahead. It's safe to say our hopes were exceeded, and we are pleased to be able to highlight our achievements in this document.

Our supporters have helped us to raise an astonishing £6.6 million in 2021/22, and, once more, every penny is making a huge difference to the 330,000 brave young patients we see every year at the hospital campus, as well as throughout our community. Our donors' money allows the hospital to go above and beyond what standard funding from the NHS can do, as we move away from emergency Covid requirements to focus on fulfilling our important ongoing commitments and raising funds for our medium- and longer-term projects once more.

Our two Appeals continue to be superbly supported by our donors. As our 7in10 Children's Mental Health Appeal draws to a close, we can reflect on the incredible support we received from the launch of the appeal during the height of the pandemic to now, as we are within reach of our £3m target. Our £3m Surgical Neonatal Appeal is also gaining traction in the press and across our social channels, especially as the new unit will not only be state of the art but will introduce a treatment pathway unique in the UK with potential to be adopted throughout other surgical neonatal units across the NHS. This unique and totally engaging proposition ensures the charity has compelling stories to tell our supporters, as we move into 2023 and beyond and continues to ensure the Trust and Charity are viewed as enabling pioneers.

The charity continues to support the hospital's vision to build a healthier future for children and young people and we all keep the child and our families at the heart of everything we do. In 2021 the hospital officially opened the Alder Centre, a unique bereavement centre fully funded by the Charity that provides a warm, welcoming space to act as a meeting place for families where they can develop support systems. We will continue to support this amazing centre, providing funding for activities and requirements, including holistic therapies for families.

This year we also funded important equipment for the Trust, with one imaging machine ensuring important procedures can be carried out on children speedily and efficiently whilst reducing distress and anxiety - and in some cases even negating the use of general anaesthetic.

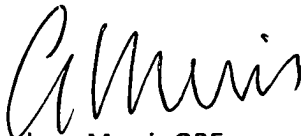
Research and Innovation is, as always, a core element of what makes Alder Hey special and the funding we have provided for Innovation staff members, Senior Researchers and clinicians' research projects will ensure our pioneers continue to be given the start they need to make the impossible of today, the norm of tomorrow.

This year saw us partner with NHS Charities Together and due to the professionalism of our team, Alder Hey Charity was chosen to administer a £1.2m multi-year grant within the Cheshire and Merseyside region. This has enabled several community partners to work with NHS providers, including Alder Hey, on new projects supporting patients across the region. This is an important step forward in community partnership and outreach and we are very proud to have played our part.

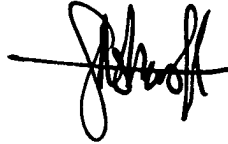
ALDER HEY CHILDREN'S CHARITY

To support our staff we introduced a Staff Charter this year to cement our commitment to our incredible people and to promote positive relationships and good employment practice to achieve the charity's vision. On behalf of the Trustees, we would like to thank each and every one of our amazing staff members and volunteers for their hard work, determination, innovation and ongoing dedication throughout the year, which continues to ensure the work we do really does create brighter futures.

Finally, we couldn't do any of these things without our supporters. We are very grateful to all of those who have been able to support the charity and the hospital helping transform the lives of the children and young people who need our care.



Graham Morris OBE
Chair of Trustees
1 December 2022



Fiona Ashcroft
Chief Executive Officer
1 December 2022

Strategic Report

Objectives

The Charity covers a wide range of charitable purposes relating to the NHS and the objectives as per the governing document are:

- (a) to further any charitable purpose or purposes: relating to the general or any specific purposes of the Foundation Trust or the purposes of the health service;
- (b) to promote, protect, preserve and advance all or any aspects of the health and welfare of the public; and
- (c) to advance and promote knowledge and education in medicine, including by engaging in and supporting medical research (and the dissemination of the useful results).

It is the objective of the Charity to take careful stewardship of all donations received and to this end the Charity is aligned to Alder Hey Children's NHS Foundation Trust's strategic vision.

Activities, Achievements and Performance

Alder Hey Children's Charity raises vital funds to help make Alder Hey Children's NHS Foundation Trust a truly world-class, patient-friendly hospital for the 330,000 patients and families we care for every year.

This year, £6.6m has been raised for a range of life-saving medical equipment and facilities that are making a real difference to families every day. It also ensured that every child and young person experiences Alder Hey 'magic' – the little added extras that make the hospital experience the best it can be for patients and their families.

COVID

2021/22 has continued to be a very challenging year for our NHS colleagues and wider society in general with the impact of Covid-19 continuing. Whilst the Charity began to be able to undertake some of our usual events, such as Oli's Safari Walk where over 1,000 supporters attended, other events saw reduced numbers or could not be held, such as our overseas challenges. Our Charity Retail Shop had nearly a full year of trading following a number of closures the year before and has seen great support from the local community.

We're very proud of how our team continued to adapt during this period and find new ways of working, combining face to face and online events. We continued our TV campaigns and looked to new technology to support our appeals, such as the use of smart speaker technology for our Legacy information.

This year the Charity funded £5.4m of life changing work. The Charity continued to provide support to the hospital across four areas:

- Park Campus – making a vision for a unique children's healthcare campus a reality
- Magic – helping to make hospital life brighter for our brave, young patients
- Equipment – ensuring that patients have access to the latest innovative medical equipment
- Research & Innovation – finding new and creative solutions; leading the way in international child health

Park Campus

- In Spring 2020 we launched our 7in10 Children's Mental Health Appeal and thanks to the support of our amazing donors have raised £2.75 million to date to support the Trust to provide the family-friendly enhancements required for Sunflower House and the Catkin Centre. In addition to this, we have also funded artwork for the new buildings to ensure the best environment for our young patients.
- We have launched our Surgical Neonatal Appeal with a target of £3 million to help create a wonderful environment for parents in our new Surgical Neonatal Unit at Alder Hey, allowing families to stay even closer to their new-borns during their care.

Magic

Throughout 2021/22 the Charity has continued to support many projects designed to enhance the experience of the children and young people at Alder Hey and to bring an element of “magic” to their time here, including:

- We have provided over £50,000 towards additional toys, craft materials and play equipment with the help of donations from supporters. This has included a specific pot of funding to enable the hospital to purchase a range of more diverse toys, including ones that have similar medical equipment to that which some of our children need to use.
- Donations have once again supported the Arts for Health programme which has allowed Alder Hey to continue to facilitate arts experiences for children, including virtual music and dance sessions for patients and staff during restrictions.
- We are excited to have provided our amazing Physiotherapy and Endocrinology Teams with £37,662 for their Alder Active Exercise Programme that is designed to support children to exercise in safe ways. In addition, we have also granted £20,000 match funding to Liverpool Football Club Foundation which helped them to secure £120,000 from the Premier League and Professional Players Associations to run and expand their Move programme within the hospital to support children with respiratory conditions and endocrinology patients with complex needs.

Equipment

The Charity has continued to support the Trust by providing funding for enhanced medical equipment, including:

- £178,000 of donations have enabled the Trust to develop the 3D/4D echocardiography service, providing cutting edge technology to visualise cardiac structures, improving diagnosis and surgical planning. This includes the purchase of a 4D echocardiography machine and 4D echo probes which will be used to enhance current machines. This will allow ‘live’ 4D images from inside the heart to be available for the interventional and surgical teams during procedures to guide treatment.
- Donations have enabled the Trust to purchase an ophthalmic imaging machine, which allows the Ophthalmic Team to improve the quality of clinical assessments by providing higher resolution retinal images whilst improving the experience for our young patients and therefore reducing the distress and anxiety caused. The use of this equipment will also reduce the number of patients who require general anaesthetic to obtain similar images.
- We have supported software development to ensure that systems within the Trust operate in the most advanced ways, including implementation of a networked system of infusion pumps that have released additional staff time for patients.

Research & Innovation

The Charity has also continued to provide vital investment in Research and Innovation. A multi-year grant of £340,000 supports five senior researchers and has enabled 10 clinicians new to research to start their first research projects at Alder Hey. We have continued to support the Innovation team with £200,000 of funding for several posts that enable the development of pioneering solutions to respond to the current challenges faced within child healthcare.

Additional research projects funded during the year include:

- £24,675 approved towards the extension of a study into Cerebellar Mutism, a common complication of surgery for Posterior Fossa Tumours in children resulting in loss of speech or reduced speech.
- £9,850 approved for an extension of a study into the effects of radiation therapy on healthy brain tissue.
- £5,000 towards a study into the early identification of Pre-Diabetes in children and adolescents.

Health and Well-Being

The Charity has continued to support its own staff and Alder Hey NHS staff through this difficult year, providing match funding for a new staff space that will be built in 2022/23, for staff care packages at Christmas and also providing treats throughout the year thanks to the generous support of our Corporate partners who have provided gifts in kind for staff. In addition, the Charity supported new initiatives such as the Emergency Department's well-being week.

Staff Charter

Our staff charter was introduced to cement our commitment to our people and to promote positive relationships and good employment practice to achieve the organisation's vision and goals. It helps clarify what success for us *is* - and what success *isn't* in plain English.

As the charity we...

- Recognise that in order to do great work, we need to be well rested, healthy and enjoy our life outside of work.
- Know it's OK to work from home, in the office, or a mixture of the two as long as this works within our role.
- Flex our working hours around nursery/school/life as long as that works for our role and our manager.
- Take regular breaks away from our screen and desk.
- Send emails late at night if that works for us, but don't expect a response out of hours as we are doing this for our own flexibility.
- Protect time to do exercise or go for a walk during the day.
- Recognise the importance of one-to-ones and prioritise them.
- Hold each other accountable and take responsibility for our own actions.
- Know it's OK to say our plate is full and we need more time, more support, or just to reach out to a colleague.
- Respond to requests in a reasonable amount of time and recognise that this does not need to be immediately.
- Think about the purpose of a meeting before we book it and know it's OK to say no to a meeting, we're invited to that we don't believe we need to attend.
- Know it's OK to discuss flexible working with our line manager.
- Talk about our mental health.
- Know it's OK to ask questions or ask for information from the senior management team.
- Know it's OK to feel however we're feeling, even if it's not OK.

NHS Charities Together

We administered a £1.2m stage 2 multi-year grant within the Cheshire & Merseyside region in partnership with NHS Charities Together, enabling several community partners to work with NHS providers, including Alder Hey, on new projects supporting patients in the region. Alongside this we received a recovery grant of £88,000 to support the Trust in developing new ways of working.

Looking Forward

Alder Hey Children's NHS Foundation Trust has big ambitions and Alder Hey Children's Charity is committed to supporting the Trust to achieve these and provide the best possible support to help care for children and families both now and in the future.

Covid-19 has impacted growth plans, however Alder Hey Children's Charity remains committed to sustainably growing fundraising income to support our vision for a healthier future for children and young people. We plan to continue investing in growth areas and maximising current opportunities. 2022/23 will see investment in our community team to support the new events planned for the coming year, investment in our data team to ensure we are maximising the information available to our teams and further development of our grant funding programme to trial a small grant funding round to enable staff across the Trust to bring innovative and practical solutions to patient lives every day.

ALDER HEY CHILDREN'S CHARITY

Having launched our Neonatal Appeal with a target of £3 million, we will be working hard on different ways to raise funds and ensure that the building and service can be everything it needs to be to support families in the future.

Over the next year we will be looking again at our four funding pillars of Campus, Medical Equipment, Research & Innovation, and Magic, to ensure they fit the strategic needs of the hospital and allow us to get the funding to the children and young people who need it most. We will be looking at ways that we can further thank our supporters for everything that they do for our brave young patients, and we're really excited to be able to run all of our events again, providing lots of opportunities to raise funds and have lots of fun at the same time.

We also hope to restart Celebrity/VIP ward visits as we know our patients and staff thoroughly enjoy the excitement that a visit can bring and the resulting publicity can help build awareness for our appeals.

Most importantly and as always, this year we will continue to focus on supporting Alder Hey to build brighter futures for our children and young people.

Fundraising Activities

The Charity follows the Code of Fundraising Practice when undertaking fundraising activities, with particular focus being given to how to identify and protect vulnerable donors. The Charity pays a levy to the Fundraising Regulator each year and is registered with the Fundraising Preference Service. The Charity received no formal complaints in the financial year about our fundraising activities. Informal complaints were followed up and resolved with lessons learnt being carried forward.

Funds are raised by the Charity to support the hospital and our charitable objectives in a variety of ways. Activities are undertaken within the community; by applying to Trusts & Foundations for grant funding; by engaging with corporate partners; through individual donations and legacy donations; and through the Charity lottery and activities of the Alder Hey Promotions Ltd. subsidiary company, which includes our retail shop.

Community

2021/22 was a successful year for Community Fundraising despite ongoing Covid related challenges. The gradual easing of restrictions enabled in person events to resume, though those scheduled for May-July including Oli's Safari Walk and the Coniston Challenge had to be postponed until later in the year which resulted in lower participation levels than previous years.

Unfortunately our overseas challenges to Nepal and Jordan, originally planned for October 2021 and 2022 respectively have had to be cancelled as a direct result of the pandemic though the increased popularity of challenge events closer to home have softened the financial impact of this.

Open challenge and running events proved very popular as did recruitment for our first Snowdon at Night event and bespoke Skydive Day. We will be investing in a number of additional third party running and challenge events as part of our growth strategy for 2022/3.

Away from events and sponsorship the more 'traditional' elements of Community Fundraising have slowly recovered. Supporter events were particularly successful, especially the second Tractor Run at Christmas which raised over £60,000.

The Alder Hey Lottery canvassers have also been able to return to business as usual after a period of inactivity during lockdown. The lottery is now recovering well, helped by the recruitment of additional canvassers and the introduction of a new £5 membership to include an annual Super Draw which should boost lottery income considerably in the medium to long term.

Philanthropy

In 2021/22 we received over £1.9million in philanthropic donations from individuals, charitable trusts, foundations and grant makers, supporting the development of our hospital campus, innovation and research, purchasing much needed state of the art equipment and creating magic for our brave young patients.

We have received incredible support towards our 7in10 Children's Mental Health and Surgical Neonatal appeals. Other activities that have been made possible with philanthropic funding include our nationally recognised

Arts for Health programme, a partnership project with Liverpool Children's Centres supporting hard-to-reach families in some of Liverpool's most disadvantaged communities to prevent young babies from becoming seriously unwell with respiratory conditions and a youth volunteering project aimed at increasing opportunities both within the charity and the hospital, for young people with learning disabilities.

These projects continue to have significant positive impact for children, young people and their families and we are extremely grateful for the continued generosity of our donors and funders.

Restricted Grants

During the financial year we received the following restricted funding from Trusts and Foundations:

- National Lottery Community Fund – RC North-West Region: We were awarded a total of £99,771, of which £23,505.50 was received in the year. This is to fund our two-year Calm & Connected post-Covid recovery programme.
- Youth Music: A total of £59,980 was awarded to fund our two-year Minds Matter project, of which £29,990 was received in the year.
- BBC Children in Need (Sound Project): A total of £29,600 was awarded for our three-year Sound Music Project which began in 2019: During the year we received £9,840.
- BBC Children in Need (Framing Our Futures): We were awarded a total of £62,580 for our three year Framing Our Futures project, of which £10,860 was received in the year.
- NHS England: £164,305 was awarded to fund peer to peer awareness raising work to support prevention and early identification of bronchitis.
- NHS Charities Together/DCMS (Volunteering Futures Fund): £99,738 was awarded to support volunteer development in both the Charity and the Trust.
- NHS Charities Together Stage 3 Recovery Grant: £88,000 was granted to support the Trust in developing new ways of working.
- Garfield Weston Foundation: £150,000 was granted towards our new Mental Health Unit.
- The Hargreaves Foundation: £103,000 was granted towards our new Mental Health Unit.
- Charles Wolfson Charitable Trust: £15,000 was granted towards our new Neonatal Surgical Unit.

Corporate Partnerships

Over the past year our corporate partners raised an incredible £1.3m through donations and gifts in kind.

Following a difficult couple of years when we were unable to hold events in person, we were delighted to host two successful corporate events to raise money and awareness for the charity. Our Dragon Boat Festival took place in September with 16 teams taking to the water, raising £23,000. We held our first Golf Day at The Mere, Knutsford, where 17 teams took part in a round of golf, golf competitions and a raffle to raise over £23,000 as well as the 'Bag ladies Afternoon Tea' event (an event that auctions high value handbags) that raised over £13,000. We are very grateful to Braithwaite Group for sponsoring both the Dragon Boat Festival and Golf Day.

Our first partnership with Johnson's Baby launched in March 2021 in retailers across the country and continued into this financial year, raising £60,000 to support our Neonatal Appeal. An awareness campaign #FirstMomentsMatter, launched alongside the campaign through Johnson's partner Superdrug and this, as well as other activity, raised an additional £22,000.

In its 8th year, our partnership with Matalan saw the launch of the annual PJ campaign. The PJs were designed by Oliver, aged 6 who created a Christmas themed 'Have a jolly Oli Christmas' PJ and the introduction of a campaign teddy bear who also wore the PJs was a lovely addition. The campaign raised £269,000 towards our new surgical Neonatal Unit and Matalan have pledged to support this appeal again in 2022/23.

EG Group, a new partnership this year, placed the charity in service stations across the country and from August to December raised over £36,000 through customer donations and staff fundraising.

Following a difficult time for the travel industry, we were pleased to be able to attend the annual Institute of Travel and Tourism Conference as their chosen charity once again. The exposure to companies across this industry gives us an opportunity to engage with a large audience of senior representatives and raise awareness and funds.

ALDER HEY CHILDREN'S CHARITY

As a team, we have worked hard on our new business pipeline and planning for future growth over the past year, whilst continuing to build on our relationships with longstanding partners. We are very grateful for support from these partners and look forward to working with many of them again in the coming year.

Individual Giving & Legacies

We are hugely grateful to all our supporters who continue to champion us during these complex and uncertain times. The generosity shown towards our 7in10 fundraising appeal, which support a new mental health facility, has ensured we are well on our way to hitting our £3m target. As the build now nears completion, we can see the tangible results of that generosity. Our new focus is our Surgical Neonatal Intensive Care Unit (NICU) Appeal. This appeal will support the build and enhancement of a state-of-the-art surgical NICU facility for babies and their families from across the region.

As part of our Individual Giving programme, we delivered an Easter campaign that focused on Lydia's story and how an enhanced state-of-the-art surgical NICU would have helped Lydia and her family in those first few months. Lydia's mum Claire said: "The new enhancements to the neonatal ward would have made such a difference to us as a family. Lydia has two older sisters who love her very much. Having them there with us more, in our own child friendly private family room, would have really helped with Lydia's recovery."

Despite a drop in donations being expected after the peak of support for the NHS during Covid-19, our monthly donations held up well over 2021/22. We continued to receive generous support from our regular givers, as well as welcoming new ones following a telephone recruitment campaign which boosted our numbers and allowed us to reach new audiences from across the country. We increased our number of regular donors by 611 this year. Regular gifts allow us to forward plan to ensure our work can fund projects today, tomorrow and into the future.

A number of families have chosen to create In Memory and Much Loved Tribute Funds, where family and friends can donate in memory of a loved one while helping to make a real difference to the 330,000 remarkable children cared for at Alder Hey every year. Donations being received this year into tribute funds amounted to £128k.

In 2021/22 some of our most committed supporters left Gifts in their Wills totalling £544k, made up from donations of varying sizes. These gifts enable us to buy equipment to develop our hospital, fund research and enhance play at Alder Hey, as well as helping us to provide emotional support to our patients and their families, ensuring that their time at Alder Hey is as comfortable as possible.

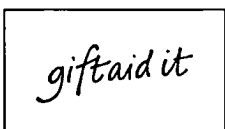
Alder Hey Promotions

Alder Hey Promotions is a wholly owned subsidiary of the Charity, which gifts back all profits to the Charity. In turn the Charity is committed to supporting the organisation. In the year to 31st March 2022, the company achieved a turnover of £764k (which included £42k of grant support) and an operating profit of £418k for the financial year.

The Alder Hey Charity Shop in Old Swan remained open for its first full year and, despite some logistical challenges, had a very successful year. This has been down to the tireless efforts of the staff and volunteers. Numerous partnerships have been forged through retail including local businesses and suppliers who support with donations of goods and volunteers, community groups such as the women's refuge and NCS and we have a strong relationship with our recycling partner.

Following the success of the Old Swan shop, a second shop was opened in Huyton in the spring.

Gift Aid

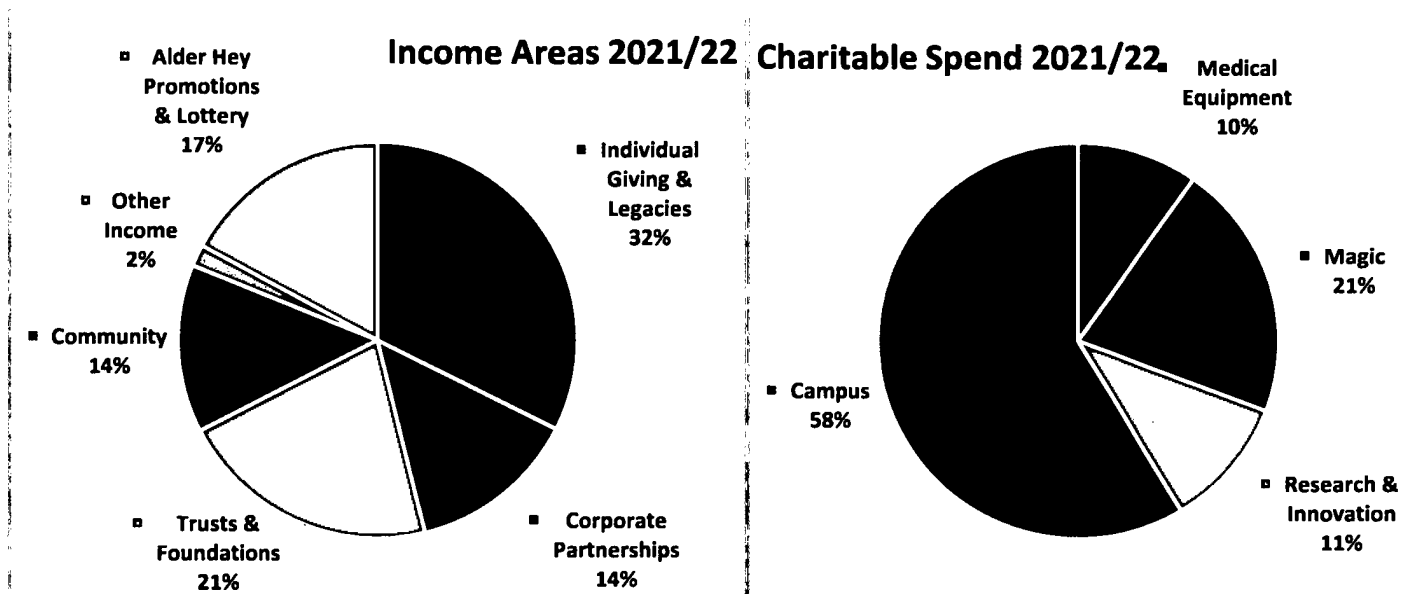


Gift Aid provides a great opportunity for donors to increase the value of their donation to our Charity. Provided the donor is a taxpayer, our Charity can claim the basic rate income tax paid on the gift. This increases donations by approximately 25% so a gift of £10 is worth £12.50 to our Charity. During 21/22 we were able to, once again, claim a significant amount through the scheme thanks to our donor's generosity.

Financial Review

Thanks to our supporters an amazing £6.6m of income has been raised during the year. We are hugely grateful to the individuals who have given £1.3m collectively, to our corporate supporters who have provided £0.5m in cash donations and a further £0.2m in gifts in kind, to the Trusts and Foundations who have provided £1.4m in grant funding and everyone who has supported us through playing the lottery or purchasing items from our shops to provide a further £1.1m. This has resulted in the Charity being able to provide £5.4m in funding to the Trust.

Below is the split of income generated in the year (including gifts in kind) and the charitable expenditure on grant funding split by the four funding pillars.



Reserves Policy

The objective of the reserves policy is to ensure the Charity has sufficient funds available to honour its commitments and continue to deliver its business plan. The Trustees have formally adopted a reserves policy to hold a minimum of six months operating costs and emergency funding, with an aspiration to hold 12 months where this does not impact on immediate funding requirements. Operating costs have been calculated including wages and core running costs (e.g. heating, lighting, insurance). Emergency funding has been calculated using the requirements faced during the beginning of the COVID-19 pandemic. On this basis, for 2021/22, operating costs and emergency funding amounted to £1.7m for six months and £3.4 for 12 months.

Apart from this reserve, all funds which have not been committed to a specific project are available to be spent in furtherance of the charity's objectives. At the 31st March 2022 total unrestricted, undesignated free reserves within the Charity were £2.9m.

The total value of the restricted funds at the end of the year was £3.2m and £1m has been designated by the Board to support the hospital with the Surgical Neonatal Campaign.

Governance Structure and Management

Alder Hey Children's Charity was originally established in July 1995 by a Trust Deed and two further supplemental Deeds, the first reflecting the change of status from Corporate Trustee in May 2011 to appointment of individual Independent Trustees and the second in June 2012 reflecting the change of name of the Charity. On 1st April 2015, Alder Hey Children's Charity became an independent charity (registration number 1160661) and company limited by guarantee (company no 09389239).

Alder Hey Children's Charity has a Board of independent Trustees; it is governed by its Standing Orders and can have up to thirteen Trustees on its Board. In the year ended 31 March 2022 the following people served as Trustees:

ALDER HEY CHILDREN'S CHARITY

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| • Graham Morris OBE (Chair) | (appointed 27 th March 2019) |
| • Eileen Jones (Vice Chair) | (reappointed 27 th March 2019) |
| • Nicky Collins | (resigned 31 st May 2022) |
| • Glynis Johnston | (reappointed 27 th March 2019) |
| • Jeanie France-Hayhurst | (resigned 26 th July 2022) |
| • John Carson (Chair of HR Committee from 10 th November 2021) | (reappointed 27 th March 2019) |
| • Shalni Arora (Non independent member: Non-Executive Director, Alder Hey Children's Foundation Trust) | (reappointed 8 th September 2021) |
| • Dame Jo Williams (Non independent member: Chair & Non-Executive Director, Alder Hey Children's Foundation Trust) | (reappointed 8 th September 2021) |
| • Paul Bibby | (appointed 6 th February 2019) |
| • Sarah Robinson | (appointed 14 th February 2019) |
| • Kirsty Muir (Chair of Finance, Audit & Risk Committee) | (appointed 7 th February 2019) |
| • Rick Turnock (Chair of Charitable Spending Committee) | (appointed 27 th January 2021) |

At all times the Board of Trustees must remain independent of the Foundation Trust to ensure it remains focused on the Charity's purpose as required under Charity law. This is achieved by ensuring the balance of independent Trustees and those with an NHS link is maintained. The Foundation Trust has the right to appoint up to two of its non-executive directors as Trustees of the Charity.

The Trustees consider that it operates a balanced, complete and unified Board with particular emphasis on achieving the optimum balance of appropriate skills and experience; this is reviewed whenever any vacancy arises to ensure that a broad range of skills and expertise is available to the Charity.

The Trustees are required to:

- Ensure an adequate system of internal control is in place, continually reviewed and updated as appropriate.
- Ensure all operations are undertaken within the Standing Orders laid down by the Board and in accordance with Charity Commission guidelines, charity law, other relevant statute and regulations, and best practice.
- Uphold current generally held principles of good governance, value for money and probity of transactions at all times.

Trustees have adopted the Charity Governance Code to ensure they are following good governance practices and they adhere to the Nolan Seven Principles of Public Life. Each year Trustees review their own performance with the Chair of the Board and each trustee provides anonymous feedback on the performance of the Chair, ensuring all trustees are accountable within their role.

New Trustees are given an induction pack explaining the duties of a Trustee and the role of the Board. A comprehensive Trustee induction programme provides new Trustees with full knowledge of the Trust's vision and the Charity's strategy prior to their first Board meeting.

To aid decision-making the Trustees established four sub-committees to the main Board as follows:

- Finance, Audit and Risk Committee
- Charitable Spending Committee
- HR Committee
- Nominations Committee

The terms of reference to each committee have been agreed by the Trustees. Each sub-committee is Chaired by a Trustee and includes at least one other Trustee in its membership:

The purpose of the **Finance, Audit and Risk Committee** is to support the Board of Trustees in ensuring that the strategic objectives of the Charity are met, particularly with reference to effective operational and financial planning, reporting and management, risk management policy setting, and implementation of effective governance procedures. The name of the Committee was changed in-year to better reflect its remit.

ALDER HEY CHILDREN'S CHARITY

The purpose of the **Charitable Spending Committee** is to oversee the expenditure of the Alder Hey Children's Charity in accordance with the vision and values of the organisation it supports (Alder Hey Children's NHS Foundation Trust) and with the Charity's stated and charitable purposes. Within its approval procedures, the Committee is provided with a breakdown of spending trends at least four times per annum. The Trustees remain accountable for all the funds and adhere to Charity Commission guidelines, laws, other statute, regulations, generally accepted best practice and appropriate protocols. The Committee ensures that donations go to fund items that would not be funded by the NHS.

The purpose of the **HR Committee** is to oversee the processes that have been put in place to ensure continued staff wellbeing and development, to encourage staff retention and ensure that fair and equitable remuneration policies and practices are in place.

The purpose of the **Nominations Committee** is to lead on ensuring formal, rigorous, and transparent procedure are in place to appoint new Trustees to the board, which includes advertising vacancies widely; and to evaluate the appropriateness of new Celebrity Charity Champions escalated by the CEO where required in-line with the Terms of Reference. This Committee was established in July 2022 to enhance the governance arrangements in place within the Charity.

There is also an additional ad-hoc **Ethics Panel**, the purpose of which is to assess, when called upon by the Charity CEO, to what extent a potential partner, fundraising activity or donation could have a negative reputational impact on either Alder Hey Children's Charity or Alder Hey Children's NHS Foundation Trust. The Ethics Panel, in consultation with key stakeholders where appropriate, would consider when necessary, whether the partnership, fundraising, activity, or donation in question could be detrimental to the Charity's mission, the Charity's and/or the hospital's brand, existing partners, funders/donors, and key stakeholders.

The Board of Trustees receives the minutes and feedback from the committees at each meeting and an annual report is received by the Board on the work undertaken by the committees.

The Trustees have a legal obligation to act in the best interests of the Charity in accordance with the Charity's governing documents. The staff of the Charity have the same obligation. Conflicts of interest may arise where an individual's or a related party's business, personal or family interests and/or loyalties conflict with those of the Charity. All Trustees and senior management of the Charity declare their interests in writing within four weeks of taking up any position. Trustees and staff are asked to confirm annually that the information held continues to be relevant. In addition, all Trustees are asked to declare any conflicts of interest prior to the commencement of each Board. See note 16 for related party transactions.

Registered Office

The registered address of the Charity is:
Alder Hey Children's Charity
Alder Hey Children's NHS Foundation Trust
Eaton Road
Liverpool
L12 2AP

Principal Professional Advisors

Bankers
NatWest
Liverpool City Office
2-8 Church Street
Liverpool
L1 3BG

ALDER HEY CHILDREN'S CHARITY

Auditors

Bennett Brooks & Co Ltd
St. George's Court
Winnington Avenue
Northwich
Cheshire
CW8 4EE

Investment Fund Managers

Rathbones Investment Management Ltd.
Port of Liverpool Building
Pier Head
Liverpool
L3 1NW

Risk Management

The Trustees have examined the major risks affecting the Charity and identified the system and mechanisms to mitigate these risks. The risk register was updated and reviewed quarterly by the Finance, Audit and Risk Committee and this was fed back as part of the reports from the Committee to the Trustee Board meetings. One of the most significant risks to the Charity is the impact of COVID-19 on income generation activities. Some events still needed to be cancelled or postponed in 2021/22, most notably, the international challenges. However, support has been strong in other areas, so the impact of this risk has been mitigated within the year.

Currently the Charity face significant risks related to the cost of living rises, which can make it more challenging for our donors to support us and impacts our team. This could lead to a high level of turnover within the team where employers outside of the Charity sector can offer greater remuneration. The Charity continues to support the health and wellbeing of the team, focusing on how we can support staff with flexible working, helping to balance their lives and work.

In addition, one of the most significant risks identified is the potential loss incurred by a fall in the value of the Charity's investments. The Trustees consider this risk carefully and review the investment portfolio regularly with the Investment Manager, ensuring that the Charity's investments are spread over a wide and varied portfolio and that the ethical considerations laid down by the Board are met. The Trustees believe that the higher returns available over the longer term from investments through the stock market render any potential exposure acceptable. Careful management of finances ensured the Charity remained in a strong financial position while donating a significant amount of funds to Alder Hey Children's NHS Foundation Trust. Whilst this risk increased during COVID-19, advice was sought and followed from the Investment Manager and the investment portfolio is being carefully managed.

Any grants distributed to the Trust were approved by Trustees whilst maintaining reserves at the approved level for the year.

Public Benefit

The Trustees have a duty to comply with Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit. The trustees confirm that it has fulfilled the public benefit requirement and that this requirement is strongly embedded within the procedures for approving grants and spending plans.

The Trustees ensure that all grants and spending plans contain clear identifiable public benefits, which and meet the objectives of the Charity in supporting any NHS charitable purpose relating to Alder Hey Children's NHS Foundation Trust. This is achieved by the Trustees keeping spending plans under review throughout the year.

The Charity's aims and its public benefit requirements are undertaken through a range of programmes, as identified in the Activities section, supported by charitable funds provided by our generous donors. Services are provided free to patients in accordance with the objects of the Charity and there are no unreasonable restrictions. The trustees have had due regard to the guidance published by the Charity Commission on public benefit.

Investments

Over the 12 months to the 31 March 2022, in total return terms the FTSE All Share returned 13.0%, while overseas equities returned 12.8% (in sterling terms). For Alternatives, the HFRI index up 3.0% over the year. Gilts were down 5.1% on the year.

Over the 12 months to 31 March 2022, Alder Hey's portfolio grew 7.0% compared to the long-term composite benchmark which grew 8.3%. The portfolio continues to outperform over the longer term and is materially ahead of benchmark over 3 and 5 years.

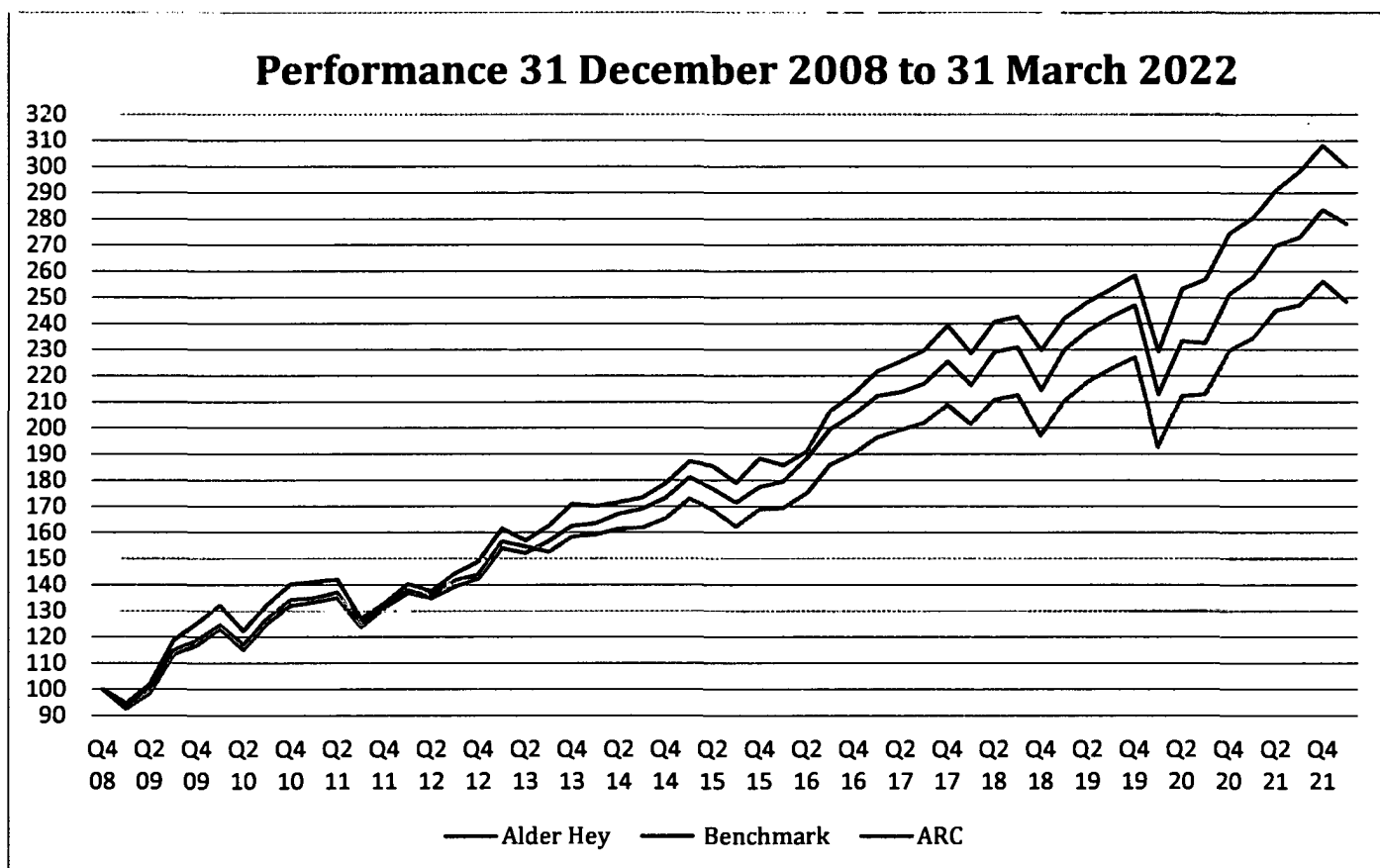
The main positive drivers were the underweight fixed interest position and overweight alternatives position together with outperformance within both these elements of the portfolio.

The main negatives were the underweight position in UK equities and some underperformance within the overseas equities.

Regarding the stock and sector selection, the positive drivers were the overweight oil, gas and mining positions and the underweight travel & leisure and retailer positions, with notable outperformance from Shell, Palo Alto, Alphabet, AstraZeneca and Anglo American.

The main negative contributors to performance were the mix in banking and media together with weak performances from S4 Capital, Barclays, Align Technology and Prudential.

At the time of writing the portfolio is ahead of benchmark since 31st March.



Fund changes during the year

The Committee adopts the practice of rationalising the range of separate funds to maintain efficient administration. As a result, funds will close or merge with other funds as and when the opportunity presents itself.

Charity Personnel

Key management personnel for the Charity are:

- Chief Executive: responsible for setting the Charity's business plan and fundraising strategy and day-to-day running of the Charity. Overall line management responsibility. Reports to Board of Trustees.
- Director of Finance and Operations: responsible for the HR, Finance and Governance operations of the Charity. Line manages the Operations, Data, Grants and Finance teams.
- Head of Philanthropy: responsible for strategy development of Trust & Foundation fundraising and for major donor fundraising and line management of these teams. This role came into place in September 2021 following the resignation of the Director of Philanthropy and realignment of workloads following on from this.
- Head of Corporate Partnerships: responsible for the identification and development of key strategic corporate partners. Line manages the Corporate team.
- Head of Community Fundraising: responsible for the strategic development of community fundraising and the Old Swan Charity Shop. Line manages the Community and Old Swan Charity Shop teams.
- Head of Marketing: responsible for setting the marketing and stewardship strategy for the Charity, with line management responsibility for the Individual Giving and Communications teams.

A Big Thank You

The success of the Charity cannot be achieved without the continuing support and very generous financial contributions received from the public. The Trustees and staff of the Charity are acutely aware of this; are extremely grateful and would like to thank each and every person who has donated their time, money or other services to the Charity, which has been particularly vital in such a difficult year for everyone. On behalf of the patients, their families who benefit so greatly from this support, the Trust and all its employees, and all here at the Charity, we would like to thank you now and in anticipation of your continued support of the Charity during the forthcoming year.

Statement of Trustees' Responsibilities

The Trustees (who are also the directors of Alder Hey Children's Charity for the purposes of company law) are responsible for preparing the Report of the Trustees (including the Strategic Report) and the financial statements in accordance with applicable laws and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law, the Trustees have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK", and applicable law (United Kingdom Generally Accepted Accounting Practice). 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, the group, the incoming resources, and application of resources, including the income and expenditure of the charitable 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 Statement of Recommended Practice (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards, comprising FRS 102, 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 charitable group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

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

The confirmation is given and should be interpreted with the provisions of section 418 of the Companies Act 2006.

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

Signed on behalf of the Trustees



Date: 1 December 2022

Graham Morris OBE
Chair of Trustees

Report of the Independent Auditors to the Trustees of Alder Hey Children's Charity

Opinion

We have audited the financial statements of Alder Hey Children's Charity (the 'charitable company' or the "charity") and its subsidiary (the "group") for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated Group and Charity Balance Sheet, the Consolidated Cash Flow Statement and notes to the consolidated financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group and charitable company's affairs as at 31 March 2022 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We 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 Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the group and 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 Trustee's use of the going concern basis of accounting on 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 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 trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon:

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, 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.

Report of the Independent Auditors to the Members of Alder Hey Children's Charity

Opinion on other matters prescribed by the Companies Act 2006

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

the information given in the Report of the Trustees which includes the Strategic Report and the Directors' Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and the Strategic Report and the Directors' Report included within the Report of the Trustees 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

- adequate accounting records have not been kept by the charitable company; or
- returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the group and charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

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

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

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.

Report of the Independent Auditors to the Members of Alder Hey Children's Charity

Our responsibilities for the audit of the financial statements (continued)

We obtained an understanding of the legal and regulatory frameworks applicable to the group and charitable company, and the sector in which it operates, and determined which of these frameworks may influence the financial statements. Given the nature of its operating activities, the group and parent charitable company is subject to several laws and regulations where the consequences of non-compliance could have a material effect on the amounts or disclosures in the financial statements. Based on our understanding of the group and charitable company and sector, we identified the following laws and regulations are the most significant which are directly relevant to specific assertions in the financial statements:

- Those that relate to reporting frameworks, being FRS102 and the Statement of Recommended Practice (Charities SORP(FRS102)) and the Charities Act 2011 and the Companies Act 2006 and the relevant UK tax compliance legislation and regulations,
- Those that relate to the operational activities of the group and charitable company, including Health and Safety requirements and data protection practices.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting inappropriate journal entries to increase income, through management bias in manipulation of accounting estimates or accounting for significant transactions outside the normal course of charitable operations. Audit procedures performed included:

- Enquiry of management around actual and potential litigation and claims and instances of non-compliance with laws and regulations;
- Auditing the risk of management override of controls, through testing journal entries and other adjustments for appropriateness, testing accounting estimates (because of the risk of management bias), and evaluating the business rationale of significant transactions outside the normal course of charitable operations;
- Reviewing financial statement disclosures and agreeing to supporting documentation to assess compliance with applicable laws and regulations; and
- Review of trustee meeting minutes.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. No matters relating to non-compliance with laws and regulations or relating to fraud were identified in relation to the above-mentioned laws and regulations that were identified by us as most significant.

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



Jason Leach FCA (Senior Statutory Auditor)
for and on behalf of Bennett Brooks & Co Limited
Chartered Accountants & Statutory Auditors

Northwich

Date: 1 December 2022

**Consolidated Statement of Financial Activities for the year ended 31 March 2022
(incorporating an income and expenditure account)**

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds Year Ended 31 March 2022 £'000	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds Year Ended 31 March 2021 £'000
Income							
Donations and legacies	4	2,128	2,264	4,392	2,207	980	3,187
Income from charitable activities	4	1,326	90	1,416	1,026	23	1,049
Income from other trading activities	4	722	-	722	422	-	422
Investment income	3	103	-	103	71	-	71
Total income		4,279	2,354	6,633	3,726	1,003	4,729
Expenditure							
Cost of raising funds		1,722	-	1,722	1,237	-	1,237
Expenditure on charitable activities	6	3,749	2,199	5,948	3,196	1,434	4,630
Total expenditure		5,471	2,199	7,670	4,433	1,434	5,867
Realised and unrealised gain/ (loss) on investments	9	252	-	252	666	-	666
Net income / (expenditure)		(940)	155	(785)	(41)	(431)	(472)
Net movement on funds		(940)	155	(785)	(41)	(431)	(472)
Total funds brought forward		5,634	2,899	8,533	5,675	3,330	9,005
Total funds carried forward		4,694	3,054	7,748	5,634	2,899	8,533

The Statement of Financial Activities includes all gains and losses in the year. All income and expenditure derives from continuing activities.

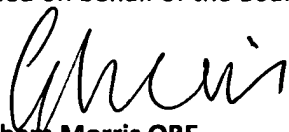
ALDER HEY CHILDREN'S CHARITY

Consolidated Group and Charity Balance Sheets at 31 March 2022

	Note	Group 2022 £'000	Charity 2022 £'000	Group 2021 £'000	Charity 2021 £'000
Fixed Assets					
Tangible fixed assets	8	43	-	26	-
Investments	9	8,852	8,852	7,828	7,828
Total fixed assets		8,895	8,852	7,854	7,828
Current assets					
Stock	10	36	-	34	-
Debtors	11	621	849	273	448
Cash at bank and in hand	12	2,959	2,779	2,026	1,906
Total current assets		3,616	3,628	2,333	2,354
Liabilities					
Creditors falling due within one year	13	(4,763)	(4,732)	(1,654)	(1,649)
Net current assets / (liabilities)		(1,147)	(1,104)	679	705
Total assets less current liabilities					
Creditors: Amounts falling due after more than one year	13	-	-	-	-
Net assets		7,748	7,748	8,533	8,533
Funds					
Unrestricted income funds	14	4,694	4,694	5,634	5,634
Restricted income funds	14	3,054	3,054	2,899	2,899
Total funds		7,748	7,748	8,533	8,533

These Financial Statements were approved by the Board of Directors on 1 December 2022

Signed on behalf of the Board of Directors:


Graham Morris OBE
 Chair of Trustees

Company no. 09389239

ALDER HEY CHILDREN'S CHARITY

Consolidated cash flow statement for the year ended 31 March 2022

	Note	Year Ended 31 March 2022		Year Ended 31 March 2021	
		£000	£000	£000	£000
Cash flows from operating activities:					
Net cash (used in) / provided by operating activities			1,622		(1,042)
Cash flows from investing activities:					
Dividends and interest from investments	3	103		71	
Payments to acquire tangible fixed assets	8	(20)		-	
Payments to acquire investments	9	(1,454)		(3,426)	
Receipts from sales of investments	9	682		590	
Net cash provided by investing activities			<u>(689)</u>		<u>(2,766)</u>
Increase/(Decrease) in cash and cash equivalents			933		(3,807)
Cash and cash equivalents at the start of the year			<u>2,026</u>		<u>5,833</u>
Cash and cash equivalents at the end of the year			<u>2,959</u>		<u>2,026</u>
Reconciliation of net income to net cash flow from operating activities					
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)			(785)		(472)
Adjustments for:					
Dividends and interest on investments			(103)		(71)
(Gains) / losses on investments			(252)		(666)
Depreciation			3		3
(Increase)/decrease in stock			(2)		(7)
(Increase)/decrease in debtors			(348)		198
Increase/decrease in creditors			3,109		(27)
Net cash provided/ (used in) by operating activities			<u>1,622</u>		<u>(1,042)</u>
Analysis of cash and cash equivalents					
Bank current accounts			227		177
Bank deposit accounts			<u>2,732</u>		<u>1,849</u>
Total cash and cash equivalents			<u>2,959</u>		<u>2,026</u>

Notes to the Financial Statements for the year ended 31 March 2022

1. Accounting Policies

a. Accounts preparation

The Charity is a public benefit entity and the financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019) – (Charities SORP (FRS 102)) and the Companies Act 2006.

Alder Hey Children's Charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historic cost or transaction value unless otherwise stated in the relevant accounting policy note. The financial statements have been prepared in Pound Sterling as this is the currency of the primary economic environment in which the company operates.

b. Group financial statements

The financial statements consolidate the results of the Charity and its wholly owned subsidiary, Alder Hey Promotions Limited, on a line-by-line basis. Alder Hey Promotions Limited is registered in England and Wales and its registered company number is 08019977. All intra-group transactions, balances, income and expenditure are eliminated on consolidation. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

c. Funds structure

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor. Unrestricted funds are those funds which the Trustees are free to use for any purpose in furtherance of the charitable objectives. Unrestricted funds include designated funds, where the donor has made known their non-binding wishes or where the Trustees, at their discretion, have created a fund earmarked for a specific purpose.

d. Going concern

After making enquiries and considering any potential adverse impact resulting from the on-going COVID pandemic, the Trustees have a reasonable expectation that Alder Hey Children's Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, the Trustees have adopted the going concern basis in preparing the accounts.

e. Income

Income is recognised when the Charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received, and the amount can be measured reliably.

- i) General donations, donations from fundraising events, corporate and philanthropy income and direct marketing income are recognised in full in the Statement of Financial Activities when entitled, receipt is probable and when the amount can be quantified with reasonable accuracy. Income received in advance is deferred where appropriate. Gift Aid receivable is included when claimable.
- ii) Income from legacies is recognised when receipt is considered probable, which is when the amount can be measured reliably, and the Charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the Charity or the Charity is aware of the granting of

Notes to the Financial Statements for the year ended 31 March 2022

probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

- iii) Income from Government and other grants, whether "capital" grants or "revenue" grants, is recognised when the Charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received, and the amount can be measured reliably.
- iv) Goods and services donated to the Charity are recognised as both income and expenditure in the Statement of Financial Activities at their estimated market value.
- v) Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest, and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy, the investment income is reported net of these costs. It is included when the net amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the Charity's right to receive payment is established.
- vi) Sales of goods are recognised when the significant risks and rewards of the goods have transferred to the buyer and the amount of income can be measured reliably. Income is recorded net of returns, discounts and value added taxes.

f. Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- i) The costs of raising funds are the costs associated with generating income for the charity, including the costs of managing the investments.
- ii) Expenditure on charitable activities is expenditure incurred on the provision of services or goods. A grant is any payment which is made voluntarily to any institution or to an individual in order to further the Charity's objectives, without receiving goods or services in return.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

g. Tangible fixed assets

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is calculated to write down the cost less estimated residual value of all tangible assets using the straight-line method.

The rates applicable are:

Leasehold Improvements -	Over the period of the lease
Fixtures and fittings-	25% per annum

h. Investment fixed assets

Stocks and shares are included in the balance sheet at market value. Listed investments are included in the Balance Sheet at fair value, which is their market closing price on the current or previous trading day.

i. Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

Notes to the Financial Statements for the year ended 31 March 2022

j. Debtors

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

k. Creditors and provisions

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

l. Financial instruments

The Charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments, with the exception of investments, are initially recognised at transaction value and subsequently measured at their settlement value.

m. Foreign currency transactions

All expenditure and income arising from transactions denominated in a foreign currency are translated into sterling at the exchange rate in operation on the date on which the transactions occurred.

n. Allocation of overhead and support costs

Overhead and support costs have been allocated as a direct cost or apportioned on an appropriate basis between charitable activities and governance costs.

o. Tax

The company is a registered charity and as such is exempt in respect of certain types of income from income tax, corporation tax, and capital gains tax under the provisions of the Income and Corporation Taxes Act 1988 and the Taxation of Chargeable Gains Act 1992.

p. Pensions

All Charity employees are eligible to join the Charity's People's Pension scheme, which is a defined contribution arrangement. The Charity's contribution is 3% and the employee has to make at least a 5% contribution. The cost of this is charged to the profit and loss account.

NHS employees working on behalf of the Charity are entitled to join the NHS Pensions Scheme which is a multi-employer defined benefit scheme administered for the benefit of NHS employees, General Practices and other bodies allowed under the direction of the Secretary of State. Past and present employees are covered by the provision of the NHS Pension Scheme, details of which are available from the NHS Pension Agency at www.nhs.pa.gov.uk.

The cost of employer pension contributions to the NHS Pension Scheme is charged to the Statement of Financial Activities. The Charity has no liability under the NHS defined benefit pension scheme.

q. Stock

Stock is valued at the lower of purchase cost and net realisable value.

r. Presentation

The figures in the accounts are rounded to the nearest one thousand pounds.

s. Joint venture

Joint ventures are accounted for under the equity method of accounting, whereby the Charity's share of the net income or net expenditure of the joint venture are disclosed as a single item in the Statement of Financial Activities and the Charity's share of the net assets is recognised in the balance sheet. On disposal of the Charity's shareholding in Alder Hey Living Hospital Limited, the Charity's share of the net assets were transferred to the Statements of Financial Activities.

t. Judgements and estimates

In applying the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities, which are based on the best and most reliable evidence available at the time when the decisions are made and on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision only affects that period, or in the period of revision and future periods if the revision affects both current and future periods. In assessing whether there have been any indicators of impairment in relation to assets, the Trustees have considered both external and internal sources of information and there have been no indicators of impairment identified during the current financial period. The items in the financial statements where judgements and estimates would be required include gifts in kind, where an estimate of the value of a gift to the Charity is made by reference to current market values, and investments, where judgement is required in deciding whether there is any impairment in value.

Notes to the Financial Statements for the year ended 31 March 2022

2. Financial activities of the Charity

The financial activities shown in the consolidated statement include those of the Charity's wholly owned subsidiary, Alder Hey Promotions Limited. A summary of the financial activities undertaken by the Charity and its subsidiary is set out below.

Charity

	Year ended 31 March 2022 £'000	Year ended 31 March 2021 £'000
Gross incoming resources	6,287	5,172
Cost of raising funds	(1,376)	(1,059)
Cost of charitable activities	(5,948)	(4,630)
Net (outgoing)/ incoming resources	(1,037)	(517)
Realised and unrealised gains / (losses) on investments	252	666
Total funds brought forward	8,533	8,384
Total funds carried forward	7,748	8,533
Represented by:		
Restricted income funds	3,054	2,899
Unrestricted income funds	4,694	5,634
	7,748	8,533

Subsidiary

	Year ended 31 March 2022 £'000	Year ended 31 March 2021 £'000
Turnover	764	430
Operating costs	(346)	(178)
Operating profit	418	252

3. Investment income

Dividends are received for all stocks and shares in beneficial ownership of the Charity and are shown after recovery of tax. Interest is recorded for all bank accounts and short-term deposits made by the Charity.

	Year Ended 31 March 2022 £000	Year Ended 31 March 2021 £000
Interest	28	12
Dividends	75	59
TOTAL	103	71

Notes to the Financial Statements for the year ended 31 March 2022

4. Analysis of group income

	Unrestricted £000	Restricted £000	Total Year Ended 31 March 2022 £000	Unrestricted £000	Restricted £000	Total Year Ended 31 March 2021 £000
Donations and legacies:						
Donations from individuals	867	513	1,380	873	239	1,112
Corporate donations	312	373	685	214	92	306
Donations from groups & associations	50	9	59	102	41	143
Donations in memoriam	82	46	128	52	10	62
Grant income	77	1,322	1,399	200	598	798
Legacies	543	1	544	204	-	204
Gifts in kind	197	-	197	562	-	562
Total donations and legacies	2,128	2,264	4,392	2,207	980	3,187
Income from charitable activities:						
Fundraising events	659	90	749	336	23	359
Lottery	667	-	667	690	-	690
Total income from charitable activities	1,326	90	1,416	1,026	23	1,049
Income from other trading activities:						
Sale of promotional items	722	-	722	422	-	422
Total income from other trading activities	722	-	722	422	-	422

5. Allocation of Management and Overhead Costs

The costs of administering the Charity have been identified and apportioned between governance costs and support costs. The figures have been apportioned to the General-Purpose Fund. The governance and support costs are shown as part of the charitable activities' expenditure.

	Year Ended 31 March 2022 Total £'000	Allocated to Governance £'000	Allocated to Support Costs £'000	Year Ended 31 March 2021 Total £'000	Allocated to Governance £'000	Allocated to support costs £'000
Salaries	407	(128)	279	370	(119)	251
Bank and service charges	45	-	45	30	-	30
Investment management costs	36	-	36	22	-	22
Trust services	54	-	54	49	-	49
TOTAL	542	(128)	414	471	(119)	352

ALDER HEY CHILDREN'S CHARITY

Notes to the Financial Statements for the year ended 31 March 2022

Apportionment of Support Costs

Area of Expenditure	Support Charges £'000	Governance £'000	Investment Management £'000	Total £'000
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Year Ended 31 March 2022

Patient Welfare	378	128	36	542
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Year Ended 31 March 2021

Patient Welfare	330	119	22	471
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	Year ended 31 March 2022 £'000	Year ended 31 March 2021 £'000
Auditors' Remuneration		
Auditors' remuneration for audit	10	10
Fees payable to auditors for non-audit services	1	1
	11	11

6. Analysis of Charitable Expenditure

Area of expenditure:	Grant Funding to Alder Hey Children's NHS Foundation Trust £000	Support Costs £000	Total Year to 31 March 2022 £000	Grant Funding to Alder Hey Children's NHS Foundation Trust £000	Support Costs £000	Total Year to 31 March 2021 £000
Magic (Patient welfare & Other)	1,696	542	2,238	1,141	471	1,612
Research & Innovation	370	-	370	1,186	-	1,186
Equipment	340	-	340	961	-	961
Park Campus	3,000	-	3,000	871	-	871
Total	5,406	542	5,948	4,159	471	4,630

Notes to the Financial Statements for the year ended 31 March 2022

7. Analysis of Staff Costs

	Fundraising & Publicity £000	Support Costs £000	Governance £000	Total £000
Year Ended 31 March 2022				
Salaries and Wages	585	251	112	947
Social Security Costs	54	21	13	88
Other Pension Costs	12	7	3	22
Total Staff Costs	651	279	128	1,057
Average Number of Employees	20	8	2	30
Year Ended 31 March 2021				
Salaries and Wages	505	225	104	834
Social Security Costs	47	18	12	77
Other Pension Costs	22	8	3	33
Total Staff Costs	574	251	119	944
Average Number of Employees	17	8	2	27

The Charity makes a contribution to the Pension Scheme of 3% of gross salary in respect of all employees.

The Charity directly employed 27 staff during the Year Ended 31 March 2022 (2021: 24 staff). Three members of staff were employed to work within Alder Hey Promotions Ltd. The Charity also made a contribution to Alder Hey Children's NHS Foundation Trust for administrative support received from the Foundation Trust, including for the secondment of three members of staff. In August 2020 the Charity implemented a banding structure to enhance transparency with regard to employee remuneration.

No Trustees received emoluments or reimbursed expenses during the period. Charitable donations of £12k were received from Trustees during the year (2021: £6k).

The number of employees whose emoluments as defined for taxation purposes amounted to over £60,000 in the period was as follows:

	2022	2021
£70,000 to £80,000	1	1
£60,000 to £70,000	1	-

Total emoluments paid to key management personnel in the period were £322k (2021: £344k). The roles of the key personnel were as follows:

Chief Executive	Head of Corporate Partnerships
Director of Finance & Operations	Head of Community Fundraising
Head of Philanthropy	Head of Marketing

Notes to the Financial Statements for the year ended 31 March 2022

8. Tangible Fixed Assets

Group Cost	2022	Total £'000	2021	Total £'000
	Leasehold Improvements £'000		Leasehold Improvements £'000	
At 1 April 2021	30	30	30	30
Additions	20	20	-	-
At 31 March 2022	50	50	30	30
Depreciation				
At 1 April 2021	4	4	1	1
Charge for the year	3	3	3	3
At 31 March 2022	7	7	4	4
Net Book Value				
At 31 March 2022	43	43	26	26
At 31 March 2021	26	26	29	29

9. Investments

	2022 £'000	2021 £'000
Group		
Investment portfolio	<u>8,852</u>	<u>7,828</u>
	8,852	<u>7,828</u>
Charity		
Investment portfolio	<u>8,852</u>	<u>7,828</u>
	<u>8,852</u>	<u>7,828</u>

Investment portfolio (Charity)

£5.2m of the investment portfolio is managed by Rathbone Investment Management Ltd in accordance with the guidance issued by the Trustees. The rest is held in deposit accounts with either Charity Bank or through the Flagstone investment platform, which allows investment across a number of banking institutions to reduce the risk to the Charity by spreading funds. The movement in the portfolio can be analysed as follows:

	2022 £'000	2021 £'000
Market Value at 31 March 2021	7,828	4,326
Additions at cost	1,454	3,426
Disposals	(682)	(590)
Net gain on revaluation	252	666
Market Value carried forward	<u>8,852</u>	<u>7,828</u>
Historic cost at 31 March 2022	<u>7,683</u>	<u>6,887</u>

Notes to the Financial Statements for the year ended 31 March 2022

9. Investments (continued)

The Market Value can be analysed as follows:

	Held in UK £000	Held Outside UK £000	Total at 31 March 2022 £000	Held in UK £000	Held Outside UK £000	Total at 31 March 2021 £000
UK Equities	1,443	-	1,443	1,145	-	1,145
Overseas Equities	-	1,873	1,873	-	1,449	1,449
Fixed Interest	527	53	580	460	-	460
Cash held as part of investment portfolio	3,942	-	3,942	3,774	-	3,774
Alternatives	1,014	-	1,014	1,000	-	1,000
Total	6,926	1,926	8,852	6,379	1,449	7,828

No individual holding exceeded 5% of the value of the portfolio.

Investments in group companies

Alder Hey Promotions Limited

Alder Hey Children's Charity owns 100% of the share capital of Alder Hey Promotions Ltd, a company incorporated in England & Wales, company registration number 08019977.

The company had a profit after tax of £418k (2021: £252k)

	2022 £	2021 £
Issued share capital	2	2
Turnover	764,387	429,503
Expenditure	346,244	177,668
Total Assets	468,945	322,156
Total Liabilities	468,506	321,717
Shareholders' Funds	439	439

As part of a joint venture, Alder Hey Promotions Limited has a holding of 490 A Ordinary Shares in The Hardlees Limited, a company incorporated in England, company number 9856586. This represents a 49% shareholding in the company. The aggregate share capital and reserves of The Hardlees Limited was £1,000. The Hardlees Limited has not traded since incorporation.

Notes to the Financial Statements for the year ended 31 March 2022

10. Stock

Stock comprises merchandise for resale. The value of stock held by the group at the balance sheet date was £36k (2021: £34k).

11. Debtors

Debtors in respect of the following are represented in the accounts:

	2022	2022	2021	2021
	£000	£000	£000	£000
	Group	Charity	Group	Charity
Recoverable Tax & Accrued income	587	678	256	366
Other Debtors	34	171	17	82
	621	849	273	448

There were no debtors falling due over one year.

12. Cash at Bank

Cash held by the Group / Charity can be summarised as:

	2022	2022	2021	2021
	Group	Charity	Group	Charity
	£000	£000	£000	£000
Bank current and deposit account balances	2,959	2,779	2,026	1,906
	2,959	2,779	2,026	1,906

13. Creditors

The creditor position can be summarised as follows:

Falling due within one year:	2022	2022	2021	2021
	Group	Charity	Group	Charity
	£000	£000	£000	£000
Amount owed to subsidiary	-	-	-	-
Taxation and social security costs	21	21	20	19
Amount owed to Alder Hey NHS Trust (recharged)	82	82	44	44
Amount owed to Alder Hey NHS Trust (accrued grant)	4,474	4,474	1,546	1,546
Pension contributions due	12	12	12	12
Other creditors and accruals	174	143	32	28
	4,763	4,732	1,654	1,649

Notes to the Financial Statements for the year ended 31 March 2022

14. Analysis of Funds

Year ended 31 March 2022:

Restricted Funds – Charity and Group

Fund	Balance at 31 March 2021 £000	Incoming Resources £000	Resources Expended £000	Gains & Losses £000	Balance 31 March 2022 £000
John Lennon Research Fund	168	-	-	-	168
Neonatal Capital Fund	-	382	-	-	382
Projects Fund	554	1,105	(851)	-	808
Alder Centre Fund	57	52	(50)	-	59
Burns Unit Fund	61	2	(2)	-	61
Leukaemia Research Fund	172	-	-	-	172
Intensive Care Fund	119	5	(3)	-	121
Oncology Fund	213	43	(90)	-	166
Cancer Patients Fund	70	1	-	-	71
Nephrology Fund	97	-	(73)	-	24
Neonatal Fund	52	29	-	-	81
Tier 4 Mental Health	250	547	(797)	-	-
Cardiac Fund	129	22	(133)	-	18
Cardiac Surgery Fund	226	2	(50)	-	178
Others (55)	731	164	(150)	-	745
Total	2,899	2,354	(2,199)	-	3,054

Notes to the Financial Statements for the year ended 31 March 2022

14. Analysis of Funds (continued)

Unrestricted Funds - Group

	Balance at 31 March 2021 £000	Incoming Resources £000	Resources Expended £000	Gains & Losses £000	Transfers £000	Balance 31 March 2022 £000
Alder Hey General Purpose Fund	3,384	4,279	(3,268)	252	(953)	3,694
Neonatal Capital Designated Fund	-	-	-	-	1,000	1,000
Mental Health Designated Fund	2,250	-	(2,203)	-	(47)	-
Total	5,634	4,279	(5,471)	252	-	4,694

Unrestricted Funds - Charity

	Balance at 31 March 2021 £000	Incoming Resources £000	Resources Expended £000	Gains & Losses £000	Transfers £000	Balance at 31 March 2022 £000
Alder Hey General Purpose Fund	3,384	3,933	(2,922)	252	(953)	3,694
Neonatal Capital Designated Fund	-	-	-	-	1,000	1,000
Mental Health Designated Fund	2,250	-	(2,203)	-	(47)	-
Total	5,634	3,933	(5,125)	252	-	4,694

Notes to the Financial Statements for the year ended 31 March 2022

14. Analysis of Funds (continued)

Year Ended 31 March 2021:

Restricted Funds – Charity and Group

Restricted Funds	Balance at 31 March 2020 £000	Incoming Resources £000	Resources Expensed £000	Gains & Losses £000	Balance at 31 March 2021 £000
Fund					
John Lennon Research Fund	168	-	-	-	168
Alder Centre Capital Fund	629	2	(631)	-	-
Projects Fund	684	615	(745)	-	554
Alder Centre Fund	51	24	(18)	-	57
Burns Unit Fund	63	-	(2)	-	61
Leukaemia Research Fund	171	1	-	-	172
Oncology Fund	131	64	18	-	213
Intensive Care Fund	111	2	6	-	119
Cancer Patients Fund	71	-	(1)	-	70
Nephrology Fund	95	3	(1)	-	97
Neonatal Fund	91	1	(40)	-	52
Tier 4 Mental Health	105	145	-	-	250
Others (55)	960	146	(20)	-	1,086
	3,330	1,003	(1,434)	-	2,899

ALDER HEY CHILDREN'S CHARITY

Notes to the Financial Statements for the year ended 31 March 2022

14. Analysis of Funds (continued)

Unrestricted funds- Group

	Balance at 31 March 2020 £000	Incoming Resources £000	Resources Expended £000	Gains & Losses £000	Transfers £000	Balance at March 2021 £000
Alder Hey General Purpose Fund	3,860	3,726	(2,618)	666	(2,250)	3,384
COVID-19 Designated Fund	1,815	-	(1,815)	-	-	-
Mental Health Designated Fund	-	-	-	-	2,250	2,250
Total	5,675	3,726	(4,433)	666	-	5,634

Unrestricted Funds - Charity

	Balance at 31 March 2020 £000	Incoming Resources £000	Resources Expended £000	Gains & Losses £000	Transfers £000	Balance at March 2021 £000
Alder Hey General Purpose Fund	3,239	4,169	(2,440)	666	(2,250)	3,384
COVID-19 Designated Fund	1,815	-	(1,815)	-	-	-
Mental Health Designated Fund	-	-	-	-	2,250	2,250
Total	5,054	4,169	(4,255)	666	-	5,634

15. Net assets

As at 31 March 2022	Fixed Assets £000	Current Assets £000	Current Liabilities £000	Long Term Liabilities £000	Net Assets £000
Charity:					
Unrestricted	4,076	3,628	3,010	-	4,654
Restricted	4,776	-	1,722	-	3,054
Total	8,852	3,628	4,732	-	7,748
Group:					
Unrestricted	4,119	3,616	3,041	-	4,694
Restricted	4,776	-	1,722	-	3,054
Total	8,895	3,616	4,763	-	7,748

15. Net assets (continued)

As at 31 March 2021	Fixed Assets £000	Current Assets £000	Current Liabilities £000	Long Term Liabilities £000	Net Assets £000
Charity:					
Unrestricted	5,959	448	773	-	5,634
Restricted	1,869	1,906	876	-	2,899
Total	7,828	2,354	1,649	-	8,533
Group:					
Unrestricted	5,964	448	778	-	5,634
Restricted	1,890	1,885	876	-	2,899
Total	7,854	2,333	1,654	-	8,533

16. Related Party Transactions

Alder Hey Children's NHS Foundation Trust staff provide administrative support to the Charity.

During the year no Trustees or parties related to them have undertaken any transactions with Alder Hey Children's Charity.

The Charity delivers its charitable objectives by making grants to the Alder Hey Children's NHS Foundation Trust. The total grants made in the year amounted to £5,406k (2021: £4,159k). The NHS Trust receives the grants after it has incurred the expenditure. At 31 March 2022 the Charity owed the Trust £82k in relation to these transactions (2021: £44k).

17. Subsidiary Company

A subsidiary company, Alder Hey Promotions Limited, company number 08019977, became a fully owned subsidiary of the Charity on 1 April 2015. Its principal activity is to carry out fundraising on behalf of Alder Hey Children's Charity. This company is active and had a profit of £418,142 for the year ended 31 March 2022 and net assets of £439 which have been consolidated into the financial statements of the group. The address of the principal place of business of Alder Hey Promotions Ltd is Alder Hey Children's Charity, Eaton Road, Liverpool, L12 2AP.

18. Post Balance Sheet Event

There have been no significant events requiring disclosure since the Balance Sheet date.

19. Unrestricted Funds

Unrestricted funds comprise the Alder Hey General Purpose Fund plus a designated fund that was established in March 2022 to support the appeal to raise funds for the new mental health facility being built at Alder Hey. The income of the General Purpose Fund can be used for the furtherance of any of the Charity's objectives and does not carry any additional restrictions. Whilst the Mental Health designated fund has been ring fenced to support the Trust, these funds can be released back into the General Purpose Fund if they are not required by the Trust or the expenditure does not meet the Charity's objectives.

20. Restricted Funds

The Charity has a specific number of restricted funds which hold donations for the benefit of patients with specific conditions or for specific projects being undertaken by the hospital. The largest of these funds are:

Projects Fund:

This fund is used for specific projects requested by the Alder Hey Children's NHS Trust Foundation and directly funded by external donors.

The following funds are used to provide funding to individual departments and specialties within the hospital for equipment, training, research and other charitable purposes:

Projects Fund

Intensive Care Fund (PICU)

Oncology Fund

Nephrology Fund

Neonatal Fund

Leukaemia Research Fund

Alder Centre Fund

Burns Unit Fund

Cancer Patients Fund

Alder Centre Capital Fund

Cardiac Fund

Neurology/Neuro-disability Fund

Cardiac Surgery Fund

John Lennon Research Fund

Tier 4 Mental Health Fund

Neonatal Capital Fund

The above funds all held balances of over £50,000 at the current or prior year end.