

Supporting
health and care staff
through COVID-19

CHSA

COVID-19 Healthcare Support Appeal (CHSA)



**Annual Report and Financial
Statements 3 April 2020
to 31 December 2020**





COVID-19 Healthcare Support Appeal (CHSA) Annual Report and Financial Statements 3 April 2020 to 31 December 2020

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Report of the Trustees for the period ending 31 December 2020

The Board of Trustees of the COVID-19 Healthcare Support Appeal (CHSA) presents its Annual Report and Financial Statements for the 9 month period ending 31 December 2020 in accordance with Generally Accepted Accounting Practice in the United Kingdom (UK GAAP), the Statement of Recommended Practice: Accounting and Reporting by Charities (Charities SORP), the Charities Act 2011 and the Companies Act 2006.

This document is a summary of our activities and finances in 2020. It can be downloaded from the CHSA website rcnfoundation.rcn.org.uk/support-appeal-home where there are further details about our work.

CHSA is unique in its reach and ambition, in that it is helping support the whole spectrum of health and social care workers, from doctors and nurses to hospital porters, administrative staff, ambulance and care home staff, health care assistants, housekeepers and community workers. It is a time-limited charity established to support health and care staff across the UK who have been adversely affected by the pandemic. Its work is enabled through a generous donation from the global video sharing company TikTok. The charity is a subsidiary of the RCN Foundation (Registered Charity: 1134606; Scottish Registered Charity: SC043663; Company No: 7026001).

CHSA is making grants to organisations giving vital financial and psychological support to frontline health and social care workers battling the crisis. It is also funding projects that support the recovery and resilience of the sector.

“The stories that we are hearing from individuals are heartbreaking. So many in the nursing and midwifery profession are dealing with loss of income caused by a change in work available to them. Many have had to take on work that they have not been trained to do and are also dealing with the consequences of multiple deaths and very ill people not being able to see their loved ones, as well as having to cope with the pressures of their own family life. It’s a deeply worrying time for this amazingly dedicated workforce. The funding from CHSA is making a real difference.”

Deepa Korea, RCN Foundation Director

Achievements and performance in 2020

Setting up CHSA as a charity and charitable objectives

CHSA was registered as a charity on 20 April 2020. It was registered as a company limited by guarantee on 3 April 2020 and the RCN Foundation is the sole member. The Memorandum and Articles of Association were incorporated on 3 April 2020.

CHSA has a Memorandum of Agreement with the RCN Foundation that sets out how the two organisations will work together. The CHSA Board of Trustees provide a quarterly performance report to the RCN Foundation's Board of Trustees.

Objectives

The objectives of CHSA are:

- the relief of suffering, poverty, hardship and distress among nurses and other health and social care workers and their families and dependants
- the protection of the physical and mental health of nurses and other health and social care workers and their families and dependants.

Health and social care workers means people who are directly or indirectly engaged in the provision of health or social care services, including any person providing administrative, logistical or other support for the provision of health or social care; and the directors shall have absolute discretion in determining who is and who is not a health or social care worker within that definition and who is a person's dependant.

Grant-making policies and procedures

A stakeholder group of people from across the health and care sector came together in May 2020 to help map the sector and identify urgent needs as a result of the pandemic. This informed priority areas for funding and provided geographical and demographic targets to guide grant making.

The Trustees agreed that a key objective would be to reach those most in need and disproportionately affected by COVID-19, which might include, but not be limited to, those within lower salary bands, people from a Black, Asian or minority ethnic background, or people in vulnerable groups with an underlying health condition.

Grant-making criteria and an application process were agreed in May with the first grants agreed at the Board Meeting on 5 June 2020.

Grant applications are received on a rolling basis and the CHSA Board meets regularly to review them, being fully aware of the need to be timely in their responses so that recipient organisations can meet urgent need.

Grant priority areas and grants made to 31 December 2020

CHSA provides grants to organisations that support health and care workers across the UK whose lives are impacted by the COVID-19 pandemic. The funding awarded by CHSA is to support activity under three themes which are:

1. Emergency aid and hardship

Frontline health and care staff are at the forefront of the fight against COVID-19 and for many, this is presenting unexpected challenges and making ends meet is difficult. CHSA provides grants to organisations whose beneficiaries are experiencing financial hardship as a result of COVID-19. Funding is awarded to help in a number of ways including:

- living costs for those unable to work if they are self-isolating, particularly those on zero hours contracts
- living costs for those whose financial situation has been directly impacted as a result of the virus
- financial support for families of health and care staff who have died from COVID-19 to pay for funeral costs.

2. Psychological support

The impact of COVID-19 on the mental health of health and care staff is profound. CHSA is committed to funding projects that offer tailored psychological support to health and care staff who are experiencing the traumatic effects of working on the frontline.

3. Recovery and resilience

CHSA recognises that the pandemic will have a long-term impact on the health and care workforce and that new ways of working and projects for recovery will be important. We are supporting evidence-based projects that will strengthen the workforce and encouraging creative applications that look to bring about positive change across the sector, including through better leadership and peer-to-peer support.

The Care Workers' Charity (CWC) is one of the organisations funded by CHSA.
Karolina Gerlich, CEO of CWC says:

“We have been inundated with requests for support from those working on the frontline in care homes and in domiciliary care. Most are low paid and often on zero hours contracts so when they have to self-isolate or become ill with the virus, they quickly find themselves in dire financial circumstances.”

Each of the 442 care workers helped to date by CHSA has their own story.
“For the two weeks that I had to isolate, I was only entitled to Statutory Sick Pay of £95 a week, which barely covered rent, never mind anything else. With your help, I can actually now go food shopping and not have to rely on food banks.”

The CHSA Board has agreed grants totalling **£3,186,172** to **18 organisations** to the end of December 2020 as follows:

Grants for hardship

Organisation and Date	Description	Grant Size
Chartered Society of Physiotherapists June 2020	Towards supporting working physiotherapists as well as physiotherapy support workers and physiotherapy students whose hardship is as a direct result of the virus pandemic.	£35,000
RCN Foundation June 2020	Towards providing emergency financial aid to nurses, midwives and health care support workers across the UK in health and social care sectors on the frontline.	£628,000
Royal Medical Benevolent Fund June 2020	Towards providing support to doctors and their families impacted by COVID-19.	£25,000
Care Workers' Charity July 2020	Towards the costs of crisis grants to care workers working across the sector and in care homes throughout the UK.	£315,000
There For You (UNISON Welfare) August 2020	Towards making hardship grants to its members working in health and care settings in the UK, especially those who are low paid and in insecure employment.	£630,000
POA Welfare August 2020	Towards support in the short-and long-term for those working in secure hospitals and regional secure units and those who work in health care within the prison service.	£27,250
Cavell Nurses' Trust August 2020	Towards hardship grants for nurses, midwives and health care assistants.	£50,000
TASC (The Ambulance Staff Charity) August 2020	Towards hardship grants for those working in the ambulance service from call handlers to paramedics.	£71,000
RCN Foundation October 2020	Towards providing emergency financial aid to nurses, midwives and health care support workers across the UK in health and social care sectors on the frontline.	£200,000
Care Workers Charity November 2020	Towards the costs of crisis grants to care workers working across the sector and in care homes throughout the UK.	£300,000
Royal College of Occupational Therapists December 2020	Towards hardship grants for occupational therapists who have been adversely affected by the pandemic.	£31,500
Total		£2,312,750

Grants for psychological support

Organisation and Date	Description	Grant Size
The Royal College of General Practitioners August 2020	Towards a new section of their COVID-19 Resource hub. This will include a live webinar, e-learning modules focusing on post-traumatic stress disorder (PTSD) and wellbeing.	£60,000
British Medical Association August 2020	Towards extending current provision to provide face-to-face bespoke counselling sessions to those who need it in the medical profession.	£84,000
College of Paramedics August 2020	Towards providing 14-26 beneficiaries with complex needs bespoke psychological support working in partnership with NHS Practitioner Health.	£150,000
TASC (The Ambulance Staff Charity) August 2020	Towards providing psychological support for those working in the ambulance service from call handlers to paramedics.	£57,500
BASW (British Association of Social Workers) November 2020	Towards providing a peer-to-peer coaching/counselling service for social workers.	£90,000
QNI (The Queen's Nursing Institute) November 2020	Towards running a telephone support line called TalkToUs which is for community nurses and any other nurses wanting confidential, peer-to-peer support.	£48,825
Body & Soul November 2020	Towards providing free confidential therapy sessions to frontline health and care sector workers.	£97,750
Nurse Lifeline December 2020	To launch and pilot a peer-to-peer phone line support run by nurses for nurses.	£50,000
Intensive Care Society December 2020	To help set up a nationwide peer-to-peer support network for ICU workers.	£56,217
Pharmacist Support December 2020	To provide psychological support to pharmacists.	£32,500
Total		£726,792

“It’s an unprecedented time for the ambulance community and their families and I continue to be humbled by their hard work, dedication, and the sacrifices they have made during this difficult time. The grant from CHSA means we are here to care and support those who care for us.”
Karl Demian, CEO of TASC (The Ambulance Staff Charity)

Grants for recovery and resilience

Organisation and Date	Description	Grant Size
POA Welfare August 2020	Towards long-term support for those working in secure hospitals and regional secure units both public and private and those who work in health care within the prison service.	£20,000
Intensive Care Society December 2020	To set up a two-year psycho-education programme for ICU workers.	£115,555
Pharmacist Support December 2020	To fund training for a peer-to-peer programme of volunteers.	£11,075
Total		£146,630

Grant monitoring, impact and evaluation

CHSA has a robust reporting framework in place which sees grant recipients reporting monthly against outcomes. The CHSA Board reviews reporting data at its regular meetings and grant payments to recipients are made in line with achieving outcomes.

Communications

As a new charity, CHSA is working hard to communicate its existence to organisations that could benefit from grants to support those working in the health and care sector. It is doing this by targeted press, health and social care networks, including social media.

To date, the CHSA communications plan has been successful in attracting applications from organisations that work across the UK and who are supporting those most in need. CHSA is particularly keen to direct its support to those most affected by the pandemic, including those on lower pay bands and those from BAME communities. Moving into 2021, CHSA will be focusing its efforts on widening the net to encourage regional applications as well as those from Northern Ireland, Scotland and Wales.

Objectives for 2021

The CHSA Trustees are clear that the charity's main objective is to see its remaining funds allocated during 2021 to those organisations that can best support the continuing and emerging needs which COVID-19 has caused. The charity will then have fulfilled its objectives and close.

A particular focus in the year will be on the recovery and resilience strand of CHSA's work together with initiatives that look at supporting longer-term mental health needs across the sector.

The Board will also evaluate, demonstrate and publish the impact of CHSA's grant-making both in relation to the numbers and demographics of individuals supported and through the work that it has enabled with recipient organisations.



Thank you to our principal donor and other supporters

CHSA's achievements and existence would not have been possible without the extraordinary gift from TikTok. Their foresight and timely altruism in immediately recognising the need which the pandemic would cause to those who work in the health and care sector enabled the formation of CHSA. This meant in turn that CHSA was quickly up and running and delivering against its objectives to reach as many workers as possible needing financial, psychological and longer-term support. The CHSA Board wishes to sincerely thank all at TikTok who made this possible.

The Board is also grateful to others who have made unsolicited donations to CHSA, recognising its unique role and wishing to contribute.

“The courageous work of those on the frontline of our health care system is both poignant and inspiring, and I hope our donation to the COVID-19 Healthcare Support Appeal, established by the RCN Foundation, can go some way in alleviating just some of the pressures many of these workers are dealing with at this time. I would like to personally thank them for the work they are doing in these unprecedented times.

“Despite the huge challenges frontline health care workers face on a daily basis, I have been enormously heartened by what we are seeing on our platform. Not only have we seen the TikTok community show their thanks and appreciation for the health care workers in their masses through some amazing videos, we’re also seeing the workers themselves use the platform for some light relief. We have seen so many of them take to TikTok in their breaks to add a bit of light relief while at work, which I hope has provided a touch of joy during their difficult days.”

Rich Waterworth, TikTok General Manager UK

Principal risks and uncertainties

Risks are assessed on a regular basis by the Board of Trustees to ensure that adequate measures are in place to manage the identified risks. Risk appetite is the amount and type of risk that CHSA is willing to take in order to meet its strategic objectives.

Financial

Appetite for risk: low



A key financial risk is that CHSA will not be able to expend its funds fully within 2021. CHSA is allocating funds already received and then will close. It has a strong communication plan in place in order to ensure that information about the availability of funding from the charity is communicated widely and through a variety of channels.

Governance

Appetite for risk: low



A risk is that the Board of Trustees is unable to make decisions about applications for funding due to its limited knowledge and understanding of the sector. The CHSA Board has a wide range of skills, experience and expertise in the areas of health and care which are central to the charity's objectives.

Operational

Appetite for risk: medium



CHSA is unable to deliver its ambitious grant-making plans quickly and effectively to respond specifically to the COVID-19 pandemic. The risk has been mitigated by the employment of an experienced Charity Manager and a highly-skilled Board that meets on a monthly basis. A pipeline of applications has also been developed.

External

Appetite for risk: medium



An external risk for CHSA is that it is relatively unknown and it is important that it protects its name and reputation. This has been mitigated through clear messaging and communications.

Board of Trustees; structure, governance and management, reference and administrative details

Board of Trustees

The Trustees who are in office or have been during 2020 are:

Lord Victor Adebowale CBE, Chair of the Board (appointed 1 May 2020)

Christine Scott (nee Perry), Vice-Chair (appointed 3 April 2020)

Professor Jane Cummings RN, CBE (appointed 3 April 2020)

Gordon Hull (appointed 1 May 2020)

David Jones (appointed 3 April 2020)

Dr Angela Kennedy (appointed 24 September 2020)

Andrew Tilden BEd CQSW MBA (appointed 1 June 2020)

Governance

CHSA's Board of Trustees is independent of the RCN Foundation. The Board has a provision for no fewer than seven Trustees of which four are co-Trustees of the RCN Foundation. The remaining three Trustees, including the Chair, must be independent of the RCN Foundation and the Royal College of Nursing. This structure enables CHSA to retain its strong connections with the RCN Foundation whilst maintaining a degree of independence.

The grants made to RCN Foundation in June and October 2020 were assessed directly by CHSA Trustees to avoid any conflict of interest. Subsequent to the appointment of the CHSA Charity Manager on 1 July 2020, all grant administration became the responsibility of the post holder with decisions made by CHSA Trustees.

Management

CHSA operates from the RCN's UK national headquarters and is staffed by RCN employees under a Services Agreement (between the RCN and the RCN Foundation) which is kept under regular review. CHSA has a part-time Charity Manager who manages the day-to-day running of the charity. Additionally, CHSA is supported by a dedicated member of the RCN Finance team.

During 2020, CHSA was supported by Jane Clarke, RCN Group Secretary. Other RCN staff supported CHSA as required.

Reference and administrative details

Registered office

20 Cavendish Square, London W1G 0RN

Telephone 020 7841 3375

Website: rcnfoundation.rcn.org.uk/support-appeal-home

Bankers

National Westminster Bank PLC

1 Cavendish Square, London W1A 4NU

Independent auditor

Deloitte LLP

1 New Street Square, London EC4A 3HQ

Lawyers

Bates Wells and Braithwaite

2-6 Cannon Street, London EC4M 6YH

Charity and Company registration numbers

Registered Charity: 1189119

Registered Company: 12546947

Public benefit statement

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have regard to the Charity Commission's guidance on Charities and Public Benefit.

Compliance

CHSA's key governance documents, processes and controls are in place to ensure that CHSA operates in an efficient and effective way in order to best deliver its charitable objectives.

Conflicts of interest

We have guidance for managing conflicts and we ask Trustees and advisers to identify any conflicts at the beginning of each meeting.

Financial review

Review of financial position

The COVID-19 Healthcare Support Appeal (CHSA) was set up as a time-limited subsidiary of the RCN Foundation.

The statement of financial activities for the period ended 31 December 2020 and the balance sheet as at 31 December 2020 are set out on pages 20 and 21. The statement of financial activities shows that CHSA had a net surplus of £1.749m in the period ended 31 December 2020, its first period of operation.

Income

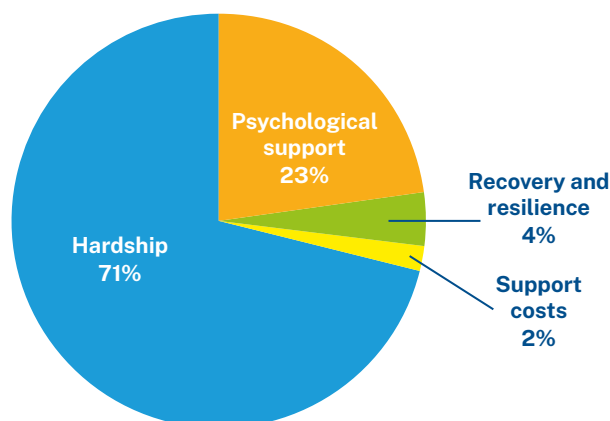
CHSA income is made up of income from donations.

Total income in the period was £4.996m which consists primarily of the £4.970m donation from TikTok. Although CHSA has not actively solicited for donations, we have been fortunate to receive £5,000 in donations from individuals and organisations. We also received £21,000 as a gift from RCN Foundation to cover the legal costs incurred in setting up CHSA.

Expenditure

Total expenditure in the period amounted to £3.247m with £3.186m (98%) given in grants to organisations and the remaining £61,000 spent on operational and governance costs. CHSA only gives grants to organisations, not individual beneficiaries.

In total, CHSA awarded grants to 18 organisations covering the three aims of hardship, psychological support and recovery and resilience – all relating to the impact of the COVID-19 pandemic.



CHSA is a time-limited charity, in that it was set up to administer the TikTok donation of £4.970m (and any further unsolicited donations received) to organisations in response to the COVID-19 pandemic. As at the end of 2020 £1.749m, being 35% of the income (including the original TikTok donation) remains to be awarded to organisations.

CHSA accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime and has not prepared a strategic report for that purpose.

The entity has been created for a limited time frame. It is anticipated that the entity will cease its operations once all the carried forward reserves are exhausted by grant making during 2021. Therefore, the 2020 annual report has not been prepared under the going concern basis.

Statement of Trustees' responsibilities

The trustees (who are also directors of COVID-19 Healthcare Support Appeal for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgments and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company 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 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 auditor is unaware
- 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 auditor is aware of that information.

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 statements may differ from legislation in other jurisdictions.

The Trustees' Report was approved by the board and signed on its behalf by:



Lord Victor Adebawale CBE, Chair
Date: 13 April 2021

Independent auditor's report to the members and the trustees of COVID-19 Healthcare Support Appeal

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of COVID-19 Healthcare Support Appeal (the 'charitable company'):

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

We have audited the financial statements which comprise:

- the statement of financial activities;
- the balance sheet;
- the statement of cash flows; and
- the related notes 1 to 10.

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).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (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.

Emphasis of matter – Financial statements prepared other than on a going concern basis

We draw attention to notes 1 (a) and 1 (j) in the financial statements, which indicate that the financial statements have been prepared on a basis other than that of a going concern. Our opinion is not modified in respect of this matter.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purpose of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

We considered the nature of the charitable company's industry and its control environment, and reviewed the charitable company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the charitable company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the UK Charities Act and the UK Companies Act; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the charitable company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the following areas, and our specific procedures performed to address them are described below:

- The significant risk identified is in relation to the occurrence and cut off of CHSA expenditure recognised in the period. Due to the expenditure population being comprised of several larger grant amounts, we tested 100% of the expenditure in the year. Through this testing, we have assessed the judgements and estimates made by management in the recognition of this expenditure.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes 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 directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified any material misstatements in the directors' report included within the trustees' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 we are required to report in respect of the following matters if, in our opinion:

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

We have nothing to report in respect of these matters.

Use of our report

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



Jonathan Gooding FCA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
St Albans, United Kingdom
Date: 21 April 2021

Deloitte LLP is eligible for appointment as auditor for the charity by virtue of its eligibility for appointment as audit of a company under section 1212 of the Companies Act 2006.

Financial statements



Statement of financial activities from 3 April to 31 December 2020

	Note	Unrestricted £	Total funds 9 months to 31 December 2020 £
Income			
Donations and legacies	2	4,996,246	4,996,246
Total incoming resources		4,996,246	4,996,246
Expenditure			
Cost of raising funds		-	-
Expenditure on charitable activities:			
Hardship	3.1	(2,357,048)	(2,357,048)
Psychological support	3.1	(740,713)	(740,713)
Recovery and resilience	3.1	(149,438)	(149,438)
Total expenditure		(3,247,199)	(3,247,199)
Net income/(loss) for the period		1,749,047	1,749,047
Net movement in funds		1,749,047	1,749,047
Reconciliation of funds			
Total funds brought forward		-	-
Total funds carried forward		1,749,047	1,749,047

Balance sheet as at period ended 31 December 2020

	Note	9 months to 31 December 2020 £
Current assets		
Cash		3,057,447
Total current assets		3,057,447
Liabilities		
Creditors: amounts falling due within one year	6	(1,308,400)
Total liabilities		(1,308,400)
Net current assets		1,749,047
Total assets less current liabilities		1,749,047
Total net assets		1,749,047
Reserves		
Unrestricted	8	1,749,047
Total reserves		1,749,047

The accounts of COVID-19 Healthcare Support Appeal (registered number: 12546947) were approved by the board of Trustees and authorised for issue on 13 April 2021. They were signed on its behalf by:



Lord Victor Adebowale CBE, Chair
Date: 13 April 2021

Statement of cash flow from 3 April to 31 December 2020

	Note	9 months to 31 December 2020 £
Reconciliation of changes in resources to net cash inflow from operating activities		
Net incoming resources		1,749,047
Increase in creditors	6	1,308,400
Net cash inflow from operating activities		3,057,447
Cash flow statement for the period		
Net cash inflow from operating activities		3,057,447
Cash at the beginning of the period		-
Increase in cash		3,057,447
Bank balance as at 31 December 2020		3,057,447

CHSA summary per fund as at 31 December 2020

	Opening balance at 3 April 2020 £	Income £	Expenditure £	Net gains £	Transfer of funds £	Net movement for the period £	Closing balance at 31 December 2020 £
Unrestricted funds							
Hardship	-	-	(2,357,048)	-	-	(2,357,048)	(2,357,048)
Psychological support	-	-	(740,713)	-	-	(740,713)	(740,713)
Post COVID-19 support	-	-	(149,438)	-	-	(149,438)	(149,438)
General	-	4,996,246	-	-	-	4,996,246	4,996,246
Total	-	4,996,246	(3,247,199)	-	-	1,749,047	1,749,047

COVID-19 Healthcare Support Appeal

Notes to the Financial Statements for 9 months to 31 December 2020

1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the period.

The COVID-19 Healthcare Support Appeal (CHSA) is a private company limited by guarantee (registered company: 12546947), it was registered as a charity (registered charity: 1189119) on 20 April 2020.

a. Accounting convention

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting for Charities (SORP 2019) guidance on the application of the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) effective 1 January 2015 and the Companies Act 2006, and Charities Accounts (Scotland regulations 2006) and Charities and Trustee Investment (Scotland) Act 2005.

CHSA meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of disclosure exemptions available to it in respect of its separate financial statements. Accordingly, exemption has been taken in relation to disclosure of remuneration of key management personnel.

CHSA constitutes a public benefit entity as defined by FRS 102.

The entity has been created for a limited time frame. It is anticipated that the entity will cease its operations once all the carried forward reserves are exhausted by grant making during 2021. Therefore, the 2020 accounts have not been prepared under the going concern basis. All assets have been disclosed at their net present value and there are no liabilities recorded as being due in more than 12 months.

b. Statement of cash flows

CHSA is a subsidiary of the RCN Foundation, which is a subsidiary of the RCN UK, therefore the RCN UK prepares and files a consolidated statement of cash flows which includes the cash flows of CHSA. Under FRS 102, a statement of cash flow is incorporated within these financial statements for the period ended 31 December 2020.

c. Income

All income is accounted for when CHSA has entitlement to the funds, the amount can be quantified, and it is probable that the income will be received.

Income includes donations gifted to CHSA.

d. Expenditure

Expenditure is recognised on an accruals basis and allocated according to CHSA's objectives. Charitable activities relate to the objectives which are explained within the Trustees' report of this annual report and financial statements.

Where expenditure cannot be directly allocated under these main categories, they are allocated across activities below based on actual direct expenditure incurred on the activities.

Cost of raising funds

The cost of raising funds relate to any costs incurred by the charity to raise funds for its charitable work.

Objective 1: Hardship

Frontline health and care staff are at the forefront of the fight against COVID-19 and for many, this is presenting unexpected challenges and making ends meet is difficult. CHSA provides grants to organisations whose beneficiaries are experiencing financial hardship as a result of COVID-19.

Objective 2: Psychological support

The impact of COVID-19 on the mental health of health and care staff is profound. CHSA is committed to funding projects that offer tailored psychological support to health and care staff who are experiencing the traumatic effects of working on the front line.

Objective 3: Recovery and resilience

CHSA recognises that the pandemic will have a long-term impact on the health and care workforce and that new ways of working and projects for recovery will be important. We are supporting evidence-based projects that will strengthen the workforce and encouraging creative applications that look to bring about positive change across the sector, including through better leadership and peer-to-peer support.

Grants payable

Grants payable are charged to the Statement of Financial Activities in the period in which the grant is awarded and the successful granting is conveyed to the recipient. In cases where the offer is conditional, grants are wholly recognised as expenditure in the period when the conditions attached solely relate to the recipient meeting the conditions of the grant. If there are conditions that are within the control of CHSA the expenditure is recognised to the extent the conditions are fulfilled. Those grants which are payable in future periods are included in creditors as set out in note 6.

Support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support cost have been allocated are set out in note 3. Governance costs include all cost of compliance with constitutional and statutory requirements, including legal and audit fees and the cost of trustee meetings and are included within support costs.

e. Irrecoverable value added tax

Where value added tax is incurred and cannot be recovered it is expensed in the Statement of Financial Activities. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

f. Unrestricted funds

Unrestricted funds are expendable at the discretion of the Trustees in the furtherance of the objects of CHSA.

g. Financial Instruments

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

h. Pensions

The RCN UK operates defined benefit and defined contribution schemes. As the CHSA staff are employed by the RCN UK and work for CHSA in accordance with the recharging arrangements made they fall within the pension schemes of the RCN UK.

i. Critical accounting judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the statement of financial performance date and the amounts reported for income and expenditure during the period. However, the nature of the estimates means that actual outcomes could differ from those estimates.

Significant area of estimation and judgement

There are no significant areas of estimation and judgement.

j. Going concern

The entity has been created for a limited time frame. It is anticipated that the entity will cease its operations once all the carried forward reserves are exhausted by grant making during 2021. This is based on the entity having spent 65% of its total funds available within its first nine months of operation and that applications for grants are still being received. Therefore, the 2020 accounts have not been prepared under the going concern basis. All assets have been disclosed at their net present value and there are no liabilities recorded as being due in more than 12 months.

2. Donations

	9 months to 31 December 2020
	£
Donations and gifts – major donations	4,970,000
Donations and gifts – one-off donations	26,246
Total donations	4,996,246

3. Expenditure

3.1. Analysis of total expenditure (9 months to 31 December 2020)

	Direct charitable expenditure			Total charitable activities £	Support costs £	Total expenditure £
	Hardship £	Psychological support £	Recovery and resilience £			
Grants to organisations	2,312,750	726,792	146,630	3,186,172	-	3,186,172
Audit and tax advice	-	-	-	-	9,000	9,000
Professional services	-	-	-	-	25,532	25,532
Temporary staff costs	-	-	-	-	26,495	26,495
Total	2,312,750	726,792	146,630	3,186,172	61,027	3,247,199
Support costs	44,298	13,921	2,808	61,027	(61,027)	-
Total	2,357,048	740,713	149,438	3,247,199	-	3,247,199

Support costs are allocated across the charitable activities based on the actual costs incurred on these activities.

External audit fee – auditor services of £9,000 including VAT are included in these financial statements.

The amount spent on direct charitable activities, excluding support costs, compared to total expenditure for the period was 98% in 2020.

3.2. Expenditure on charitable activities (9 months to the 31 December 2020)

	Hardship £	Psychological support £	Recovery and resilience £	Total costs £
Grants				
To organisations	2,312,750	726,792	146,630	3,186,172
Support costs	44,298	13,921	2,808	61,027
Total	2,357,048	740,713	149,438	3,247,199

In CHSA, the support costs are allocated to charitable activities according to the total spent for each activity.

Staff costs

CHSA does not employ any staff directly. An arrangement is in place between RCN and CHSA for the provision of services to CHSA. Under this arrangement a part-time charity manager is employed, focused on providing the services. The support costs include their salary including any employer's costs, such as pensions and national insurance contributions.

	9 months to 31 December 2020 £
Wages and salaries	18,324
Social security	1,923
Other pension costs	1,832
Total	22,079

4. Grants payable

	Unrestricted £	9 months to 31 December 2020 £
Balance brought forward at start of period	-	-
Awarded in the period:		
Grants	3,186,172	3,186,172
Charge to SOFA	3,247,199	3,247,199
Paid in period	(1,895,750)	(1,895,750)
Balance carried forward at the end of the period	1,351,449	1,351,449
Falling due within one year	1,290,422	1,290,422

Since 31 December 2020, £459,455 of the grants awarded in 2020 have been paid in 2021, with £262,500 on hardship, £120,325 on psychological support, £76,630 on recovery and resilience.

Grants were awarded as follows (please refer to pages 5 to 7 for more information on the grants awarded):

	9 months to 31 December 2020
	£
Grants/bursaries to organisations:	
BASW (British Association of Social Workers)	90,000
Body & Soul	97,750
British Medical Association	84,000
Care Workers' Charity	615,000
Cavell Nurses' Trust	50,000
Chartered Society of Physiotherapists	35,000
College of Paramedics	150,000
Intensive Care Society	171,772
Nurse Lifeline	50,000
Pharmacist Support	43,575
POA Welfare	47,250
QNI (Queen's Nursing Institute)	48,825
RCN Foundation	828,000
Royal College of General Practitioners	60,000
Royal College of Occupational Therapists	31,500
Royal Medical Benevolent Fund	25,000
TASC (The Ambulance Staff Charity)	128,500
There for you (UNISON Welfare)	630,000
Total grants to organisations	3,186,172

Grants awarded are the total amount of the grants approved during the period by the Trustees. The difference between the Grants awarded in the period of £3,186,172 and the Charge to the SOFA of £3,247,199 is due to the support costs of £61,027, as per note 3.2.

5. Taxation

CHSA is exempt from tax as all its income is charitable and is applied for charitable purposes.

6. Creditors

	9 months to 31 December 2020 £
Amounts falling due within one year	
Trade creditors	-
Grants payable (note 4)	1,290,422
Accruals	9,000
Due to RCN UK	8,978
Other creditors	-
Total	1,308,400

7. Analysis of net assets between funds

	Unrestricted funds £	Total funds 9 months to 31 December 2020 £
Fund balances at the end of the period are represented by:		
Current assets	3,057,447	3,057,447
Current liabilities and provisions	(1,308,400)	(1,308,400)
Non-current liabilities	-	-
Total net assets	1,749,047	1,749,047

8. Movement in funds period ended 31 December 2020

	Opening balance at 3 April 2020 £	Income £	Expenditure £	Net investment gains/ (losses) £	Transfers between funds £	Closing balance at 31 December 2020 £
Unrestricted funds						
General funds	-	4,996,246	(3,247,199)	-	-	1,749,047
Total unrestricted	-	4,996,246	(3,247,199)	-	-	1,749,047
Total funds	-	4,996,246	(3,247,199)	-	-	1,749,047

9. Related party transactions

CHSA does not directly employ any staff. The RCN employs the staff member who is focusing on providing services to CHSA and, therefore, these costs have been recharged to CHSA. During the period £26,495 was recharged to CHSA (from the RCN) for its sole staff member, which includes VAT charged at 20%. As at 31 December 2020 £8,978 is outstanding from CHSA to RCN for these staff costs.

During the period the RCN Foundation gifted CHSA £20,950 for its legal fees incurred to set up CHSA. As at 31 December 2020, no amounts were outstanding between the RCN Foundation and CHSA.

10. Remuneration

None of the Trustees received remuneration. No costs were incurred by the CHSA Trustees while carrying out trustee duties.

Supporting
health and care staff
through COVID-19

CHSA

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