

Support
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

Contents

Report of the Trustees for the period ended 31 December 2020	2
Achievements and performance in 2020	3
Objectives for 2021	8
Thank you to our principal donor and other supporters	9
Principal risks and uncertainties	10
Board of Trustees; structure, governance and management, reference and administrative details	11
Financial review	13
Statement of Trustees' responsibilities	14
Independent auditor's report	15
Financial statements	19

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 work

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

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

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

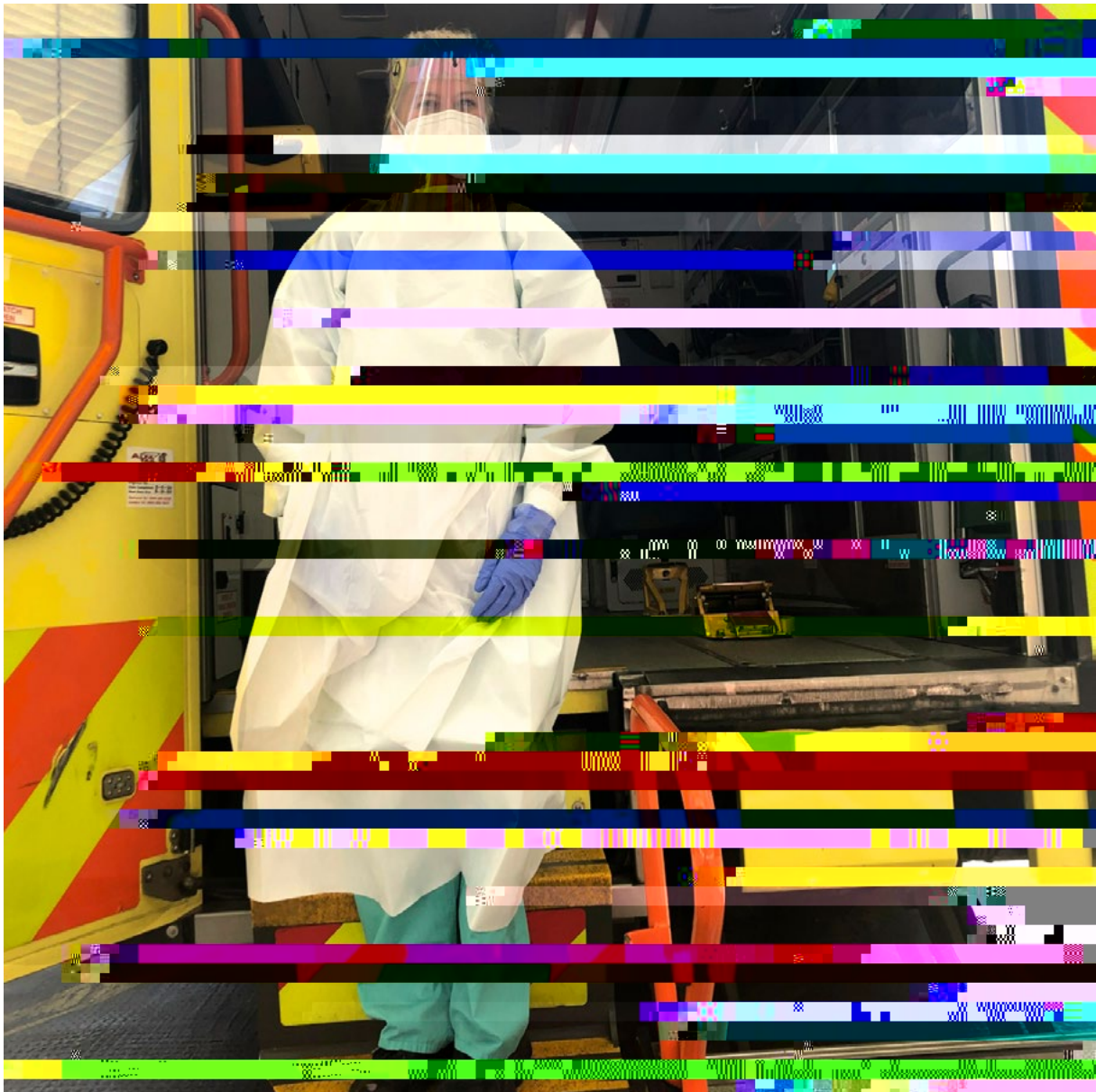


Objectives for 2021

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,

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.

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

Board of Trustees

Lord Victor Adebawale 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

Reference and administrative details

20 Cavendish Square, London W1G 0RN
Telephone 020 7841 3375
Website:

Financial review

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

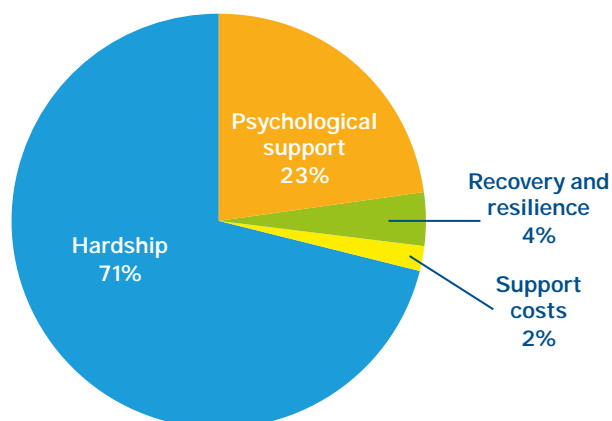
CHSA income is made up of income from donations.

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

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.

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:

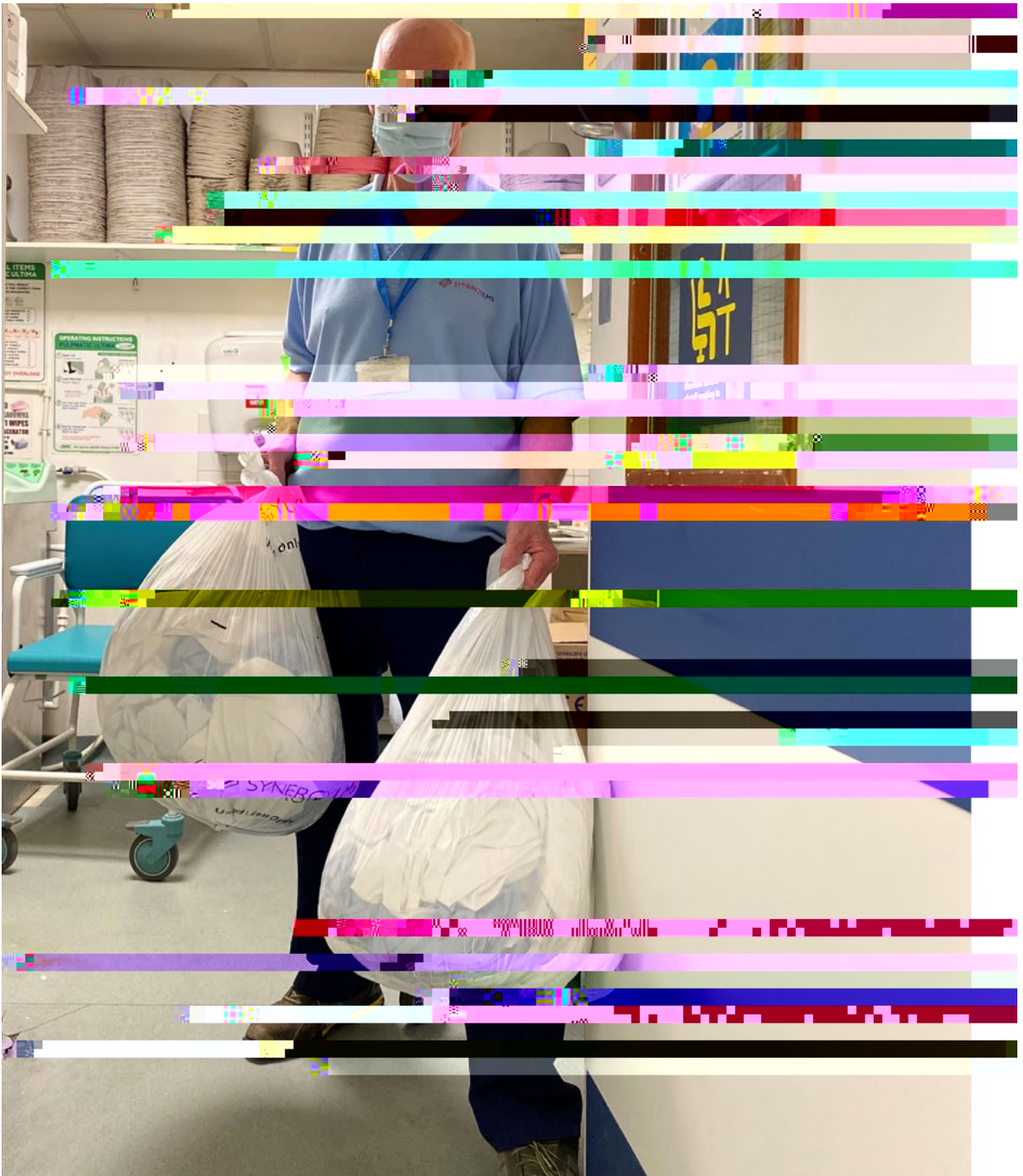
- The significant risk identified is in relation to the occurrence and cut off of CHSA expenditure recognised in the period. Due to the expenditure population being comprised of several larger grant amounts, we tested 100% of the expenditure in the year. Through this testing, we have assessed the judgements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

Financial statements



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 Adebawale 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		
Net incoming resources		1,749,047
Increase in creditors	6	1,308,400
		3,057,447
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

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.

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.

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.

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 and other services of £1,439,000 including VAT are included in these financial statements.

The amount spent on direct charitable activities, excluding support costs, compared 59

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

Hardship	Psychological
£	

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)	

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		

The logo consists of a solid black square. In the bottom-left corner of this square, the letters "CHS" are written in a bold, white, sans-serif font.

CHS