

Great Ormond Street Hospital
Children's Charity
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Great Ormond Street Hospital Children's Charity

Annual Report 2007/08

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the child first and always



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Cover: Charlotte is a very energetic six year-old who is surrounded by cards and soft toys in her room on Parrot Ward. She has had a solid tumour removed but it certainly hasn't spoilt her appetite for treats.

Left: During her long stay on Lion Ward where she was being treated for neuroblastoma, eight-year-old Ayesha occupied her time decorating her room. The walls were adorned with her creations including beautifully designed shoes constructed from paper and a doll crafted from wire.

“As a parent at the hospital you cannot help but be affected by the beautiful and brave child patients. They helped us to feel human again. Far too many of us in our busy lives sever all links with childhood – and lose touch with the things that really matter.”

Lee Elliot Major
Parent

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Our vision

To raise funds to support Great Ormond Street Hospital as a world-class centre of excellence in paediatric treatment, training and research.

Our mission

To raise more than £50 million a year to keep the hospital at the forefront of international paediatric medicine by:

- contributing to the rebuilding and refurbishment of the hospital;
- funding the most up-to-date equipment;
- supporting research into, and development of, breakthrough treatments; and
- providing accommodation and other support services for children and their families.

Evie, who is now 11 months old, was born with a dislocated hip which wasn't diagnosed until seven-and-a-half months later. She has recently had her hip corrected and hopefully when her plaster comes off it will remain in the correct position.

Chairman’s foreword

Great Ormond Street Hospital is a world leader in paediatric medicine – in clinical care, research, education and training. Many of the children seen at the hospital have complex or life-threatening illnesses and need the specialist care that only the experts at Great Ormond Street Hospital can offer.

The challenge is to provide that world-class care within an NHS-funding structure that often cannot meet the increasing high costs of treatment, or fund the pioneering research that has led to so many advances in children’s healthcare both in the UK and across the world. Great Ormond Street Hospital has the additional challenge of very old buildings and facilities that just aren’t equipped to meet today’s healthcare needs.

Great Ormond Street Hospital Children’s Charity raises money to support the care and treatment of children referred to the hospital from within the UK and overseas. The money is used to buy much-needed medical equipment, to undertake essential research and to support families at their most difficult times. Our biggest requirement for funds, however, is to support the major redevelopment of two-thirds of the hospital’s site. With the first phase complete, the charity announced a capital appeal to raise £170 million to complete the second part of the hospital’s redevelopment. This seven-year project will include the construction of a brand new clinical building and allow us to completely refurbish one of our existing buildings and bring it up to world-class standards.

With increasing demands for research funding, ongoing equipment and welfare needs and the redevelopment programme, the charity needs to raise more than £50 million every year for the next 10 years – double the previous fundraising target.

At the start of 2007/08 we launched a new strategy to help us make a step change in our fundraising and provide the level of funding so badly needed by the hospital and its young patients. As you will read in this report, we have had an encouraging start. This is entirely due to the generosity of our supporters, who have given us both their time and their money. Throughout these pages you will find examples of very generous individuals and corporate partners who have run marathons, held events, made regular monthly donations, contributed to an appeal or have been able to support us through a major gift or left us a legacy in their will. We rely on all of them and will continue to do so.

On behalf of all the special trustees of Great Ormond Street Hospital Children’s Charity, thank you.

On a sadder note, this year saw the death of Nigel Clark who spent 12 years as executive chairman of fundraising until his retirement in 2006. His energy and commitment to the hospital and the charity was immense. His success provided the bedrock upon which we are now able to build. We owe him a great deal.

John Ballard

John Ballard
Chair – special trustees
Great Ormond Street Hospital
Children’s Charity



“With increasing demands for research funding, ongoing equipment and welfare needs and the redevelopment programme, the charity needs to raise more than £50 million every year for the next 10 years – double the previous fundraising target.”

According to her mum, Antonia is always smiling – it’s not just for the camera. In April this year she was diagnosed with a very rare condition, lymphangiomatosis, and this is her second visit to the hospital to stop the internal bleeding and control the pain which are both symptoms of her illness.





Thank you from our chief executive and executive director



The hospital's motto is: The child first and always. We want to be able to help sick children now and in the future; children from the UK and overseas; children who are very special and who have unique healthcare needs. With your support we can.

We'd like to use this foreword to thank all of you who have helped us this year – either by giving us your time or your money. As you will see throughout this report, donations make the difference and allow us to help sick children and their families in a way that would not otherwise be possible.



During the year we have been fortunate enough to meet many of the children and their families that donations to the charity have enabled us to help. Sometimes we see patients and their families at fundraising events, on stage speaking about their own story and their experience of the hospital. Their generosity with their time and their stories is humbling and very important to our audience of potential donors because they, more than most, know why we so badly need to raise money.

Many of our patients and families become active fundraisers or support us through the Friends Membership Scheme. This year some of them took part in sponsored challenge events such as running in the London Marathon or trekking the Great Wall of China. Others volunteer within their communities or schools to organise fundraising events. We are delighted that so many of them choose to stay connected with the hospital and to contribute in such a valuable way.

However, it is not just people who have a personal experience of the hospital that we rely on. Many people understand that there just isn't enough money within the NHS to allow us to provide the care and support that we would like.

Changes to the way research is funded nationally has had a significant impact on the amount of money that we receive. Whilst our position, in conjunction with UCL Institute of Child Health, as the UK's only Specialist Biomedical Research Centre for children's health, gives some funding, it only provides a part of what is needed. Thank you to everyone who has given generously to research programmes, perhaps through donations to the children's cancer appeal we launched on Valentine's Day or through major gifts to specific research projects.

Above top: Dr Jane Collins, chief executive

Above bottom: Charles Denton, executive director

Left: Natalee is 17 months old and was admitted to the hospital with serious kidney problems. She has undergone tests and while it's been discovered that the problem is not curable, it can be controlled with the right therapies.

“...donations make the difference and allow us to help sick children and their families in a way that would not otherwise be possible.”

Buying specialist equipment is expensive and we cannot afford what we need without your support. As a result of your generosity our experts can improve diagnoses, treatments and care for the patients treated at the hospital. This year we were able to buy vital new equipment thanks to fundraisers in schools, companies, individuals and charitable trusts.

Any parent will tell you that there is no worse experience than their child being ill. The hospital staff will tell you that what matters most to that child’s care is having their families around them. Charitable donations mean we can provide accommodation right opposite the hospital that allows families to stay close. But we would rather provide beds for mum or dad right next to their child on the ward. In the old buildings this is simply not possible; there’s very little room and it is difficult for the staff and families who have little privacy. We shall improve the situation; within the next phase of the redevelopment, there will be more space for life-saving equipment and plenty of beds for parents to be with their children.

This year we announced some terrific support towards our redevelopment appeal. Major gifts such as those you may read about in the newspapers are essential. They allow us to make big steps towards our fundraising goals and give us the financial basis to start our building work. However, it’s not just big gifts that make the difference. Every donation counts. This year almost 60,000 people responded to our Christmas appeal. Their generosity allowed us to commit more than £1 million towards the redevelopment.

To all of you who supported us this year, we thank you. The children you are able to help are remarkable and, on their behalf, we ask for your continued support.

Jane Coll

Dr Jane Collins
Chief executive
Great Ormond Street Hospital and Great Ormond Street Hospital Children’s Charity

Charles Denton

Charles Denton
Executive director
Great Ormond Street Hospital Children’s Charity

Right: Samuel has a lot of hair for a five-month-old baby. This is a result of the medication he was taking to control his over-production of insulin which caused him to fit when he was born. Despite having outgrown this condition, Samuel still visits the hospital for treatment for polycystic kidneys, and is always very curious about what is going on.



One of the world’s leading children’s hospitals

Great Ormond Street Hospital is an international centre of excellence in child healthcare. Working in partnership with UCL Institute of Child Health, the hospital is the UK’s only Specialist Biomedical Research Centre in paediatrics. With more than 50 different specialities, the hospital has the broadest range of dedicated children’s healthcare specialists in the UK.

Most of the children seen at the hospital have complex, life-limiting or life-threatening illnesses. In the UK, Great Ormond Street Hospital is the largest paediatric centre for heart problems, craniofacial reconstruction, gene therapy, valve replacement and many more national services. Because of its specialist nature and the breadth of its services, Great Ormond Street Hospital treats children from all parts of the country and overseas. In fact more than half the children treated come from outside the Greater London area.

Many of them are very young; 35 per cent are under three years old. We expect this trend to continue as clinical improvements mean that doctors are able to diagnose and treat children much earlier than before.

Great Ormond Street Hospital is a tertiary service. This means its patients are referred from other hospitals – either District General Hospitals or in some cases from other children’s hospitals – that are not able to provide the specialist care needed. There is no Accident and Emergency Department, although of course many of the children treated are critically ill and need an emergency admission. Based at Great Ormond Street Hospital, the Children’s Acute Transport Service works with other hospitals to organise emergency ambulance collection from all around the UK and Europe to ensure that children get the specialist treatment they need as quickly as possible.

“In 2007/08 the hospital had over 150,000 patient admissions and outpatient appointments and the surgical team performed more than 15,000 operations.”

Many of the hospital’s services are nationally accredited by the National Commissioning Group. These national services are concentrated in a small number of centres to ensure a high quality of clinical care and equal access for patients. Great Ormond Street Hospital is the single largest recipient of this type of funding in the UK.

The number of children treated at the hospital and the complexity of their conditions, provides a unique opportunity to carry out research that can benefit children today and in the future; not only for the children treated at the hospital, but across the UK and around the world. The hospital is also the largest trainer of paediatric healthcare specialists in the UK.

The hospital had hoped to apply for Foundation Trust status during the year but unfortunately has had to delay its application. Various legislative changes including a loss of Research and Development funding, have affected the hospital’s finances and discussions are underway with the Department of Health to resolve these issues. However, the hospital is still committed to working towards Foundation Trust status, which will mean that it will be guided by the views of its members and have greater freedom to make decisions. In fact the hospital has already recruited 4,500 members, many of whom are former patients or relatives of children treated at the hospital.

Consulting with patients and families is core to Great Ormond Street Hospital and it is extremely encouraging to have so many of them who wish to contribute by becoming Foundation Trust members.

In 2007/08 the hospital had over 150,000 patient admissions and outpatient appointments and the surgical team performed more than 15,000 operations. The expert paediatric medical and surgical teams are rightly famous for the work they do. However, there are many more people involved in providing vital services to support sick children during their treatment and recovery. All of them aim to set world-class standards in every aspect of the service they provide – to help the children in their care and support their families.

All are guided and inspired by the hospital’s motto: The child first and always.



Far left: These notebooks represent the research of Professor Francesco Muntoni, one of the researchers at UCL Institute of Child Health, the hospital’s research partner. You can read more about research and development on page 26.

Left: Ward sister, Lucy, works on Victoria Ward in the Southwood Building, the oldest clinical building in London. We need to rebuild two-thirds of the our hospital site so we can continue to provide world-class care.

A history of fundraising

The hospital first opened its doors on 14 February 1852 and was known as The Hospital for Sick Children in Great Ormond Street. Prior to this time, there were no hospitals in the UK with dedicated facilities for children. Our founder, Dr Charles West, believed passionately that the existence of a children’s hospital was essential for paediatric medical progress. The very founding of the hospital depended on fundraising with key influential figures of the time including Queen Victoria and Charles Dickens playing a critical role. Before the creation of the NHS in 1948, the hospital was financed by donations from benefactors, subscribers and philanthropists for almost 100 years. Today, the basic level of provision is paid for through the NHS, but we still rely on fundraising on a massive scale to maintain our position as a world leader in paediatric medicine.

- In today’s NHS system, the money we raise supports four distinct objectives:
- redevelopment of clinical buildings, which include the oldest clinical buildings in London;
 - finance for research to help offset the loss of government research income following the new national funding arrangements;
 - the purchase of state-of-the-art equipment to maintain leading-edge services and facilities so that more parents have the chance to stay with their children while they’re in hospital; and
 - support for specific training and development programmes which help ensure our people are the very best in their field.

The scale of the fundraising required is significant. We need to raise more than £50 million a year for the next 10 years to continue to provide world-class care and continue to pioneer new treatments.

Under the leadership of executive director Charles Denton, Great Ormond Street Hospital Children’s Charity has put strategies in place to meet these fundraising targets – identifying potential new income streams and developing existing relationships and activities. Substantial progress has been made. Important new partnerships have been established and thousands of new individual donors have begun to support the hospital. However, we need to continue to build on that success in increasingly difficult circumstances.

Looking back on the role of fundraising since the opening of the hospital, it is certainly the most challenging environment within which these large amounts need to be raised. Our dedication and commitment to raise these necessary funds is undaunted and fuelled by the real difference donations make to the lives of thousands of children and their families. On behalf of the remarkable children and families who come to the hospital, and the staff, we’d like to thank everyone who has made a donation or contributed their time to help us continue the important work we do for sick children.

“Of all the leading charitable institutions with which our great metropolis abounds, there is scarcely one of a more interesting character than that in Great Ormond Street, Bloomsbury, which administers to the afflictions of the children of poor parents.”

The London Journal
13 November 1875



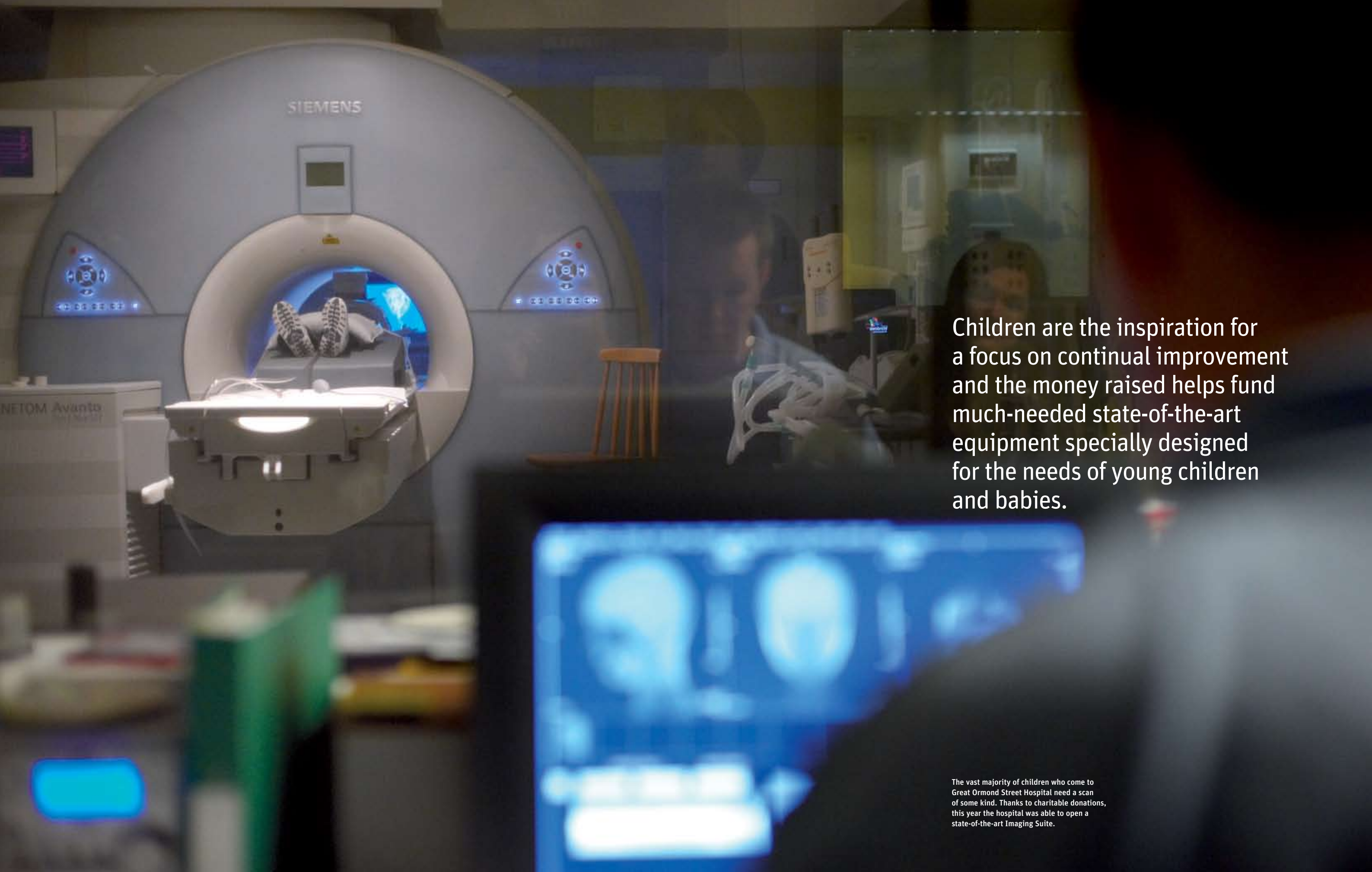
Case study
Dominic, age nine
By Dominic’s adoptive parents, Avril and Ron

“Dominic came into care a very frail and tiny baby when he was eight months old. He has a huge number of problems caused by his birth mother drinking alcohol when she was pregnant.

As foster carers we were devastated to find out that alcohol can cause so many problems. Dominic had many features of Fetal Alcohol Syndrome (FAS) including the facial features, severe ptosis (upper eyelid droop), skeletal problems, bowel problems and the most serious and life-threatening Tetralogy of Fallot (congenital heart defect). He had severe reflux, is tube fed and had an Antegrade Continent Enema (ACE) to help with his severe constipation.

Dominic was a year old when we took him to Great Ormond Street Hospital to be seen at the eye clinic. He had no muscle in his eyelids and was unable to open his eyes. Consultant plastic surgeon David Dunaway then performed amazing and successful surgery on Dominic’s eyelids when he was four. Now Dominic loves to show off his big eyes.

He continues to be a frequent visitor to the hospital, having his eyes checked for any deterioration, and has stoma care from specialist nurses Helen and Monica. Our little Dominic always has a huge smile and giggle and he bounces back after all his treatment. Just like Tigger.”



Children are the inspiration for a focus on continual improvement and the money raised helps fund much-needed state-of-the-art equipment specially designed for the needs of young children and babies.

The vast majority of children who come to Great Ormond Street Hospital need a scan of some kind. Thanks to charitable donations, this year the hospital was able to open a state-of-the-art Imaging Suite.



Claire has scoliosis, a curvature in her spine, which required surgery. But complications and two further operations meant that 17-year-old Claire had to spend seven months in hospital. However, she never lost her sense of humour and often had her nurses in stitches (of laughter).

“The generosity of our donors makes a real difference to the clinical care of patients at the hospital.”

Clinical support

The clinical and research teams are always looking for new and better ways to care for patients and to improve the patient and family experience that they provide.

One of the major pieces of work in the hospital is the Transformation programme, GOSH 2010, which was launched to further improve the quality of care that is provided to patients. While the hospital has excellent clinical standards and constantly achieves the highest clinical and research ratings, there is increased focus on finding ways to improve and work better together. With three clear aims – zero harm, no waste and no unnecessary waits – the Transformation Team has been offering support and advice to clinical teams across the hospital to make sure that they put programmes in place that matter most to children and their families.

Whilst the hospital teams constantly look to find new ways to improve, they rely more than ever on the support of donations to allow them to continue their world-class work. Without the generous support of donors to Great Ormond Street Hospital Children’s Charity, they would not be able to access essential equipment or provide the welfare support that so many families need.

Medical equipment is expensive. Providing medical equipment suitable to be used for young people, children and often babies, is particularly expensive. However, thanks to our supporters, the charity has been able to provide the hospital with some much-needed equipment during the course of the year. Here are just a few examples to illustrate just what a difference donations can make:

Friends Membership Scheme

The Friends Membership Scheme is celebrating its 10th anniversary in 2008. The scheme is a simple way for friends and families of our patients to show their support. Individual or family memberships are available for an annual membership fee and the charity team makes sure that they are kept up-to-date with what’s going on at the hospital. Every year we invite Friends members to get together at Paradise Park in Hertfordshire to share experiences of the hospital and have a terrific day out.

The membership fees and donations from the scheme allowed the charity to provide the hospital with six replacement haemodialysis machines for the Dialysis Unit. Commonly called an artificial kidney, haemodialysis machines are used in cases of acute renal failure. This is when the kidneys are not working as well as they should. Dialysis cleans and filters blood. It gets rid of harmful waste products and extra fluid. Many patients have dialysis in hospital three times a week for about three to four hours. The haemodialysis machines funded by Friends members will make a huge difference to the lives of many of the children with kidney disease treated at the hospital.

In memory donations

We are very grateful to those supporters who asked their friends and families to donate to the charity in memory of their loved ones. The proceeds from these gifts are often used to supply new equipment to the hospital, for example a number of portable drug infusion pumps were purchased this year. These pumps deliver precisely controlled doses of drugs to a patient, without needing to be continuously monitored, therefore freeing up valuable nursing time.

Many of our supporters organise fundraising events or activities on their own, with their friends, at their school or in their office in aid of the hospital. The Independent Greek Schools of Finchley and Manor Hill raised £12,500 to fund a Sphygmator for Professor Nigel Klein and his team. This portable machine measures how well blood vessels are working without needles or invasive procedures. Research had identified that when a child has an infection it affects how well the blood vessels work and that for children it takes longer for the blood vessels to fully recover. It may be necessary to administer treatment to help the blood vessels make a quicker and long-lasting recovery to prevent problems in adult life. The provision of this equipment has meant that Professor Klein and his team can open a brand new clinic, the first of its kind in the UK, to examine the function of blood vessels in children who have recovered from serious infections. The Sphygmator has been essential in enabling this to happen.

Corporate support

Through employee fundraising and corporate donations, law firm Shoosmiths funded two new ventilators for the hospital. Legal and General Plc employees raised enough funds to purchase a brand new vital signs monitor for the wards, which was aided by the matching scheme provided by their employer.

In 1855 Great Ormond Street Hospital was left money in a will for the first time. Since then gifts in wills have been an important source of support for the hospital with gifts coming from patients extended families, parents, individuals who were patients decades ago, as well as staff members who have fond memories of their time at the hospital. In 2007/08 income from gifts in wills was almost £10 million, allowing significant investment in essential life-saving equipment for the children.

The generosity of our donors makes a real difference to the clinical care of patients at the hospital. We know that sick children have the best possible chance for recovery when both their physical and emotional needs are met. Donations help buy necessary equipment and also help fund beds for parents, provide chaplaincy support and necessary nutrition for breastfeeding mothers. All of this support contributes to the hospital's ability to provide the best possible opportunities for the children in its care.



By Josephine's mum, Carmel

Her breathing had been so tortured, and we were sent to a county hospital. X-rays revealed a huge mass in the right side of her chest which crossed over to her left side too, squashing her windpipe and heart. Josephine needed specialist care and was transferred to Great Ormond Street Hospital.

Ear, nose and throat surgeon Ben Hartley operated on Josephine alongside cardiac surgeon Martin Elliott, and they removed the tumour.

When I talk to people about Jojo's time at the hospital and her experience of childhood cancer, they are always amazed that care was given out of the cancer wards. In that sense, the hospital is incredibly joined-up. The specialist teams work so well together for the benefit of the child – first and always."



The powerful presence of siblings and parents helps children recover. The public's support of the hospital redevelopment will help many more parents to stay with their children while they are in hospital.

Nine-year-old Tommy visits Great Ormond Street Hospital every three months for tests, and sometimes his little sister, Jessica, comes too. Tommy is being treated for a genetic brain disorder which is very rare but is being controlled with medication and the right diet.



“The greatest redevelopment in Great Ormond Street Hospital’s history is underway. Our aspirations are set high and the challenge to secure the funding required reflects this.”

An artist's impression of Phase 2A of the redevelopment: the Morgan Stanley Clinical Building. Building work is due to start in October 2008 with completion in 2011.

Redevelopment

The importance of caring for sick children and their families in suitable and comfortable surroundings has long been recognised. Doing everything possible to help them cope with what can inevitably be a stressful and traumatic experience is vital and there can be no better care and reassurance for a child than to know their parent is right beside them.

The need for Great Ormond Street Hospital's clinical services is growing and we anticipate a 20 per cent increased need for services by 2011. However, with the hospital already operating at full capacity, the hospital will not be able to treat these patients without improved facilities.

Facilities in the new Morgan Stanley Clinical Building will enable parents to sleep alongside their child in comfort and children will be able to leave their beds to eat their lunch in a separate room, visit the playroom or use a computer. There will be scope to redesign the clinical service to give a more flexible, convenient and comfortable experience for patients and their families. Crucially, the clinical teams will also be able to treat more children and give clinical and research staff the resources they need to develop new treatments for the benefit of children locally, nationally and internationally.

However, the hospital won't be able to complete its redevelopment programme without the continued generous support of donors to Great Ormond Street Hospital Children's Charity. We are currently seeking to complete funding for Phase 2 of our redevelopment programme through securing the support of major donors, charitable trusts and foundations and the corporate sector, as well as individual donations and the proceeds from fundraising events and challenges. Understandably, the charity cannot commit to funding the various stages of this project until the money is actually available.

Phase 2 will take place in two stages:

- **Phase 2A** – the construction of the Morgan Stanley Clinical Building, due to be completed in 2011, will provide eight floors of modern inpatient wards for children with acute conditions and chronic illnesses. The new facility will house the Wolfson Cardiothoracic Centre for Children, and also Centres for Neurosciences, Nephrology and Metabolic Medicine, Endocrinology, Gastroenterology, Genetics and Adolescent Medicine. It will also contain a new café and restaurant to be used by staff, patients, families and visitors to the hospital.
- **Phase 2B** – the redevelopment and refurbishment of the current Cardiac Wing (yet to be named) due to be completed by 2014, will accommodate our remaining inpatient wards.

Phase 2 of the redevelopment will cost an estimated £321 million towards which the government announced a contribution of £75 million. With the support of thousands of donors, we have raised a further £76 million, leaving us with an appeal target of £170 million at the start of the year.

This year has seen a number of extremely generous donations. We have founded **The Mittal Children's Medical Centre** which will include all of Phase 2A and 2B. The centre is named in recognition of the generous support of Aditya and Megha Mittal who pledged £15 million towards the hospital rebuilding programme.

The hospital was also able to open a state-of-the-art **Imaging Suite** which was wholly funded through charitable support. The vast majority of the children who come to Great Ormond Street Hospital need a scan of some kind and the hospital uses Magnetic Resonance Imaging (MRI) and Computerised Tomography (CT) scanning technology to investigate and diagnose a huge array of conditions.

The Tick Tock Club, which has been raising funds towards the new **heart and lung centre** for children, has also been a resounding success. Under the leadership of its patron, Gary Lineker, and chairman, Ken Costa, the club has achieved its target to raise £10 million towards the total cost of a new, world-class Wolfson Cardiothoracic Centre for Children. Not only will the new centre increase our capacity to provide highly specialised care for seriously ill children, it will also promote advances in our understanding of heart and lung disease, helping sick children at the hospital and around the world.

The world of medicine is constantly moving forward, bringing new technology and new ideas which may make treatments and procedures that we can only imagine today, a reality. The new heart and lung centre is a big milestone in the development of the hospital. The members of the Tick Tock Club have shown that a group of individuals, companies and trusts working together to raise money can achieve great things for the benefit of seriously ill children.

Many of our community fundraisers have also been working very hard to support the new heart and lung centre. Participants who took part in challenge events including the London and New York Marathons, the Hadrian’s Wall Hike, China, Inca and Kilimanjaro overseas treks, Great North Run and Paris to London Bike Ride, helped to raise over £830,000 towards a new cardiac theatre to be housed within the heart and lung centre. We are very grateful to them for all their work in both raising the money through events and sponsorship and also for the weeks and weeks of training many of these events require.

2008 will see the launch of our **Theatres for Theatres** appeal, a major new three-year initiative to help treat children with complex neurological and craniofacial conditions by funding state-of-the-art operating theatres at Great Ormond Street Hospital.

The appeal was founded by Heather Beckwith and her daughter, Nicola Bearman, whose son, Oscar, is a patient at the hospital. Through a range of exciting theatre-based initiatives, Theatres for Theatres aims to raise £4 million towards the cost of the new operating theatres and will include an exclusive theatre membership club, partnerships with theatres and local community groups and innovative collaborations with corporate sponsors.

This year will also see the opening of the **Reuben Foundation Children’s Cancer Centre**, generously funded by The Reuben Foundation, CHILDREN with LEUKAEMIA and Scott and Suling Mead. The centre is comprised of the new Safari Outpatients Daycare Unit and Elephant Ward. These critical new facilities will enable the hospital to accommodate and treat a significant number of new childhood cancer patients and will help the hospital to become one of the world’s largest clinical cancer units for children.

The Walt Disney Company announced a partnership with us this year which will help to raise £10 million towards the redevelopment of the hospital and provides generous donations of toys and activities to help bring a smile to the children on a day-to-day basis.

However, it is not only large donations that help with redevelopment. Our Valentine’s Day direct mail appeal encouraged almost 18,000 individuals to contribute over £317,000 in total towards improving our neurosciences facilities and this year’s *Peter Pan* schools fundraising programme raised £50,000 from schools all around the country in support of nephrology facilities improvements. In July 2007 the Formula 1™ event and auction contributed over £277,000 towards the new heart and lung centre and also provided an exciting opportunity for some of our patients to meet Formula 1™ stars and celebrities.

The greatest redevelopment in Great Ormond Street Hospital’s history is underway. Our aspirations are set high and the challenge to secure the funding required reflects this. We continue to rely on the support and generosity of thousands of donors in order to complete this vital programme which will not only change the face of Great Ormond Street Hospital but also make a real and lasting difference to sick children now, and for many years to come.



Case study
Lara, age seven
By Lara’s mum, Julie

“**Shortly after our beautiful daughter Lara was born she fell into a coma. She was diagnosed with a life-threatening metabolic disorder, Methylmalonic Acidemia (MMA). It means Lara’s body cannot properly process the protein it takes in and turns it into damaging toxins.**

We returned to the UK, as we were living in Portugal, and found Professor James Leonard (now retired) at Great Ormond Street Hospital. This happened just in time, as in the summer of 2003 Lara suddenly stopped eating. Her body started using up its own protein stores so she also became dangerously acidic. At one point we were told she probably wouldn’t make it through the night – the most harrowing time of our lives. However, Professor Leonard came up with a rare treatment and very slowly she began to recover.

Lara is able to maintain as normal a life as possible with the help of Great Ormond Street Hospital. She owes her life to the hospital and staff, and without them we would not have our joyous little girl who touches the heart of everyone she meets.”

Research and development

As one of the world’s finest children’s hospitals, Great Ormond Street Hospital provides world-class clinical care for thousands of children each year. However, the pioneering clinical innovation that allows it to help our young patients overcome serious and life-threatening conditions would not be possible without a parallel programme of internationally recognised research into the causes and mechanisms of childhood illnesses.

Great Ormond Street Hospital’s special partnership with UCL Institute of Child Health offers the largest concentration of research into childhood illness outside the USA. Going forward, with Specialist Biomedical Research Centre status, an ongoing increase in patient numbers, new clinical facilities and a ground-breaking research programme, the hospital is now better placed than ever to further its position as a national and international hub of world-class clinical care and pioneering research in the field of children’s health.

However, as a result of government changes to research funding throughout the NHS, research income has been significantly reduced. In this context, it is critical that the research vision is financially underpinned by Great Ormond Street Hospital Children’s Charity. With this in mind, over the course of this year a number of key areas of research need have been highlighted and the charity has begun to raise funds towards specific projects within the research themes of Nutrition, Cardiorespiratory Sciences and, in particular, Childhood Cancers.

Great Ormond Street Hospital is now the largest childhood cancer centre in Europe and the largest in the western world outside North America. Working hand-in-hand with UCL Institute of Child Health, the hospital continues to develop ground-breaking techniques and procedures to treat children with cancer here and around the world.

To further support this work, the charity has been raising funds towards improving research infrastructure and supporting the translational pathway between

“Great Ormond Street Hospital Children’s Charity’s commitment to support research into childhood illness is greater now than at any time in our history.”

laboratory-based research and leading-edge treatments in the hospital. A number of significant donations will enable us to support the opening of a critical new Cell Sorting and Analysis Facility and key research projects focusing on childhood leukaemias and childhood brain tumours – the two most common forms of cancer in children. This early success has been built on the wonderful support of a group of volunteer cancer ambassadors who have helped introduce and engage a number of new major donors to the charity.

The new Somers Clinical Research Facility opening later in 2008, will provide us with a state-of-the-art research space, nursing staff trained in research methodology, and modern IT systems. The facility is funded by Mrs Phyllis Somers and the JN Somers Charitable Will Trust. Research conducted here should attract additional funding from the Department of Health and other sources in the future.

Going forward, we are now looking to recruit a number of new ambassadors who can help us to raise £6.9 million towards a group of critical infrastructure and research projects, as well as to support broader ambitions to:

- become a world leader in lab-to-bedside research for childhood cancers;
- create more treatment opportunities for children by making many more pioneering clinical trials available to cancer patients; and
- significantly reduce death and disability in children diagnosed with cancer.

Again, it is not only the large contributions that make a tangible difference. This year we had two highly successful campaigns which allowed thousands of individuals to contribute towards our research programmes. Kiss it Better is a partnership between the charity, Carmel Allen (the mother of former patient, Josephine, featured on page 19) and Clinique. It is supported by a range of retail partners and together they have raised almost £200,000 towards cancer research. In the spring of 2007 a direct mail campaign raised almost £600,000 towards research fellowships through individual contributions by 27,000 supporters.

Great Ormond Street Hospital Children’s Charity’s commitment to support research into childhood illness is greater now than at any time in our history. With a world-class group of clinical and research staff working together to better understand paediatric diseases and how to combat them, charitable support will enable real and tangible progress to be made in terms of finding cures, overcoming complex and often life-threatening conditions and helping the children cared for at the hospital to live full and normal lives.



Professor Francesco Muntoni is a researcher at UCL Institute of Child Health who is conducting research into the life-limiting disease, muscular dystrophy.

World-class education and training

Great Ormond Street Hospital treats patients with the most complex and life-limiting illnesses. With this comes a great responsibility to make sure that clinical and support staff deliver the highest possible standards of care for children and their families.

The hospital plays a vital role in paediatrics training – training more paediatric nurses than anyone else in the UK and also playing a lead in training paediatric doctors. Training at Great Ormond Street Hospital gives staff experience across a broad range of specialist areas, including heart conditions, cancer, brain surgery and epilepsy. Many will go on to work in the hospital, but others will move on to join other hospitals in London and around the UK. The breadth and quality of training they receive, at the very leading-edge of paediatric healthcare, will benefit them and the children they care for wherever they work in future.

The hospital provides a wide range of training and development programmes for staff and the charity supplements this programme by providing funding for a specific range of additional specialist educational and development programmes designed to bring direct benefits to the staff and children of the hospital.

Betty Barchard Bursary

This bursary supports nursing staff by encouraging learning from outside the organisation and adopting new practises within Great Ormond Street Hospital. In 2007/08 the bursary was awarded to Yolette Lees who is an HIV nurse specialist at North Middlesex University Hospital (whose paediatric services are run by Great Ormond Street Hospital). Yolette attended a course covering the latest treatment expertise on a wide range of paediatric HIV issues with a view to enhancing HIV protocols within North Middlesex University Hospital paediatric services.

David Newton Bursary

This bursary supports non-clinical staff to learn new management development techniques from other leading organisations. In 2007/08 the bursary was awarded to support the following learning:

1. Krish Thiru, who studied American and Canadian hospitals information systems integration practises in order to improve upon the work he does as Pan Thames co-coordinator for PICANet (the Paediatric Intensive Care Audit Network).
2. Sarah Metson and Beth Foley visited three leading children’s hospitals in the USA and Canada to observe and learn about managing outpatient delivery to enhance the patient and family experience.
3. Cat Oxley attended the e-Learning Guild 2007 Annual Gathering to learn more about promoting the Great Ormond Street Hospital Online Learning and Development (GOLD) project.

Michael Samuelson Bursary

This bursary supports professional, technical staff and allied health professionals in these fields of practise. In 2007/08 the bursary was awarded to Debbie Jackson, who visited the University of Iowa to learn about the Ponseti service, an innovative method of treating congenital club foot, using sequential manipulation, casting and bracing which significantly reduces recurrence.

Nurses Study Leave Fund

This fund supports nurses with study and development opportunities. Historically it has been used to fund conference attendance, study events and some higher education courses for staff.

Library Service

The charity supports the joint Library Service of Great Ormond Street Hospital and UCL Institute of Child Health where staff can access a very broad range of electronic books and journals as well as attend a variety of training programmes.

Leadership and Management Pathway

This critical development programme, supported by the charity, is focused on management competencies, consultant appraisals, career planning and leadership programmes.

Consultant Sabbatical Programme

Two consultants took 12 weeks of sabbatical leave during 2007/08 as part of this programme. The first sabbatical was successful in developing the technical aspects of thymus transplantation at Great Ormond Street Hospital and obtaining the necessary regulatory approvals for performing transplantation. The second sabbatical was focused on clinical trials to reduce hearing loss caused by treatment in patients with liver tumours. This work was highly collaborative on an international scale and resulted in new paediatric clinical practise being published in clinical texts.



Case study Oliver, age one

By Oliver’s parents, Anna and Bryan

“Our beloved baby boy Oliver was admitted to Great Ormond Street Hospital on 16 February 2007 at just four weeks old.

An irregular heartbeat was detected during labour, but after several checks we were told all was OK and to return in one month.

We were then catapulted into a world of terror.

Oliver is our first child, and we were completely unaware of how close we had come to losing him. He was diagnosed with acute tachycardia and arrhythmias resulting in cardiac collapse. He required Extra Corporeal Membrane Oxygenation (ECMO) care to allow his distended heart to rest, thus allowing treatment of the underlying condition.

We are ecstatic to report that Oliver goes from strength to strength under the watchful eye of Dr Phillip Rees’ outpatient care. Dr Rees is an inspiration.

We remain eternally grateful to Great Ormond Street Hospital and its incredible staff, who continually go far beyond the call of duty, both for the patients and parents alike. Their dedication and professionalism is difficult to adequately describe in print. Suffice to say that we feel incredibly humble and remain in complete awe. It really is no exaggeration to state that the hospital provides some of the best medical care in the world.”



The hospital's commitment to support research into childhood illness is greater now than at any time in its history. Charitable support will enable real progress to be made, helping the children we see to live full and normal lives.

A happy and cheerful little girl, 11-month-old Al Jazi has had spinal surgery while at Great Ormond Street Hospital.

Thank you

Friends of Adeona
We would like to recognise the truly outstanding support of Great Ormond Street Hospital Children’s Charity’s most generous benefactors:

- The Al Fayed Charitable Foundation
- The Barclay Foundation
- JM Barrie
- Mrs Heather Beckwith
- The Botnar Family
- British Heart Foundation
- The Bunting Family
- CHILDREN with LEUKAEMIA
- Charles Dickens
- The Djanogly Foundation
- The Clore Duffield Foundation
- GlaxoSmithKline
- Lord and Lady Harris
- Martin and Zoe Harris
- Scott and Suling Mead
- Aditya and Megha Mittal
- Morgan Stanley
- The Bernard Sunley Charitable Foundation
- Mike Nelson
- Oak Foundation
- The Reuben Foundation
- JN Somers Charitable Will Trust
- Mrs Phyllis Somers
- Hugh and Catherine Stevenson
- Sir Alan and Lady Sugar
- Tesco
- The Philip Ullmann Trust
- The Ulverscroft Foundation
- United Biscuits
- The Variety Club Children’s Charity
- The Walt Disney Company
- The Garfield Weston Foundation
- The Wolfson Foundation
- The Charles Wolfson Charitable Trust

The Tick Tock Club
Our thanks to the Tick Tock Club board members and benefactors who have helped raise over £10 million towards a new heart and lung centre at Great Ormond Street Hospital:

- Tick Tock Club Club board**
Patron
Gary Lineker OBE
Chairman
Ken Costa
Vice Chairmen
Susan Burns

- Lady Chinn
- Lord Coe KBE
- Michael Evans
- Charles Hale
- Alan Hodson
- Thomas Hughes-Hallett
- Alan Kilkenney OBE
- Stephanie Léouzon
- E Scott Mead
- Anthony Salz
- Andrew Taeae
- Dominic Vail

- Tick Tock Club members**
Mr and Mrs Terence Adams
Nick and Kate Austin
Mr Tony Ball
Mr and Mrs Peter Beckwith
Alan and Sara Bennie
Emily and Len Blavatnik
Tim and Sarah Bunting
John and Susan Burns
Sir Trevor and Lady Chinn
John Coldman
Mr and Mrs Ken Costa
The Peter Cruddas Foundation
Dr Genevieve and Mr Peter Davies
Ian and Penny Davis
The DG Charitable Settlement
Sarah and Lloyd Dorfman
Alex and Tara Easton
CB Richard Ellis
André Elshout and Mike Elms
Michael and Francesca Evans
FDD International Ltd
Dorothee and Pierre-Henri Flamand
Les Freres Charitable Trust
Gary and Catherine Grant
Charles and Kaaren Hale
Mrs R E Heale
Alan and Christiane Hodson
David and Elizabeth James
The Jenkins Family
Nick and Linda Johnston
The Juice Group Limited
Rose Marie and Erland Larlsson
Mr and Mrs Nagi R Kawkabani
The Lakehouse Foundation
Jude Law
Eugene and Stephanie Léouzon
Keith and Muriel Lipman
Maaike McInnes Charitable Trust
Gavin and Luise MacDonald

- Jim and Jules Mann
- Charles and Sophia Mason
- Scott and Suling Mead
- George Michael and Kenny Goss
- Mitch and Alison Moore
- Hilton and Louise Nathanson
- Andrew and Marina Newington
- Amicia and Richard Oldfield
- Elizabeth and Daniel Peltz
- Simon Picken QC and Dr Sophie Picken
- Paul and Deidre Pindar
- Andrew Priston
- Alexandra Raphael and Family
- Stuart and Bianca Roden
- The Rothermere Foundation
- The Countess of Rothes
- The Reuben Foundation
- The Dr Mortimer and Theresia Sackler Foundation
- The Basil Samuel Charitable Trust
- Vipin and Beatrice Sareen
- Ian and Carol Sellars
- The Michael Shanly Charitable Trust
- Dominic and Cathy Shorthouse
- Standard Chartered Plc
- Hugh and Catherine Stevenson
- Sir Alan and Lady Sugar
- Andrew and Katrina Taeae
- Chris and Carole Taylor
- The Taylor Family Foundation
- Richard and Susan Thornton
- The Thornton Foundation
- Stanley and Beatrice Tollman
- Laura and Barry Townsley
- The Toy Trust
- Amanda and Dominic Vail
- CT van Hoorn Charitable Trust
- Vivid Imaginations
- The Garfield Weston Foundation
- Michael and Rachel Weston
- Mr Pierre and Dr Yvonne Winkler
- Mr and Mrs Roger Wyatt

- Tick Tock Club benefactors**
Mrs Tamara Beckwith Veroni
Craig and Marie Brown
Mrs Charlotte and Mr Henry Grobien
Guy and Julia Hands
Mr Martin Lane-Fox
Mrs Irene Phillips
Gerald and Dame Gail Ronson
N M Rothschild & Sons Limited
The Rothschild Foundation

Gifts in kind
Our thanks for the generosity of those below who have given gifts or services to the charity:

- A&B Vinters
- Absolute Taste
- BHS
- The Character Group plc
- Entertainment Films
- Harrods
- Motion House Digital
- MSL Global
- Parkeray
- Jamie Scott and The Town
- John Brown
- Teatro
- Warner Bros. Entertainment Inc

Thank you
Our sincere thanks to those individuals and organisations below who have generously supported the charity this year:

- Paul and Debbie Adler
- Richard Bray
- Miss A E Clarke
- Wendy Cohen
- John Coldman
- Nick Collier
- Elin Davis
- Pamela Dawswell
- Mary H Fitzgerald
- Jonathan Ford
- Tracey Foster and Paul Mason
- Jake Goedhuis
- Peter Goldstein
- Richard Glynn
- Carlo Grosso
- Nicola Horlick
- Deirdre B Hussey
- Simone Hyman
- Mr and Mrs Kishinani,
- Badger Ball Committee and Friends
- Sue Kowzan
- Cathy Lambert
- A C Lamprey
- Ian and Lesley Lay
- Nick Leigh
- Grant and Charlie Lipton
- Anibal Maseda
- Geraldine McCaughrean
- Mrs Audrey Meissner
- Princes William and Harry, who kindly

- named Great Ormond Street Hospital Children’s Charity as one of the beneficiaries of the Concert for Diana
- Andrew Reynolds
- Herdip Sidhu
- Jean-Michel and Isabel Sylvestre
- Jim Tavaré
- Darren Vickery

- Abbott Laboratories
- Actellion Pharmaceuticals UK Ltd
- American Express Europe Ltd
- Aylesford Newsprint Limited
- Bakers Oven (South)
- Beny & Agnes Steinmetz Foundation
- Bishopsgate Preparatory School
- Bond Street Association
- BT IP
- Capita Group Plc
- Channel 4 Television
- The Children’s Welfare & Research Foundation
- The Connor Wright Shwachman-Diamond Project
- David Doyle Limited
- Deutsche Bank AG London
- Dollond Charitable Trust
- Evans Randall
- Fenlanders Chapter — HOG
- Formula One Management Ltd
- Donald Forrester Trust
- Friends and Family of Charlotte Marie Coulton
- Friends of St Joseph’s in the Park School
- Heating Plumbing Supplies Ltd
- The Hobson Charity
- The Houghton Dunn Charitable Trust
- HSBC Investment Bank
- The Independent Greek Schools of
- Finchley and Manor Hill
- The Sean Lancet Cancer Fund
- Legal & General Group plc
- The Enid Linder Foundation
- London and Continental Stations and Properties Ltd
- Lord Alliance
- Macquarie Bank Foundation Ltd
- Magic 105.4 FM
- Mapeley Estates Limited
- Marriott/Renaissance London Business Council
- McLaren Group Limited
- Metage Capital Limited
- Morgan Stanley
- Orsett Golf Club Ltd
- Oxford University Press
- PF Charitable Trust

- Pirates Adventure Inc.
- Pure Beauty Magazine
- The Radcliffe Foundation
- Rathbone Brothers Plc
- Rays of Sunshine Children’s Charity
- Red Bull Company Limited
- The David Rocastle Trust
- Rowlands Pharmacy
- Sainsbury’s Charitable Fund
- Shoosmiths
- Silverbaby Foundation
- Starcards
- Sweets for Life Limited
- Trailfinders
- Team Helmut
- The Walt Disney Company
- White Contract Services
- World Mission Agency

The support of the general public is vital to the hospital. Thousands of individuals give generously to us throughout the course of the year and their ongoing support is critical to the important work we do for sick children. On behalf of the inspiring children and remarkable staff in the hospital, thank you to everyone.

Our wish list for 2008/09

New facilities

We need to replace cramped, outdated wards with new modern facilities to give a better, more flexible, and comfortable service for our patients and their families.

Your support could help to:

fund a ward in our new building	£2 million
fund a four-bed high dependency Cardiac Critical Care Unit	£500,000
fund an isolation room in our Neurosciences Unit	£100,000
pay for a playroom in our new clinical building	£91,000

Family accommodation

It is vital that we help children and families cope with what can inevitably be a traumatic experience when visiting hospital. There can be no better care and reassurance than for a child to know that their parent is right beside them.

Your support could help to:

fund the annual up-keep of 16 rooms for parents and families to stay overnight near their sick children	£33,000
fund a bed for parents to stay beside their child in our new building	£250

Research essentials

We are committed to finding treatments and cures for some of the most complex and difficult illnesses for the benefit of children at the hospital and worldwide.

Your support could help to:

create new targeted treatments that will increase the chances of successful bone marrow transplants	£826,000
pioneer the use of a leading-edge computerised tomography (CT) scanner for children by employing a dedicated research leader	£773,000
improve lives of autistic children transitioning from primary to secondary school	£661,000
discover why blood cells grow into leukaemia-causing cells	£228,000
fund one week of pioneering research into complex illness	£1,100

Equipment

It is essential that our exceptional doctors and nurses have leading-edge equipment to provide children with world-class care.

We need:

an angio bi-plane machine for heart patients	£1 million
a tandem mass spectrometer to screen newborns	£121,000
heart and lung bypass machines to keep children alive	£115,000
ventilators to help babies to breathe	£20,000
respiration monitors to track children’s breathing	£2,000
neonatal masks for newborn babies	£20

Training and development

The drive for new learning in the many professions that serve our patients is enormous and we have many ways to make it happen.

Your support could help to:

fund training for a neurosurgery consultant	£107,000
contribute towards our Ethics Service development	Any amount

Patient welfare

The welfare of patients is our primary concern.

Your support could help to:

contribute towards our multi-faith chaplaincy so families can receive much needed support when they need it	£65,000
fund meals for breastfeeding mothers to ensure their babies receive the vital nutrition they need	£30,000
support patient families needing help with expenses	£1,000



Case study

Georgia, age 10

By Georgia’s mum, Linda

“Georgia was born with spina bifida, hydrocephalus [water on the brain] and a congenital hand abnormality.

She was admitted to Great Ormond Street Hospital on the day she was born and had her first operation – to close the myelomeningocele [where the backbone and spinal canal haven’t closed] on her back - the following day.

We had expected to be in the hospital for a number of weeks but she made such good progress we were home within 10 days.

In spring 1999, shortly before her first birthday, Georgia had the first operation on her hands by Mr Paul Smith. She was born with six fingers on each hand but without opposable thumbs. This would have made it very difficult to do many everyday tasks.

This first operation was to fuse a weak joint in the ‘thumb’ on the left hand and to create a thumb from the first finger on the right hand. In 2000 a thumb was created on her left hand. This was a much more complicated operation, involving tendon transfers and a skin graft. Once again it was very successful and although Georgia sometimes uses her hands differently, there doesn’t seem to be much she can’t do. She is even learning to play the piano and recorder, which wouldn’t have been easy without these operations.

In the past couple of years she has had some urology surgery and still needs to have some minor procedures in urology and orthopaedics so we have once again become regular visitors to Great Ormond Street Hospital.

Having a child stay in hospital is always stressful but it’s great to be able to stay at the hospital and facilities for parents have improved since Georgia’s first admission 10 years ago. During our times at the hospital we have received excellent care from the doctors and nursing staff.”

What difference have we made?

Support from the public allows Great Ormond Street Hospital to make a huge impact in children’s healthcare, benefiting children across the UK and internationally.

This year we were able to confirm:

- **£2.5 million** towards the expansion and renovation of our cancer daycare and Outpatients Department allowing us to operate as the largest children’s cancer centre outside the USA.
- **£12 million** to open a new, extensive Imaging Suite to provide advanced diagnostic imaging equipment and facilities which inform surgeons and consultants in carrying out life-saving and often ground-breaking procedures.
- **£16 million** towards our new clinical building which will allow us to replace cramped, outdated, inconvenient wards with new facilities where parents can sleep alongside their child in comfort.
- **£200,000** to provide accommodation for parents and siblings of patients to stay close by, which is of real benefit in helping sick children recover more quickly.
- **£4.2 million** to provide new, modern facilities for the Neonatal Intensive Care, Cardiac Critical Care, Dental and Pharmacy Departments.
- **£3.7 million** allowing us to relocate our Molecular and Cytogenetics Laboratories into a new modern space enabling us to provide an essential diagnostic service for a number of genetic disorders across the UK, as well as providing vital information and advice to clinicians about the medical significance of chromosome abnormalities.
- **£1.7 million** in 29 senior clinically-related academic research posts.

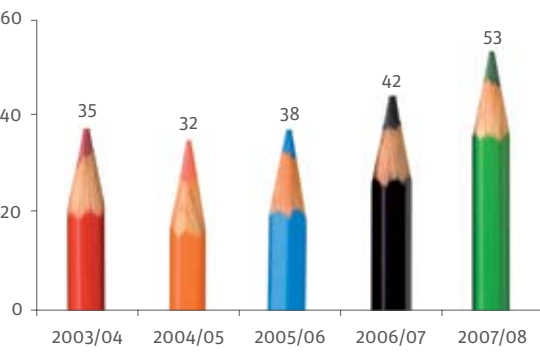
- **£870,000** for a Flow Cytometry and Cell Sorting Facility that allows us to recognise and separate specific types of cells from a mixture of cells, enabling us to carry out essential work including preventing blindness, repairing spinal cord injury, and bone marrow transplants.
- **£200,000** to educate children and families across the UK in all areas of healthcare via the Children First for Health website (www.childrenfirst.nhs.uk).
- **£157,000** for ventilators to help children breathe while undergoing major operations.
- **£89,000** for essential patient and nurse controlled analgesia pumps (pain reduction) for use across the whole hospital.
- **£30,000** to provide meals for breastfeeding mothers, ensuring they get the nutrition they need.
- **£400,000** for equipment for researchers to carry out their vital projects.
- **£346,000** to conduct research into a vaccine for aggressive childhood brain tumours.
- **£130,000** for essential equipment for our Gastroenterology Team.
- **£66,000** to meet the multi-faith spiritual and religious needs of patients and families.

A quick financial overview

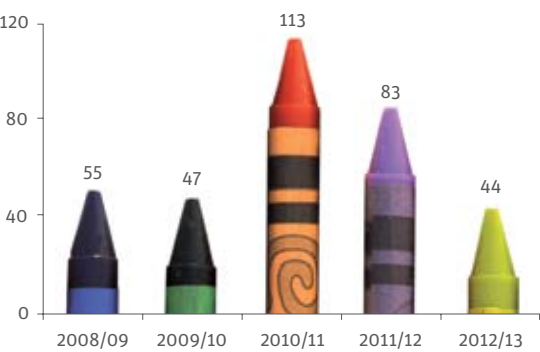
Funds breakdown



Total income raised (£ millions)



Funding required (£ millions)



The charity is committed to being accountable to our supporters in the work that we do. A full set of detailed financial accounts can be found in the following pages, but these graphs show a summary of the key facts.

During 2007/08, the charity increased its total income to £52.6 million. Of this total, income from donations was £42 million.

Why do we need so much money?

We need to continue to raise over £50 million each year to ensure the hospital can continue to provide leading-edge care, with our current projection of income required by 2016 exceeding £500 million, most of which is required to complete the redevelopment.

Don’t you already have a lot of money?

- Our balance sheet shows funds of £211 million at the end of the year. Of this:
- £59 million relates to property/fixed assets we own, most of which are used (for free) by the hospital;
 - £14 million is the amount we are required to hold in reserve to provide the cash flow for our running costs and as a contingency against the unexpected;
 - £55 million relates to funds our donors have given us for specific projects, such as research activities and the redevelopment, to be spent over a number of years; and
 - the remaining £83 million has been designated towards the cost of the redevelopment and existing commitments on other charitable activities.



“We want to treat our patients to the best standards in the world; the standards they deserve and their parents expect.”

Professor Martin Elliott
Chief of cardiothoracic surgery
Director of transplantation
Director of Tracheal Service

Mia, age four, and her mum are here for a check-up after Mia had a tumour removed three-and-a-half years ago. The tumour affected her spine and she will never be able to walk again properly without the aid of a wheelchair, but she is very sociable and determined to get on with her life.

The Board of Special Trustees, which is responsible for providing leadership and setting standards of ethical behaviour, governs Great Ormond Street Hospital Children’s Charity. They are supplied with information in a form and quality to enable them to take decisions, discharge their duties, and ensure the right strategy and controls, together with appropriate financial and human resources are in place. Working with the hospital, they endeavour to make Great Ormond Street Hospital’s facilities the best in the UK through investment and development.

The trustees appoint a chief executive who is responsible for ensuring that the Board’s policies and strategies are followed. To ensure consistency and commitment to the aims and objectives of the hospital, the hospital’s chief executive, Dr Jane Collins, is also currently the chief executive of the charity.

With responsibility delegated from the chief executive, the executive director is responsible for leading the charity, agreeing and delivering the strategic direction and operational management of the charity and for providing a sustainable income stream in line with agreed hospital fundraising priorities.

Our trustees are recruited through a combination of advertisements and agencies using the application process required by the secretary of state for health. They are appointed for their individual and collective skills and experience, and are accountable to the secretary of state for health and the Charity Commission. A tailored induction programme is provided for trustees on appointment.

The trustees are responsible for the charity and how fundraised money is raised and spent, approving the allocation of raised charitable funds to the hospital. They ensure good practise, governance and support and guide the charity’s fundraising work. They aim to:

- help fund the hospital’s priorities including research and development into new and improved treatment for children and young people at the hospital;
- fund up-to-date equipment;
- provide support for families and staff;
- assist the hospital in recruiting and retaining a high-quality workforce; and
- fund the hospital’s redevelopment programme and other key building needs.

A sub-group of the trustees meets twice a year, as the Audit and Remuneration Committee. They agree the audit plan, consider internal and external audit reports, review financial systems, monitor compliance with standing orders and standing financial instructions, advise on all issues of staff remuneration and terms of service, and review fraud prevention and risk-management systems. The committee reports to the full Board of Trustees.

The charity has three other regular committees – the Investment Committee, the Property and Development Committee and the General Purposes Committee – all of which report to the full Board. There are at least nine full Board meetings a year and an away day.

The charity receives a professional internal audit service by purchasing the services of an NHS audit consortium. External audit services are provided by Deloitte & Touche. External review of investment managers’ performance is provided by Edward Jewson Associates.

Criminal Records Bureau checks are carried out for all trustees, staff and volunteers. The charity secretary is responsible for identifying, advising and ensuring compliance with all relevant legislation and regulations.

Public benefit statement

The trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the Charity Commission’s general guidance on public benefit.

The charitable purpose for Great Ormond Street Hospital Children’s Charity is enshrined in its objects *NHS purposes and research at Great Ormond Street Hospital for Children NHS Trust*. The trustees ensure that this purpose is carried out for the public benefit by working to the following mission:

- To raise more than £50 million a year to keep the hospital at the forefront of international paediatric medicine by:
- contributing to the rebuilding and refurbishment of the hospital;
 - funding the most up-to-date equipment;
 - supporting research into, and development of, breakthrough treatments; and
 - providing accommodation and other support services for children and their families.

Great Ormond Street International Promotions Limited (GOSIPL)

By law, charities are not allowed to trade, so in common with most UK charities we established a trading company to carry out our commercial activities: Great Ormond Street International Promotions Limited (GOSIPL). It is a wholly-owned subsidiary of the charity, with the team being responsible for licensing, sales promotions, business-to-business Christmas cards, retail activity and mail order. In terms of licensing, the trading company has partnerships with other companies where the charity trademarks are used to enhance the sale of products or services. For every contract signed a royalty is negotiated, with the brand normally licensed for not less than £25,000.

GOSIPL revenues were £2,203,000 for 2007/08 through trading activities, with licensing activity continuing to be the main revenue earner. This money will be paid under Gift Aid to the charity, with some earmarked to fund specific projects within the hospital and UCL Institute of Child Health, although the majority is unrestricted.

The chairman of GOSIPL ensures good governance in the running of the company. An annual licensing fee is paid to the charity for the use of its name and logo, and the company has its own board of directors and company secretary responsible for ensuring it runs at a profit and its activities are not contentious. In addition, the charity and GOSIPL adhere to the moral and ethical fundraising guidelines agreed by the hospital and special trustees for the charity.

Charity objectives and strategies

The charity’s objectives fall into four categories – fundraising, disbursement of funds, asset management and governance. This section of the report reviews the performance of the charity in meeting the objectives and delivering the agreed strategies in each of these areas.

Objective and strategy	Whether met
Fundraising The charity’s objective was to meet the annual budgeted income for the year by developing and implementing a clear fundraising strategy within the organisation.	Fundraising The charity met and exceeded its annual budgeted income for the year.
Disbursement of funds The charity’s objective was to fund the approved hospital projects identified within the financial year by establishing regular meetings of the special trustees of the charity to approve the disbursement of funds.	Disbursement of funds The charity met its requirements to fund the agreed hospital projects in the financial year.
Asset management The charity’s objective was to continue to manage effectively the charity’s property investments by reviewing the current strategy to ensure it remained fit for purpose.	Asset management Good progress has been made and the special trustees expect to complete this review during 2008/09.
Governance The charity’s objective was to ensure that it met all charity governance requirements by establishing best practise in the sector and appointing special trustees with a range of skills to support the specific needs and governance requirements of the charity.	Governance The charity met all its governance requirements in the year.

Key fundraising achievements

During the year the charity established the Friends of Adeona, which recognises those individuals and companies who have donated to the charity at a level of £1 million or above. The Friends of Adeona are listed in this annual report on page 32.

The largest single gift to the charity during the year was the donation of £3.75 million from Aditya and Megha Mittal, as part of their pledge to donate £15 million towards the redevelopment programme. The Mittal Children’s Medical Centre will comprise the Morgan Stanley Clinical Building and the refurbished Cardiac Wing to be completed as Phase 2B of the redevelopment.

In October, the charity announced a major corporate partnership with investment bank, Morgan Stanley, which has pledged to raise £10 million towards the redevelopment of the hospital. The Morgan Stanley Clinical Building will be the first new clinical building to be completed within the second phase of the hospital redevelopment.

In November, the charity announced a pledge of £11 million from The Barclay Foundation to support the redevelopment programme including the heart and lung centre.

In January, the charity announced a major corporate partnership with The Walt Disney Company, who will work with us to help raise £10 million towards the redevelopment of the hospital.

Alongside these major gifts, the charity relies on the support of thousands of individual donors and fundraisers who provide regular gifts, support cash appeals or organise fundraising events. The appeal with the largest individual participation was the Christmas stocking appeal, which was supported by nearly 60,000 donors.

Trustees and associate trustees



John Ballard
Chairman

Biography
John first joined the charity as an associate trustee in April 1992 and was appointed as a special trustee in April 2000, becoming chairman of the charity in July 2006 until March 2008, when he stepped down. Mr Ballard serves on the Property and Development Committee and the General Purposes Committee. Formerly, Mr Ballard was a senior civil servant in the Department of Environment, Food and Rural Affairs and is now on the Steering Board for the Marine and Fisheries Agency. He is also a non-executive director of Northern Ireland Water and the Queen Elizabeth Hospital NHS Trust and a governor of Brooklands School.



Susan Burns
Trustee

Biography
Susan joined the charity in August 2007 and serves on the General Purpose Committee, having been formerly involved in electroencephalograph and radioisotope scanning at University College Hospitals and Great Ormond Street Hospital. She has trained and taught dyslexic children at St Bartholomew’s Hospital and worked as a gallery lecturer and guide at the British Museum. In more recent years Mrs Burns has been a trustee of the Royal Academy and was involved in the patrons scheme at the Tate Gallery.



Margaret Casely-Hayford
Trustee

Biography
Margaret joined the charity as a special trustee in October 2000 and served on the Property and Development Committee. She is director of legal services for the John Lewis Partnership. Her tenure ended on 31 March 2008.



Hugo William John Llewelyn
Trustee

Biography
Hugo joined the charity as a special trustee in August 2007 and serves on the Investment Committee and the Property and Development Committee. Mr Llewelyn is a partner in Protego Real Estate Investors LLP and is a trustee and treasurer of the West London Churches Homeless Concern Charity.



David Elms
Associate trustee

Biography
David joined the charity as an associate trustee in November 2002 and serves on the Audit and Remuneration Committee. Mr Elms is a partner at KPMG.



David Double
Associate trustee

Biography
David joined the charity as an associate trustee in May 1998. He is a chartered surveyor and served on the Property and Accommodation Committee. David resigned from his position as associate trustee on 31 March 2008.



Richard Glynn
Trustee

Biography
Richard first joined the charity as a special trustee in April 2000 and served on the Investment Committee. Currently he serves on the General Purpose Committee and is chairman of the Audit and Remuneration Committee. Mr Glynn is a director of many commercial companies including Sporting Index Limited for which he holds the role of chairman.



Thomas Hughes-Hallett
Trustee

Biography
Thomas joined the charity as a special trustee in November 2004 and served as a member of the Investment Committee which he chaired. He is chief executive of the Marie Curie Cancer Care charity. Thomas resigned from his position as trustee on 31 March 2008.



Alan Hodson
Trustee

Biography
Alan has a long history of working as a volunteer for the charity, joining as a trustee in August 2007. Mr Hodson serves on the Investment Committee and the General Purpose Committee. Formerly, Mr Hodson was global head of equities and a member of UBS Investment Bank Executive Committee. He is now a partner in Mill Street Asset Management, on the advisory board of Norges Bank Investment Management and is the chairman of Black Rock Commodities Income Investment Trust. He is also a director of SRM Global Fund and is a trustee of the Roundhouse Trust and the Funding Network. Alan became chairman of Great Ormond Street Hospital Children’s Charity special trustees in April 2008.



Andrew Fane
Associate trustee

Biography
Andrew joined the charity as an associate trustee in 1994, was appointed as a special trustee in October 1996, and was chairman of the charity from September 1999 until March 2007. He is also a non-executive director of Great Ormond Street Hospital NHS Trust where he chairs the Audit Committee. He was on many of the charity’s sub-committees and was chairman of the charity’s trading company until February 2008. He was a trustee of the Jeans for Genes charity and is a trustee of the two charities serving UCL Institute of Child Health.



Gary Steinberg
Associate trustee

Biography
Gary joined the charity in November 2002 and is chairman of the Investment Committee. Mr Steinberg has worked in the investment management business for 30 years. He has held senior executive positions in some of the biggest international funds in the UK including The BP Pension Fund and The Wellcome Trust. He is currently working as an investment consultant and serves on the board of SVG Capital Plc, a private equity company.



Michael Weston
Associate trustee

Biography
Michael joined the charity as an associate trustee in October 2007 and serves on the Investment Committee. Mr Weston is managing director of Morgan Stanley, where he has worked since 1986.

Financial statements for the year ended 31 March 2008

Financial review 2007/08

Total income rose by 23 per cent to £52.6 million during the year, with £170 million still required to complete the second phase of the hospital's redevelopment programme.

Support for this and the many other vital services we fund in the hospital came in a number of ways:

	£ million
Donations	32.2
Legacies	9.8
Investments	4.5
Trading	3.3
Property	1.4
Other	1.4
Total	52.6

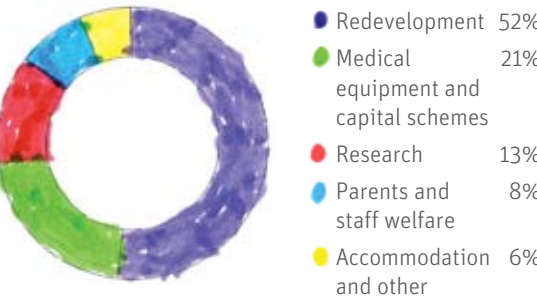
(Fig 1) Income sources



Expenditure was a total of £40.7 million, of which £27.2 million was spent on charitable activities:

	£ million
Redevelopment	14.2
Medical equipment and capital schemes	5.7
Research	3.5
Patient and staff welfare	2.2
Accommodation and other	1.6
Total	27.2

(Fig 2) Charitable expenditure



Further details on the impact of this expenditure are given throughout this Annual Report.

There was £12.9 million spent on generating funds. The charity is in its second year of an ongoing investment programme in fundraising capability. The aim of this is to meet the hospital's needs not only in terms of redevelopment but also translational research and medical equipment. The additional investment made in fundraising during the year was an additional £2.975 million, and although not wholly attributable, income from fundraising has risen by 62 per cent from £25.9 million to £42 million during the year. This investment has led to an increased cost of fundraising this year compared with earlier years but this means that the charity will be better placed to achieve its stretching targets over the coming years. The trustees are committed to reducing fundraising costs as a proportion of funds raised over the coming years.

The charity spent £547,000 on governance costs. This was an increase over the prior year, primarily resulting from a change in the basis of allocating costs (see note 6) to provide a more accurate view of our expenditure.

Overall fund balances increased by £17.4 million during the year, most of which will be designated towards the redevelopment programme.

Trustees' responsibilities

The charity's trustees are responsible for the preparation of the financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and the group as at the end of the financial year and the incoming resources and application of resources for that year. In preparing those financial statements the trustees:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; and
- prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the charity and group will continue in business.

Reserves

The trustees review the level of reserves on an annual basis to ensure that sufficient funds are available to cover:

- redundancy costs;
- six months of the charity's running costs; and
- six months of non-redevelopment planned charitable activities.

At 31 March 2008, the charity required £14.4 million (2007: £10.9 million) in unrestricted reserves to meet these costs, due to an increased level of funding made available to the hospital for 2008/09.

A breakdown of all funds held by the charity are as follows:

	£000
Restricted funds	54,514
Endowment funds	239
Designated funds	
Redevelopment/other charitable activities	83,001
Fixed assets (tangible and intangible)	58,997
Unrestricted reserves	14,403
Total	211,154

Restricted funds

The charity holds £54.5 million in restricted funds, of which £39 million relates to the redevelopment. A further £8.9 million is held in Special Purpose Funds, which have been restricted for specific areas of work.

Endowment funds

The charity holds three endowment funds, which have been granted in order to generate funds for a range of charitable purposes.

Designated funds
Redevelopment and other charitable activities (formerly known as GOS 2000)
Each year the trustees decide to designate funds raised towards the redevelopment of the Hospital (see page 23), to be spent in future years. The trustees have agreed to designate a further £9.5 million towards this fund, bringing the net aggregate value of this designated fund to £83 million and to also provide stability for future commitments into vital areas of research. The charity does not enter into contracts for the funding of the redevelopment until/unless it has sufficient funds available.

Fixed assets (tangible and intangible)
The charity owns fixed assets to the value of £59 million. The majority of this is the current valuation of operational property at £57.7 million. The buildings are used, with a few small exceptions, by the hospital. Some of these serve as clinical and hospital administrative buildings, although the majority are residential properties. These residential properties are either let out at a subsidy to hospital staff or gratis to parents of children undergoing treatment at the hospital. As these serve a charitable purpose and are not held as investments, they cannot be easily converted into funds for day-to-day use. Therefore, the trustees have decided that reserves relating to fixed assets should be placed in a designated fund, which by definition will increase or decrease to reflect the net book value of these assets.

Risk management
The trustees have assessed the risks to which the charity is exposed and have established systems to mitigate significant risks. Risks reviewed have included financial, management, activities and reputation. For example, fundraising activities are carefully monitored to ensure that the charity does not benefit from companies whose activities or products do not accord with the best interests of the hospital's patients. The trustees' reserves policy, commitments and three-year financial plan help towards ensuring that the charity's support of the hospital is not in jeopardy.

Subsidiary
Great Ormond Street International Promotions Limited (GOSIPL) was established to carry out the trading activities of the charity. The company is owned by the special trustees for Great Ormond Street Hospital Children's Charity, the two £1 shares being held jointly by the trustees.

Consolidation
These consolidated accounts combine the accounts for Great Ormond Street Hospital Children's Charity with the charity's subsidiary trading company, Great Ormond Street International Promotions Limited. The independent auditors' report refers to this combination as the group.

Our policies and procedures
Investment policy
At the end of the year, the charity did not hold any stocks or shares. The objective for bonds and cash, which are held primarily to fund the current redevelopment programme, is to produce a return consistent with prudent investment. Investment performance and the balance between bonds and cash is closely monitored.

Risk management
The special trustees are legally required to minimise any risks to the charity. This applies not only to investments and other financial policies but also to general strategies. The trustees must ensure that the management and activities of Great Ormond Street Hospital Children's Charity do not jeopardise the reputation of either the charity or the hospital. All potential risks are formally identified so that the necessary steps can be taken to minimise or eliminate them. For example, fundraising activities are carefully monitored to ensure that Great Ormond Street Hospital Children's Charity does not benefit from companies whose activities or products do not accord with the best interests of patients.

Ahmed, aged 15, is a gastroenterology patient on Kingfisher Ward. The hospital sees children of all ages and some remain patients from birth until they are ready to transfer to adult services.



Independent auditors’ report to the members of Great Ormond Street Hospital Children’s Charity

We have audited the financial statements of the Charity and the Group for the year ended 31 March 2008 which comprise the consolidated statement of financial activities, the balance sheets, the cash flow statement and the related notes 1 to 23. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charitable company’s members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the 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 company and the company’s members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors
As described in the statement of trustees’ responsibilities, the trustees, who are also the directors of the charity for the purposes of company law, are responsible for the preparation of financial statements, which are required to be prepared in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practise).

Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view in accordance with the relevant financial reporting framework and are properly prepared in accordance with the Companies Act 1985. We also report on the consistency of the trustees’ report with the financial statements, if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees’ remuneration and other transactions is not disclosed.

We read the trustees’ report and the other information contained in the Annual Report for the above year, as described in the contents section and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

Notes
An audit does not provide assurance on the maintenance and integrity of the website, including controls used to achieve this, and in particular on whether any changes may have occurred to the financial statements since first published. These matters are the responsibility of the directors but no control procedures can provide absolute assurance in this area.
Legislation in the United Kingdom governing the preparation and dissemination of financial statements differs from legislation in other jurisdictions.

Basis of opinion
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practises Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements and of whether the accounting policies are appropriate to the charitable company’s circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations, which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion
In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practise, of the state of the charitable company’s and of the group’s affairs as at 31 March 2008 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985 ; and
- the trustees’ report is consistent with the financial statements.

Deloitte & Touche LLP

Deloitte & Touche LLP
Chartered Accountants and
Registered Auditors
St Albans
10 September 2008

Consolidated statement of financial activities for the year ended 31 March 2008

	Note	Unrestricted funds £000	Restricted funds £000	Endowment funds £000	Total at 31 March 2008 £000	Total at 31 March 2007 £000
Incoming resources						
Incoming resources from generated funds						
Voluntary income	2.1	26,148	15,840	–	41,988	25,858
Activities for generating funds	2.2	3,165	678	–	3,843	4,239
Investment income	2.3	3,456	1,013	–	4,469	2,850
Total incoming resources from generated funds		32,769	17,531	–	50,300	32,947
Incoming resources from charitable activities						
	3	1,419	797	–	2,216	3,903
Other incoming resources						
	4	26	7	–	33	132
Gain on disposal of fixed asset		–	–	–	–	5,498
Total incoming resources		34,214	18,335	–	52,549	42,480
Resources expended						
Cost of generating funds						
Cost of generating voluntary income	5.1, 5.4	10,254	–	–	10,254	7,535
Fundraising trading: cost of goods sold and other costs	5.1	2,562	–	–	2,562	1,496
Investment management costs	5.1	85	–	–	85	55
Total cost of generating funds		12,901	–	–	12,901	9,086
Charitable activities						
Patient welfare		395	220	–	615	783
Staff welfare		1,094	467	–	1,561	1,047
Research		2,483	976	–	3,459	3,472
Medical equipment and capital schemes		1,645	4,101	–	5,746	3,459
Redevelopment		2,852	11,361	–	14,213	15,141
Property expenditure		1,603	–	–	1,603	2,253
Other activities		–	27	–	27	26
Total charitable activities	5.2	10,072	17,152	–	27,224	26,181
Governance costs						
	5.3	547	–	–	547	216
Total resources expended						
Net incoming resources before transfers		10,694	1,183	–	11,877	6,997
Gross transfers between funds		–	–	–	–	–
Total net incoming resources before other recognised gains and losses		10,694	1,183	–	11,877	6,997
Losses on revaluation of own fixed assets		–	–	–	–	(5,522)
Gains on revaluation and disposal of investment assets		2,845	2,718	–	5,563	2,049
Net movement in funds		13,539	3,901	–	17,440	3,524
Fund balances brought forward at 31 March 2007		142,862	50,613	239	193,714	190,190
Fund balances carried forward at 31 March 2008		156,401	54,514	239	211,154	193,714

Notes 1 to 23 form part of these accounts.

Consolidated balance sheet

as at 31 March 2008

	Notes	Unrestricted funds £000	Restricted funds £000	Endowment funds £000	Total at 31 March 2008 £000	Total at 31 March 2007 £000
Fixed assets						
Tangible assets	9.1	58,997	–	–	58,997	58,445
Investments	10	54,341	40,180	–	94,521	138,178
Total fixed assets		113,338	40,180	–	153,518	196,623
Current assets						
Stocks		169	–	–	169	107
Debtors	11	4,272	–	–	4,272	6,352
Short term investments and deposits		25,776	14,259	239	40,274	659
Cash at bank and in hand		24,230	75	–	24,305	4,427
Total current assets		54,447	14,334	239	69,020	11,545
Creditors: amounts falling due within one year	12	11,060	–	–	11,060	14,278
Net current assets		43,387	14,334	239	57,960	(2,733)
Total assets less current liabilities		156,725	54,514	239	211,478	193,890
Creditors: amounts falling due after more than one year		324	–	–	324	176
Total net assets		156,401	54,514	239	211,154	193,714
Funds of the charity						
Capital funds:						
Endowment funds	13	–	–	239	239	239
Income funds:						
Restricted	14	–	54,514	–	54,514	50,613
Unrestricted	15	156,401	–	–	156,401	142,862
Total funds		156,401	54,514	239	211,154	193,714

Notes 1 to 23 form part of these accounts.

Approved by the Board of Trustees
and signed on its behalf by



John Ballard
Trustee
9 September 2008

Charity balance sheet

as at 31 March 2008

	Notes	Unrestricted funds £000	Restricted funds £000	Endowment funds £000	Total at 31 March 2008 £000	Total at 31 March 2007 £000
Fixed assets						
Tangible assets	9.1	58,997	–	–	58,997	58,445
Investments	10	54,341	40,180	–	94,521	138,178
Total		113,338	40,180	–	153,518	196,623
Current assets						
Debtors	11	5,655	–	–	5,655	6,794
Short term investments and deposits		25,776	14,259	239	40,274	659
Cash at bank and in hand		22,298	75	–	22,373	3,353
Total current assets		53,729	14,334	239	68,302	10,806
Creditors: amounts falling due within one year	12	10,467	–	–	10,467	13,664
Net current assets		43,262	14,334	239	57,835	(2,858)
Total assets less current liabilities		156,600	54,514	239	211,353	193,765
Creditors: amounts falling due after more than one year	12	324	–	–	324	176
Total net assets		156,276	54,514	239	211,029	193,589
Funds of the charity						
Capital funds:						
Endowment funds	13	–	–	239	239	239
Income funds:						
Restricted	14	–	54,514	–	54,514	50,613
Unrestricted	15	156,276	–	–	156,276	142,737
Total funds		156,276	54,514	239	211,029	193,589

Notes 1 to 23 form part of these accounts.

Approved by the Board of Trustees
and signed on its behalf by



John Ballard
Trustee
9 September 2008

Consolidated cash flow statement

for the year ended 31 March 2008

	Notes	31 March 2008 £000	31 March 2007 £000
Cash inflow from operating activities	16	6,541	4,673
Returns on investments and servicing of finance			
Interest received		3,643	1,849
Dividend received		765	913
Investment broker's rebate		61	88
Net cash inflow from returns on investments and servicing of finance		4,469	2,850
Capital expenditure			
Payments to acquire fixed assets		(737)	(860)
Payments to acquire investments		(36,290)	(66,416)
Receipts from sales of tangible fixed assets		–	20,100
Proceeds from sale of investments		85,510	39,047
		48,483	(8,129)
Net cash inflow/(outflow) before management of liquid resources		59,493	(606)
Management of liquid resources			
Increase in short term deposits		(39,615)	(198)
Net cash outflow from management of liquid resources	17	(39,615)	(198)
Increase/(decrease) in cash	17	19,878	(804)

Alyazia is being treated for leukaemia. She is a very creative four year old who loves spending her time on Butterfly Ward drawing and painting.



Notes to the accounts

1 Accounting policies

1.1 Accounting convention

The financial statements have been prepared under the historical cost convention, as modified for the revaluation of certain investments and properties, and in accordance with applicable United Kingdom accounting standards and policies for the NHS approved by the secretary of state and the Statement of Recommended Practise *Accounting and Reporting by Charities* (the SORP) issued by the Charities Commission in 2005.

1.2 Incoming resources

- a) All incoming resources are included in full in the Statement of Financial Activities (SOFA) as soon as the following three factors can be fulfilled:
 - i Entitlement – arises when a particular resource is receivable or the charity’s right becomes legally enforceable;
 - ii Certainty – when there is reasonable certainty that the incoming resource will be received;
 - iii Measurement – when the monetary value of the incoming resources can be measured with sufficient reliability.
- b) Gifts in kind
 - i Assets given for distribution by the funds are included in the Statement of Financial Activities only when distributed.
 - ii Assets given for use by the funds (eg property for its own occupation) are included in the Statement of Financial Activities as incoming resources when receivable.
 - iii Gifts made in kind but on trust for conversion into cash and subsequent application by the funds are included in the accounting period in which the gift is sold.

In all cases the amount at which gifts in kind are brought into account is either a reasonable estimate of their value to the funds or the amount actually realised.

c) Legacies

Legacies are accounted for as incoming resources once the receipt of the legacy becomes reasonably certain. This will be once confirmation has been received from the representatives of the estates that payment of the legacy will be made or property transferred and once all conditions attached to the legacy have been fulfilled. Legacies are disclosed under voluntary income on the SOFA (see note 2.1).

d) Income from fundraising events

General donations and gift aid are disclosed under voluntary income on the SOFA. Ticket, auction and advertising income from fundraising events are disclosed under activities for generating funds.

1.3 Resources expended

These accounts are prepared in accordance with the accruals concept. All expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party.

a) Cost of generating funds

The cost of generating funds are the costs associated with generating income for the charity. This will include the costs associated with fundraising and investment management.

b) Charitable activities

Costs disclosed under charitable activities are those payments made in the furtherance of the charity’s objectives to relieve those who are sick. They are accounted for on an accruals basis where the conditions for their payment have been met or where a third party has a reasonable expectation that they will receive the payment.

c) Governance costs

Governance costs comprise all costs attributable to ensuring the public accountability of the charity and its compliance with regulation and good practise. These costs include costs related to statutory and internal audit, legal advice for the trustees and indemnity insurance plus an apportionment of support costs.

d) Support costs

Support costs include the central functions such as finance, human resources and payroll and are allocated across the categories of charitable expenditure, governance costs and the costs of generating funds. The basis of the cost allocation is explained in note 6.

1.4 Structure of funds

Where there is a legal restriction on the purpose to which a fund may be put, the fund is classified in the accounts as a restricted fund. Funds where the capital is held to generate income for charitable purposes and cannot itself be spent are accounted for as permanent endowment funds. Other funds are classified as unrestricted funds. Funds which are not legally restricted but which the trustees have chosen to earmark for set purposes are designated funds. The major funds held within these categories are disclosed in notes 13 to 15.

1.5 Fixed assets

a) Capitalisation

All assets falling into the following categories are capitalised:

- i Tangible assets which are capable of being used for more than one year, and have a cost equal to or greater than £5,000;
- ii Groups of tangible fixed assets which are interdependent or would normally be provided or replaced as a group with a total value in excess of £5,000 and an individual value of £250 or more; and

b) Valuation

Tangible fixed assets are valued at current cost as follows:

- i Land, buildings, installations and fittings are stated at open market value for their existing use. Valuations are carried out professionally at five-yearly intervals. The last valuation was made on 31 March 2008.
- ii Equipment is valued at the lower of estimated net replacement cost or recoverable amount.
- iii Assets in the course of construction are valued at current cost.

c) Depreciation

- i Depreciation is charged on each main class of tangible asset as follows: land and assets in the course of construction are not depreciated; installations and fittings are depreciated on their revalued amount over the assessed remaining life of the asset as advised by professional valuers.

Buildings are not depreciated, but are subject to an annual impairment review in the years between the formal valuation.
- ii Each equipment asset is depreciated over its expected useful life.

	Years
Fittings and equipment	15
Furniture	10
Office equipment	5
IT equipment	3

d) Donated assets

Donated assets are capitalised at their valuation on full replacement cost basis on receipt and are revalued and depreciated as described above.

1.6 Investment fixed assets

- Investment fixed assets are shown at market value.
- i Quoted stocks and shares are included in the balance sheet at mid-market price, ex-div.
 - ii Other investment fixed assets are included at trustees’ best estimate of market value. Investments in subsidiary undertakings are shown at cost.

1.7 Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise, and realised gains and losses on investments are calculated as the difference between sales proceeds and opening market value (or date of purchase if later). Unrealised gains and losses are calculated as the difference between market value at the year end and opening market value (or date of purchase if later).

Notes to the accounts

continued

1 Accounting policies (continued)

1.8 Stock

Stock consists of purchased goods for resale. Stock is valued at the lower of cost and net realisable value. Provision is made for any for any obsolete or slow-moving items.

1.9 Pensions contributions

Most employees are members of a defined contribution pension scheme. Contributions are chargeable to the statement of financial activities in the period in which they are paid. The total employer contribution payable in 2007/08 was £270,000 (2006/07 £275,000). However, sixteen present employees and a number of past employees are members of the NHS pension scheme. The scheme is an unfunded, defined benefit scheme that covers NHS employers, general practises and other bodies, allowed under the direction of the secretary of state, in England and Wales. As a consequence it has not been possible for the trustees to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as a defined contribution scheme and the cost of the scheme is equal to the contributions payable to the scheme for the accounting period.

The scheme is subject to a full actuarial valuation every four years (until 2004, based on a five-year valuation cycle), and an FRS17 accounting valuation every year. An outline of these follows:

Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the scheme (taking into account its recent demographic experience), and to recommend the contribution rates to be paid by employers and scheme members. The last such valuation, which determined current contribution rates was undertaken as at 31 March 2004 and covered the period from 1 April 1999 to that date.

The conclusion from the 2004 valuation was that the scheme had accumulated a notional deficit of £3.3 billion against the notional assets as at 31 March 2004. However, after taking into account the changes in the benefit and contribution structure effective from 1 April 2008, the scheme actuary reported that employer contributions could continue at the existing rate of 14 per cent of pensionable pay. On advice from the scheme actuary, scheme contributions may be varied from time to time to reflect changes in the scheme's liabilities. Up to 31 March 2008, the vast majority of employees paid contributions at the rate of 6 per cent of pensionable pay. From 1 April 2008, employees contributions are on a tiered scale from 5 per cent up to 8.5 per cent of their pensionable pay depending on total earnings.

Additional disclosures about the scheme and its financial position is provided in the Great Ormond Street Hospital for Children NHS Trust's Annual Report and Accounts which can be obtained from the chief finance officer, Great Ormond Street Hospital for Children NHS Trust, York House, 37 Queen Square, London WC1N 3BH.

Further details can also be found on the NHS pensions website www.pensions.nhsbsa.nhs.uk.

1.10 Basis of consolidation

The consolidated accounts of the group incorporate the accounts of the charity and its subsidiary undertaking.

1.11 Taxation

Great Ormond Street Hospital Children's Charity as a registered charity is potentially exempt from taxation of income and gains received within categories covered by Section 505 of the Taxes Act 1998 or Section 256 Taxation of the Chargeable Gains Act 1992, to the extent these are applied to its charitable purposes. No tax charge has arisen in the year.

No corporation tax charge has arisen in the charity's subsidiary due to its policy of gifting all taxable profits to Great Ormond Street Hospital Children's Charity each year.

2 Incoming resources from generated funds

2.1 Voluntary income

	Unrestricted funds £000	Restricted funds £000	Total at 31 March 2008 £000	Total at 31 March 2007 £000
Donations	15,552	15,078	30,630	17,604
Legacies	9,130	622	9,752	6,264
Gift Aid	1,466	68	1,534	1,914
Membership fees	–	72	72	76
Total voluntary income	26,148	15,840	41,988	25,858

2.2 Activities for generating funds

	Unrestricted funds £000	Restricted funds £000	Total at 31 March 2008 £000	Total at 31 March 2007 £000
Auctions and sales of donated goods	27	154	181	486
Tickets	77	56	133	166
Sponsorship	35	66	101	122
Course fees	–	102	102	82
Royalties	–	3	3	12
Income generated by trading subsidiary	3,026	297	3,323	3,371
Total	3,165	678	3,843	4,239

2.3 Analysis of gross income from investments

	Year ended 31 March 2008	Year ended 31 March 2008	Year ended 31 March 2008	Year ended 31 March 2007
	Held in UK £000	Held outside UK £000	Total £000	Total £000
Investments listed on Stock Exchange	715	50	765	913
Investments in a Common Deposit Fund or Common Investment Fund	3,526	117	3,643	1,849
Investment brokers rebate	61	–	61	88
	4,302	167	4,469	2,850

Notes to the accounts

continued

3 Incoming resources from charitable activities

	Year ended 31 March 2008	Year ended 31 March 2008	Year ended 31 March 2008	Year ended 31 March 2007
	Unrestricted funds £000	Restricted funds £000	Total funds £000	Total funds £000
Property – rent	1,371	–	1,371	1,496
Property – guest rent	47	–	47	70
Property – miscellaneous	1	–	1	2
Subtotal – property income	1,419	–	1,419	1,568
Grant from CHILDREN with LEUKAEMIA	–	172	172	309
Grant from University College London Hospitals	–	575	575	–
Grant from Pharma Ltd	–	50	50	–
Grant from Oak Foundation	–	–	–	1,247
Grant from the Friends of the Children of Great Ormond Street	–	–	–	779
Subtotal – grants receivable	–	797	797	2,335
Total incoming resources from charitable activities	1,419	797	2,216	3,903

4 Other incoming resources

	Unrestricted funds £000	Restricted funds £000	Total at 31 March 2008 £000	Total at 31 March 2007 £000
Other miscellaneous income	26	7	33	132
Total	26	7	33	132

5 Resources expended

5.1 Costs of generating voluntary income

	Year ended 31 March 2008	Year ended 31 March 2008	Year ended 31 March 2008	Year ended 31 March 2007
	Direct costs £000	Support costs £000	Total £000	Total £000
Cost of generating voluntary income	6,485	3,769	10,254	7,535
Fundraising trading: costs of goods sold and other costs	1,620	942	2,562	1,496
Investment management costs	85	–	85	55
	8,190	4,711	12,901	9,086

5.2 Charitable activities

Patients welfare	590	25	615	783
Staff welfare	1,497	64	1,561	1,047
Research	3,318	141	3,459	3,472
Medical equipment and capital schemes	5,510	236	5,746	3,459
Redevelopment	13,631	582	14,213	15,141
Property expenditure	1,453	150	1,603	2,253
Miscellaneous expenditure	27	–	27	26
Total	26,026	1,198	27,224	26,181

5.3 Governance costs

	175	372	547	216
Total resources expended	34,391	6,281	40,672	35,483

Note 6

5.4 Operating expenses include:

	£
Hire of plant and machinery	12,653
Other operating lease rentals	308,102

As permitted, the charity’s Statement of Financial Activities has not been included in these financial statements. The net result for the charity is a surplus of £16,447,335 before gift aid received from the trading subsidiary of £991,756.

	2008 £000	2007 £000
Included within these results are:		
Audit remuneration – fees payable in respect of the audit of the annual accounts	26	28
Internal auditor’s remuneration	18	17
Depreciation	185	133

Also included within the Statement of Financial Activities are:

Profit on disposal of tangible fixed assets	–	5,498
Profit on disposal of investments	10,314	2,116

Notes to the accounts

continued

6 Support costs

	Staff costs	IT and Comms	Other	Year ended 31 March 2008 Total £000	Year ended 31 March 2007 Total £000
Cost of generating voluntary income	2,944	204	621	3,769	215
Fundraising trading	736	51	155	942	56
Patients welfare	18	2	5	25	66
Staff welfare	48	4	12	64	107
Research	106	9	26	141	30
Medical equipment and capital schemes	178	14	44	236	12
Redevelopment	437	36	109	582	24
Property expenditure	135	3	12	150	95
Governance costs	303	17	52	372	30
Total	4,905	340	1,036	6,281	635

The definition of and the method of allocation of support costs was changed in order to provide a more accurate view of the actual support costs incurred by the charity. Support costs now include the costs of the following departments: Finance, Information Technology, Human Resources, Administration and Business Support. Total support costs have been apportioned over other resources expended on the basis of time spent.

7 Grant funded activities – institutions

	Aggregate amount paid Year ended 31 March 2008 £000	Aggregate amount paid Year ended 31 March 2007 £000
Name of recipient:		
Great Ormond Street Hospital for Children NHS Trust	23,415	22,000
Child Health Research Appeal Trust	1,940	2,290
UCL Institute of Child Health	1,149	1,105
Sick Children Trust	33	32
Others	687	754
Total	27,224	26,181

8 Details of staff costs

8.1 Analysis of staff costs

	Total year ended 31 March 2008 £000	Total year ended 31 March 2007 £000
Salaries and wages	3,896	2,940
Social security costs	412	304
Other pension costs	270	275
Total emoluments of employees (remuneration plus taxable benefits)	4,578	3,519
Average monthly number of employees in the year	116	87

The average monthly number of employees is split as follows:

Management and administration	13	7
Cost of generating funds	77	61
Charitable expenditure	21	16
Governance	5	3
Total	116	87

8.2 Pension contributions for senior employees

The following pension contributions were made for senior employees within the following ranges:

Year ended 31 March 2008	Value of contributions £000	Number of staff receiving contributions
£60,000 to £69,999	19	3
£70,000 to £79,999	8	1
£80,000 to £89,999	18	2
£190,000 to £199,999	11	1

Included within the highest paid employee’s emoluments was a redundancy payment.

8.3 Senior employees

The following number of senior employees received emoluments falling within the following ranges:

	Number year ended 31 March 2008	Number year ended 31 March 2007
£60,000 to £69,999	3	3
£70,000 to £79,999	1	–
£80,000 to £89,999	2	–
£190,000 to £199,999	1	–

Included within the highest paid employee’s emoluments was a redundancy payment.

Notes to the accounts

continued

9 Tangible fixed assets

Charity and consolidated	Freehold/ leasehold land and buildings £000	Assets under construction £000	Fixtures and fittings £000	IT equipment £000	Total £000
Total tangible fixed assets:					
Balance at 31 March 2007	57,734	–	533	394	58,661
Additions	–	661	41	35	737
Disposals	(73)	–	–	–	(73)
Balance at 31 March 2008	57,661	661	574	429	59,325
Accumulated depreciation:					
Balance at 31 March 2007	73	–	22	121	216
Disposals	(73)	–	–	–	(73)
Charge for the year	–	–	39	146	185
Balance at 31 March 2008	–	–	61	267	328
Net book value at 31 March 2008	57,661	661	513	162	58,997
Net book value at 31 March 2007	57,661	–	511	273	58,445
Historic cost at 31 March 2008	14,265	661	574	429	15,929

Freehold/leasehold land and buildings are included at open market value for existing use, based on a valuation undertaken on 31 March 2007 by Gould & Co, Chartered Surveyors, acting as independent valuers. The charity undertakes an independent professional valuation every five years. Following an impairment review, buildings have not been depreciated, as no material change to the carrying value of these assets has been identified.

10 Fixed asset investments

Analysis of fixed assets investments

10.1 Charity and consolidated

	2008 Total £000	2007 Total £000
Fixed asset investments:		
Market value at 31 March	137,994	108,576
Less: disposals at carrying value	(75,196)	(36,931)
Add: acquisitions at cost	36,290	66,416
Net loss on revaluation	(4,751)	(67)
Market value at 31 March	94,337	137,994
Historic cost at 31 March	88,130	127,041

10.2 Market value at 31 March:

	Held in UK £000	2008 Total £000	2007 Total £000
Investments listed on Stock Exchange	–	–	43,878
Investments in a Common Deposit Fund or Common Investment Fund	94,337	94,337	94,116
	94,337	94,337	137,994

Investment powers
The Charity Commission Scheme dated 18 August 1998 gives the charity unrestricted investment powers.

10.3 Investment property

	2008 Total £000	2007 Total £000
Flat let on long term lease	184	184

Valued at open market value at 31 March 2007.

Total fixed asset investments	94,521	138,178
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10.4 Investment in Great Ormond Street International Promotions Ltd (GOSIPL)

	2008 Total £2	2007 Total £2
	£2	£2

The net result for the company in 2007/08 is a surplus of £991,756 (2007: £1,282,000), with net assets at the end of the year of £125,491 (2007: £125,491).

11 Analysis of debtors

	Charity		Consolidated	
	31 March 2008 £000	31 March 2007 £000	31 March 2008 £000	31 March 2007 £000
Amounts falling due within one year:				
Trade debtors	200	403	318	1,099
Amounts due from subsidiary and associated undertakings	1,541	1,276	–	–
Other debtors	2,953	1,793	2,971	1,793
Prepayments	279	316	282	454
Accrued income	682	3,006	701	3,006
Total debtors falling due within one year	5,655	6,794	4,272	6,352

Included in other debtors in the charity’s accounts are balances with an aggregate value of £738,396 and in the consolidated accounts are balances of an aggregate value of £739,467 (2007: £549,716; £563,934) due from Great Ormond Street Hospital for Children NHS Trust.

Notes to the accounts

continued

12 Analysis of creditors

	Charity		Consolidated	
	31 March 2008 £000	31 March 2007 £000	31 March 2008 £000	31 March 2007 £000
Amounts falling due within one year:				
Trade creditors	3,749	1,203	3,867	1,379
Other creditors	5,178	6,137	5,178	6,279
Accruals	1,424	6,316	1,849	6,563
Deferred income	116	8	166	57
Total creditors falling due within one year	10,467	13,664	11,060	14,278

Included in other creditors in the charity’s accounts are balances with an aggregate value of £5,047,290 and in the consolidated accounts are balances of an aggregate value of £5,164,982 (2007: £6,083,315; £6,259,293) due to Great Ormond Street Hospital for Children NHS Trust.

Deferred income brought forward relates to income raised for various challenge events which had not taken place during the previous year. This entire amount was released during the year as the events took place. Deferred income at the end of the current year refers to new events – £109,000 for the Highclere Pigeon Shoot in April 2008 and the remainder for a number of challenge events.

	Charity		Consolidated	
	31 March 2008 £000	31 March 2007 £000	31 March 2008 £000	31 March 2007 £000
Amounts falling due after more than one year:				
Rent-free provision	324	176	324	176
Total creditors falling due after more than one year	324	176	324	176

13 Endowment funds

	Balance 31 March 2008 £000	Balance 31 March 2007 £000
A Tippetts & Crux	222	222
B Lewisohn	10	10
C Barnes	7	7
Total	239	239

Name of fund	Description of the nature and purpose of each fund
A Tippetts & Crux	Capital in perpetuity bequests to be used for research in general and general purposes.
B Lewisohn	A capital in perpetuity bequest to be used for an annual staff award.
C Barnes	A capital in perpetuity bequest for general purposes.

14 Restricted funds

	Balance 31 March 2007 £000	Incoming resources £000	Resources expended £000	Transfers £000	Gains and losses £000	Balance 31 March 2008 £000
Material funds						
A Redevelopment	33,465	12,227	(11,361)	1,949	2,712	38,992
B Restricted Purpose Funds	5,479	1,545	(3,489)	2,253	–	5,788
C Clinical Cardiac Chair	1,161	65	(102)	–	–	1,124
D Neonatal Surgical Disorders	506	30	(30)	–	–	506
E Legacy – Cancer Research	352	2	–	–	–	354
F O Hodson Cancer Fund	377	39	(69)	–	–	347
G Paediatric Intensive Care Fund	285	33	(5)	–	–	313
H Host Defence	249	76	(26)	–	–	299
I Clarissa Norman Fund	184	16	(1)	–	–	199
J Family Studies	124	95	(53)	–	–	166
K Neonatal Intensive Care Fund	163	12	(30)	–	–	145
L Reach Fund	110	80	(51)	–	–	139
M Hearts for Kids Fund	113	46	(27)	–	–	132
N Craniofacial Fund	109	26	(14)	–	–	121
217 other Special Purpose Funds	7,936	4,043	(1,894)	(4,202)	6	5,889
Total	50,613	18,335	(17,152)	–	2,718	54,514

Name of fund	Description of the nature and purpose of each fund
A Redevelopment	To provide finance for major building and capital development.
B Restricted Purpose Funds	To finance specific items of equipment, services or projects.
C Clinical Cardiac Chair	To provide support costs for the post of Clinical Cardiac Chair.
D Neonatal Surgical Disorders	To support research in The Mittal Children’s Medical Centre for neonatal surgical disorders.
E Legacy – Cancer Research	To fund research into cancer.
F O Hodson Cancer Fund	To support projects and roles related to childhood cancer.
G Paed. Intensive Care Fund	To provide support for intensive care staff and patients.
H Host Defence	To provide support for staff and patients on Host Defence wards.
I Clarissa Norman Fund	To provide support for cardiac services.
J Family Studies	To provide support to the Psychological Medicine Department.
K Neonatal Intensive Care Fund	To provide support for intensive care staff and patients.
L Reach Fund	To provide for research and education in cancer and haematological disorders.
M Hearts for Kids Fund	To provide support for cardiac wards staff and patients.
N Craniofacial Fund	To provide support to the Craniofacial Unit.

Notes to the accounts

continued

15 Unrestricted funds

	Balance 31 March 2007 £000	Incoming resources £000	Resources expended £000	Transfers £000	Gains and losses £000	Balance 31 March 2008 £000
General funds	10,917	34,214	(20,668)	(12,906)	2,845	14,402
Designated funds:						
Redevelopment Fund/other charitable activities	73,500	–	(2,852)	12,354	–	83,002
Fixed Assets (tangible and intangible) Fund	58,445	–	–	552	–	58,997
Total unrestricted funds	142,862	34,214	(23,520)	–	2,845	156,401

The GOS 2000 & Beyond Fund was renamed the Redevelopment and Other Charitable Activities Fund, and is designated to facilitate redevelopment and research projects of Great Ormond Street Hospital for Children NHS Trust.

The Fixed Assets Fund is designated to facilitate the replacement or refurbishment of assets belonging to the charity. The value of this fund is set as the net book value of both tangible and intangible assets.

16 Reconciliation of cash-flows from operating activities to net incoming/(outgoing) resources

	2008 £000	2007 £000
Net incoming resources	11,877	6,997
Depreciation charges	185	133
Profit on sale of Guilford Street properties	–	(5,498)
Investment income	(4,469)	(2,850)
Increase in stocks	(62)	(74)
Decrease/(increase) in debtors	2,080	(1,922)
(Decrease)/increase in creditors	(3,070)	7,887
Cash inflow from operating activities	6,541	4,673

17 Analysis of net debt

	Balance 31 March 2007 £000	Cash flows £000	Balance 31 March 2008 £000
Cash in hand and at bank	4,427	19,878	24,305
Increase in cash in the year	4,427	19,878	24,305
Current asset investments	659	39,615	40,274
Total	5,086	59,493	64,579

18 Commitments, liabilities and provisions

The trustees have the following commitments:

	2007/08 £000	2006/07 £000
Redevelopment programme/other charitable activities	83,002	73,500
Research	–	29
Capital projects and equipment	2,872	3,813
Other commitments	–	238
	85,874	77,580

No provision has been made for the above commitments in the accounts. The trustees recognise liabilities in the accounts once they have incurred either a legal or constructive obligation to expend funds.

19 Annual commitments under non-cancellable operating leases

	Land and buildings 2007-08 £000	2006-7 £000	Other leases 2007-08 £000	2006-7 £000
Operating leases which expire:				
Between one and five years	–	–	20	13
After five years	381	266	–	–

20 Trustee and connected persons transactions

20.1 Trustee expenses reimbursed

	2008 £	2007 £
Travel and subsistence	140	173
	140	173

Total number of trustees	6	6
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20.2 Trustee remuneration

No trustee received remuneration from the charity during the current or previous financial year.

20.3 Trustee indemnity insurance

A policy is held with Dual Corporate Risks providing indemnity of £5 million. The cost of the policy in 2007/08 was £5,651 (2006/07: £7,338).

Notes to the accounts

continued

21 Connected organisations

The charity’s objective is to raise funds to support NHS purposes at Great Ormond Street Hospital for Children NHS Trust including research, the latter is mainly carried out at UCL Institute of Child Health. The turnover of Great Ormond Street Hospital for Children NHS Trust in 2007/08 was £271 million (2006/07: £247 million) and the net surplus was £6,956,000 (2006/07: £5,008,000).

22 Related party transactions

Great Ormond Street Hospital for Children NHS Trust
Relationship – the charity and the hospital are separate legal entities. The objects of the charity are NHS services and research at Great Ormond Street Hospital for Children NHS Trust.

Transactions – payments were made via Great Ormond Street Hospital for Children NHS Trust and payroll services provided up to 30 September 2007.

The net amount owing to Great Ormond Street Hospital for Children NHS Trust at 31 March 2008 was £4.3 million.

Friends of the Children of Great Ormond Street

Relationship – a separate charity supporting the work of the NHS Trust. Accounting and administration is carried out by the charity’s Finance Department for which a charge of £15,000 was made during 2007/08 (2006/07: £11,685).

Transactions – payments are made via Great Ormond Street Hospital for Children NHS Trust. The net amount owed to the Friends of the Children of Great Ormond Street Hospital at 31 March 2008 was £31,000.

Great Ormond Street International Promotions Ltd

Relationship – a wholly-owned trading subsidiary. Accounting and administration is carried out by the charity’s Finance Department for which a charge of £44,480 was made during 2007/08 (2006/07: £38,400).

Transactions – as at 31 March 2008, £991,756 was owing to Great Ormond Street Hospital Children’s Charity relating to net profit and donations collected by the trading company in 2007/08.

UCL Institute of Child Health

Relationship – The UCL Institute of Child Health, part of University College London, is the research partner of Great Ormond Street Hospital for Children NHS Trust. Great Ormond Street Hospital Children’s Charity supports research and infrastructure research that directly benefits the patients of Great Ormond Street Hospital for Children NHS Trust.

Payments amounting to £1,149,084 were made towards purchases of equipment and research.

23 Contingent liability

The trustees received ongoing legal and financial advice in respect of the charity’s entitlement to certain income rights previously granted to it. The trustees have subsequently been advised that this may give rise to an additional VAT liability but that it is not possible at the date of finalising these accounts to determine with any certainty the amount of any such potential liability or whether any such potential liability will in fact be assessed on the charity. Accordingly no provision has been made in the accounts in this respect.

Legal information

continued

Name of charity

Great Ormond Street Hospital Children’s Charity

Registered charity number

235825

Address

40 Bernard Street
London WC1N 1LE
Tel: 020 7239 3000
Fax: 020 7837 5062
www.gosh.org

Description of charity’s objectives

Any charitable purpose relating to Great Ormond Street Hospital for Children NHS Trust, including research. Funds are subject to Statutory Trusts for Health Services under Section 93 of the NHS Act 1977.

Trustees, officers and professional advisors

Charity patrons

Vernon Kay and Tess Daly
Cat Deeley

Chief executive

Dr Jane Collins MSc MD FRCP FRCPC

Charity executive director

Charles Denton (stood down 30.04.08)
Tim Johnson (appointed 01.05.08)

Special trustees

Chairman

John Ballard CB (stood down 31.03.08 remains as special trustee)
Alan Hodson (appointed 01.04.08)
Susan Burns (appointed 01.08.07)
Margaret Casely-Hayford (tenure ended 31.03.08)
Richard Glynn
Thomas Hughes-Hallett (stood down 31.03.08)
Alan Hodson (appointed 01.08.07)
Hugo William John Llewelyn (appointed 01.08.07)

Associate trustees

David Double OBE (stood down 31.03.08)
David Elms
Andrew Fane
Gary Steinberg
Michael Weston (appointed 15.10.07)

*Our associate trustees are volunteers who work with the special trustees to increase the expertise available.

Appointment of trustees

By the secretary of state for health under Section 95 of the National Health Service Act 1977, as amended by Schedule 1 of the Health Services Act 1980. Also under article 2(1) of the National Health Service Trusts’ (Trust Funds: Appointments of Trustees) Order 2000 (SI 2000/2/12).

Contact: Great Ormond Street Hospital

Children’s Charity

Charity executive director

Charles Denton (resigned 30.04.08)
Tim Johnson (appointed 01.05.08)

Charity secretary

Christine Monk

Related parties

Great Ormond Street Hospital for Children NHS Trust, Great Ormond Street International Promotions Limited, UCL Institute of Child Health.
The Friends of the Children of Great Ormond Street

Trading company board directors

Chairman

Andrew Fane (resigned 13.02.08)
Andrew Hibbert (appointed 13.02.08)

Managing director

Charles Denton (resigned 13.02.08)
Antonia Dalmahoy (appointed 13.02.08)

Directors

Elaine Dodds (resigned 21.12.07)
Joan Kearns (resigned 31.03.08)

Legal information

continued

Nature of the governing document
Charity Commission Scheme dated 18 August 1998

Bankers
Royal Bank of Scotland
Holborn
London WC1V 6PQ

Solicitors
Withers LLP
London EC4M 7EG

Auditors
Deloitte & Touche LLP
Chartered Accountants and Registered Auditors
3 Victoria Square
Victoria Street
St Albans AL1 3TF

Investment managers
BlackRock Investment
Management (UK) Ltd
London EC4R 9AS

HSBC Asset Management (Europe) Ltd
London SW1A 1EJ

Independent investment consultants
Edward Jewson Associates
London EC2V 5BB

Ross is 11 and suffers from a form of epilepsy which does not respond fully to drugs. He recently visited the hospital so that his brain activity could be monitored and to be assessed for neurosurgery that could potentially cure him.

