

Great Ormond Street Hospital Children's Charity

Annual Report and Financial Statements
2019/20



**GREAT
ORMOND
STREET
HOSPITAL
CHARITY**

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Cover: **Chloe**, who's four years old, is recovering on Sky Ward with her dad Reagan, after having surgery.



Gabriel is eight years old and has been coming to GOSH every week since he was diagnosed with acute lymphoblastic leukaemia – a rare type of childhood cancer. He loves singing and tickles from his Mum.

Our Purpose

Our purpose at Great Ormond Street Hospital Children's Charity (GOSH Charity or the charity) is to transform the lives of seriously ill children through research, care and advocacy. We do this by supporting Great Ormond Street Hospital (GOSH or the hospital) and the UCL Great Ormond Street Institute of Child Health (ICH) as well as through the work of our subsidiary charity, Sparks.

On average 619 children and young people from across the UK arrive at GOSH every day. Most of the hospital's young patients have life-limiting or life-threatening conditions or complex serious illnesses. Every day, doctors and nurses battle with the most difficult illnesses and conditions, and the brightest minds come together to achieve pioneering medical breakthroughs.

Our supporters have joined thousands from across the UK, united in fundraising to give seriously ill children the chance of a better future.

With their help, we're able to fund ground-breaking research for better treatments and cures, wards and medical facilities, state-of-the-art equipment, and services such as parent accommodation.

On behalf of these young patients, their families and the staff at the hospital, we thank each and every one of our supporters for helping us to transform the lives of seriously ill children. We will always be grateful for your support.



Introduction from our Chair

I'm delighted to be presenting the first Annual Report and Accounts since I took on the role of Chair of Trustees for Great Ormond Street Hospital Children's Charity in October 2019.

I would like to thank my predecessor, John Connolly, who led the charity through a period marked by significant fundraising and delivery of major redevelopment projects, including the construction of the Zayed Centre for Research into Rare Disease in Children, generously supported by the Abu Dhabi royal family. John personally led the initial fundraising for the Zayed Centre for Research which we were delighted to open during the year.

The Zayed Centre for Research is bringing together pioneering research and world-leading clinical care to drive new tests, treatments and cures for children with rare and complex diseases from lab bench to bedside. For the first time it brings together expertise from GOSH, ICH and the UCL Institute of Cardiovascular Science under one roof. This unique partnership forms the largest concentration of paediatric research and clinical expertise in Europe. The strategic positioning of the new centre and its proximity to both GOSH and ICH is vital for a truly transformational and patient-focussed approach to research.

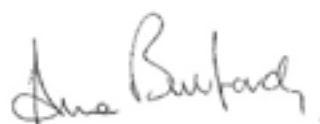
Work also continues on the development of the Sight and Sound Centre, wonderfully supported by Premier Inn. The new Centre will house specialist outpatient facilities for the Audiology and Ophthalmology departments, with a carefully designed layout that means children won't need to navigate confusing hospital corridors during their visit. It will include state-of-the-art soundproofed booths for hearing tests, an eye imaging suite, a dispensing opticians and other testing facilities.

Supporting research to help develop new treatments for children everywhere with rare and complex diseases is an important charity objective. Findings impact children and young people throughout the UK and across the world, and can sometimes inform research into conditions which affect adults. During the year we were delighted to enter into a three year partnership with LifeArc to support researchers translating their findings into practical benefits for patients by delivering new therapeutics or diagnostics. In the first year, we have funded three projects – from new gene editing techniques for blood disorders to novel treatments for neurodegenerative conditions.

We are very fortunate to have so many passionate and committed supporters, staff, volunteers and Trustees. Together everyone works tirelessly to help children, young people and families who rely on the care that Great Ormond Street Hospital provides. I would like to say a sincere thank you for the ongoing support that has enabled us to achieve so much. Special thanks must go to the Tick Tock Club for raising £13.6m towards the Khoo Teck Puat iMRI suite, the opening of which has been delayed due to COVID-19. Now, more than ever, support is vital as we feel the impact of COVID-19 and see fundraising activity impacted by social distancing and economic hardship.

We are extremely proud of the way charity staff and volunteers adapted so quickly to new ways of working and of the hospital's response to the COVID-19 pandemic. Charity investment in hospital technology helped enable new, remote ways of interacting with patients and their families and charity support helped the hospital to respond quickly and support the wider NHS family, taking in general paediatric patients from across North London to free up space for adults. Charity funded equipment enabled quick and efficient 'fit testing', essential to the use of PPE equipment. Through generous gifts in kind, we were able to secure scrubs, PPE, food parcels for staff, local accommodation and carparking, as well as a pop-up shop – all essential to supporting staff at the hospital.

The coming year will no doubt bring many challenges as we navigate the full impacts of COVID-19. We remain positive about the financial strength of the charity, but we are also mindful of challenges ahead and the ever increasing need to support the hospital. Now, more than ever, the hospital needs our support to transform the lives of seriously ill children.



Anne Bulford OBE
Chair of Trustees



Welcome from our Chief Executive

Our support for the hospital and the funding of life-saving paediatric research has never been more important than it is now, but as ever there is still so much more we need to do.

Over the last twelve months we were delighted to complete some major redevelopments and refurbishment projects including our state of the art Zayed Centre for Research into Rare Disease in Children, the iMRI suite and the refurbishment of the cardiac catheter lab. None of these projects would be possible without the fantastic support of our donors and partners. We have also invested £2.3 million into world leading child health research; from revolutionary gene therapy to engineering organs so they are suitable for transplant, to finding new, kinder treatments for the most complex childhood illnesses.

It has been an exciting year, in which we have started to develop the charity's new five year strategy in collaboration with the hospital and the UCL Great Ormond Street Institute for Child Health, the strategy focusses on how we can have the greatest impact in transforming the lives of seriously ill children and their families. We recognise that by growing and diversifying our income and working in partnership we can deliver more across our core areas of focus; research, care and advocacy.

"We have also needed to respond at pace to the COVID-19 crisis and re-prioritise our focus to support the hospital and its staff as well as mitigate the shortfall in income that the charity faces. "

We have also needed to respond at pace to the COVID-19 crisis and re-prioritise our focus to support the hospital and its staff as well as mitigate the shortfall in income that the charity faces. Our staff have been amazingly agile and resilient, supported by technology to move swiftly and smoothly to remote working. Our teams have been innovative and creative in their fundraising efforts, they have delivered a successful emergency appeal, new virtual events and campaigns to maximise opportunities and raise money in this crisis period. We have been overwhelmed by the generosity of current supporters and new ones who have contributed financially or through gifts directly to the hospital.

In these challenging times we also understand the impact that world events, in particular the death of George Floyd and the Black Lives Matter movement has had on our staff. We recognise as an organisation we need to do more to reflect the communities we support and work with and who donate to us. We have committed to develop a comprehensive plan which maps out our journey towards becoming a more diverse and inclusive charity.

The current environment in which we are now operating brings us new challenges, but also amazing opportunities, we shall continue to work as creatively, effectively and efficiently as we can to maximise our support for the hospital and improve the lives of seriously ill children and their families.



Louise Parkes
Chief Executive





Enzo is seven years old and he's currently receiving treatment as part of a clinical research trial at GOSH. He loves superheroes and playing on his games console.

Charitable objects

The Charity's objects are to further such charitable purposes relating to:

- a) the hospital services (including research) of Great Ormond Street Hospital and
- b) any other part of the health service associated with Great Ormond Street Hospital as the Trustees think fit provided that such support is not of a kind that would ordinarily be given by the statutory authorities and
- c) research into children's disease

To achieve this, the charity makes grants to fund the following areas:

Pioneering research

From revolutionary gene therapy to tailor-made organs for transplant and new research laboratories, to find new treatments for the most complex childhood illnesses.

Rebuilding and refurbishment

Wards and medical facilities designed around children and young people that let the hospital treat more patients in the best, most effective and efficient possible surroundings.

Child and family support

Services that can ease the burden on families, raise spirits, and support children and young people through their treatment.

Advanced medical equipment and systems

The most advanced medical equipment and systems for treating the toughest and rarest childhood conditions from iMRI scanners to new IT software to improve patient care, experience and research.

The NHS can only do so much. It meets the day-to-day running costs of the hospital, but GOSH relies on the support of all the charity's donors and volunteers who go above and beyond, to build a hospital for the future, to help pioneer new treatments for more children and to provide the extraordinary world-class care the hospital is known for.



Mela, age nine, has been coming to GOSH since she was a baby. She was born with a rare craniofacial condition.

Our impact: Redevelopment

Sight and Sound Centre

GOSH aims to deliver high quality specialised care to patients every day, that is why the charity has invested in a new Sight and Sound Centre, opening early next year.

Children with sight or hearing loss make up the largest outpatient group at GOSH, with more than 8,000 patients being seen by the Audiology and Ophthalmology teams annually, resulting in around 30,000 appointments each year! Although the Audiology and Ophthalmology clinical team deliver world class care, they lack a purpose-built dedicated space designed to meet the needs of young children.

In October 2018, construction began on the new Sight and Sound Centre, with fantastic support from Premier Inn, the UK's first dedicated centre for children with sight and hearing loss. Located in the historical Italian Hospital, the new centre is starting to come to life, with much of the construction nearing completion.



Above: How interior spaces of the centre will look.

Right: The Sensory garden



More than 8,000 patients are seen by the Audiology and Ophthalmology teams annually, resulting in around 30,000 appointments each year.

Putting patients first

We put patients at the heart of what we do and children with sight and hearing loss were involved in the design of the new centre, helping to create a welcoming, comfortable environment that is fully accessible and easy to navigate. Features include a new welcoming arrival zone, artworks with sensory elements and a garden with plants that children can touch and smell.

The Sight and Sound Centre will hugely improve the patient and family experience, with improved space, shorter waiting times and a more relaxing environment.

Dr Jess Gowning is one of the dispensing opticians at GOSH. Her role involves measuring, making, supplying and fitting glasses for all of the paediatric patients at GOSH, including those with unique head and facial characteristics where a standard pair of glasses is inappropriate.

"I am so excited about the new Sight and Sound Centre, especially our new Opticians room! Having a building dedicated to sight and sound will enable us to provide a service designed around our patient's specific needs. For example, low level lighting so that it's not too bright for patients after they have had eye drops and a calm environment for children who have sensory issues. I think it will be a really lovely place for all the patients to come for their eye care."

Dr Jess Gowning



GOSH dad and firefighter, Gavin, regularly visits the hospital with his daughter, Maggie, who has a congenital cataract in her right eye. She had her first surgery at GOSH when she was six weeks old to save her sight but required ongoing care and further surgeries to give her the best vision possible.

Now seven years old, Maggie and her family travel from Dorset to see the GOSH team every two or three months. Gavin says:

"It's a long journey but we go because we know it's worth it – it's the best paediatric care in the world. Though by the time we arrive, Maggie is usually exhausted. There's not much for her to do in the current outpatients waiting area. It's also stressful. There's not enough room for everyone to sit, for prams and wheelchairs to squeeze through. If Maggie is tired and bored it really affects her tests as they rely on her focusing and trying her hardest."

"We're massively grateful to GOSH. Maggie's treatment is helping us strengthen and protect her sight as much as we can. I can't thank them enough – it's a brilliant place. But as amazing as the care is at GOSH, visiting can be difficult for children like Maggie."

"The new Sight and Sound Centre, designed for children with hearing and sight loss, will make a world of difference to families like ours."



From textures and colours, to wayfinding and accessibility, every element of the new centre has been carefully selected with advice from patients, families and sensory experts.



Isabel Manning's
hoarding artwork

Artwork to delight the senses

The Centre will include artworks chosen to complement the building's design and appeal to its young patients. GOSH Arts has been working closely with artists including Oliver Beer, Isobel Manning and Lubna Chowdhary. One of these pieces has the working title – Pythagoras Stairs, named after the Ancient Greek philosopher.

The site-specific sound installation was created by Oliver Beer and fabricators MDM. It's composed of ten fully functioning organ pipes suspended in the centre of a spiral staircase. As patients, families and staff use the staircase, they will trigger sensors prompting the pipes to gently play. They will play notes from Pythagorean harmonics, which the philosopher identified for their therapeutic qualities thousands of years ago.

Our impact: Research

Research takes a long time, shouldn't be rushed and is strengthened by collaboration. This year, GOSH Charity has partnered with several other research charities and institutions to strengthen its research offerings and help develop new treatments for children with rare and complex diseases everywhere.

Research Partnerships

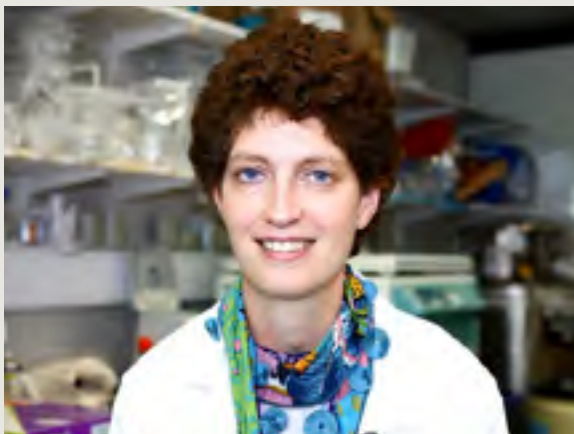
LifeArc

In the first year of a new partnership with LifeArc, £1 million was made available to help support researchers translate their findings into practical benefits for patients by delivering new therapeutics or diagnostics.

In the first year, we funded three projects – from new gene editing techniques for blood disorders to novel treatments for neurodegenerative conditions – and we highlight one of these below.

Dr Karin Straathof, clinical scientist at ICH, is looking at how superpowered immune cells can help treat aggressive childhood brain tumours. Despite significant advances in cancer treatment, it is still the leading cause of death in children aged one to 14. The most life-threatening types are tumours in the brain and nervous system. These cancers kill around 80 children each year in the UK.

Among the most difficult brain tumours to treat are high grade gliomas (HGG), which grow into healthy tissue and are often impossible to remove surgically without damaging vitally important areas of the brain. One example is diffuse intrinsic pontine glioma (DIPG), a highly aggressive cancer diagnosed in around 30 children each year in the UK. Despite significant research into better treatments, the median survival for a child after diagnosis with DIPG is just nine to 15 months.



One promising technique involves editing DNA inside the body's own immune cells, adding genetic instructions to recognise, hunt down and destroy cancer cells. These modified cells, known as CAR T, work by harnessing the natural defensive powers of our immune system. CAR T-therapy could offer long-term protection against cancer as the immune system 'remembers' the instructions it is given.

Dr Straathof says:

"For some children, we currently have no treatments that can cure the cancer which is utterly devastating for the child and their family. For others, we need to give them such intensive treatment – surgery, chemo, radiotherapy, antibody therapy – that they're left with significant short- and long-term side effects of treatment. And for some, despite all that treatment, the cancer comes back.

To address these challenges, we're developing CAR T-therapy. First and foremost, to save more of these young lives. But also, because it's so targeted, we hope it will leave children free of health problems afterwards.

We're working closely with colleagues treating children with leukaemia to understand how different cancers defend themselves against CAR T-therapy. Some of these challenges are the same, while others are unique to solid cancers, for example finding a way to ensure the CAR T-cells can reach all tumour areas and stick around long enough to clear all cancer cells."



The National Call

The GOSH Charity and Sparks National Call – the UK's largest dedicated fund for child health research – seeks to support the development of life-saving treatments, from the laboratory bench to the children's bedside, as efficiently and as safely as possible.

In this year's National Call, GOSH Charity and Sparks have announced £2.3 million to fund eleven new child health research projects. The research will take place at six institutions across the UK, including three of the country's leading universities.

Of the £2.3 million pledged to support research into some of the most difficult and hard to treat childhood diseases, £183,000 has been made available by three condition-specific charities (the Norrie Disease Foundation, Dravet Syndrome UK, and the Myotubular Trust) to help co-fund research into these areas.

The successful projects include unravelling the drivers of aggressive childhood brain tumours; supporting the UK arm of a global clinical trial to test whether the breast cancer drug tamoxifen could help children with a rare and debilitating muscle disorder; exploration of a novel gene therapy to treat the devastating and life-limiting neurological condition Dravet Syndrome, and developing an implantable and removable liver 'patch' that could hold the key to reducing toxic chemical levels in the blood of children with rare metabolic conditions.

Kiki Syrad, Director of Grants and Impact at GOSH Charity and Sparks, said:

"Year on year we are amazed by the quality and diversity of applications we receive from researchers across the UK and the life-changing potential their projects have. I am excited to see how this year's projects progress."

"Collaboration in the field of rare disease research is of fundamental importance, so I am also delighted that GOSH Charity and Sparks have been able to partner with other rare disease charities through this funding call. We will achieve more together than we could alone and that is crucial if we're going to drive new, urgently needed ways to diagnose, treat and cure rare diseases that affect children."

"Collaboration in the field of rare disease research is of fundamental importance, so I am also delighted that GOSH Charity and Sparks have been able to partner with other rare disease charities through this funding call."

Kiki Syrad, Director of Grants and Impact

Raising hope – from bench to bedside

Research into complex conditions begins in the laboratory. Investing in this crucial stage ensures the most promising ideas get off the ground and, together, GOSH Charity and Sparks are the UK's largest dedicated charitable funders of child health research. Funding into research can make a vital difference.

Back in 2014, GOSH Charity via the National Call awarded funding to leading Sanfilippo syndrome [a rare metabolic disorder that causes a form of 'childhood dementia'] researcher Professor Brian Bigger at the University of Manchester:

"GOSH Charity's funding helped us, at an early stage in the project, to prove the idea had legs. It was pivotal in getting us to where we are today – seeing children with Sanfilippo syndrome get access to what could be a life-saving treatment."

"It was pivotal in getting us to where we are today – seeing children with Sanfilippo syndrome get access to what could be a life-saving treatment."
Professor Brian Bigger

Last year, Dr Matthias Zilbauer and his team were funded through the National Call to explore the behaviour of tiny cells in the intestines of children with Inflammatory Bowel Disease (IBD) and to compare them with the cells of children without the disease. The differences identified between the two groups will be key to finding new treatments.

The research has been underway for a year so far, and the team have already made excellent progress. They have obtained samples of cells from the intestines of 20 patients with IBD, and have used cutting-edge technology, called single cell RNA sequencing, to examine the function of each individual cell. They have also grown 'mini-guts' in the lab using cells from two children with Crohn's disease and two children without the disease. These structures behave very much like the cells in the human intestine and are being used to identify novel treatment targets for a disease with currently no cure.

The result of this work puts us one step closer to finding new novel treatments and a cure for children with IBD.



Our impact: Investment in staff

GOSH Learning Academy

Education is the third pillar of the hospital's core mission, alongside research and care. The GOSH Learning Academy (GLA) funded by the charity aims to make a real difference to the children that the hospital sees and treats, through investment in the people who care for them.

The charity has worked with the hospital over the last year to establish the hospital's requirements in relation to provision of education for staff. With a £15 million grant from the charity, on 1 September 2019, the GLA was launched. The aim was to be the first choice for multi-professional paediatric healthcare education, training, and development for the whole workforce, utilising state-of-the-art technology in contemporary learning environments. Since its conception, approximately 500 students have joined and are currently training through the GLA. It now offers 19 clinical modules, including highly specialist areas of care modules with our partnership hospitals, such as Haematopoietic

Stem Cell Transplantation with the Royal Marsden Hospital and University College London Hospital, and Spinal and Orthopaedic Care with the Royal National Orthopaedic Hospital. In addition, the GLA has been vital as part of the hospital's COVID-19 response as detailed in the 'COVID-19 Impact' section (page 26).

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Clinical Apprenticeships

The GLA is set to establish world-class programmes and a recruitment platform to attract and retain new apprentices, helping to support the GOSH workforce of the future and widening access to career pathways.

GOSH Charity aims to fund a number of clinical apprenticeships over the next five-year period, including:

- 20 undergraduate nurses
- 20 Nursing Associates
- 10 Allied Health Professionals
- 5 Advanced Clinical Practitioners.

These posts will allow GOSH to keep pace with the national healthcare agenda, trail-blazing in piloting new national workforce models in collaboration with NHS England and NHS Health Education England.

This proposed model of learning results in staff who spend their entire training working hand-in-hand with the hospital's clinical experts and in the hospital's clinical environments. This ensures a workforce that not only has excellent skills and capabilities but who also share the charity's and hospital's values and drive to provide excellent, high-quality care to children and young people at GOSH.



Advancements in Learning

GLA is underpinned by cutting edge technology and innovation. With the aim to expand its current simulation programmes for clinical professionals, the GLA is embedding emerging technologies such as augmented reality and virtual reality, allowing a relevant, contemporary learning experience in support of a multi-disciplinary work force.

Additionally, work is underway way to develop a virtual learning environment with a dedicated digital education team. This will deliver cutting edge e-learning and enable dissemination to external healthcare professionals nationally and internationally.

By broadening the offers of the GLA with clinical simulation and digital education, it has the potential to benefit health professionals not only at UK institutions, but globally.

Our impact: Support Services



The Play team

The Play team, funded by the charity, provides a therapeutic service with a core aim of reducing anxiety and improving cooperation with treatments and interventions.

The Play team communicates with the children about their care and treatment in a way that they understand. For example, demonstrations of medical procedures using toys, and tours of clinical areas to help children to prepare for treatment and surgery. Distraction therapies are also used, such as games and puzzles, to help a child cope with painful or difficult procedures.

"It's amazing sometimes to see a child who is quite nervous be transformed into somebody who is high-fiving the anaesthetists on the day – because they fully understand all the elements that are going to be there and happen to them" says Laura Walsh, Head of Therapeutic Play Services at GOSH.

The team now consists of 48 Play Workers and Play Specialists, each of whom see an average of 10 to 12 children a day. That's around 500 children each day benefitting from the extraordinary skills of the Play team, with interactions often transforming their hospital experience and improving outcomes.

"The Play team come around daily; they are a lifeline for us. I know the hospital experience would be completely different without the play intervention. It is just as important as the medical intervention."
GOSH parent

Many of the children have known some of the Play team members since they were very young and have developed strong relationships with particular members of staff, "She's my best friend, I love her", said one young cancer patient about her Play Worker.

Stimulating the senses

The charity's support of the Play team has enabled the team to purchase essential materials, ensuring a range of equipment is available to each and every child at GOSH.

Sensory equipment has had a huge impact and is important for children with any processing disorder or learning disability. This equipment can include anything from light-up balls or rainmakers, to large sensory voyagers with a big light column in the middle, fibreoptic cables sticking out of the sides, and a projector displaying lights and patterns. Equipment like this is in most wards and it's especially useful in theatres when children are coming round from anaesthetics or waiting for surgery, helping make their transition easier.

"Today, my son saw three doctors, two nurses, a physio and a pharmacist, but if you asked him what he did today he'd tell you about the incredible playground, all the toys, the beautiful lights in the sensory room, having his face painted and getting a goody bag!"
said one GOSH mum.

"I just got this wave of feedback about how positive it had been. People would just spontaneously burst into tears – it was just so emotional and powerful"

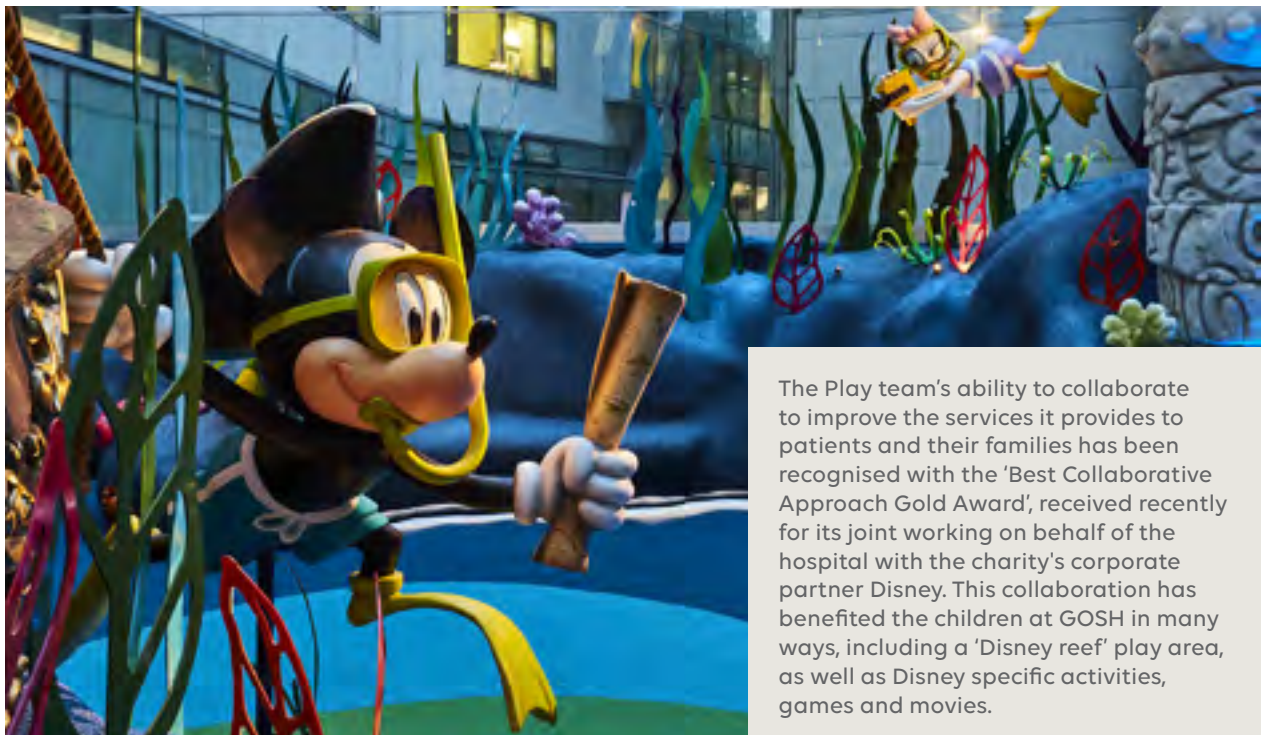
Laura Walsh, Head of Therapeutic Play Services

Collaborations: playing together

The Play team has set up some important partnerships, both within the hospital and with external collaborators for the benefit of children at GOSH.

The Play team works very closely with other service teams at the hospital, like GOSH Arts. One of the highlights of this partnership over the last year is a project that took place in one of the hospital's respiratory wards (Leopard), focussed around 'Touch'. The Play team worked with GOSH Arts to facilitate a series of workshops with dance professionals to explore the idea of Touch through physicality. As the team is embedded within the wards, it was able to help guide GOSH Arts on where the programme would be best received, and also to ensure important considerations such as safeguarding and infection control were addressed. The programme was a huge success.

The Play team also works closely with the learning disability team at the hospital school, and has supported one Play Worker to become Makaton trained to a level that that person is now able to support improved communication with all children at the hospital.



The Play team's ability to collaborate to improve the services it provides to patients and their families has been recognised with the 'Best Collaborative Approach Gold Award', received recently for its joint working on behalf of the hospital with the charity's corporate partner Disney. This collaboration has benefited the children at GOSH in many ways, including a 'Disney reef' play area, as well as Disney specific activities, games and movies.

Our impact: EPR and DRIVE

The Digital Evolution

From filing cabinets to intelligent cloud storage, data storage and technology has evolved before our very eyes. Capturing this opportunity, in 2017 the charity made £37 million available to upgrade the hospital's technological data systems, with the hope of revolutionising diagnostic and treatment options and propelling GOSH into the next stage of medical advancement.



The new Electronic Patient Record (EPR) system – Epic – has a child and young person friendly portal. Epic makes the lives of patients and their families easier by giving them the ability to book appointments online and access relevant information on their health and wellbeing.

The hospital also uses this data in its Digital Research, Informatics and Virtual Environments (DRIVE) Unit, with the aim of accelerating research and utilising cutting-edge technology to benefit patients, families and staff at the hospital. Both the EPR system and DRIVE were critical in the hospital's response to COVID-19.

Epic makes the lives of patients and their families easier by giving them the ability to book appointments online and access relevant information on their health and wellbeing.

Young people shaping healthcare and technology

The DRIVE unit, funded by the charity, ran a workshop with 25 young people to help digital researchers and industry engage with a diverse group to better understand how the technology and devices they use could be improved to better meet the needs of children and young adults with health issues.

During the day, the group took part in interactive workshops of robots, virtual and augmented reality, gamification, mobile devices and apps, with DRIVE industry partners. The young people attending were all part of Generation R, a network of National Institute for Health Research Young People's Advisory Groups (YPAG) from different centres across the UK who get actively involved in the design and delivery of research to ensure it is relevant for children, young people and their families.

The social robots being demonstrated included SOTA, who can respond to voice commands and be connected to blood pressure meters and other monitoring devices, and Jibo, who is able to remember and build relationships with people.

"I liked Jibo, the robot with the moving head, the best. When I tried it I beat the high score! It's good because you can change its voice to make it sound like someone you know."

Freddie, 11-year-old GOSH patient and YPAG member

"My favourite was the virtual reality. It could have lots of different uses like helping junior doctors. I thought it was the technology that was the closest to being ready for use."

Maryam, 14-year-old GOSH patient and YPAG member



Advancing research through the digital world

The Aridhia Digital Research Environment (DRE) is a research platform supported by the DRIVE team. The DRE enables GOSH to capitalise on its digital developments and harness the power of health data to support and perform research studies.

The DRIVE team continues to build on its activities and has introduced the Aridhia DRE to staff across the hospital, and using several other projects, has demonstrated the advantages of using the platform to capitalise on analytics, with the number of projects increasing from 51 in its first year, to 113 in its second year.


In addition, a PhD Fellowship has been appointed to help develop a new tool to characterise lung disease severity.

Doctors often rely on a single measure of lung function to decide treatment and intervention for patients with lung disease. However, lung function alone is not the best way to describe how sick patients are. Understanding how different factors affect lung health in Cystic Fibrosis is even more important now, since modern treatments focus on maintaining lung function in the normal range, yet children are still at risk of poor health.

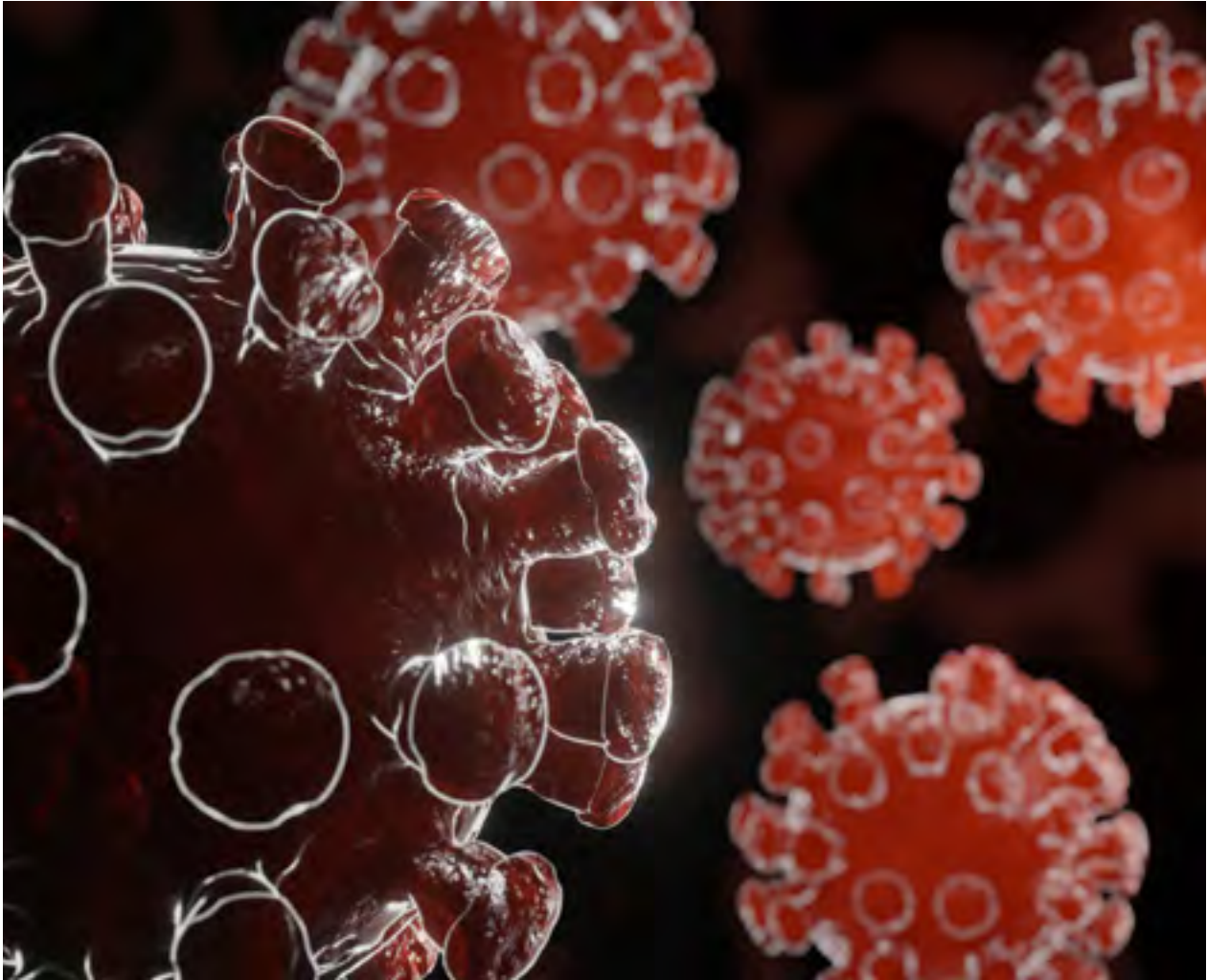
This project plans to capitalise on the EPR system through GOSH-DRIVE, which provides an opportunity to collect and examine large amounts of data from a large number of children with Cystic Fibrosis to better understand how multiple factors, in combination, affect lung disease. The team will use a simple form of artificial intelligence to group patients with similar characteristics and track each patient over time. Based on these results, the team will use a web-based tool to develop a 'health score' to give to patients and their families, as well as the team of health professionals supporting them. Providing a better overall measure of health – as opposed to lung function alone.

The implementation of a health score would promote a more personalised and focused approach to care. This kind of approach may also be transferable to other chronic respiratory diseases in children and young people.

The DRIVE team are working with technology partners sought and introduced by the charity in the hope of being able to continue to grow and support research across the hospital and capitalise on the healthcare data collected at GOSH through the newly implemented EPR System and improve the outcomes of children cared for at GOSH whilst supporting clinical trials.

A young girl with dark hair tied in a bun, wearing a black shirt and a white apron, is smiling as she mixes ingredients in a large white bowl. She is in a playroom, with a green chalkboard and a red lamp visible in the background. In the foreground, there are bags of snacks, including one with a red filling.

When **Aisha**, who's 11, first came to GOSH seven months ago, she was unable to leave her bed. Since being diagnosed with Crohn's disease, she's now able to get involved making treats in the playroom.



COVID-19

Our response and its impact

The substantial loss of life and the devastating economic impact of COVID-19 has been felt around the world and is likely to continue for some time. The hospital has been on the front line of responding to the disease, not just in providing treatment, but also vital research. Like other charities, we have faced disruption to our fundraising with many activities cancelled or postponed due to the ongoing crisis. We prioritised three areas for focus:

- Supporting the hospital
- Supporting our staff
- Protecting our financial contribution to the hospital

Supporting the hospital

The hospital has played a vital role in the national response to the COVID-19 crisis by treating more children from hospitals across London. The charity responded by providing support to ensure that the needs of the hospital continued to be met throughout the COVID-19 crisis and beyond.

Funding to support GOSH patients, staff and researchers

Throughout the crisis, we have continued to support the needs of the hospital. Some of our funding highlights include:

- Launching a new rapid response intramural research funding call and making over £500,000 available for projects that will help benefit GOSH or GOSH staff and the community of patients and families it serves, and make valuable contribution to the current management of COVID-19. These projects have ranged from investigating transmission of the virus to how the mental health and wellbeing of children has been affected during the crisis.
- Supporting the Play team to provide new innovative activity packs and sensory toys for children to play with during isolation, when they were unable to have family visitors.
- Providing new scrubs for clinical staff members who wouldn't normally wear them.
- Providing tea, coffee and refreshments to hospital staff via the coffee cart.
- Funding baby monitors – helping staff and patients to communicate with each other between wards and assisting with social distancing measures.



How do children play in isolation?

The Play team's phenomenal response to the COVID-19 crisis has ensured that the children at GOSH can keep smiling through these challenging times. With playrooms being closed in line with national guidance, the Play team, funded by the charity have used their skills to create activity packs for children at the hospital. These packs include a whole selection of materials for different age groups and interests, for example sensory toys, puzzle books and arts and crafts materials, and are available across the hospital. The team has also designed play sessions to be delivered electronically over Zoom, meaning children can still enjoy their time with the Play team.



Communities coming together for GOSH staff

The NHS has been put under severe strain by the COVID-19 pandemic and children were transferred from hospitals across London to GOSH so space in those hospitals could be freed up to focus on adults with COVID-19.

As the situation evolved, teams across the charity came together to source thousands of gifts in kind for hospital staff, patients and families.

We were thrilled with the response. Local companies, our suppliers, corporate partners, friends, families, Trustees and former colleagues have been in touch to help. The total gift in kind donations we received exceeded £1 million.

A GOSH pop-up shop was established where staff could pick up household essentials and ready meals for free, stocked with items secured by the charity and its partners.

These gifts have included:

- Hot meals delivered throughout the week from The Felix Project (thanks to The Caring Foundation), Cook-19, Hakkasan, The Dinner Ladies, Mildred's, Feed our Frontline and Rosewood London.
- McColl's and Marks & Spencer delivered food essentials to staff.
- Walkie Talkies, donated by Smyths Toys, for patients in isolation so they can chat to each other.
- Fairy Non-Bio and Persil delivered laundry detergent for staff.
- The Body Shop delivered 20,000 toiletry items for staff.
- KPMG donated laptops to help GOSH staff working from home and iPads to help patients stay connected to family at home.
- Eat Natural, ADM Milling, Biscuiteers, Pipers Crisps, Paladis (McVitie's) and Burton Biscuits donated snacks and treats for staff.
- Elemis, Aesop, Crabtree & Evelyn, Clinique and Camp Simcha delivered hand and face creams.

Adapting to the evolving situation: GOSH projects and staff

Several existing key initiatives, supported by the charity changed focus to help support the hospital through the COVID-19 crisis, as well as efforts nationally. An example of this is the GOSH Learning Academy (GLA).

The GLA provides education and training to staff to help further their clinical skills and professional development.

The GLA has had a huge impact with over 1,500 clinical and non-clinical staff attending the COVID-19 up-skilling and update sessions. The attendees included staff returning to clinical practice, clinical staff that needed critical care skills and non-clinical staff who had not worked previously in clinical environments.

The GLA has been integral in not just ensuring a rapid response to the hospital's training needs, but also assisting in the restructuring and redeployment of clinical experts within GOSH:

- GLA staff played a key role in implementing new rotas across the hospital and many returned to former posts to ensure adequate cover was reached.
- Practice Educators were redeployed directly to the Infection Prevention and Control service, leading and facilitating urgent areas such as staff testing. These educators were fundamental in providing a 7-day a week Fit Testing service, to ensure staff had correctly fitted Personal Protective Equipment.
- Outside of GOSH, we were very proud that the GLA team funded by the charity had been contacted to provide education for the new Nightingale Hospital.

The coronavirus pandemic changed the normal working practices at the hospital and brought about

a more diverse patient population, as GOSH received a greater number of adolescents and general paediatric patients. Caring for these patients provided new clinical challenges from the management of a new syndrome – Paediatric Multisystem Inflammatory Syndrome, which is associated with COVID-19 – to managing the complex mental health needs of teenagers and young people.

In response to this, the charity made funds available to provide GLA Clinical Simulation Centre with an adolescent manikin, allowing clinical teams to fully immerse themselves in caring for this new population of patients in a simulation-based training.

The charity's investment in digital technologies within the hospital has not only been of benefit to hospital staff and patients but has also helped in the national effort against COVID-19.

The Digital Research, Informatics and Virtual Environments unit (DRIVE) – funded through the charity and the hospital– aims to deploy new digital technologies for the benefit of patients, families and staff. DRIVE has supported the national COVID-19 response network, including the London Nightingale Hospital at the ExCeL centre and other centres across the UK.

As noted previously, the charity supported the launch of the Electronic Patient Record (EPR) System – Epic– in 2017, which helps to support clinicians by allowing access to information rapidly and from a single place, reducing the amount of time spent on administration and releasing more time for clinical care.

The COVID-19 crisis has affected the way staff work at GOSH, but the digital technologies that the charity has supported have helped to make these changes much easier.

"My role as an ICU Research Nurse has changed significantly in response to the COVID-19 pandemic. My days are now focused on recruiting patients who have the virus into research studies," says Lauran O'Neill, Senior Research Nurse in Intensive Care.

"These studies are aimed at learning more about how COVID-19 affects different groups of people, and how best to treat it"

"We come in at 8am and use our electronic patient record system – Epic – to find new COVID-19 patients that are eligible for the studies we're running. It's an amazing system! You can filter through all the patients in the whole hospital in the blink of an eye. It's much more convenient than the many separate systems we had before Epic and means we can be really responsive to new studies being set up quickly."



Researching the virus

The charity funded the build of the Zayed Centre for Research into Rare Disease in Children, which opened in 2019. It brings together hundreds of clinicians and researchers under one roof to drive forward new treatments and cures for children with rare and complex diseases.

Since the COVID-19 crisis, the Zayed Centre for Research has played an important role in a number of ways, including the testing of hospital staff and patients for COVID-19.

The Centre's main project, led by Professor Judith Breuer, aims to gain a picture of how the virus is spreading. The team are contributing a large number of COVID-19 patient samples from London to compare them with others from across the country. This will help researchers to understand whether there are hotspots of COVID-19 spread and help to identify whether and where hospital transmission of the virus between staff and patients is occurring. This research will inform decision making around infection control in hospitals to help prevent further spread of the virus and how hospital infections are monitored in the future. In addition, the team are sequencing COVID-19 from very sick children treated with new drugs to monitor how resistant the virus is to these drugs.

These projects highlight the bench to bedside approach to research, which is the ethos of the Zayed Centre for Research, with clinicians and researchers working side by side to find out more about the virus.



At the charity

The Business Continuity Team was convened in February to assess and respond to the initial impacts of COVID-19 on our activity and operations. As a quickly evolving situation, the team met on a daily basis to ensure responses and preparations were speedy and flexible. Recent investment in our technology infrastructure and robust HR processes already embedded in the charity on remote working enabled us to move to working from home without disruption to activity. Throughout the crisis, the Business Continuity Team has used government guidance to inform decision making, and Trustees have met regularly to ensure they have full oversight of the evolving situation. We had a comprehensive communications plan including a mix of channels which received positive feedback from staff.

Since the COVID-19 crisis, the Zayed Centre for Research has played an important role in a number of ways, including the testing of hospital staff and patients for COVID-19.

Supporting our staff

The safety of our staff is critical, and we initiated the process of the entire organisation working from home on 17 March 2020.

The move to working full-time from home was a huge change for the organisation, and support and guidance was provided in relation to managing teams remotely, setting up home workstations and tips for working in the crisis, in addition to regular updates to all staff to keep them up to date with the rapidly changing situation.

We have been mindful of the impact of the pandemic on the health and wellbeing of our staff, so in addition to our ongoing health and wellbeing provisions, we also added 'Time to talk' sessions to give people an opportunity to chat with others about things that might be concerning them, and shared wellbeing resources that staff can utilise. In addition, teams across the charity set up 'Virtual Brews' to ensure regular social catch ups, and our social committee organised a virtual quiz for all to attend.

All of our staff are currently continuing to work from home until the Government's guidance changes.

Protecting our financial contribution to the hospital

We are fortunate to be in strong financial position, however, the implications for lock down and social distancing restrictions are significant for not only the charity, but also our supporters, both individuals and corporate partners. We have undertaken financial modelling to understand fully the impact on each of our income streams as well as considering a variety of scenarios. Our estimates show a potential drop in budgeted income of approximately 25% for 2020/21.

Our financial modelling is also considering the impact on our long-term financial projections and the subsequent implications for charitable commitments. Whilst we are confident that all current commitments can be met in full without issue, careful consideration is being given to upcoming multi-year commitments.

We have factored in the impact on fundraising activities, but we are also mindful that the hospital's priorities post-COVID may be different, and we are therefore ensuring our plans are flexible in order to meet charitable requirements.

With the projected fall in income, we have taken a number of steps to reduce costs and maintain income in order to protect as far as is possible the financial contribution available for the hospital. Steps include the following:

- Furloughing staff – we have furloughed 39 staff, principally those whose work has been impacted by the cancellation or postponement of activities or whose roles require them to be office based
- Pay review – we suspended our annual pay review for all staff
- Recruitment freeze – recruitment is currently on hold, unless a role is critical to the delivery of our services to the hospital

- Investigation and acceleration of new fundraising initiatives – we have sought alternative fundraising options that enable remote support e.g. "At Home With GOSH" virtual fundraising gala, and our gaming initiative, Geek out for GOSH
- NHS Charities Together – we have worked with NHS Charities Together to support the wider fundraising for NHS charities, and we have also benefited from grants from the scheme
- Repurposed direct marketing activity – we have utilised capacity in radio and tv advertising to replace the lost face-to-face direct marketing activity
- Emergency Appeal – at the start of the crisis, we launched an emergency appeal to not only support the hospital's requirements during the crisis, but also to support the charity in the long term so it can continue to support the hospital after COVID-19
- Supporting those fundraising on our behalf to find alternative options for their fundraising and highlighting potential opportunities such as the 2.6 challenge

We continue to monitor, review and adapt our activities in response to the crisis and to ensure our continued support of the hospital. In the autumn, we will be developing the next stages of our strategy, incorporating the restrictions and implications of COVID-19 as well as potential changes to the hospital's priorities. Whilst this has been a particularly challenging time, we would like to thank our staff for their proactive and positive response to the crisis, as well as their adaptability and flexibility in support of the charity.

Seven-year old **Yasir** receives regular treatment at GOSH. He loves doing arts and crafts with the Play Specialists.



Strategy

Looking back

At the start of the year we set out four critical areas for focus during 2019/20. We have made good progress on these and adapted some in relation to the changing circumstances, but there is still more to

do, particularly in respect of how the charity needs to adapt its strategy and structure to respond to the post COVID-19 crisis environment, as greater clarity on what that might look like emerges.

1. Five-year strategy

Develop an ambitious new five-year strategy to set our vision and priorities for the future of the charity to 2025 and beyond, delivering maximum impact and ensuring a coherence and shared ambition between the charity, hospital and ICH.

The first stage of development of the strategy is complete with the agreement of our purpose statement, three key areas of focus and three enablers to underpin our strategy. In light of the significant impact COVID-19 and subsequent social distancing regulations have had on the charity and will continue to have for some time, we will be reviewing these to ensure they remain appropriate.

As our key partners and beneficiaries, we consulted with the hospital and ICH throughout the process to ensure complete alignment with current and future direction and requirements. Charity staff were also given multiple opportunities to engage and contribute. Additionally, we engaged with a broad range of supporters, both corporate and individuals, as well as families who support us as a result of having been beneficiaries themselves.

The detailed plans for the strategy will be developed throughout the next year as the initial impact of the COVID-19 crisis settles, giving greater clarity to potential changing landscapes for the hospital, ICH and the charity (particularly in respect of the nature of fundraising).



2. Research fundraising and communications

Further develop our research fundraising and communications strategy for the charity and Sparks to maximise our research contribution.

During the year we carried out an analysis of what 'research' means for us as a charity, but also what it means for the hospital and ICH. It is an incredibly complex area, with different focuses and requirements. This needs to be fully understood in order to shape our fundraising and communications

strategy going forward. The charity continues to work with the hospital and ICH to develop and articulate the impact research can have in improving outcomes for children's health, particularly when research works alongside clinical care as enabled in the Zayed Centre for Research.

3. Technology and digital

Determine an ambitious and cost-effective technology and digital strategy (and roadmap) to shape and support our new five-year strategy.

Our initial plan is focused on developing the foundations to enable sustainable growth and identifying immediate business critical projects as well as digital projects which will make us fit for the future.

The Digital Transformation Steering Group (Digital Champions) has been established with staff across

the charity. The group has undertaken a review of the digital maturity of the charity by looking at a number of key indicators. Whilst this varies team to team, our aim is to ensure that we raise the skills of all staff to ensure a minimum level of digital maturity across the charity. Realistic short and long term targets have been set to measure progress.

4. Culture change

Embed a charity-wide urgency and understanding of the need for a change in our organisational culture that starts now, enabling all of us to drive the change required to deliver an ambitious new five-year strategy.

A Culture champions group has been established and model for change developed with a focus during 2019/20 on building awareness of the need for change.

This group will play a lead role with the Senior Leadership Team on the development of the culture enabler as part of the new strategy.

The group has focused on establishing what the current culture is and raising awareness of that across the charity. The next stage will consider the direction required in order to successfully deliver the strategy, ensure leadership development and the creation of a diverse and inclusive culture. Implementation of that change will be kept under review and monitored with validation throughout to measure progress.



KPIs and performance monitoring

Given the impact of COVID-19, and while our new strategy awaits the next stage of development, we have continued to monitor the following:

- Cost:income ratio – 28.6% in 2019/20 and 29.5% five-year average
- Employee 'most effective' score for engaged and enabled staff – 57%, 1% below the Korn Ferry industry wide global 'high performing' norm, having risen from 35% in 2014
- Brand tracker – we retained 12th place in the Charity Brand Index

Looking forward

During 2020/21 we will develop detailed plans to execute the strategy, incorporating any changes required as a result of the impact of COVID-19.

Our initial focus during the year will be to:

- a) Support the hospital in line with our charitable commitments for 2020/21 and respond to the emerging needs of the hospital during and immediately post the COVID-19 crisis. In addition to the provision of funding, we have to date and will continue to facilitate this by sourcing gifts in kind as well as assisting with additional staffing requirements.
- b) Support the health and wellbeing of our staff through and beyond this period of significant uncertainty. We will ensure appropriate workforce planning given the changing fundraising landscape and (subject to business requirements) seek alternatives to redundancies, such as the Government's job retention scheme, which we have utilised where appropriate. In addition, we will prepare for future working environments, ensuring digital technologies are incorporated into the core of activities.
- c) Maintain fundraising income streams where possible and identify new or different opportunities, with an emphasis on unrestricted income, using the skills of the Innovation team and all of our staff and other stakeholders to develop ideas. For activities that are no longer viable in their current format, given the COVID-19 situation and social distancing regulations, we will aim to postpone or deliver virtually.
- d) Ensure ongoing engagement and communication with all key stakeholders and supporters to ensure continuation of long-term relationships and future support.
- e) Monitor, and mitigate wherever possible, the impact of the anticipated financial downturn by reviewing all costs, reducing wherever possible and seeking alternative methods of delivering the charity's requirements, as well as ensuring best value for money.
- f) Ensure preparations are made for a 'new' normal, including 'return to office' planning and continuation of key projects such as Contact Management System (CMS) project for our website and ongoing preparations for the anticipated Children's Cancer Centre, our next major redevelopment project with the hospital.



Three-year-old **Isabela** is being treated on Panther Ward at GOSH. She's always smiling and loves watching sing-along shows on the TV.



Financial review

Our income sources

Grants by the charity to the hospital and ICH are funded from various fundraising activities, classified under five main streams:

- Philanthropy (including Special Events)
- Corporate Partnerships
- Direct Marketing (including Retail)
- Community Fundraising
- Legacy Fundraising

The five streams (the first four being classified as 'donations' in the table below) ensure diversity of income across a wide supporter base and help provide resilience against changing market dynamics in one or more fundraising streams.

Our total income for the year 2019/20 was £88.3 million (2018/19: £90.1 million), including a £2.5 million gain realised on investments (2018/19: £1.9 million gain) and £1.1 million property income (2018/19: £1.4 million) and unrealised investment losses of £3.2 million. Property income decreased as a result of change of usage for some buildings to clinical usage for which there is a lower rent and unfortunately the impact of COVID-19 on markets led to investment losses in the final two months of the year.

Legacies, the income for which we recognise when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably, performed well at £23.3 million (2018/19: £23.0 million).

Trading income from activities such as retail, and royalty and licensing was £6.9 million (2018/19: £6.5 million), contributing to the fundraising income total of £87.9 million which was higher than prior year (2018/19: £84.2 million), as a result of increased donation in the year from the principal donor (the Abu Dhabi royal family) to the Zayed Centre for Research.

Income	2019/20 £ million	2018/19 £ million
Donations	57.7	54.7
Legacies	23.3	23.0
Trading	6.9	6.5
Total fundraising income	87.9	84.2
Investment income (realised)	2.5	1.9
Property and other income	1.1	1.4
Income before (loss)/gain on investments	91.5	87.5
(Loss)/Gain on investments (unrealised)	(3.2)	2.6
Total income including investment (losses)/gains	88.3	90.1

How our money was spent

The table right shows how the charity applied the 2019/20 income plus some of the unspent and uncommitted funds raised in prior years.

The total expenditure and commitments in the year, including charity capital items, was £82.2 million (2018/19: £98.6 million). As some of the projects that the charity supports can span a number of years, the commitment made in one particular year may be different to the actual money spent on the project in that year.

Commitments made for charitable activities in 2019/20 totalled £53.5 million (2018/19: £46.5 million). The increase reflected the commitment made to the hospital for the GOSH Learning Academy, which sits in patient, family and staff support projects, as well as additional medical equipment. Other areas of charitable activity had reduced expenditure due to the fluctuating nature of project commitments, in particular accommodation expenditure reduced as a number of redevelopment projects on parent and staff accommodation took place in the prior year.

Funding is provided for research, medical equipment and systems, and patient, family and staff support on an annual basis. However, commitments are made to the hospital's redevelopment and major infrastructure, systems and equipment projects when they are ready to proceed and usually extend over a number of years. These large commitments give rise to significant variations in expenditure from one year to the next, with some years requiring large amounts to be held in redevelopment funds/reserves.

In 2019/20 the charity committed capital expenditure of £3.5 million (2018/19: £27.2 million) on property it owns as part of its charitable commitment to the hospital, charging a peppercorn rent to the hospital for office or clinical space or providing free of charge as accommodation services for staff, patients and family. Accounting rules require this expenditure to be capitalised and, therefore, not reflected in charitable expenditure (see note 9 to the financial statements). This expenditure was a further £3.5 million (2018/19: £27.1 million) on the Zayed Centre for Research. In total our charitable expenditure, including the charity's capital projects, was £57.0 million.

A total of £25.2 million expenditure (2018/19: £24.9 million) £15.7 million of direct fundraising costs (2018/19: £16.2 million) and £9.5 million of support costs (2018/19: £8.7 million) was required to enable us to raise our fundraising income, invest for future growth, steward charitable expenditure and ensure that appropriate controls and governance were maintained and strengthened. Ongoing focus is given to ensuring that the charity maximises the cost effectiveness of its activities, obtains value for money and provides high standards of supporter care and compliance.

Use of funds	2019/20 £ million	2018/19 £ million
Research	3.6	7.4
Medical equipment and systems	9.0	7.1
Patient, family and staff support projects	24.0	5.1
Redevelopment and accommodation	16.9	26.9
Charitable activities commitments	53.5	46.5
Charity asset redevelopment – Zayed Centre for Research	3.5	27.1
Other properties	-	0.1
Charitable activities including charity capital items	57.0	73.7
Fundraising expenditure	15.7	16.2
Support and governance costs*	9.5	8.7
Raising funds total	25.2	24.9
Total expenditure and charitable commitments including charity capital items	82.2	98.6

Fundraising, support and governance expenditure

The total costs of raising funds and operating the charity increased to £25.2 million (2018/19: £24.9 million).

Expenditure on operations and raising funds	2019/20 £ million	2018/19 £ million
Fundraising	15.7	16.2
Support and governance	9.5	8.7
Total	25.2	24.9

This small increase in expenditure was driven by a number of project initiatives undertaken during the year such as our research fundraising proposition and strategy development.

Cost:income ratio

To ensure we maintain the trust and support of our donors, it is very important that the charity optimises the amount of donated funds available for charitable activity, while also investing in income growth strategies for the future.

In line with the approach taken to measurement by most other charities, all income and expenditure not directly related to fundraising (including stewarding charitable expenditure and projects and investment and property related income and costs) is excluded. The ratio is calculated as follows:

Cost: expenditure on raising funds, governance, support and operations (£25.2 million) less investment management costs (£0.1 million).

Income: income before (loss)/gains on investments (£91.5 million) less realised investment income (£2.5 million) and property income (£1.1 million).

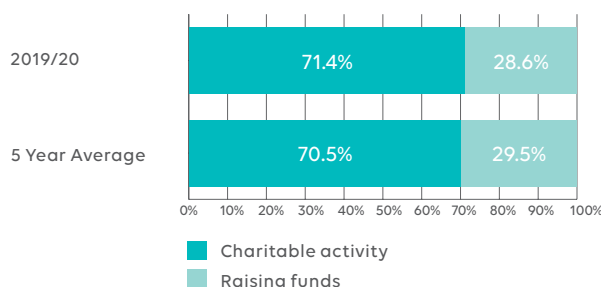
The resultant calculation is £25.1m/£87.9m = 28.6%

As well as making annual calculations, we monitor and report the cost:income ratio over a five-year period. We do this because the ratio inevitably varies from year to year due to the programme and phase of large scale projects (e.g. hospital redevelopment) against which to raise specific funds (particularly from major donors and corporates). This gives rise to fluctuations in the amount of annual income we receive, and changes in the amount we invest each year in raising funds. The five-year average gives us a truer picture of the long-term relationship between charity costs and income raised.

The Board of Trustees has set a target for the costs of fundraising to be limited to an average of 30% of total income on a rolling five-year period.

This means that an average 70p or more in every £1 donated over a five-year period should be available for charitable activities. The graph below shows cost:income ratio for 2019/20 and the average for the last five years.

This will no doubt be significantly impacted in the current year due to the impact of COVID-19 and social distancing on fundraising, but we are committed to minimising costs as well as seeking new and alternative income sources to keep the cost:income ratio as low as possible.



Tangible fixed assets

Tangible fixed assets at 31 March 2020 of £325.7 million (2018/19: £326.7 million) mainly consist of properties, the freehold of which is owned by the charity and used for clinical, residential and administrative purposes by the hospital, with the charity carrying the associated risks and rewards for each asset. An impairment of £1.9 million was applied as a result of the fall in property values due to COVID-19.

While the largest part of the charity's property portfolio is provided to the hospital to support clinical and research activities, certain of the residential properties are let to key hospital employees to assist with staff recruitment and retention. Other residential property is provided, free of charge, to parents of children undergoing treatment at GOSH. In addition, tangible fixed assets include the Guilford Street site that has been developed into the Zayed Centre for Research, the construction costs of which were included in assets under construction in 2018/19, but transferred to fixed assets on completion with a total expenditure to 31 March 2020 of £77.8 million.

As noted above, a full valuation of the property portfolio was carried out at 31 March 2019, with a fair value movement recognised in that year. An internal valuation and impairment review assisted by Cluttons has been undertaken this year in light of COVID-19 and the impact on property valuations.

The buildings in the property portfolio have a mixture of uses. As clinical buildings are valued at depreciated replacement cost, there will be no impact. The remainder of buildings are principally used as office space or accommodation for staff and patient families. Cluttons, who provided independent guidance on property valuations, recommended a 5% decrease in accommodation property valuations in line with market movement. This has been applied to all accommodation properties, with the exception of those near the end of lease as valuations are increasing for these properties. The valuation basis applied was 'fair value', which aims to reflect a market value for buildings and associated land.

These assets are held by the charity to further its charitable purposes and are used by the hospital or the ICH. The clinical buildings are under long-term leases issued to the hospital or ICH at peppercorn rents reflecting the nature of the clinical usage of these buildings and alignment with the charity's objects. Whilst leases are used, the charity still holds these assets and bears the risks and rewards of the assets.

Investment policy and performance

The investment policy of the charity is risk averse, with the Trustees' first priority being to preserve capital in order to meet existing and future commitments on capital programmes and other grants made. The Investment Committee, a sub-committee of the Board, continues to keep under review the charity's investment policy and strategy and, in compliance with the policy, explore ways of improving investment returns that minimise the risk of capital loss. The Investment Committee will continue to review the allocation of the investment portfolio to ensure it remains appropriate for the commitments and future funding expectations of the charity.

During the year, the charity used the services of a number of investment managers. The charity's investment managers followed strict investment guidelines in line with the charity's moral and ethical policy. This specifies that the charity does not invest in tobacco or arms manufacturing, or any stock in which either tobacco or arms manufacture are the main or a material element due to the negative impact they have on child health.

The total investment portfolio including cash at 31 March 2020 was £216.9 million (2019 £204.0 million) and realised an overall loss of 0.5% over the 12 months compared to the overall RPI benchmark of 2.6%.

The value of the long-term portfolio at 31 March 2020 was £45.1 million (£47.0 million at 31 March 2019) spread across a number of funds managed by Blackrock, Ruffer and Investec and predominantly comprised of listed equity holdings. This portfolio holds the charity's invested risk assets and made an overall loss during the year, with a decrease in value of 4.23% against a benchmark gain of 2.79%. Performance during the year had been relatively strong, until January, when the markets globally were hit initially by the uncertainty of the impact of COVID-19 and later by lock down and social distancing.

The short-term portfolio of £137.8 million at 31 March 2020 (£144.6 million 31 March 2019) is held across a number of direct deposits with UK banks, investments with Royal London Cash Management and a short-term fixed income portfolio managed by HSBC. These short-term funds are retained to meet the charity's expected commitments over the next three to four years. A 0.74% return on the short-term portfolio, comprising cash assets and other low risk investments, was below the 0.87% benchmark (12 month LIBOR), however, performance over the last three years has been close to the overall benchmark.

During 2019/20, there were significant fluctuations in global equity markets, particularly in the latter part of the year. Net income, gains and losses earned from the charity's investments totalled a net loss of £0.7 million (2018/19: gain of £4.6 million), split between realised income of £2.5 million (2018/19: £2.0 million), and realised and unrealised losses of £3.2 million (2018/19: gains of £2.6 million), which are recognised as net income in the statement of financial activities.

As part of the ongoing governance of our investment portfolio, the Investment Committee carried out a review of our portfolio structure in October and sought to simplify the investment approach. As a result of the COVID-19 pandemic, this approach was reviewed prior to implementation and adjustments were made in terms of risk allocation. In May 2020, the charity consolidated the portfolios of two of the investment fund managers and placed funds with Legal and General Investment Management to form our long-term investment. In June 2020 the remaining investment manager funds were transferred to Aberdeen Standard to their investment grade ESG (Environmental, Social and Governance) fund. Remaining funds are held in cash to facilitate working activity. The balance at 31 March 2020 was higher than usual at £35.1 million (2018/19: £12.4 million) due to a deposit maturing shortly prior to year end.

Funds (also referred to as 'Reserves')

Funds	2019/20 £ million	2018/19 £ million
GOSH Charity		
Restricted funds	(10.4)	1.7
Endowment funds	0.7	0.7
Total restricted and endowment funds	(9.7)	2.4
Designated fixed asset fund	216.7	145.5
Property Revaluation reserve	109.0	110.9
Designated redevelopment fund	118.1	162.5
Designated research fund	13.6	15.0
General reserves	30.7	35.0
Total unrestricted funds	488.1	468.9
Sparks		
Restricted funds	(0.2)	(0.1)
General reserves	1.1	0.5
Total Sparks funds	0.9	0.4
Total	479.3	471.7

The charity's total funds (i.e. reserves) increased by £7.6 million to £479.3 million at 31 March 2020 (31 March 2019: £471.7 million). The vast majority of these funds finance the charity's substantial existing property portfolio (£325.7 million, derived from the initial value and revaluation and impairment adjustments) or are required for the charity's commitments and anticipated future commitments (a total of £118.1 million) including the prospective Children's Cancer Centre our next redevelopment project with the hospital, the ongoing development of the Sight and Sound Centre, other redevelopment projects and parent accommodation projects. A further £13.6 million is committed to the implementation of the charity's research strategy. After allowing for these existing plans, general charity reserves (that is funds not restricted, endowment or designated in respect of use) amount to £30.7 million (including Sparks).

Restricted

The charity holds a number of different funds to support specific activities chosen by donors, which fall within the objectives of the charity.

At 31 March 2020, including Sparks, there was a deficit of £10.6 million (2018/19: surplus of £1.7 million) in funds restricted for specific areas of work as set out in note 19 to the financial statements. The deficit is held as donors have pledged support, but funds have not yet been received.

Endowment

The charity holds five endowment funds totalling £0.7 million, which have been granted in order to generate funds to support specific charitable purposes.

Unrestricted

Unrestricted funds are expendable at the discretion of the Trustees to further the charity's objectives. The charity's unrestricted funds at 31 March 2020 were £489.3 million (including Sparks) and included £457.5 million of designated funds. Each year, the Trustees review the need to designate unrestricted funds raised to existing assets, the redevelopment of the hospital or to other specific projects to be committed and spent in future years. This helps to provide financial stability and confidence in the charity's ability to fund vital areas of work within the hospital.

At 31 March 2020 the Trustees designated unrestricted funds as follows:

- Tangible and intangible assets (excluding assets under construction) of £216.7 million.
- Property revaluation reserve of £109.0 million.
- Redevelopment fund of £118.1 million (including assets under construction).
- Research fund of £13.6 million to cover the uncommitted element of the current five-year research and innovation strategy.

Designated

Fixed assets – tangible and intangible

The charity owns fixed assets, the majority of which are operational properties used by the hospital. As these properties serve a charitable purpose and are not held as investments, they cannot easily be converted into funds for day-to-day use. Therefore, the Trustees have decided that reserves equating to fixed assets (excluding assets under construction which are held in the redevelopment fund) should be placed in a designated fund (see above), which, by definition, will increase or decrease to reflect the net book value of these assets. If a decision is taken to dispose of any properties, the attributable value is transferred from the fixed asset designated fund to general reserves.

Property revaluation

Similar to the fixed asset fund, the charity also holds a reserve in respect of the changes made in its property portfolio valuations arising from independent revaluations. As these reserves directly relate to the underlying properties included in the fixed asset fund, noted above, it is appropriate to hold a reserve equivalent to the fluctuation in property values.

As and when property valuations change, such changes are reflected in this fund.

Redevelopment

The Trustees set aside £118.1 million to cover the potential shortfall arising on the restricted redevelopment fund and to cover future committed expenditure on redevelopment projects, including the costs of conversion of the Italian Hospital into a designated Sight and Sound facility, parent accommodation buildings, and a number of other redevelopment projects currently in progress or in the planning stages where costs and potential fundraising income are not yet confirmed.

Research

The charity developed a £45.0 million research and innovation strategy. Commitments of £31.4 million have been made since 1 April 2015 on research projects, leaving £13.6 million to be granted to relevant projects.

Review and revision to charity's reserves and liquidity policy

The Trustees are keen to ensure that funds donated to the charity are not only used on the highest priorities delivering substantial impact but also that these funds are promptly used so that impact and benefits can be realised as soon as practical. At the same time, the Trustees need to balance this objective with the need to maintain financial prudence and ensure the long-term financial viability of the charity. This will be particularly important when the charity commits to further significant redevelopment projects for the hospital.

To support this approach, the charity introduced guidelines for minimum liquidity levels which require the charity to be confident it can meet at least two years' future liabilities, when they fall due, under circumstances where its income would be significantly reduced. Financial modelling has been undertaken which indicates a potential fall in income over the coming year of 25% as a result of COVID-19. In addition, scenario planning has considered a pessimistic scenario. The checks on our financial position as at 31st March, 2020, at the date of signing and for our five year projection horizon, indicate that the charity would be able to meet such liabilities as they fall due.

Sparks

As at 31 March 2020 the restricted funds of Sparks had a deficit of £0.2 million (31 March 2019 deficit of £0.1 million) for which payment plans are in place. General funds remained at £1.1 million, giving total funds of £0.9 million.

GOSIPL

As a trading subsidiary of GOSH Charity, Great Ormond Street International Promotions Limited (GOSIPL) gift aided profits of £1.1 million to GOSH Charity at 31 March 2020.

Idris, who's nearly two, was born prematurely and has been in hospital his whole life. He loves his older brother coming to visit.



Our people

We are very fortunate to have passionate and dedicated staff and volunteers, who are committed to doing their very best to help the children, young people and families who rely on Great Ormond Street Hospital. It is critical that they feel valued and recognised for the work that they do.

Staff

The central premise of our people strategy is to develop a culture of leadership that inspires and enables our staff to raise the vital funds that the hospital needs. By developing and supporting our staff as leaders who can prepare for and manage an ever-changing environment, our people strategy is helping to drive us from 'Good to Great'. We have made considerable progress on our people strategy, having strengthened the base and moved through the 'embed and develop' phase which has seen us upskilling our people managers, embedding an HR business partner model, rolling out a new approach to reward, strengthening our employer brand and developing a coaching culture as an integral part of our leadership work. Further work on leadership development and creating a diverse and inclusive culture will be key areas of focus for the financial year 2020/21.

We are proud of what we have achieved in ensuring the charity is a great place to work. Our top 20 placing in The Sunday Times' Top 100 Best Not For Profit Employers to work for in 2019 (the first time we had participated), with particularly high satisfaction scores on pay and benefits, opportunities for personal growth and recognition, shows we are making good progress towards this goal. We exceeded the targets set for 'people' in our five year strategy for labour turnover and for our employee opinion survey 'Most Effective' score both by 10% which was a considerable achievement.

Listening to our employees

It is hugely important to us that our employees have the opportunity to tell us what they think and feel empowered and enabled to do so. We have an in-depth staff survey once every two years, with light touch 'pulse check' surveys every seven/eight months focussing on specific areas for development across the organisation.

We were delighted that over 90% of staff took part in our bi-annual 'Your Voice' staff survey in autumn 2019 and that the results of the survey gave a 'Most Effective' score of 57%, comfortably exceeding our original target of 47% and was just 1% below the Korn

Ferry all industry global High Performing norm. It is a reflection of our staff's passion for the hospital and the things we are doing to further develop our culture to make the charity an extraordinary place to work.

In addition to the staff surveys and pulse checks, we also listen to our staff through forums such as our staff reps group, weekly Q&A sessions, monthly town halls and our transparent appraisal process.

Remuneration

Our approach to remuneration is led by our reward principles in paying in the upper quartile of the charity sector to attract and retain people who can deliver great results in a great place to work. We take into account external benchmarking in the Charity Brand Index top 10, the charity sector and industry as a whole, our overall charity financial performance and reference CPI/RPI and reward trends. The Finance and Audit Committee considers the Remuneration Policy and Awards proposal on an annual basis and makes recommendations on these matters to the Trustee Board. As a result of the financial impact of COVID-19, the April 2020 pay review was suspended. Our reward project work (communicated to all staff in January 2020) has confirmed that our pay is competitive and that our benefits are at or above market level, and we have individually benchmarked every role in the charity, so the decision to suspend the pay review was also taken within this context.

Executive pay

In determining executive pay, the Board of Trustees pays close attention to the fact that our income comes from generous supporters who ultimately want the best for children and families at GOSH, and that our income fluctuates year to year depending on the projects we are fundraising for at the time. As with the salaries of all staff, the salaries of the executive team are benchmarked both across the sector and industry as a whole. We endeavour to attract and retain an executive team who can consistently deliver against ambitious targets, be sector leading and innovative, and most importantly maximise the impact the charity has on the hospital and children's health.

Equality, Diversity and Inclusion

As an organisation, we know that we have more to do in creating a diverse and inclusive culture, and that we have not done enough to reflect the communities we support and work with and who donate to us.

For the benefits of diversity to be felt, we must create an environment where differences of thought and outlook are not only respected but expected. We want all our staff to feel that they can be themselves at work, valued for the distinct perspective that they bring, and able to fulfil their potential – irrespective of their ethnicity, sex, gender identity, sexual orientation, disability, faith, age or socioeconomic background.

We are committed to ensuring long-term change within GOSH Charity and are actively working with our staff to co-create our future approach. Although we have already made some progress, we know we are at the start of a journey to ensure this lasting change. As a first step we have committed to the ACEVO eight principles to address the diversity deficit in the sector, and the statement on our website endorses this. We are currently undertaking a series of workshops with staff, led by our CEO, for staff to reflect on their experiences and discuss ideas for change.

Gender pay reporting 2020 – for staffing as at April 2019

We remain committed to building upon the work that is underway to attract and develop the most diverse workforce, to champion gender equality and diversity and to reduce our current gender pay gap.

Although the Government Equalities Office and the Equality and Human Rights Commission (EHRC) made the decision to suspend enforcement of the gender pay gap reporting deadlines for this year, we are committed to transparency and maintaining focus on diversity and inclusion and have therefore chosen to voluntarily report.

Like many charities, we have a predominantly female workforce, with 74.9% female and 25.1% male. We have delivered on the commitments we made to our staff last year on our gender pay gap but, despite this, our gender pay gap at the latest reporting date of April 2019 was 22.29%, a decrease of only 0.48% from last year's figure, reflecting the high proportion of men who were in the top ten earners of the charity during this period.

A new CEO, Louise Parkes, joined the charity on 1 May 2019. The change in CEO and future changes in the Senior Leadership Team alongside our work on reward, will see further changes in the high proportion of men in the top ten earners of the charity.

Although it is a move in the right direction in reducing our gender pay gap, it is obviously disappointing to see such a small decrease. Despite the changes ahead, we currently continue to have an imbalance of men in our highest-earning roles and more women than men in the lowest quartile. We are also a small organisation, reporting on 231 staff. This is below the specified 250 minimum reporting requirements, but we are reporting our figures because we believe in openness and transparency. It should be noted that, in an organisation the size of GOSH Charity, small fluctuations in pay can have a big impact on our gender pay gap.

Anne Bulford OBE was appointed as our new Chair in October 2019. Today, our Board of Trustees comprises six women (excluding Anne) and six men.

Equal pay

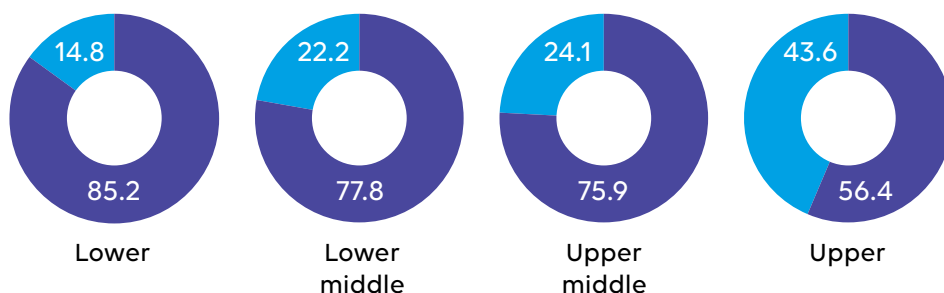
GOSH Charity is an equal pay employer and we are confident that our gender pay gap is not the result of unequal pay.

Safeguarding

Charity staff and Trustees come into direct and indirect contact with children, patients of the hospital, patient families and members of the public through delivery of a range of services and activities. Safeguarding is a critical area of importance to us and our primary concern, at all times, is to promote the welfare and safety of children, vulnerable adults and young people. Our safeguarding policy is regularly reviewed and all staff have undergone mandatory safeguarding training to ensure they can respond appropriately should a safeguarding issue arise.

In addition to standard employment reference checks, all staff and Trustees must obtain an enhanced DBS prior to commencement of service with the charity, with a three-year renewal programme also in place.

Proportion of women and men in each pay quartile (%)



Volunteering

We are fortunate to have a diverse volunteer workforce making a considerable contribution to both the hospital and the charity. We simply could not do what we do without them and we are truly grateful for the continued commitment and tireless support. The value of contribution is not reflected in our financial data.

At the hospital

In 2019/20, more than 1,090 hospital volunteers provided emotional and practical support for staff, children and parents, as well as bringing fun to the young patients. Volunteers work in roles from bedside to back office, ranging from play volunteers and befrienders to ward administrators. This year they contributed more than 228,000 hours, generously sharing their time, skills and energy with the hospital.

For the charity

We are hugely reliant on thousands of volunteers from individuals to whole companies, providing vital support for our fundraising activities and forming an integral part of the success of our fundraising.

In 2019/20 our team of volunteer ambassadors grew to 359, inspiring thousands of others in their support of the hospital. Our Corporate Partnerships Board and fundraising leadership boards, whose volunteers number over 200, raised much needed funds for a range of projects across the hospital. In addition, our tireless cheerers and event volunteers, of which there are over 620, enable us to provide that extra support to those generously giving their time, energy and funds to the charity.

It is a testament to the dedication of the charity's staff that they regularly volunteer at events, and support the Crocodile Club, which provides opportunities to volunteer at the hospital.

Trustees and Associate Trustees

The volunteer Board of Trustees currently consists of a Chair and twelve other Trustees appointed for their relevant and individual skills and experience, having been through a thorough recruitment process including interview. Trustees are appointed for a fixed term not exceeding four years. At the end of the fixed term, they can be reappointed, but no Trustee may remain on the Board for more than nine years.

Associate Trustees with specific skills and experience can also be appointed as volunteers to work with the Trustees on Board committees to increase the expertise available.

A thorough induction programme is provided for Trustees and Associate Trustees on appointment and Charity Commission guidance is shared. The induction programme includes meeting with the Chief Executive of the charity and all directors in order to obtain an overview of each directorate and key issues. In addition, new Trustees have a tour of the hospital and meet with any relevant committee chairs to obtain an understanding of current issues. These meetings are in addition to being provided with a range of documentation including prior year annual report and accounts, access to previous Board meeting papers and minutes, and undertaking online safeguarding training.

Access to training is provided throughout the term of office. Trustees are also required to undertake an enhanced DBS check.

During the course of 2019/20 we were delighted to welcome Anne Bulford OBE as Trustee and Chair of the Board, and Kevin Thompson and Louise Justham as Trustees of the Board. In May 2020 David Craig also joined the Board as a Trustee and Andrew Stoker joined the Finance and Audit Committee as an Associate Trustee.

During the year, John Connolly retired having served six years as a Trustee (five of which were as Chair of the Board). We would like to thank John for his considerable service and contribution to the charity as Trustee and Chair of the Board.

Trustees



Anne Bulford OBE
Chair of the Board

Anne is currently an Independent non-executive of KPMG's Public Interest Committee, a non-executive director of Reach plc, a non-executive member of the Executive Committee of the Army Board, a member of University College London's Gift Acceptance Committee and a Royal Ballet Governor. Her prior roles include Deputy Director General of the BBC and Chief Operating Office at Channel 4.



David Craig
(Appointed May 2020)

David Craig is the founding CEO and board member of Refinitiv, the global leader in financial markets data and infrastructure. David sits on the World Economic Forum (WEF) Digital Disruption Innovation Group and the WEF AI and Automation in Financial Services steering committee, presenting at Davos the last five years.



Jennifer Bethlehem
Grants Committee Property and Development Committee

Jennifer is a Corporate Partner at Freshfields Bruckhaus Deringer LLP and leads the firm's global healthcare team. Prior to becoming a lawyer Jennifer practiced for over 10 years as a nurse.



Margaret Ewing
Finance and Audit Committee Chair Investment Committee, Governance, Reputation and Risk Committee, Trustee of Sparks Charity

Margaret is currently a non-executive director of ITV plc, International Consolidated Airlines Group SA and ConvaTec Group plc. Prior roles include CFO of Trinity Mirror plc and BAA plc and a Vice Chair and Managing Partner of Deloitte LLP.



Nina Bibby
Governance, Reputation and Risk Committee

Nina is the Chief Marketing Officer at O2 (Telefonica UK), with commercial profit and loss accountability for the consumer and SMB mobile business. Nina is also a non-executive director of Barratt Developments.



Kaela Fenn-Smith
Property and Development Committee Chair

Kaela has previously been a director at Land Securities plc, and held senior positions with Jones Lang LaSalle and CBRE.



Nicky Bishop
Governance, Reputation and Risk Committee

Nicky is a consultant in the Charity sector, working with international and U.K. organisations on overall strategy and fundraising with a focus on children and sustainable development. Prior to this she was CEO of The Red Cross Children's Hospital Trust in South Africa, and Director of Fundraising at WWF-UK.



Professor Stephen Holgate
Grants Committee Chair, Chair and Trustee of Sparks Charity

Stephen is Medical Research Council Clinical Professor at the University of Southampton with an interest in asthma and allergy. He is a special advisor to the Royal College of Physicians (RCP) on air quality and cofounded Synairgen, a company dedicated to respiratory drug discovery.

Trustees



Louise Justham
(Appointed January 2020)

Louise is Global Marketing Director at the Bodyshop. Prior to this Louise was the CEO at Easyfundraising a socially focused online affiliate. Louise was also CEO at Seatwave an online ticket marketplace which was sold in 2014 to Ticketmaster. Prior to this Louise held digital marketing roles at Thomas Cook, BSkyB and Carphone Warehouse.



Mark Sartori
**Investment Committee,
Property and Development
Committee, Trustee of
Sparks Charity**

Mark retired from a career in capital markets where he worked in European Equities for Credit Suisse and Morgan Stanley. Mark also built a European Equities business for the Royal Bank of Canada.



Sandeep Katwala
**Governance, Reputation
and Risk Committee Chair,
Finance and Audit Committee**

Sandeep spent 25 years as a lawyer with the global law firm Linklaters LLP where he was a member of the Executive Committee and headed up the firm's EEMEA Region and India business.



Kevin Thompson
(Appointed January 2020)
Finance and Audit Committee

Kevin is Chair of the Audit Committee at Spirax-Sarco Engineering plc and a member of the Financial Reporting Council Lab Steering Group. Kevin retired in 2018 from Halma plc, a FTSE100 global group of life-saving technology companies, where he was CFO from 1998 until 2018.



Michael Marrinan
Grants Committee
Michael was a consultant Cardiothoracic Surgeon at King's College Hospital from 1992 until 2015 and was Medical Director of King's for six years. He is currently Medical Director of Royal Hospital for Neurodisability.



John Connolly
**Chair of the Board
(Retired July 2019)**
John is currently the Chair of G4S plc and a number of private companies

Associate Trustees



Mark Burgess

Investment Committee

Mark was Chief Investment Officer, EMEA and Deputy Global CIO at Columbia Threadneedle for nine years. Prior to this, Mark was Head of Equities at Legal and General Investment Management and held senior roles at Morgan Grenfell Asset Management and Deutsche Asset Management.



Ruary Neil

Investment Committee Chair

Ruary had a long career in the financial sector working in Asian equity markets and then in global asset allocation. He retired from UBS Investment Bank in June 2014. He is an independent non-executive director of JPMorgan Emerging Markets Investment Trust plc and a member of the Advisory Council of The SOAS China Institute, London University. Ruary retires from the Investment Committee in September 2020.



Paul Langham

Property and Development Committee

Paul has extensive experience of property developments, both in the UK and internationally. He is currently Head of Project Management and Engineering at Land Securities having previously been Project Director at Stanhope Plc.



Andrew Stoker

Appointed May 2020

Finance & Audit Committee

Andrew is the Chief Financial Officer of Rothesay Life. Andrew joined Rothesay in 2014 and is responsible for the finance, actuarial and HR functions. Andrew was previously a partner in EY's risk and actuarial practice and prior to that was Chief Actuary at Lucida plc. Andrew has also held roles at PwC, Tillinghast (now Willis Towers Watson) and Legal & General.



Joseph McDonnell

Investment Committee

Joseph is Managing Director and Head of Portfolio Solutions at Neuberger Berman. Prior to joining Neuberger Berman he spent 10 years as Head of Portfolio Solutions EMEA and Head of Diversified Alternatives for Morgan Stanley Investment Management.



Simon Stormer

(Retired March 2020)

Finance and Audit Committee

Simon has had an extensive career in the financial services sector at Credit Suisse, Morgan Stanley and now Deutsche Bank where he is the Regional Chief Operating Officer for the Channel Islands.



Chris Morris

Property and Development Committee

Chris is a specialist in real estate law and practised at Freshfields Bruckhaus Deringer, from 1982 to 2014, being a partner there from 1991 to 2014. Chris was on the Policy Committee of the British Property Federation for three years.

Tulsi had delicate spinal surgery at GOSH within hours of being born. Her mum Laxmi says: "Tulsi is doing really great. She's crawling, standing up, and she loves going to play group."



Structure and management

Statement of confirmation compliance with Companies Act and SORP

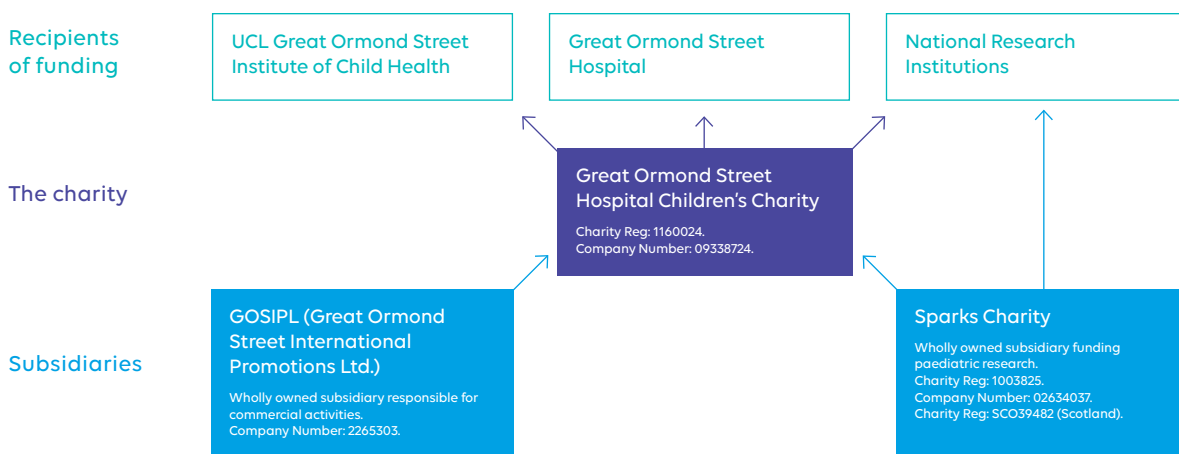
The Trustees confirm that the financial statements comply with the Companies Act 2016, Charities Act 2016, the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP), applicable accounting standards and the provisions of the Memorandum and Articles of Association for both the charity and its subsidiaries.

In addition, financial statements for Sparks comply with the Charities and Trustee Investment (Scotland) Act 2005 and regulation 6 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Legal structure and governing document, related parties and subsidiary companies

To ensure greater efficiency and reduce costs, the group structure was reviewed during the year 2017/18 and the Great Ormond Street Hospital Children's Charity (unincorporated charitable trust) and 'Friends' entities were both closed, giving the organisational structure as below.

Structure



Sparks and GOSIPL remain separate entities and subsidiaries of GOSH Charity. Sparks continues to raise funds and make grants for children's medical research nationally in partnership with GOSH Charity. GOSIPL is responsible for all commercial activities of the group, namely licensing, sales promotions and mail order. All surplus funds earned by GOSIPL are donated, under Gift Aid, to the charity. Both entities have their own Board responsible for all governance issues. Financial details for both are summarised in the notes to the GOSH Charity financial statements, with their own audited financial statements filed as appropriate.

Much of the GOSH research funded by the charity is undertaken in partnership with ICH (see note 5 to the financial statements).

Transactions with other related parties are disclosed in note 24 of the financial statements.

Trustee responsibilities

The Board of Trustees meets at least six times per year and is responsible for providing governance for, and leadership to, the charity. It agrees strategic plans for fundraising and other operations and approves the allocation of charitable expenditure. The Board also sets operating plans and budgets and determines the risk appetite and tolerances acceptable in achieving the charity's purpose and strategy. A review of

operating and financial performance is undertaken at each Board meeting (unless an ad hoc meeting, called to deal with matters of special interest). During the year, the Chief Executive and Director of Finance and Operations were invited to attend all meetings of the Trustees and other directors and senior managers were invited to attend for presentations and discussions of specific relevant topics.

Much of the Board's work is delegated to five sub-committees with remits as follows:

Governance, Reputation and Risk Committee

- Governance, Reputation and Risk Committee
- Monitoring compliance with all governance policies, regulations, laws and sector guidelines.
- Recommending appointment of internal auditors, approve non-financial internal audit plan, review non-financial internal audit findings and monitor effectiveness of internal auditors.
- Policy setting and monitoring of all fundraising, including fundraising practices, supporter commitment and use, guidelines, monitoring of third parties and complaint monitoring.
- Reviewing risk management policy and risk register, monitoring all key non-financial risks of the charity and ensuring the charity is operating within the risk appetite and tolerance levels set by the Board.
- Monitoring the charity's reputation and setting policy for the identification, assessment, management and resolution of material reputational risk to the charity as well as understanding the opportunities available to enhance the reputation of the charity.
- Reviewing and approving all contractual HR policies.

Finance and Audit Committee

- Monitoring and review of the integrity of the charity's financial statements and financial reporting, including the approval of all accounting policies.
- Agreement of both external and financial internal audit plans and reports.
- Recommending appointment and reviewing effectiveness of the external auditors.
- Monitoring of major internal charity projects and review of associated non-property business cases.
- Review of the annual business plan, budget and pay award proposal on which it makes recommendations to Trustees.

Investment Committee (sub-committee of Finance & Audit)

- Monitoring the allocation and performance of the charity's investment portfolios.
- Appointing professional advisors and investment managers, reviewing their appointment annually and evaluating their performance.
- Reviewing the investment strategy and related policies and recommending required changes to the Board of Trustees.
- Investing funds in accordance with the investment policy and in support of the charity's financial plan and strategy.

Property and Development Committee

- Reviewing and monitoring the effective and efficient management of the charity's property interests.
- Reviewing and recommending to the Board the strategy for the charity's estate in support of the hospital, ICH and the charity, and to monitor its implementation.
- Monitoring progress on all redevelopment projects that the charity supports.
- Overseeing the charity's disbursements relating to the hospital's property interests.

Grants Committee

- Recommending a research strategy for Board approval and recommending an overall grant making programme and grants strategy for the charity.
- Awarding and varying grants within the grant award budget streams approved by the Board as part of the annual plan and ensuring such grants are in compliance with the charity's charitable objects.
- Monitoring grants provided for all charitable activities (excluding property and redevelopment) and overseeing the charity's disbursements programme.
- Assessing applications for funding and making recommendations to the Board including those from the Research

All committees report to the full Board and each one meets at least three times per year.

Board objectives and performance review

The continuous improvement in the performance of the Board is vital to enable it to lead the charity in delivering its charitable objects and public benefit in an effective and sustainable manner.

The Board regularly evaluates the effectiveness of its structure, decision making processes and its performance as part of its commitment to continuous learning and improvement. Following on from the completion of a comprehensive and wide-ranging Governance Review in February 2020, set out in the Governance Section, the Board has commissioned a detailed review of the Board and Committee structure with a view to ensuring the composition of the Committees are fit for the future as the Board leads the charity in its new strategy.

The review will consider the current structure of committees, as well as their effectiveness and efficiency. In addition, the review will seek to identify any areas which require additional or reduced focus over the next period of the strategy or to fulfil future good governance and best practice requirements. The findings and recommendations from the review are expected during Summer 2020.

In June 2019 the Board undertook review of its effectiveness by conducting an internal evaluation. The evaluation included completion of a questionnaire by each Trustee, all members of the charity's senior leadership team, including the Chief Executive, and was administered by the Trustee Liaison Officer.

The results of the June 2019 Board evaluation process highlighted considerable ongoing improvement in the Board's effectiveness and relationship with the charity's management and staff, plus the hospital and ICH leadership and acknowledged the importance of these relationships in supporting the Chair, Board and Senior Leadership Team. The review further indicated opportunities for:

1. Improved diversity of age, ethnicity and skills and experience (particularly digital, strategic and entrepreneurial) on the Board and its committees.
2. Greater understanding of the views of key stakeholders. Whilst this has improved in respect of the hospital, ICH and certain regulators, the understanding of the views of patients, donors and other stakeholders could be improved and would better inform the Board in its decision making.
3. More challenge of delivery of strategy, fundraising, costs and innovation.
4. Additional oversight of the charity's risk management processes, particularly in respect of emerging risks.

The June 2019 internal Board evaluation conclusions, the comprehensive Governance Review and the ongoing Board/Committee Review provide an excellent platform for the Chair to develop and grow the Board's effectiveness and from which to lead the charity in its strategy for the next five years.

Section 172 - Carrying out duties, decision making and stakeholder engagement

The Trustees of the charity understand that their duty as individuals and collectively is to act in good faith and within their powers to promote the success of the charity for the benefit of our beneficiaries and wider stakeholders as well as the wider public. As such, Trustees take a number of factors into consideration when making decisions and carrying out their duties:

Long term consequences

The charity operates under strategic and long-term plans as set out on pages 30 to 32 of this report. Detailed plans are developed to assist the charity to achieve its long term plans, and the Trustees consider decisions on the basis of their impact on the long term strategic plans of the charity. The charity operates under a risk management framework as set out on pages 60 to 65, which ensure all areas of risk are considered in decision making.

The interests of employees

The Trustees are entirely conscious of the value that our staff bring in enabling the charity to transform the lives of seriously ill children. Pages 41 to 43 sets the initiatives we have in place to listen to our staff and ensure that their views are represented in decision making.

Fostering relationships with beneficiaries, supporters and suppliers

As our principal beneficiaries, the needs of the hospital and ICH drive our activity. The chief executives of both organisations attend charity Board meetings to ensure Trustees are kept informed of issues and challenges they face. In addition, the Hospital Priorities Steering Group is a cross organisational group established to ensure the charity funds are utilised to achieve the greatest impact. Patients and their families also form a central part of our decision-making process, in particular considering the impact of our work as you can see on pages 10 to 21.

Our supporters and suppliers are fundamental to our success, and as set out on pages 54 to 58 we follow the Code of Fundraising Practice and uphold our Supporter Commitment as well as ensuring that we treat people fairly. Across the charity our staff ensure

that relationship management is carefully considered to provide supporters and suppliers with a positive experience. In addition, we are conscious of the importance of the relationships we hold across the sector and seek to engage and help to promote the sector where possible.

The impact on the community and environment

We are mindful that we have a role to play in the wider community and environment and undertake this responsibility in a variety of ways, including through our ESG (Environmental, Social and Governance) investment strategy, through information sharing such as our 'Power of Play' series and as set out on page 58, by measuring our carbon output.

Maintaining a reputation for high standards of conduct

The Trustees ensure full and appropriate compliance with all relevant regulations, laws and good governance requirements, and throughout the last five year strategy, have embedded high standards across the charity through our commitment to good governance as set out on pages 54 to 58. The Trustees consider whether they have sufficient information when making decisions, and actively seek external advice from bodies such as regulators where necessary.

The need to act fairly between members

The charity does not operate under a membership scheme. Trustees therefore believe this element of the Section 172 does not apply to the charity. However, as stakeholders are primarily beneficiaries we aim to act fairly in how we allocate resources to projects by ensuring consistent review by committees as set out in pages 49 and 50.

Management

Louise Parkes' appointment as Chief Executive was effective from 1 May 2019. She has responsibility for ensuring that policies and strategies agreed by Trustees are applied and for ensuring the effective operational management of the charity. During the year, the structure of the Senior Leadership Team has been reviewed and a number of changes have been made that will see the Chief Executive working alongside five (previously seven) executive directors, each of whom has responsibility, experience and expertise in a specific area key to ensuring the stability and development of the charity, as well as wider knowledge and experience to drive sector-leading change. Trustees meet with the executive directors in Board meetings (and frequently outside Board meetings) to review and discuss ongoing critical and strategic issues and to determine where Trustees may best add value to the charity beyond Board and committee membership, whilst ensuring they remain independent.

Going concern

The Trustees have reviewed the financial position of the charity, including its forecast cash flows, liquidity position and existing and potential funding commitments for the next five years and a range of scenarios that consider potential longer term implications of the COVID-19 virus on the charity sector, the hospital and the charity. The charity's fundraising streams are well diversified and the anticipated drop in income as a result of COVID-19 has not materially affected our ability to meet existing financial commitments. Consequently, the Trustees believe that there are adequate resources for the charity to continue in operation for the foreseeable future and that it is appropriate to continue to adopt the going concern basis of accounting in preparing this annual report and financial statements.

Public benefit statement

The Trustees confirm that they have paid due regard to the Charity Commission's general guidance on public benefit. The charity exists to benefit the patients and families of GOSH. Our grants are structured to ensure that the money raised is used to best effect to support the hospital's work and is in line with donors' wishes and the charity's mission and objectives.

The charity does not provide facilities directly to the public, but provides them to the hospital, and in so doing, the patients of the hospital. For example, thanks to our supporters, the charity is able to provide accommodation in Morgan Stanley House for patients and parents to use when visiting the hospital for treatments or tests that require an overnight stay, but do not require that stay to be on an acute hospital ward.

Grants made to the hospital provide a benefit to any patient requiring the services of the hospital, and these services are available to all who are entitled to NHS treatment based on need.

Our research grants are made nationally, and findings impact children and young people not only at GOSH and throughout the UK, but across the world. In addition, research findings can inform future research into a wide range of conditions affecting both children and adults, therefore providing a much wider societal benefit.

Eleanor, is four years old. While she's at GOSH she loves tie-dyeing and crafting, and visits the GOSH school with other patients from Squirrel ward.



Governance and compliance

We feel very privileged to have the support of many generous individuals and organisations. We always endeavour to exercise high standards and great governance, continually reviewing and improving our resources and practices across all our activities, including how we fundraise.

Standards and monitoring

High Standards and Great Governance has been one of our fundamental enablers over the last five years and we have firmly embedded this within our values.

During the year we completed an extensive governance review of our practices against the Charity Governance Code and other standards and codes of conduct assessing how we work and ensuring we continue to operate responsibly and ethically in line with our own aims and values. Since the last time we undertook such a review, there has been a new Charity Code of Governance and a number of additional and updated regulations and guidance, supporting the need for strong and robust governance arrangements.

Overall, the charity is in a strong position with its governance arrangements. It is supported by a strong internal team with subject matter expertise across corporate, legal, data protection, fundraising and general compliance and has further engaged with and developed robust working relationships with external organisations who are able to provide additional expertise and support when required. The review identified the key areas of governance focus for us over the coming financial year and identified a small number of areas where improvements could be made to strengthen existing administrative processes. These are currently being put into place and will ensure that we remain fit for purpose and supported into the future.

The Trustee Board retains overall responsibility for ensuring good governance and in line with its standing orders has delegated responsibility for oversight, scrutiny and governance matters relating to fundraising regulation and reputation, regulatory and legislative compliance, and all non-financial risks, to the Governance, Reputation and Risk Committee. The charity's Fundraising Standards and Information Governance Group provides an operational focus and oversight on governance and charity fundraising matters. As we move into 2020/2021 this Group will

be renamed the Compliance Forum and chaired by our Head of Governance, Legal and Compliance, with continued representation across all fundraising and cross-charity teams. The Forum reports into the Governance, Reputation and Risk Committee and meets three times a year. In addition, our Internal Audit programme (undertaken by Grant Thornton, independent internal auditors) incorporates governance reviews and third party agency reviews. During the year Grant Thornton reviewed our new operating system and CRM - Salesforce for benefits realisation. In addition business continuity planning, volunteers management – control operating effectiveness, and the effectiveness of the charity's whistleblowing policies and procedures were also reviewed, as well as reviewing progress against the recommendations arising from prior year audits.

Throughout the year, the charity has engaged in sector-led and wider consultations issued by our regulators including the Charity Commission, Information Commissioners Office, Gambling Commission and Fundraising Regulator. This provides us with the opportunity to help shape and build good practice and allows us to better understand developments across the sector.

Principal fundraising activities

The charity benefits from a very broad and diverse supporter base. Supporters donate in a wide variety of ways. In 2019/20 these included:

- Regular donations – more than 173,000 supporters made regular donations, usually on a monthly basis.
- Individual donations – for example from supporters responding to a specific major charity appeal, attending an event, entering a raffle or buying merchandise.
- Community fundraising – community-based activities or challenge events that took place in support of the charity, often organised by a patient's loved ones. In addition, many people participated in large events, such as the Virgin Money London Marathon, to raise funds.
- Corporate fundraising – corporate partners chose to give donations to the charity, delivering cause-related marketing programmes and/or engaging with their employees to help raise funds for the charity.
- Legacies – we received 515 legacy gifts this year, where supporters have chosen to give a gift to the charity in their Will.

Code of Fundraising Practice

Maintaining the trust of our donors is always in the forefront of our minds. We know it matters to people not just how we spend their money, but also how we raise funds. We continue to maintain our registration with the Fundraising Regulator and hold membership with both the Institute of Fundraising and the National Council for Voluntary Organisations.

2019 saw the Fundraising Regulator consult on and publish its new Code of Fundraising Practice. This was the first major redraft in almost a decade and the changes have improved its style, presentation, clarity and accessibility. During the year, we undertook a full review of all our fundraising activity against the newly styled Code of Fundraising Practice to ensure we continued to be compliant against the requirements contained within.

The Fundraising Preference Service (FPS) was set up during 2017 by the Fundraising Regulator and provides individuals with an alternative way to prevent contact from charities. During the year to 31 March 2020, we received 61 requests from individuals who no longer wished to receive our communications through the FPS, compared with 86 in the previous year. The charity actioned all the requests received promptly.

Supporter Commitment

Our Supporter Commitment is our promise to always strive for sector-leading standards in fundraising practice. We pledge to our supporters that:

- we will treat you with respect
- we will be honest and open
- we will commit to high standards
- we will let you know the difference your donation is making
- we will communicate with you based on your wishes
- we will not pass on your data
- we will take complaints seriously

The full Supporter Commitment is published on our website.

Treating people fairly

Every individual is unique in their background, experience and circumstance and, therefore, every interaction between the charity and members of the public is also different. We commit to making fundraising a positive experience for everyone.

All our staff, volunteers, agencies and other third parties working on our behalf are required to help protect those who may be vulnerable or be in a vulnerable circumstance. We have a "Treating People Fairly" policy and training programme that provides guidance and indicators on how to identify if an individual would benefit from additional care or support to make an informed decision, as well as how to assess whether it is appropriate to accept a donation or continue a conversation.

Modern Slavery and Human Trafficking

We understand and recognise that slavery and human trafficking are causes for increasing concern throughout the world. This is especially relevant and worrying to us when this impacts the lives and wellbeing of children. As a result, it is important that we never find ourselves in a position where we are directly or indirectly facilitating slavery or human trafficking.

We take a zero-tolerance approach to slavery and human trafficking, and are resolute to identify and eliminate this, or any elements of it, within our activities and supply chain.

Our full Modern Slavery Statement can be found on our website.

We are committed to making all our staff aware of the organisation's views in relation to slavery and human trafficking. The policies we have in place providing guidance on areas such as whistleblowing, procurement and safeguarding are in the process of being reviewed and updated to ensure they fully address the modern slavery risk.

In addition, our policies are provided to our suppliers on the basis that if we engage a supplier, it is expected that they, their employees and anyone they engage with, should comply with the principles set by the charity family.

We are committed to continually developing and improving our Modern Slavery Statement and the protections in place and annually release an updated version of our statement, to reflect our progress and set aims for the future.

Complaints

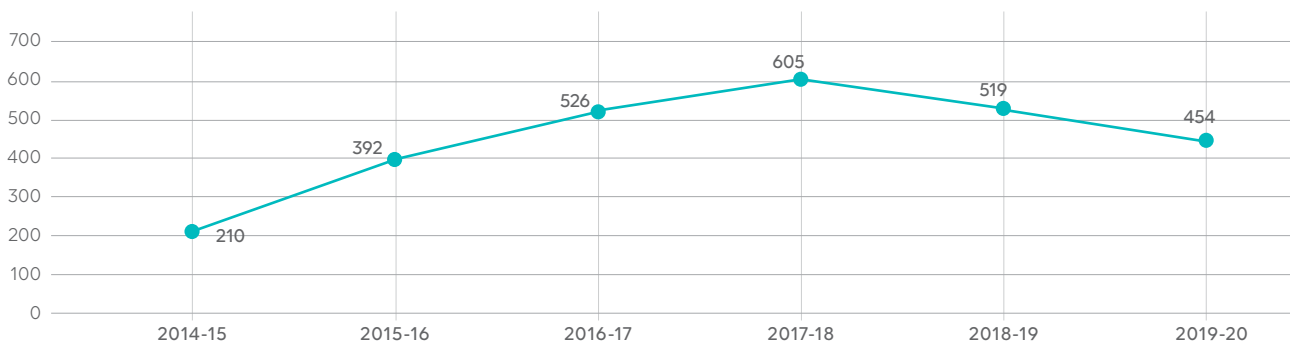
As part of our supporter commitment, we take all complaints seriously and see them as an opportunity to learn and improve our services.

During 2019, we undertook a full review of our policy and processes for handling complaints to ensure it continued to adhere to best practice and remained fit for purpose for teams across the charity. As a result, we updated and republished the policy on our website and refreshed our internal processes for identifying, logging and categorising complaints to provide greater consistency and accuracy.

For the year 2019/20, we received a total of 454 complaints providing a reduction in overall complaints numbers from last year, where 519 were recorded.

The decrease in the number of complaints are largely attributed to lessons learnt and changes made to our fundraising campaigns based on supporter complaints and feedback.

Complaints reporting has been, and will continue to be, provided on a regular basis to our Directors and Trustees. Our Governance, Reputation and Risk Committee receive regular reports on behalf of the Board of Trustees as well as quarterly and annual impact and trend analysis at each meeting.



Complaints – Annual Comparison

Fundraising on our behalf

We use agencies and third parties to help us with certain elements of our fundraising, including door-to-door, telephone and private site fundraising as well as the processing of regular donations. All the agencies and third parties we work with are thoroughly vetted and briefed on the objectives of the charity and the need for them to comply with and meet our high standards, including our supporter commitment. We provide training to their staff on a regular basis about the work of the hospital and our values and expectations of standards, and undertake regular monitoring and oversight of their activities through a combination of methods such as call monitoring, mystery shopping, meetings and internal audit reviews.

COVID-19 has required us to work with agencies and third parties to, where necessary, suspend activity that is not compliant with social distancing requirements and seek alternative methods of fundraising.

All fundraising contracts comply with the requirements of the Charities (Protection and Social Investment) Act 2016 and best practice, outlining

GDPR, data protection and information governance

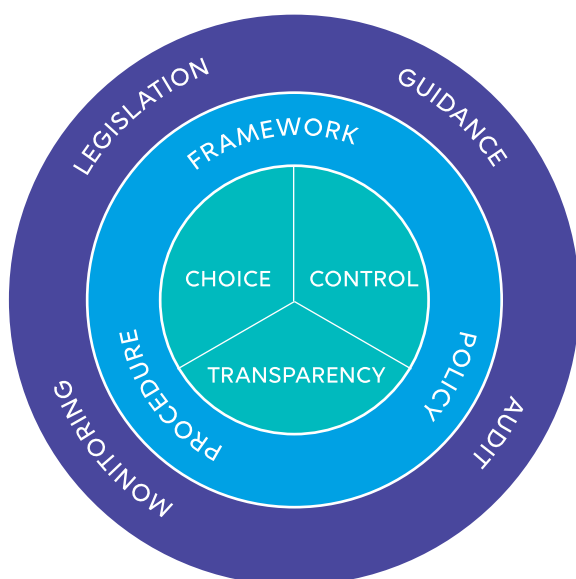
Individuals entrust us with, and allow us to gather information relating to, their support, fundraising, employment and other matters as part of their contact with the charity. They do so in confidence and have a legitimate expectation that we will respect their privacy and act appropriately.

The charity believes that CHOICE, CONTROL and TRANSPARENCY form the central basis of a robust and effective framework for handling personal data and is committed to ensuring compliance with privacy legislation, working to a culture that puts the individual first and foremost.

Our Head of Governance, Legal and Compliance continues to act as our Data Protection Officer, with formal responsibility for our compliance in this essential area, and works closely with our Trustees, CEO, senior management team, staff and partners.

2019 saw the first anniversary since the implementation of the General Data Protection Regulations (GDPR) and the UK Data Protection Act 2018, coming into force. Having spent the time leading up to implementation focussing on process, documentation and training, 2019 gave us time to reflect and take stock of our Privacy Management Framework to ensure it continued to support our strategic priorities and reflect our values and organisational vision.

Outside of ongoing monitoring of both our and our third-parties compliance against privacy legislation, key activities focused on more specific and in-depth areas related to privacy legislation such as records retention, cookies, child data and consent. In addition, we started work to understand the implications of Brexit in respect of both our general data processing activities and the information we hold on those donors who support us and reside in the EU.



Energy and Carbon Reporting

We acknowledge that running our charity has an effect on society. In particular, we have a responsibility to our donors and supporters, our employees and contractors as well as the broader community in which we operate and are committed to conducting ourselves in a responsible and ethical manner and minimising the impact on our environment. We have committed to work towards compliance with Phase 3 of the Energy Savings Opportunity Scheme Regulations (ESOS) throughout 2020 and have assessed the charity against the Government's Streamlined Energy and Carbon Reporting (SECR) initiative.

We instructed independent energy consultants Briar Consulting Engineers Limited to carry out our first assessment for the year to 31 March 2020 against the SECR for all assets for the charity and its subsidiaries, GOSIPL and Sparks. As it is our first year of assessment, comparative data is not available.

The energy data was collated from energy invoices, mileage records and benchmarks. The majority of the energy data was supplied by providing unit rates per site and the total cost of each fuel from accounting records to determine the energy consumption and carbon emissions. This energy data was converted to carbon emissions using emission factors provided by the Department of Business, Energy & Industrial Strategy that relate to the beginning of each respective reporting year. The associated emissions are divided into the combustion of fuels and the operation of facilities (scope 1), purchased electricity (scope 2) and indirect emissions that occur because of company activities (scope 3).

Several properties have or are undergoing refurbishments throughout the year and have therefore had little energy consumption during this reporting period. It should be noted that the fuel consumption for the charity owned vehicle was excluded as the consumption is immaterial.

Estimates have been used in relation to energy consumption in some cases. Approaches to estimation include pro-rating and use of the appropriate CIBSE TM46 benchmarks where actual energy data has been unavailable.

Breakdown of energy consumption used to calculate emissions (kWh):	2019/20
Natural gas	931,720
Electricity	779,953
Employee owned vehicles where company purchases the fuel	2,375
Total gross energy consumed	1,714,048

Breakdown of emissions associated with the reported energy use (tCO ₂ e)	2019/20
Scope 1	
Natural gas	171.3
Total Scope 1	171.3
Scope 2	
Electricity	199.4
Total Scope 2	199.4
Scope 3	
Employee owned vehicles where company purchases the fuel	0.6
Total Scope 3	0.6
Total gross emissions	371.2

Intensity Ratio

We have chosen to use gross tonnes of carbon dioxide equivalent emissions per employee as our intensity ratios. This metric is chosen as it is the most readily available and complete data over the period and help 'normalise' the data.

	2019/20
Tonnes of CO ₂ e per employee*	1.776

* Number of employees is recorded as of 31 March within the April to March reporting year.

Energy efficiency action during current financial year

The management of resources is an important issue for the charity, particularly operating within the constraints of a portfolio with several buildings having listed status. Despite this, we were still able to implement some energy reduction measures. In the period 1 April 2019 to 31 March 2020, the charity has undertaken the following actions to improve energy efficiency:

- Continued the replacement of standard desktop computers with more energy efficient tablets (the energy saving from these replacements has not been quantified).
- Time switches installed across TVs in various departments to reduce waste consumption.
- Implemented a 'Cloud first' strategy, which reduces the amount of equipment needed across the office communications rooms.
- Replacing fluorescent lighting with highly efficient LED lighting (the energy savings for this have not been quantified).

Bethany, age 12, has epilepsy. She's been coming to GOSH all her life and is treated under the Neurology team. She is well acquainted with having MRI scans and enjoys watching Disney films while in the scanner.



Risk management framework

Purpose-driven approach to risk

The starting point for determining our risk management framework is our strategy purpose statement. We identify those events that could significantly impact the realisation of our purpose and areas of strategic focus, and the controls we need to develop to minimise adverse effects of such events.

The charity's purpose is: Transform the lives of seriously ill children through research, care and advocacy. Our five-year strategic plan sets out the impact goals that we use to measure our progress towards achieving our purpose and the areas of strategic focus that will in turn optimise our ability to deliver these impacts. We, therefore, need to identify the events/risks that could interfere or disrupt these areas and take actions to mitigate or offset these events/risks.

At the same time, we realise that some risk is inherent to the activities required to optimise the charity's contribution and impact to the hospital and therefore we accept a level of risk but always within the context of, and in a manner consistent with, our values. We therefore constantly challenge ourselves to use resources innovatively to optimise our performance, whilst giving due care to protect the charity's overall long-term impact.

Our risk management framework has been developed to reflect our risk appetite, which, as part of the development of our new five year strategy to 2025, was reviewed during 2019/20 to ensure it remains appropriate. Trustees defined our risk appetite, ensuring that the accepted risks are appropriate to the purpose of the charity and that risk management is embedded across the organisation, with the entire charity engaged in identifying and managing risk.

COVID-19

Further information in relation to our COVID-19 response and mitigating actions can be found on pages 23 to 28. The pandemic carries implications for multiple areas of the charity:

- Impact on our workforce
- The extensive pressure on the hospital and the subsequent impact on projects funded by the charity
- Significant loss of income
- Adverse impact on cost:income ratio
- Increased cyber security threats due to working from home
- Ability to respond to potential change in charitable expenditure priorities
- Increased risk of fraud

Principles applied daily

Our risk management approach sets out the overall boundaries within which the charity aims to operate but we also need practical guidance that charity staff can use on a day-to-day basis. We have therefore established guiding principles in respect of our appetite for risk and the level of risk we are prepared to accept.

In the following table, we have identified key risk themes and for each theme set out the charity's risk tolerance and guiding principle. These are used to aid day-to-day decision making when considering activities, internal and external occurrences which may impact those activities, and the standards the charity wants to uphold. We have included a zero appetite for legal, regulatory and data risk areas. While we recognise this is challenging to achieve, given the possibility of human error, we believe it should always be our goal.

Risk area	Appetite	Principle
Legal and regulatory	Zero	We aim to be legally compliant in all aspects of our operations and achieve high sector standards.
Data loss or unplanned/unauthorised disclosure	Zero	We aim to not compromise the confidentiality of personal data. We recognise that by using third parties, we are not directly in control of data but carry out due diligence to ensure they will uphold our standards. We will not tolerate repeated errors and will take action to correct or terminate relationships if required.
Financial	Low/ Medium	We aim to maintain a credible ongoing financial/business model that delivers an acceptable cost/income ratio but we recognise that on occasion we may need to take a certain amount of risk in order to realise potential rewards e.g. innovation in fundraising to seek new sources of income and optimising income over the longer term from our investment portfolio.
Fundraising – only using methods and practices that meet consistent high standards	Low	We always strive to fully comply with all regulations and guidelines and achieve high standards in all our fundraising activities. Innovation in fundraising carries some risk as highlighted below.
Reputational	Low	The charity's reputation is fundamental to realising the charity's purpose and is integrally linked to the hospital's reputation and activities. We always aim to minimise risks to our reputation and to that of the hospital. Positive risks should be taken in line with fundraising policies. Fundraising always carries some risks and these risks are managed on a business case basis, depending on the degree of risk and size of donation/income stream and always with a reputational management consideration.
Charitable activities (non-redevelopment)	Low	The charity aims to minimise risks associated with its charitable delivery activities, including reputational risks and to also ensure financial sustainability of activities is considered prior to commitment.
Redevelopment charitable activity	Low	The charity aims to minimise risks associated with its redevelopment activities, including health and safety risks and financial overruns. Where financial overruns arise, the charity will always ensure a robust gateway process is applied for approval of any additional funds required to deliver a project.
Innovation	Medium	We invest in new activities within acceptable financial and reputational constraints recognising that not all new or novel activities will deliver an immediate return, but ensuring they adhere to high standards.
People	Low	We seek to provide an engaging and rewarding environment, with competitive benefits and opportunities to empower and enable our people and consider the impact on our staff of all our key decisions.
Commercialisation of assets	Low	We will regularly review and consider the various ways we can use all of our assets to provide the greatest impact, whether by income generation or direct charitable support.
Partnerships	Low	We actively seek to work in partnership with others in order to further our charitable purpose. We have a robust due diligence process to ensure partners work to the same high standards as us.

Identification of key risks: strategic priorities and impact

The risks below, relevant at the date of approval of this Annual Report, have been identified as the key risks of the charity and could interfere or disrupt the contribution of our strategic priorities and enablers. We have set out the actions we are taking to mitigate or offset these risks. The risks/ events are categorised according to the priorities

and enablers that they could principally disrupt. We have then applied the appropriate tolerance and principles as set out above to determine the residual net risk the charity is bearing, after applying all existing controls and mitigating actions. We have noted any planned further actions and mitigations required to reduce the net residual risk in future.

Key

increasing risk




risk level unchanged




reducing risk





Risk: Adverse economic environment, competition for fundraising, increased regulation and/or hospital's planning cycle reduces the charity's ability to raise sufficient income to fund ongoing and future projects, including redevelopment and research	Applicable principles Charitable activities Financial Reputational Fundraising	Net risk High
Mitigations Extensive planning and financial controls operate to ensure the charity has the ability to meet its existing financial commitments. The charity is very fortunate to have an extensive and diverse supporter base that has continued to provide support through economic cycles, including the most recent COVID-19 impact. The charity continues to explore and develop appropriate channels and methods, to explain the need for continued charitable support and the significant impact it has on the lives of children and young people in the UK and across the world. Benchmarking and close monitoring of other major charities' activities and approaches to fundraising to identify potential new activities or sources of income. The charity is investing in a fundraising innovation programme to help grow existing streams and/ or seek new fundraising activities for existing and new audiences to support income and grow our supporter base.	Remaining risks The global and local impact of COVID-19, and consequential social distancing and other activity restrictions and rules, is yet to be determined. As a result, the scale of impact on income streams is difficult to determine, although we estimate a loss of approximately 25% of budgeted income. Whilst social distancing impacts all event and community fundraising activity, economic downturn and recession has potential to impact number of donors, value of donations and value of estates in legacies, as well as the ability of our corporate partners to fundraise for us. In addition, the potential impact on fundraising post Brexit remains unknown and may exacerbate the impact of the anticipated downturn resulting from COVID-19, which may adversely impact the charity's ability to grant monies to the hospital and to research. Similarly, COVID-19 is likely to have a long-term impact on the priorities of the hospital. This will have implications for the charity's funding requirements, impacting the amount that can be raised in any one year. In particular any reduction in the redevelopment programme will see a reduction in associated income. Ongoing focus on the charity sector and increased regulation could impact the charity's ability to engage with new supporters and retain existing supporters. We accept the need for ensuring supporters and the public's privacy is protected, but in certain areas this can impact the charity's ability to raise funds.	

Risk: Redevelopment projects incur significant cost increases	Applicable principles	Net risk
	Charitable activities Financial Reputational Fundraising	High 
Mitigations <p>An extensive and comprehensive review process is in place for all charity grants, utilising external independent professionals where appropriate to understand and ensure integrity of projects and robustness of financial projections.</p> <p>Close ongoing monitoring of projects vs objectives and costs. Where cost overruns might arise, robust gateway process to minimise overruns and optimise outcomes.</p> <p>Post grant and development reviews undertaken to ensure lessons are learned and grants made have delivered their intended impact.</p>	Remaining risks <p>High inflationary pressures in the London construction market have previously resulted in construction cost overruns, and COVID-19 along with Brexit may bring further uncertainty and cost pressures.</p> <p>The charity works closely with the hospital and advisors to strengthen controls and avoid additional costs. This work will be increasingly important as the hospital and charity enter future redevelopment projects.</p>	


Risk: Cyber security breach which results in data loss, impacts our ability to undertake fundraising activities or has an adverse effect on the charity by reducing services available and reputation	Applicable principles	Net risk
	Data loss or disclosure Financial Fundraising Reputational	Medium 
Mitigations <p>Penetration tests regularly carried out.</p> <p>Internal audits regularly undertaken to review systems in place and risks (both to protect against cyber risks and in respect of business continuity).</p> <p>Ongoing extensive training to heighten awareness of duty for security and protection of data.</p> <p>A management console is used to ensure minimum protection for security and anti-virus software installed and regularly updated on all devices.</p> <p>IT team monitor developments and potential attacks. The charity continues to invest in infrastructure and controls to minimise cyber security risks.</p> <p>All mitigating processes and procedures have been maintained since the start of the COVID-19 pandemic and have mitigated any potential increased risk posed by all staff working from home, as a result we maintained our risk level as medium. In addition, the increased volume of attacks can be mitigated within current procedures.</p>	Remaining risks <p>Whilst COVID-19 has seen an increase in the number of attacks these can be managed within current processes and procedures. However, constantly changing 'attacks' make it difficult to ensure that all areas of penetration are protected.</p>	

Priority: maintain positive and high public profile

Risk: Adverse publicity associated with the charity (including its fundraising activities), hospital or charity sector could cause reduction in public support	Applicable principles Charitable activities Financial Reputational Fundraising	Net risk Medium 
Mitigations We aim to always operate to high standards and prevent any actions which may bring the charity into disrepute or give rise to adverse public or media comments. Over recent years we have invested significantly to further strengthen our governance and compliance resources and controls and undertaken additional compliance and control verification with our third-party fundraisers. We aim to have an open and transparent dialogue with our supporters and stakeholders and also the public at large and through this approach address any concerns raised. When incidents arise, we have robust response and communication systems in place to engage with all relevant stakeholders.	Remaining risks Certain factors are beyond the charity's control and the charity may be adversely impacted by the sentiment and concerns for the wider charity sector and the hospital.	

Risk: Breach of data, fundraising or charity compliance (other than by a cyber security breach) by GOSH Charity, one of its entities or a third party working for the charity	Applicable principles Legal & regulatory Data loss Reputational	Net risk Medium 
Mitigations Strong internal controls are in place to ensure compliance with all relevant regulations, sector guidelines and best practice and to prevent data breaches. The controls are regularly reviewed and audited to ensure they remain robust. Contracts are in place with third party agencies to ensure compliance and regular spot checks and audits are carried out to verify compliance.	Remaining risks Human error can result in exceptional breaches occurring. When these arise we will always promptly and fully address and correct any errors or oversights and work quickly to prevent any reoccurrence.	

Priority: increased efficiency

Risk:	Applicable principles	Net risk
Increasing cost pressures and failure to realise efficiency savings result in unacceptably high costs of fundraising and a high cost:income ratio with consequent adverse impact on donor support and fundraising income	Financial Reputational	Medium 
<p>Mitigations</p> <p>The charity has invested in new core systems and processes with the aim of realising efficiencies, improving supporter stewardship and engagement and higher fundraising income. Work is ongoing to embed and optimise the new system and processes and to realise the identified cost savings.</p> <p>Our ongoing cost review is identifying opportunities for further cost savings and efficiencies and areas where financial returns from fundraising activities can be improved, particularly in light of COVID-19 having changed the manner in which numerous fundraising activities can be carried out.</p> <p>We anticipate that COVID-19 will adversely impact the cost:income ratio for 2020/21 and potentially 2021/22, but we believe it is appropriate to carry those costs in the short term in order to respond to opportunities and optimise future fundraising.</p> <p>The fundraising innovation programme will carefully consider cost:income ratio as part of any new activities trialled.</p>	<p>Remaining risks</p> <p>The full implications of COVID-19 remain unknown.</p>	

Risk identification, mitigation, review and reporting

Every member of the charity is encouraged to identify and report existing and emerging risks on an ongoing basis. A centralised risk register enables recording and evaluation of these risks, with mitigations being collaboratively agreed so that a uniform approach can be taken.

The risk register is regularly reviewed by directors and all high rated risks are reported to Trustees. The Trustees acknowledge that some projects or activities may still incur a residual high level of risk, but where it is felt that this exposure is appropriate in order to help meet the mission, the Board seeks assurance that the actions and controls to mitigate the risks are robust and effective and that all reasonable steps have been taken to minimise the net risk.

The Governance, Reputation and Risk Committee has specific oversight of non-financial risk (on behalf of the Board). In addition to considering and recommending to the Board the approach to risk appetite and management, the committee also monitors the charity's management of all risk, including risks such as health and safety, fraud and whistleblowing.

The committee undertakes deep dives into activities to ensure that risks have been given due consideration, appropriate levels of due diligence have been carried out and that mitigations put in place are effective.

As the nature of risk can be unpredictable, Trustees also obtain assurances as to the general 'health' of the charity from a wide variety of sources including presentations, wide ranging internal and external audits and external benchmark reporting.

Lacey is 13 years old, but she's been coming to GOSH since she was a baby. Because she was born without intestines, she's had to have many procedures to help her absorb nutrients.



Statement of Trustees' responsibilities

The trustees (who are also directors of Great Ormond Street Hospital Children's Charity for the purposes of company law) are responsible for preparing the Trustees' Annual Report (including the Strategic Report) and the financial statements in accordance with applicable law and regulation.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice). Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

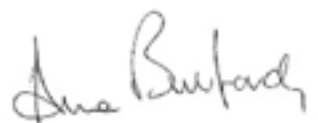
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Statement of Recommended Practice: Accounting and Reporting by Charities;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

In accordance with Section 418, directors' reports shall include a statement, in the case of each director in office at the date the directors' report is approved, that:

- a) so far as the trustee is aware, there is no relevant audit information of which the company's auditors are unaware; and
- b) they have taken all the steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.



Anne Bulford OBE
Chair
15 July 2020

Independent auditors' report to the members and Trustees of Great Ormond Street Hospital Children's Charity

Report on the audit of the financial statements

Opinion

In our opinion, Great Ormond Street Hospital Children's Charity's group financial statements and parent charitable company financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2020 and of the group's and parent charitable company's incoming resources and application of resources, including its income and expenditure, and of the group's and parent charitable company's cash flows, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements 2019/20 (the "Annual Report"), which comprise: balance sheet as at 31 March 2020; consolidated statement of financial activities for the year ended 31 March 2020, consolidated statement of cash flows for year ended 31 March 2020; and the notes to the financial statements.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you when:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's and parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the group's and parent charitable company's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Strategic Report and Trustees' Report

In our opinion, based on the work undertaken in the course of the audit the information given in the Trustees' Report, including the Strategic Report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and the Strategic Report and the Trustees' Report have been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Strategic Report and the Trustees' Report. We have nothing to report in this respect.

Responsibilities for the financial statements and the audit

Responsibilities of the trustees for the financial statements

As explained more fully in the Trustees' Responsibilities Statement set out on page 67, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The trustees are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements

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

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

Use of this report

This report, including the opinions, has been prepared for and only for the charity's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.



Kevin Lowe (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Embankment Place
15 July 2020

Great Ormond Street Hospital Children's Charity
Consolidated statement of financial activities for the year ended 31 March 2020
(Incorporating an income and expenditure account)

	Note(s)	Unrestricted funds £'000	Restricted and endowment funds £'000	Year ended 31 March 2020 £'000	Unrestricted funds £'000	Restricted and endowment funds £'000	Year ended 31 March 2019 £'000
Income and endowments from:							
Donations and legacies	2.1	54,948	26,031	80,979	51,352	26,319	77,671
Other trading activities	2.2	2,602	4,339	6,941	2,712	3,826	6,538
Investments	2.3	2,486	4	2,490	1,825	133	1,958
Charitable activities	2.4	835	219	1,054	1,294	66	1,360
Total		60,871	30,593	91,464	57,183	30,344	87,527
Expenditure on:							
Raising funds	3.1	25,266	-	25,266	24,893	-	24,893
Charitable activities	3.2	8,161	45,316	53,477	9,000	37,443	46,443
Total		33,427	45,316	78,743	33,893	37,443	71,336
Net income before (losses)/gains on investments		27,444	(14,723)	12,721	23,290	(7,099)	16,191
Net (loss)/gain on investments		(3,192)	-	(3,192)	2,559	-	2,559
Net income/(expense)		24,252	(14,723)	9,529	25,849	(7,099)	18,750
Transfers between funds	19.1/19.2/19.3	(2,448)	2,448	-	121	(121)	-
Other recognised gains/(losses):							
Gains/(losses) on revaluation of fixed assets	9	(1,938)	-	(1,938)	110,928	-	110,928
Net movement in funds		19,866	(12,275)	7,591	136,898	(7,220)	129,678
Reconciliation of funds:							
Total funds at the beginning of year		469,386	2,346	471,732	332,488	9,566	342,054
Total funds carried forward 31 March		489,252	(9,929)	479,323	469,386	2,346	471,732

Notes 1 to 24 form part of these financial statements.

All amounts relate to continuing operations. All gains and losses recognised in the year are included in the consolidated statement of financial activities. There are no material differences between the net income for the financial year and the historical cost equivalents.

Great Ormond Street Hospital Children's Charity

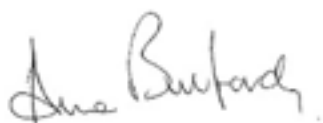
Balance sheets

As at 31 March 2020

		Consolidated		Charity	
	Note(s)	Total at 31 March 2020 £000	Total at 31 March 2019 £000	Total at 31 March 2020 £000	Total at 31 March 2019 £000
Fixed assets					
Intangible assets	8	5,064	6,141	5,064	6,141
Tangible assets	9	325,725	326,712	325,725	326,712
Investments	10	45,096	47,016	45,096	47,016
Total fixed assets		375,885	379,869	375,885	379,869
Current assets					
Inventories	11	55	60	-	-
Investments	12	137,765	144,575	137,765	144,575
Debtors	13	15,352	18,489	17,642	21,250
Cash		34,075	12,402	27,402	5,549
Total current assets		187,247	175,526	182,809	171,374
Creditors: amounts falling due within one year	14	15,141	33,427	12,301	30,321
Net current assets		172,106	142,099	170,508	141,053
Total assets less current liabilities		547,991	521,968	546,393	520,922
Creditors: amounts falling due after more than one year	15	68,668	50,236	67,989	49,608
Total net assets		479,323	471,732	478,404	471,314
The funds of the charity					
Restricted and endowment funds	19.1/19.2	(9,929)	2,346	(9,735)	2,450
Unrestricted income funds:					
General funds	19.3	31,771	35,500	30,658	34,978
Revaluation reserve	19.3	108,815	110,928	108,815	110,928
Designated funds	19.3	348,666	322,958	348,666	322,958
Total charity funds		479,323	471,732	478,404	471,314

Net income (£000's) for the charity for the year before consolidation was £11,503 (2018/19: £14,847).

The notes on pages 74 to 101 are an integral part of these financial statements. The financial statements on pages 71 to 73 were authorised for issue by the Board of Trustees on 15 July 2020 and were signed on its behalf.



Anne Bulford OBE, Chair

Great Ormond Street Hospital Children's Charity
Consolidated statement of cash flows
 For the year ended 31 March 2020

	Note	Year ended 31 March 2020 £'000	Year ended 31 March 2019 £'000
Cash flows from operating activities:			
Net cash generated from operating activities	20.1	16,909	7,690
Cash flows from investing activities:			
Dividends and interest from investments	2.3	2,490	1,958
Purchase of property, plant and equipment	9	(3,540)	(27,335)
Purchase of intangible fixed assets	8	0	(283)
Proceeds from sale of investments	10	757	1,031
Movement in cash held as investments	10	(328)	(170)
Purchase of investments	10	(1,425)	(1,383)
Net cash used in investing activities		(2,046)	(26,182)
Change in cash and cash equivalents in the reporting year		14,863	(18,492)
Cash and cash equivalents at the beginning of the reporting year	20.2	156,977	175,469
Change in cash and cash equivalents due to exchange rate movements		-	-
Cash and cash equivalents at the end of the reporting year		171,840	156,977
		Total at 31 March 2019 £'000	Total at 31 March 2018 £'000
Analysis of cash and cash equivalents:			
Cash in hand		34,075	12,402
Current asset investments	12	137,765	144,575
Cash and cash equivalents at the end of the reporting year		171,840	156,977

Great Ormond Street Hospital Children's Charity

Notes to the financial statements

1. Subsidiaries and accounting policies

1.1 Accounting policies

The following accounting policies have been applied consistently for all years in dealing with items that are considered material in relation to the financial statements of the charity and its subsidiaries.

1.1.1 Company information

Great Ormond Street Hospital Children's Charity (charity number 1160024) and its subsidiaries operate with the objective of raising money to further such charitable purposes as:

- (a) the hospital services (including research) of Great Ormond Street Hospital,
- (b) any other part of the health service associated with Great Ormond Street Hospital as the Trustees think fit, provided that such support is not of a kind that would ordinarily be given by the statutory authorities, and
- (c) research into children's disease.

The charity is a company limited by guarantee and is incorporated in England. The address of its registered office is 40 Bernard Street, London, WC1N 1LE.

1.1.2 Basis of preparation

These consolidated and separate financial statements have been prepared on a going concern basis as a public benefit charity, under the historic cost convention, as modified for the revaluation of certain investments and properties measured at fair value, and in accordance with the Statement of Recommended Practice (SORP) Accounting and Reporting by Charities, Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", the Charities Act 2016 and the Companies Act 2016. Changes to the SORP effective for accounting periods on or after January 2019 were considered and resulted in no changes to accounting policies. No separate Statement of Financial Activities (SOFA) has been presented for the charity alone, as permitted by section 408 of the Companies Act.

Total income (£000's) for the charity before consolidation was £89,708 (2018/19: £83,819) with total resources expended of £78,206 (2018/19: £68,972). Net income for the year was £11,503 (2018/19: £14,847).

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group and charity accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 1.1.5.

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of, and no objection to, the use of exemptions by the charity's Trustees.

The parent charity has taken advantage of the following exemptions:

- i) from preparing a statement of cash flows, on the basis that it is a qualifying entity and the consolidated statement of cash flows, included in these financial statements, includes the charity's cash flows;
- ii) from certain financial instrument disclosures required under FRS 102 sections 11 and 12, as the information is provided in the consolidated financial statement disclosures.

1.1.3 Going concern

The charity meets its day-to-day working capital requirements through its bank facilities. The charity's forecasts and projections, taking account of possible changes in performance including range of scenarios of the future impact of COVID-19 impact and the longer term implications for the economy and social engagement, show that the charity should be able to operate within the level of its current facilities. The Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future and for at least 12 months from the date the financial statements were authorised for issue.

As described above and in the Annual Report, following the Trustees' assessment of going concern (see page 52), the Trustees continue to adopt the going concern basis in preparing the financial statements.

1.1.4 Basis of consolidation

The consolidated financial statements of the charity incorporate the financial statements of the Company Limited by Guarantee and its fully owned subsidiary undertakings, Great Ormond Street International Promotions Limited (GOSIPL), and Sparks Charity (Sparks). Intercompany transactions and balances between charity companies are eliminated. Consistent accounting policies have been adopted across the group.

The net assets of subsidiaries at the date of association are assessed on a fair value basis for the purpose of consolidation into the results for the group.

1.1.5 Critical accounting judgements and estimation uncertainty

The charity makes estimates and assumptions concerning the future. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Critical Accounting Judgements

(i) Recognition of legacy income

Legacy income from residuary estates requires judgement due to its variability and is recognised when three criteria are met. Entitlement is established, receipt of the income is probable, and it can be reliably measured. Legacy income recognised in the year was £23.3m (2018/19: £23.0m) including accrued income of £9.3m (2018/19: £11.4m).

- Entitlement is established when we receive notification of an interest in an estate and a copy of the will
- Income receivable is probable
- Measurement criteria is considered met when the statement of assets and liabilities is received

Only when these criteria have been met is income from legacies recognised in the financial statements. To allow for movement in estates during the completion of administration, a 5% reduction is applied to estimates provided, which does not give rise to a critical estimation uncertainty.

Estimation uncertainties

(ii) Valuation of land and buildings (note 9)

Valuations are carried out professionally at five-yearly intervals, with an internal review undertaken in all other years. A full revaluation was carried out by Cluttons LLP for the balance sheet date 31 March 2019, with a subsequent internal valuation at 31 March 2020. An impairment of £1,938k was applied this year which reflects a 5% downward revaluation on residential type properties. If this was increased to 10%, it would be £3,876k. The impact of the property market on these assets will be kept under review as part of our internal valuation assessments each year. Estimates give consideration to floor space, location, property type and property market indices.

The charity undertakes their own revaluation review in the years when there is no professional valuation carried out. Where an indication of material upward or downward revaluation is identified, an estimation of the fair value of the property is required. This requires estimation of the future economic benefits from the property and also selection of appropriate discount rates in order to calculate the net present value of those economic benefits. In the financial statements we may refer to a downward revaluation as an impairment.

1.1.6 Income and endowments

Income from non-exchange transactions are donations of money, goods, facilities or services which are given freely to the charity by a donor. All income is included in the statement of financial activities (SOFA) when the charity is legally entitled to the income, the amount can be quantified with reasonable accuracy and the receipt of the income is probable. The following specific policies apply to categories of income:

a) Donations and legacies

(i) Donation in kind, except donated goods to the hospital:

In all cases, the amount at which donations in kind are recognised is either fair value of the cost to the donor or the amount actually realised as appropriate dependent on the gift. Total gifts in kind were £0.4 million (2018/19 £0.4 million).

- i. Assets given for distribution by the charity are included in the SOFA only when distributed.
- ii. Assets given for use by the charity are included in the SOFA as income when receivable.
- iii. Gifts made in kind but on trust for conversion into cash and subsequent application by the charity are included in the accounting period in which the gift is sold.
- iv. Services provided by volunteers such as fundraising event volunteering and office assistance, are not recognised in the SOFA.

(ii) Legacies:

Legacies are accounted for as income when there is evidence of entitlement to the gift, receipt is probable, and its amount can be measured reliably. This is in line with the requirements under FRS102 and SORP.

(iii) Income from fundraising activities:

General donations and Gift Aid are recognised on receipt or accrued for respectively. Ticket, auction and sponsorship income from fundraising events are disclosed under other trading activities and recognised when receivable.

b) Other trading activities

Income from the charity's trading subsidiary is disclosed under other trading activities. This income is recognised on sale of goods when dispatched, on royalties and licences as they are contractually entitled to the income, for challenge events in line with when these take place and for commercial sponsorship on an accruals basis or when the event takes place.

c) Grants and other time-related income

Where grants are related to performance and specific deliverables, these are accounted for as the charity earns the right to consideration by its performance. Where income is received in advance of performance, its recognition is deferred and included in creditors.

d) Investments

Investment income is recognised when receivable and allocated to restricted funds where applicable based on the average balance held through the year.

1.2 Expenditure

Expenditure is accounted for on an accruals basis and has been classified under the principal categories of 'expenditure on raising funds' and 'expenditure on charitable activities'. The expenditure on raising funds comprise the costs incurred in generating donations and legacy income including apportioned support costs. Expenditure on charitable activities comprises the costs incurred on delivering charitable activities including apportioned support costs.

Full provision is made within the financial statements for grant expenditure at the point when a commitment is made, the payment is probable and the liability can be quantified with reasonable certainty. If the commitment dependent on the grant recipient meeting performance related condition, this will be provided for when the condition is met.

Any redundancy costs are accrued for when notified to the individuals involved and the amount can be determined reliably.

Support costs, which include the central functions of Finance, IT, HR, Administration, Business Support, Governance and Supporter Services, are allocated across the categories of expenditure of raising funds, expenditure on charitable activities and other expenditure. The basis of the cost allocation is set out in note 4.

1.3 Funds structure

Income and resources expended are allocated to particular funds according to their purpose.

- a) Permanent endowment funds
Funds where the capital is held to generate income for charitable purposes and cannot be spent are accounted for as permanent endowment funds.
- b) Restricted funds
Restricted funds include income that is subject to specific restrictions imposed by donors.
- c) Unrestricted funds
Unrestricted funds include income received without restriction, including the retained profits of the trading subsidiary. Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.
- d) Designated funds
The Trustees may designate unrestricted funds for a particular purpose without restricting or committing the funds legally. Designated funds are funds delegated by the Trustees to meet various current or future obligations.

Transfers between funds may arise where there is an authorised release of restricted or endowed funds, or when charges are made from unrestricted to other funds. Details of the transfers made in the year are included in note 19.

1.4 Intangible fixed assets

- a) Capitalisation
Intangible assets (software) that are capable of being used for more than one year and have a cost equal to or greater than £5,000, are capitalised. Software is included in the financial statements at purchase cost or at total cost of development if designed and built internally.
- b) Valuation
Software is valued at cost less accumulated amortisation and accumulated impairment losses.
- c) Amortisation
Software is amortised, using the straight-line method, to allocate the depreciable amount of the assets to their residual value over the specific period of the purchased licence, if applicable, or alternatively over a period of between three to ten years, depending on the life cycle of the asset and constant advances in information technology. Amortisation is allocated to support costs in the SOFA. The assets are reviewed for impairment annually if the above factors indicate the carrying amount may be impaired.

1.5 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use, dismantling and restoration costs.

All assets falling into the following categories are capitalised:

- i) Tangible fixed assets that are capable of being used for more than one year and have a cost equal to or greater than £5,000. Cost includes the original purchase price of the asset and the costs directly attributable to bringing the asset to its working condition for its intended use.
- ii) Groups of tangible fixed assets that 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 (except for computer equipment where only assets with an individual value of £1,000 or more are capitalised).
- iii) Assets under construction comprising expenditure on the purchase and creation or enhancement of fixed assets not brought into use at the balance sheet date. Transfers are made from the asset under construction to the relevant category of fixed asset in the year the asset is brought in to use.
- a) Land and buildings
Land and buildings are held by the charity as part of charitable objectives to assist the hospital, as a result, properties are leased under market value and the charity carries substantially all the risks and rewards of ownership.

Land and buildings are stated at fair value which is either open market value or depreciated replacement cost. Depreciated replacement cost takes into account the expected timing of potential replacement when properties are subject to leases. Valuations are carried out professionally at five-yearly intervals, with an impairment review undertaken in all other years. A full revaluation was carried out by Cluttons LLP for the balance sheet date 31 March 2019, with an internal valuation at 31 March 2020.

Revaluation gains and losses are recognised in other recognised gains or losses.

To the extent that a downward revaluation (also referred to as an impairment) exceeds previously recognised revaluation gains, this is recognised within net income.

An impairment of £1.9 million was applied to the fixed asset revaluation fund as a result of the fall in property valuations due to COVID-19. These assets had been previously revalued upwards therefore the downward movement was recognised within other recognised gains or losses.

- b) Fixtures, fittings, vehicles and equipment
Fixtures, fittings, vehicles and equipment are stated at cost less accumulated depreciation.
- c) Assets under construction
Assets under construction are stated at cost. These assets are not depreciated until they are available for use.
- d) Depreciation
Depreciation is charged on each main class of tangible fixed asset, depreciating the asset over its expected useful life from the date of use, other than land which is not depreciated, as follows:

Buildings	50-100 years
Fixtures and fittings	15 years
Office equipment	10 years
Vehicles	10 years
IT equipment	3 years
- e) Donated assets
Donated assets are capitalised at their valuation on a full replacement cost basis or fair value where this is not the same on receipt and are depreciated as described above.
- f) Subsequent additions
Subsequent costs, including major inspections, are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that economic benefits associated with the item will flow to the charity and the cost can be measured reliably.
Repairs, maintenance and minor inspection costs are expensed as incurred.
- g) Derecognition
Tangible fixed assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the SOFA.

1.6 Financial instruments

The charity has chosen to adopt Section 11 of FRS102 in respect of financial instruments.

Financial assets

Fixed and current asset investments consist of long-term and short-term portfolios comprising

- i) Quoted stocks and shares, included in the balance sheet at market value, which is equivalent to fair value.
- ii) Cash investments, held at cost plus accrued interest.
- iii) Investments in subsidiary undertakings, stated at cost less impairment.

All gains and losses are taken to the SOFA as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and the market value at the start of the year (or date of purchase if later). Unrealised gains and losses are calculated as the difference between market value at the year end and market value at the start of the year (or date of purchase if later).

1.7 Inventories

Stocks consist of purchased goods for resale, which are valued at the lower of cost and the estimated selling price, less costs to complete and sell. Provision is made for any obsolete or slow-moving items.

1.8 Employee benefits

The charity provides a range of benefits to employees, including paid holiday arrangements and a defined contribution pension plan.

Short-term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

Most employees are members of the defined contribution pension plan. A defined contribution plan is a pension plan under which the charity pays fixed contributions into a separate entity. Once the contributions have been paid the charity has no further payment obligations. Contributions are chargeable to the SOFA in the period to which they relate. The assets of the plan are held separately from the charity in independently administered funds.

The charity also participates in the NHS Pension Scheme, with two current employees and a number of former employees being covered by the provisions of that scheme. Details of the benefits payable under these provisions can be found on the NHS Pensions website. The scheme is an unfunded, defined benefit scheme that covers NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The scheme is not designed to be run in a way that would enable the charity to identify its share of the underlying scheme assets and liabilities as it is a multi-employer scheme and cannot be accounted for as if it were a defined benefit scheme: the cost of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period. As the scheme is a government run scheme, the ultimate responsibility for any underfunding lies with the government and the charity cannot be held liable. Consideration is given to the following by the NHS Pension Scheme when calculating these contributions:

- a) Accounting valuation
- b) Full actuarial (funding) valuation
- c) Scheme provisions

1.9 Taxation

Great Ormond Street Hospital Children's Charity, as a registered charity, is exempt from income tax under part 10 of the Income Tax Act 2007 or Section 256 of the Taxation of the Chargeable Gains Act 1992, to the extent that surpluses are applied to its charitable purposes. No corporation tax charge has arisen in GOSIPL, due to its policy of gifting all taxable profits to the charity each year.

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

1.10 Leases

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are charged to the SOFA on a straight-line basis over the period of the lease.

Incentives received to enter into an operating lease are credited to the SOFA, to reduce the lease expense, on a straight-line basis over the period of the lease.

1.11 Related party transactions

On consolidation transactions with related parties, of a similar nature, are aggregated unless, in the opinion of the Trustees, separate disclosure is necessary to understand the effect of the transactions on the group financial statements.

1.12 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments and bank overdrafts. Bank overdrafts, when applicable, are shown within borrowings in current liabilities.

1.13 Provisions and contingencies

(i) Provisions

Provisions are recognised when the charity has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resource will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax rate that reflects current market assessment of the time value of money and the risks specific to the obligation. The increase in provision due to the passage of time is recognised as a finance cost.

(ii) Contingencies

Contingent liabilities are not recognised, except those acquired in a business combination. Contingent liabilities arise as a result of past events when (a) it is not probable that there will be an outflow of resources or that the amount cannot be reliably measured at the reporting date or (b) when the existence will be confirmed by the occurrence or non-occurrence of uncertain future events not wholly within the charity's control. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

Contingent assets are disclosed in the financial statements when an inflow of economic benefits is probable.

Great Ormond Street Hospital Children's Charity

Notes to the financial statements

1. Subsidiaries and accounting policies (continued)

1.14 Great Ormond Street International Promotions Limited

The charity has a wholly owned trading subsidiary, Great Ormond Street International Promotions Limited (GOSIPL) with paid-up share capital of £2. GOSIPL is incorporated in the UK. The principal activities of the company are commercial activities, namely licensing, sales, promotions and mail order. A summary of its trading results and net assets is shown below. These results are included in the group consolidation. Audited financial statements are filed with the Registrar of Companies.

	Year ended 31 March 2020 £'000	Year ended 31 March 2019 £'000
Profit and loss account		
Turnover	1,861	2,005
Cost of sales	(416)	(514)
Gross profit	1,445	1,491
Administrative expenses	(356)	(360)
Operating profit	1,089	1,131
Interest receivable and similar income	3	2
Profit on ordinary activities before taxation	1,092	1,133
Taxation	-	-
Profit for the financial year	1,092	1,133
Distribution	(1,092)	(1,133)
Net movement in funds	-	-

Balance sheet

as at 31 March 2019

	Total at 31 March 2020 £'000	Total at 31 March 2019 £'000
Inventories	55	60
Debtors	542	278
Cash	557	1,812
Current liabilities	(1,129)	(2,125)
Net assets	25	25
Profit and loss account	25	25
Surplus	-	-
Share capital and reserves	25	25

Great Ormond Street Hospital Children's Charity

Notes to the financial statements

1. Subsidiaries and accounting policies (continued)

1.15 Sparks Charity

Sparks became a subsidiary of the charity on 1 February 2017. The charity is the sole member of Sparks Charity (Sparks) company. The principal activity of Sparks is to provide grants for research into children's diseases.

	Year ended 31 March 2020 £'000	Two months to 31 March 2019 £'000
Income and endowments from:		
Donations and legacies	817	981
Other trading activities	345	643
Income from investments	18	13
Charitable activities	219	66
	1,399	1,703
Expenditure on:		
Raising funds	477	627
Charitable activities	431	863
	908	1,490
Net income before gain on investments	491	213
Net gain on investments	11	8
Net income	502	221
Total funds at the beginning of year	393	172
Total funds carried forward 31 March	895	393
Balance sheet as at 31 March 2019		
	Total at 31 March 2020 £'000	Total at 31 March 2019 £'000
Current assets		
Debtors	315	289
Cash	6,116	5,042
Total current assets	6,431	5,331
Creditors: amounts falling due within one year	4,858	4,309
Net current assets	1,573	1,022
Total assets less current liabilities	1,573	1,022
Creditors: amounts falling due after more than one year	678	629
Total net assets	895	393
The funds of Sparks	895	393

Great Ormond Street Hospital Children's Charity

Notes to the financial statements

2. Income and endowments

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Year ended 31 March 2020 £'000
Income and endowments from:				
2.1 Donations and legacies				
Direct gifts from individuals and trusts	21,678	17,158	-	38,836
Legacies	22,631	626	-	23,257
Community fundraising	7,432	2,053	-	9,485
Partnerships, campaigns, events and other income	3,207	6,194	-	9,401
	54,948	26,031	-	80,979
2.2 Other trading activities				
Auctions, tickets, sponsorship and other income	1,002	4,123	-	5,125
Fundraising trading	1,600	216	-	1,816
	2,602	4,339	-	6,941
2.3 Investments				
Fixed term deposit and bank interest	2,486	-	4	2,490
	2,486	-	4	2,490
2.4 Charitable activities				
Grants	-	219	-	219
Property	835	-	-	835
	835	219	-	1,054
Total income and endowments	60,871	30,589	4	91,464

Great Ormond Street Hospital Children's Charity

Notes to the financial statements

2. Income and endowments (continued)

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Year ended 31 March 2019 £'000
Income and endowments from:				
2.1 Donations and legacies				
Direct gifts from individuals and trusts	20,936	15,362	-	36,298
Legacies	19,848	3,143	-	22,991
Community fundraising	7,217	2,343	-	9,560
Partnerships, campaigns, events and other income	3,351	5,471	-	8,822
	51,352	26,319	-	77,671
2.2 Other trading activities				
Auctions, tickets, sponsorship and other income	962	3,596	-	4,558
Fundraising trading	1,750	230	-	1,980
	2,712	3,826	-	6,538
2.3 Investments				
Investments and fixed portfolio income	1,825	129	4	1,958
	1,825	129	4	1,958
2.4 Charitable activities				
Grants	-	66	-	66
Property	1,294	-	-	1,294
	1,294	66	-	1,360
Total income and endowments	57,183	30,340	4	87,527

Great Ormond Street Hospital Children's Charity

Notes to the financial statements

3. Expenditure on

	Direct costs £000	Support costs £000	Year ended 31 March 2020 £000	Year ended 31 March 2019 £000
3.1 Raising funds:				
Direct gifts from individuals and trusts	8,759	4,093	12,852	12,465
Legacies	687	303	990	878
Community fundraising	2,742	2,891	5,633	5,463
Partnerships, campaigns, events and other income	2,887	1,977	4,864	5,052
Trading	537	255	792	928
Investment management costs	125	10	135	107
	15,737	9,529	25,266	24,893
3.2 Charitable activities				
Welfare and clinical development	22,537	1,423	23,960	5,069
Research	3,393	214	3,607	7,378
Medical equipment and systems	8,500	537	9,037	7,111
Redevelopment	12,330	779	13,109	24,310
Accommodation and other	3,540	224	3,764	2,575
	50,300	3,177	53,477	46,443
Total expenditure	66,037	12,706	78,743	71,336
			Year ended 31 March 2020 £000	Year ended 31 March 2019 £000
3.3 Expenditure includes charges for:				
Lease rentals			955	875
Fees payable to the charity's auditors for the audit of the group annual financial statements			56	55
Other fees payable to the charity's auditors			14	5
Depreciation (Note 9)			2,589	1,088
Impairments (Note 9)			-	3,538
Amortisation (Note 8)			1,077	887

Lease rentals include the hire of photocopier, IT leases and rental costs for the use of 40 Bernard Street premises. Fees payable to the charity's auditors for the audit of the charity's consolidated financial statements of £56,460 (2018/19: £54,925), exclusive of VAT, include £20,405 (2018/19: £19,435 for the audit of the subsidiary undertakings. A further £14,000 (2018/19: £5,000) was paid in relation to additional work required for the year ended 31 March 2019 audit.

Prior year impairment has been restated from £7,478k to £3,538k as the remaining £3,940k related to the property revaluation and is shown in the revaluation reserve as is the current year impairment of £1,938k, and gains on revaluation of fixed assets in other recognised gains.

Great Ormond Street Hospital Children's Charity

Notes to the financial statements

4. Support costs

	Staff costs £000	IT and Comms £000	Other £000	Total at 31 March 2020 £000	Total at 31 March 2019 £000
Cost of expenditure on raising funds	4,715	1,041	3,773	9,529	8,715
Welfare and clinical development	704	155	564	1,423	332
Research	106	23	85	214	483
Medical equipment and systems	266	59	213	538	466
Redevelopment	385	85	308	778	1,590
Patient, family and staff accommodation and other	111	24	89	224	169
Total	6,287	1,387	5,032	12,706	11,755

Support costs include the costs of the following departments and activities: Governance, Finance, Technology, Human Resources, Administration, Office Running Costs, Business Support, Brand Marketing, Communications and Supporter Services. These are allocated using a full-cost model, which is calculated using drivers from each departments' activities during the year. Remaining staff costs are allocated as direct costs to activities.

Great Ormond Street Hospital Children's Charity

Notes to the financial statements

5. Grant funded activities

	Total at 31 March 2020	Total at 31 March 2020	Total at 31 March 2019	Total at 31 March 2019
	£000	No. awarded	£000	No. awarded
Name of recipient:				
Academic Medical Centre	-	-	5	1
Brunel University	220	1	-	-
Great Ormond Street Hospital	33,938	112	35,572	89
Homerton University Hospital NHS Foundation Trust	-	-	23	1
Institute of Child Health	1,019	12	2,143	24
IGBMC (Institut de genetique et de biologie moleculaire et cellulaire)	-	-	-	1
King's College London	-	-	225	1
Oxford Brookes University	123	1	-	-
Oxford University	170	1	-	-
Sheffield Hallam University	-	-	189	1
The Brain Tumour Charity	-	-	195	1
University College London	580	3	958	7
University of Birmingham	-	-	247	1
University of Cambridge	448	2	238	1
University of Zürich	-	-	-	1
UZ Leuven, Belgium	50	1	-	-
Total	36,548	133	39,795	129

Great Ormond Street Hospital Children's Charity

Notes to the financial statements

6. Details of staff costs

	Total at 31 March 2020 No. of staff	Total at 31 March 2019 No. of staff
The average number of employees is split as follows:		
Support	38	39
Fundraising	138	148
Charitable expenditure	45	48
Governance	13	14
Total	234	249

6.1 Analysis of staff costs

	Total at 31 March 2020 £000	Total at 31 March 2019 £000
Salaries and wages	8,869	8,784
Social security costs	968	955
Pension costs	660	639
Ex gratia and redundancy	70	23
Other employee benefits	32	49
Total emoluments of employees	10,599	10,450
Pension costs are split as follows:		
Defined contribution scheme	641	621
Final salary scheme	19	18
Total pension costs	660	639
Outstanding contributions as at the year end were:		
Defined contribution scheme	75	72
Final salary scheme	2	2
Total outstanding contributions	77	74

Great Ormond Street Hospital Children's Charity

Notes to the financial statements

6. Details of staff costs (continued)

6.2 Senior employees bandings (benefits, excluding pension contributions) as follows:

	Total at 31 March 2020 £000	Total at 31 March 2019 £000
£60,000 - £69,999	7	5
£70,000 - £79,999	7	7
£80,000 - £89,999	1	2
£90,000 - £99,999	4	2
£100,000 - £109,999	1	2
£110,000 - £119,999	-	-
£120,000 - £129,999	2	2
£130,000 - £139,999	-	1
£140,000 - £149,999	1	-
£150,000 - £159,999	1	1

The top two bands consist of the Chief Executive Officer and the Director of Finance and Operations.

6.3 Key management personnel

Key management personnel emoluments, comprising wages and salaries, pension contributions and other benefits:

	Total at 31 March 2020 £000	Total at 31 March 2019 £000
Chief Executive Officer	160	178
Chief Finance Officer	141	139
Other Executive Directors	608	609
Key management personnel	909	926

Key management personnel is defined as members of the Senior Leadership Team, 2019/20: 6 (2018/19: 8)
– further details on page 101.

7. Trustee remuneration

None of the Trustees received any remuneration from the charity or its subsidiaries during the current or previous financial year. One Trustee was reimbursed for expenses of £908 while carrying out their responsibilities for the charity during the year (2018/19: £866).

A Trustee indemnity insurance policy is held with Dual Corporate Risks Ltd, providing indemnity of £10 million. The cost of the policy in 2019/20 was £5,600 (2018/19: £5,562).

Great Ormond Street Hospital Children's Charity

Notes to the financial statements

8. Intangible assets

Charity and consolidated

	IT software £000
Cost:	
Balance as at 1 April 2019	8,844
Additions/new assets	-
Balance at 31 March 2020	8,844
Accumulated amortisation:	
Balance as at 1 April 2019	2,703
Charge for the year	1,077
Balance at 31 March 2020	3,780
Net book value at 31 March 2020	5,064
Net book value at 31 March 2019	6,141

Amortisation of intangible assets is allocated across support costs in the SOFA.

Great Ormond Street Hospital Children's Charity

Notes to the financial statements

9. Tangible assets

Charity and consolidated

	Freehold / leasehold land and buildings £000	Fixtures and fittings £000	Office equipment £000	Vehicles £000	IT equipment £000	Asset under construction £000	Total £000
Cost and valuation							
Balance as at 1 April 2019	251,340	1,911	140	13	967	74,255	328,626
Additions	-	-	-	-	-	3,540	3,540
Impairments	(1,938)	-	-	-	-	-	(1,938)
Transfer	77,795					(77,795)	-
Balance at 31 March 2020	327,197	1,911	140	13	967	-	330,228
Accumulated depreciation							
Balance as at 1 April 2019	-	986	140	13	775	-	1,914
Charge for the year	1,992	405	-	-	192	-	2,589
Balance at 31 March 2020	1,992	1,391	140	13	967	-	4,503
Net book value at 31 March 2020	325,205	520	-	-	-	-	325,725
Net book value at 31 March 2019	251,340	925	-	-	192	74,255	326,712
Historic cost less depreciation at 31 March 2020	201,458	520	-	-	-	-	201,978

Great Ormond Street Hospital Children's Charity

Notes to the financial statements

9. Tangible assets

The charity undertakes a full independent professional valuation of all properties every five years, with impairment reviews undertaken as necessary in accordance with the Statement of Recommended Practice 2015. A full valuation was performed at 31 March 2019 by Cluttons LLP, chartered surveyors, acting as independent valuers. Charity owned buildings used by the hospital for clinical purposes are valued on a depreciated replacement costs basis unless a market value has been deemed by Cluttons to be feasible and more appropriate. The depreciated replacement cost basis is the most commonly used basis for specialist buildings such as these. This is because transactions involving the sale of these types of assets are relatively infrequent and therefore estimating a market value is not considered feasible due to their specialist nature. Depreciated replacement cost is deemed to be an acceptable alternative to market value and is a methodology that is recognised by the International Valuation Standards Council. Land values associated with these charity buildings is valued at fair value. All residential and office properties are valued at market value.

As a result of the recent valuation, the value of land and buildings held by the charity increased by £107 million (£110 million increase less £4 million impairment). The principal drivers for this increase were the increase in land values and the change in the methodology used for valuing the land from Existing Use Value to Fair Value as required by a change in accounting standards in 2014, after the prior valuation. Of the £107 million increase, £66 million was due to increased land valuations and £41 million due to an increase in building valuations, the largest component of which was the increase in value of the charity's Octav Botnar building used by the hospital as a clinical facility.

As part of the valuation, the value of assets under construction was reduced by £3.5 million as it included expenditure necessary to facilitate the construction but not part of the replacement cost value, principally costs of demolition works and associated public realm works required by local authority regulations.

Asset under construction relates to work on the Zayed Centre for Research. As this property will be owned by the charity, it is included in tangible assets.

Great Ormond Street Hospital Children's Charity

Notes to the financial statements

10. Investments

10.1 Analysis of fixed asset investments

	Total 31 March 2020 £000	Total 31 March 2019 £000
Charity and consolidated		
Fixed asset investments:		
Market value at 1 April	47,016	43,894
Less:		
Disposals at carrying value	(757)	(1,031)
Acquisitions at cost	1,425	1,383
Interest	1	-
Movement on cash held as part of long-term portfolio	328	171
Net gain/(loss) on revaluation	(2,917)	2,599
Market value at 31 March	45,096	47,016
Historic cost at 31 March	41,844	41,050

10.2 Market value

	Held in the UK £000	Held outside the UK £000	Total 31 March 2020 £000	Total 31 March 2019 £000
Investments in equity funds	11,075	20,646	31,721	31,120
Investments listed on Stock Exchange	13,375	-	13,375	15,897
Total fixed asset investments at market value	24,450	20,646	45,096	47,017

Fixed income investments and liquidity funds were included in the short-term portfolio. All other investments are included in the long-term portfolio.

Investment powers

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

As a result of holding investments, the charity is exposed to financial risks, including market risk, credit risk and liquidity risk.

The charity manages market and credit risk by appointing professional investment managers and ensuring a balanced and diverse portfolio, giving regard to the overall level of risk as well as the risk associated with each investment type. Market risk arises as a result of market fluctuations caused by movements in interest rates, currency and other market factors. Credit risk arises as a result of funds the charity is invested in, failing to make a redemption of the investment. The charity is not significantly exposed to credit risk.

Liquidity risk is managed by the charity's going concern liquidity reserves policy which ensures that the charity has sufficient liquid funds to meet all of its liabilities for the next two years.

10.3 Charity investment in Great Ormond Street International Promotions Limited (GOSIPL)

	Total 31 March 2020 £2	Total 31 March 2019 £2
Total	£2	£2

The net result for GOSIPL in 2019/20 is a surplus of £1,094,017 (2018/19: £1,133,991) with a distribution to the charity of £1,094,017 (2018/19: £1,133,991).

Great Ormond Street Hospital Children's Charity

Notes to the financial statements

11. Inventories

	Consolidated		Charity	
	Total 31 March 2020 £000	Total 31 March 2019 £000	Total 31 March 2020 £000	Total 31 March 2019 £000
Goods for resale	55	60	-	-
Inventories	55	60	-	-

12. Current asset investments

	Consolidated		Charity	
	Total 31 March 2020 £000	Total 31 March 2019 £000	Total 31 March 2020 £000	Total 31 March 2019 £000
Short-term deposits	137,765	144,575	137,765	144,575
Investments	137,765	144,575	137,765	144,575

All current asset investments are held in the UK.

13. Debtors

	Consolidated		Charity	
	Total 31 March 2020 £000	Total 31 March 2019 £000	Total 31 March 2020 £000	Total 31 March 2019 £000
Trade debtors	3,707	1,207	3,269	1,094
Amounts owed by group undertakings	0	0	2,729	2,826
Other debtors	1	586	406	1,080
Prepayments	1,799	1,647	1,568	1,384
Accrued income - Legacies	9,295	11,392	9,295	11,392
Accrued income - Other	550	3,657	375	3,474
Debtors falling due within one year	15,352	18,489	17,642	21,250

Great Ormond Street Hospital Children's Charity

Notes to the financial statements

14. Creditors: amounts falling due within one year

	Consolidated		Charity	
	Total 31 March 2020 £000	Total 31 March 2019 £000	Total 31 March 2020 £000	Total 31 March 2019 £000
Trade creditors	1,642	2,002	1,591	1,934
Taxation and social security	744	276	565	260
Grants awarded (see note 17)	10,382	28,387	7,911	25,510
Other creditors	178	340	171	340
Accruals	1,443	1,952	1,414	1,894
Deferred income (Note 16)	752	470	649	383
Creditors falling due within one year	15,141	33,427	12,301	30,321

15. Creditors: amounts falling due after more than one year

	Consolidated		Charity	
	Total 31 March 2020 £000	Total 31 March 2019 £000	Total 31 March 2020 £000	Total 31 March 2019 £000
Grants awarded (see note 17)	68,645	50,190	67,966	49,562
Rent-free provision	23	46	23	46
Creditors falling due after one year	68,668	50,236	67,989	49,608

16. Deferred income

	Total 1 April 2019 £000	Deferred £000	Released £000	Total 31 March 2020 £000
Charity	383	649	(383)	649
Trading subsidiary	0	49	(0)	49
Sparks Charity	87	54	(87)	54
Deferred income	470	752	(470)	752

Income is deferred for future events where it is potentially refundable.

Great Ormond Street Hospital Children's Charity

Notes to the financial statements

17. Grants awarded

Consolidated

	Year ended 31 March 2020 £000	Year ended 31 March 2019 £000
Outstanding liabilities at the beginning of year	78,577	87,158
Awarded during the year		
Redevelopment	1,500	21,100
Medical equipment and systems	3,903	6,655
Research	3,832	7,188
GOSH welfare and other	27,313	4,852
Awarded during the year	36,548	39,795
Paid during the year		
Redevelopment	(6,379)	(8,758)
Medical equipment and systems	(9,891)	(7,189)
Research	(7,219)	(8,646)
GOSH welfare and other	(11,327)	(20,649)
Paid during the year	(34,816)	(45,242)
Adjustments in the year		
Redevelopment	-	(2,197)
Medical equipment and systems	(413)	(13)
Research	(632)	(396)
GOSH welfare and other	(237)	(528)
Adjustments in the year	(1,282)	(3,134)
Outstanding liabilities at 31 March	79,027	78,577
Amounts falling due within one year	10,382	28,387
Amounts falling due after more than one year	68,645	50,190
Outstanding liabilities at 31 March	79,027	78,577

Total grants awarded does not include expenditure on charity properties, expenditure from special purpose funds or costs incurred by the charity to support and facilitate charitable activities.

Liabilities for grants awarded represent the unpaid balance on grants awarded by the charity as at the balance sheet date. They relate to current activities funded by the charity to which it is firmly committed.

Adjustments relate to grants retractions whereby all funds allocated have not been used and are no longer required and therefore returned to funds for reallocation.

Great Ormond Street Hospital Children's Charity

Notes to the financial statements

18. Analysis of group net assets between funds

	Unrestricted		Restricted	Endowment	Total 31 March 2020
	General £000	Designated £000	£000	£000	Total funds £000
Fund balances at 31 March 2020 are represented by:					
Tangible and intangible fixed assets	-	330,789	-	-	330,789
Long term investments	-	-	44,432	664	45,096
Current assets and liabilities	31,794	126,692	13,620	-	172,106
Long-term liabilities	(23)	-	(68,645)	-	(68,668)
Total net assets	31,771	457,481	(10,593)	664	479,323

Restricted funds include long-term liabilities of £68.6 million (2018/19: £50.2m) and short-term liabilities of £10.4 million (2018/19: £28.4m), relating to grants awarded to the hospital, ICH and other research institutions.

	Unrestricted		Restricted	Endowment	Total 31 March 2019
	General £000	Designated £000	£000	£000	Total funds £000
Fund balances at 31 March 2019 are represented by:					
Tangible and intangible fixed assets	-	332,853	-	-	332,853
Investments	-	-	46,352	664	47,016
Current assets and liabilities	35,546	101,033	5,520	-	142,099
Long-term liabilities	(46)	-	(50,190)	-	(50,236)
Total net assets	35,500	433,886	1,682	664	471,732

Great Ormond Street Hospital Children's Charity

Notes to the financial statements

19. Consolidated funds

	1 April 2019 £000	Income £000	Resources expended £000	Transfers between funds £000	Gains and losses £000	31 March 2012 £000
19.1 Endowment funds						
A Tippetts and Crux	222	1	-	(1)	-	222
B Lewisohn	11	-	-	-	-	11
C Barnes	7	-	-	-	-	7
D Mary Shepard Bequest	407	3	-	(3)	-	407
E John Lund Wells Bequest	17	-	-	-	-	17
Total endowment funds	664	4	-	(4)	-	664
19.2 Restricted funds						
A Redevelopment	(2,298)	17,247	(10,493)	2,798	-	7,254
B Louis Dundas Centre	591	123	-	-	-	714
C Physiotherapy Unit	1	-	-	-	-	1
D Translational Oncology research	662	-	-	-	-	662
E Regenerative Medicine	(531)	-	-	-	-	(531)
F The Richard Wright Fund	1,802	-	-	-	-	1,802
G The Friends Fund	1,076	-	-	-	-	1,076
H Craniofacial Fund	47	20	(33)	-	-	34
I Clinical Cardiac Chair	169	4	(50)	-	-	123
J Family Studies	236	-	(6)	-	-	230
K Olivia Hodson Cancer Fund	75	235	(100)	-	-	210
L Other special purpose funds	2,696	449	(560)	-	-	2,585
M Other restricted purpose funds	(2,740)	11,901	(33,721)	-	-	(24,560)
N Sparks restricted funds	(104)	610	(353)	(346)	-	(193)
Total restricted funds	1,682	30,589	(45,316)	2,452	-	(10,593)
Total restricted and endowment funds	2,346	30,593	(45,316)	2,448	-	(9,929)
19.3 Unrestricted income funds						
General funds	35,003	60,081	(30,282)	(30,916)	(3,203)	30,683
Designated funds:						
Redevelopment fund	162,498	-	-	(44,380)	-	118,118
Research fund	15,000	-	-	(1,362)	-	13,638
Fixed assets fund	145,460	-	(2,589)	74,039	-	216,910
Revaluation reserve	110,928	-	-	(175)	(1,938)	108,815
Sparks:						
General funds	497	790	(556)	346	11	1,088
Total unrestricted funds	469,386	60,871	(33,427)	(2,448)	(5,130)	489,252
Total funds	471,732	91,464	(78,743)	-	(5,130)	479,323

Depreciation for fixed assets was previously charged to general funds, so a transfer has been made to ensure the appropriate charge has been made to the fixed assets fund.

Great Ormond Street Hospital Children's Charity

Notes to the financial statements

19. Consolidated funds (continued)

The redevelopment fund is designated to provide support for major building and capital development.

The fixed assets fund is designated to facilitate the replacement or refurbishment of assets belonging to the charity.

The value of this fund does not include properties identified for sale.

Transfers between funds represent:

- Where subsequent instructions are received from a donor restricting income that was originally received with no restrictions
- Where two restricted funds have a common purpose, transfers may be made to support on an individual project which matches their restrictions.
- General funds may be designated for a particular purpose should the Trustees decide this to be appropriate.

Total restricted funds show a net deficit of £10.6 million at 31 March 2020. Negative restricted funds are held in instances whereby we have received assurance from donors of their support for projects that we have funded, but not yet received the funds or formal pledge. Trustees have designated funds of £131.7m as at 31 March 2020 from unrestricted funds to cover any deficit on the current redevelopment and research plans.

Endowment funds

Name of fund	Description of the nature and purpose of each fund
A Tippetts and Crux	Capital in perpetuity bequests to be used for research and general purposes.
B Lewisohn	Capital in perpetuity bequests to be used for an annual staff award.
C Barnes	Capital in perpetuity bequest for general purposes.
D Mary Shepard Bequest	Capital in perpetuity bequest for general purposes.
E John Lund Wells Bequest	Capital in perpetuity bequest for general purposes.

Restricted funds

Name of fund	Description of the nature and purpose of each fund
A Redevelopment	To provide finance for major building and capital development.
B Louis Dundas Centre	To advance research and clinical practice in palliative care and pain management.
C Physiotherapy Unit	To fund the creation of a new physiotherapy unit at GOSH.
D Translational Oncology research	To conduct research into childhood cancer.
E Regenerative Medicine	To conduct research into engineering rejection free organs with intestinal failure.
F The Richard Wright Fund	To fund research into infant and childhood leukaemia.
G The Friends Fund	To provide funds for family support and children's play services.
H Craniofacial Fund	To research and purchase equipment for craniofacial disorders.
I Clinical Cardiac Chair	To provide support costs for the post of Clinical Cardiac Chair.
J Family Studies	To provide support to the Psychological Medicine Department.
K Olivia Hodson Cancer Fund	To support projects and roles related to childhood cancer.
L Other special purpose funds	Funds delegated by the Trustees to various departments within Great Ormond Street Hospital and UCL Institute of Child Health.
M Other restricted purpose funds	To finance specific items of equipment, services or projects.
N Sparks restricted funds	To finance research projects into rare diseases in children.

Great Ormond Street Hospital Children's Charity

Notes to the financial statements

20. Notes to the consolidated cash flow statement

20.1 Reconciliation of net income to cash flows from operating activities

	Year ended 31 March 2020 £000	Year ended 31 March 2019 £000
Net movement in funds	7,591	129,677
Depreciation and amortisation charges	3,668	2,150
Investment income	(2,490)	(1,958)
Unrealised loss/(gain) on investments	2,915	(2,599)
Impairment of fixed assets	0	3,538
Unrealised (loss)/gain on revaluation of land & buildings	1,938	(110,928)
Decrease in stocks	5	23
Decrease in debtors	3,136	1,605
(Decrease) in creditors	146	(13,818)
Cash inflow from operating activities	16,909	7,690

Prior year amounts have been restated to reflect amounts previously classified differently within non-cash movements. Depreciation and amortisation charges were changed from -£2.2m to £2.1m to move the write back of cumulative depreciation on revaluation of £4.2m to the revaluation line. Impairment arising on revaluation of £3.9m was also moved from the impairment line to the revaluation line, to reflect this being part of the non-cash adjustment due to the revaluation gain on revaluation.

20.2 Analysis of net funds

	1 April 2019 £000	Cash flows £000	31 March 2020 £000
Cash at bank and in hand	12,402	21,673	34,075
Current asset investments	144,575	(6,810)	137,765
Total	156,977	14,863	171,840

21. Commitments, liabilities and provisions

There are no commitments, liabilities or provisions requiring disclosure included in the financial statements (31 March 2019: £55k).

22. Legacies

The charity has been notified of 192 legacies which have not been included within the financial statements, as some or all the criteria for recognition have not been satisfied (2018/2019: 207). Of these, 40% are pecuniary legacies which have an average value of £2,014 (2018/19: 33%, £960) and the remaining 60% are residuary, life interest, income trust & specific legacies which have an average value of £5,352 (2018/19: 67%, £35,053). The charity does not have any indication of when it is due to receive these monies. Included within the above figures are 4 legacies (2018/19: 5) which are subject to a life interest, as well as 18 specific legacies (2018/19: 19) which are not subject to a life interest.

Great Ormond Street Hospital Children's Charity

Notes to the financial statements

23. Annual commitments under non-cancellable operating leases

	Total 31 March 2020 £000	Total 31 March 2019 £000 Restated
Operating leases which expire:		
Within one year	0	1
Between one and five years	866	884
After five years	209	209
Total	1075	1094

The leases relate to 40 Bernard Street premises, line rentals and IT and other equipment.

24. Related party transactions

During the year the following related party transactions took place:

John Connolly, the former Chairman of the board of Trustees of the charity is also a retired partner of Deloitte and the Chairman of the group board of the G4S Group PLC. During the year G4S provided cash banking and security services. Transactions valued at £15,341 (2018/19: £20,129) were undertaken between the charity and G4S Finance Shared Service Centre (FSSC), a subsidiary of G4S Group PLC. Of this amount £504 (2018/19: £Nil) was owed by the charity to G4S at the year end, which was paid in April 2020.

During the year, the charity engaged Deloitte LLP to complete and deliver support for the CRM project. Transactions valued at £247,306 (2018/19: £85,437) were undertaken between the charity and Deloitte. Of this amount none (2018/19: £Nil) was owed by the charity to Deloitte at the year end.

Margaret Ewing, who is on the board of Trustees of the charity, is also a retired partner and formerly an advisor to Deloitte. She resigned as an advisor in the 2016/17 financial year.

Professor Stephen Holgate is the chair for BREATHE (HDR UK Research Hub) SAB. During the year Breathe provided brand marketing communication services to the value of £6,810 (2018/19: £Nil).

Professor Stephen Holgate is the chair for Royal College of Paediatrics and Child Health. £36 was paid to Royal College of Paediatrics and Child Health as part of charitable expenditure in relation to fees (2018/19: £72)

Kellie Gread is a valuations partner within the transaction services department of PricewaterhouseCoopers, who are the charity's auditors. Her husband Amit Aggarwal was charity's Director of Corporate Partnerships from July 2015 till March 2020. His wife has no relationship with the charity or its audit. The audit fee, exclusive of VAT, for the financial year was £56,460 (2018/19: £54,925), all of which was outstanding at the year end. We also processed an invoice for additional audit overrun costs in relation to 2018/19 in the 2019/20 financial year of £14,000, exclusive of VAT, which was paid during the year.

During the year donations of £232,262 (2018/19: £99,254) were received from related parties.

The charity also entered into material transactions with its subsidiaries during the year and are listed below. All income and expenditure is removed on consolidation.

Party	Nature of Relationship	Transaction	Income for the year ended 31 March 2020 £'s	Debtor balance as at 31 March 2019 £'s
GOSIPL	Wholly owned subsidiary	Management charge for costs incurred by GOSH charity, distribution of year-end profit to GOSH charity and costs incurred by one entity on behalf of another entity.	1,318	864
Sparks	Wholly owned subsidiary	Costs incurred by one entity on behalf of the another entity.	193	2,282

Great Ormond Street Hospital Children's Charity

Notes to the financial statements

25. Events after the reporting period

The impact of the COVID-19 crisis on Great Ormond Street Hospital Children's Charity has been and will continue to be significant. Major fundraising events planned for the year ending 31 March 2021 were initially postponed and then cancelled. The Charity has obtained some financial benefit from Government COVID-19 support measures, notably the Coronavirus Job Retention Scheme in respect of furloughed staff. However, the Charity expects its fundraising income for the year ending 31 March 2021 to be approximately 25% lower than budgeted, and considerable uncertainty surrounds the timing and extent of recovery in its income in subsequent periods. In order to safeguard its future, the Charity will be developing the next stages of its strategy during 2020/21 and incorporating the implications of COVID-19 into its priorities.

Great Ormond Street Hospital Children's Charity

Legal and Administrative details

Great Ormond Street Hospital Children's Charity

Registered charity number 1160024
Company House number 09338724
Incorporated England and Wales

Great Ormond Street International Promotions Limited

Company limited by share capital.
Registered number 2265303,
Incorporated England and Wales

Sparks Charity

Registered charity number 1003825
Company House number 02634037
Incorporated England and Wales

Principal and registered office

40 Bernard Street, London WC1N 1LE
T: 02038413841 www.gosh.org

Trustees

Anne Bulford OBE (Chair)
– Appointed October 2019
John Connolly (Chairman)
– Retired July 2019
Jennifer Bethlehem
Nina Bibby
Nicky Bishop
David Craig
– Appointed May 2020
Margaret Ewing
Kaela Fenn-Smith
Professor Stephen Holgate
Louise Justham
– Appointed January 2020
Sandeep Katwala
Michael Marrinan
Kevin Thompson
– Appointed January 2020
Mark Sartori

Associate Trustees

Mark Burgess
Paul Langham
Joseph McDonnell
Chris Morris
Ruary Neill
Andrew Stoker
– Appointed May 2020
Simon Stormer
– Retired March 2020

Executive Directors

Louise Parkes (Chief Executive)
– Appointed 1 May 2019
Amit Aggarwal
(Director of Corporate Partnerships)
– Resigned 31 March 2020
Richard Bowyer
(Director of Marketing and Public Fundraising)
Ian Chivers
(Director of Finance and Operations)
– Retired 31 March 2020
Neal Donnelly
(Director of Major Gift and Special Event Fundraising)
– Resigned May 2020
Cymbeline Moore
(Director of Communications)
Heather Morgan
(Director of People and Planning)
Joan Prendergast
(Interim Director of Finance)
– Since 1 April 2020
Kiki Syrad
(Director of Grants and Impact)

Description of charity's objective

Any charitable purpose relating to Great Ormond Street Hospital for Children NHS Foundation Trust, including research.

GOSH Charity Children's Champions

Vernon Kay and Tess Daly
Victoria Pendleton CBE
Gordon Ramsay OBE and Tana Ramsay
Martin Freeman
Nadiya Hussain MBE

Independent Auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
1 Embankment Place, London WC2N 6RH

Bankers

Royal Bank of Scotland plc
9th Floor, 280 Bishopsgate,
London EC2M 4RB

Solicitors

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20 Cursitor Street, London EC4A 1LT
Bircham Dyson Bell
50 Broadway, London SW1H 0BL
Blake Morgan
6 New St Square, London EC4A 3DJ
Withers
16 Old Bailey, London EC4M 7EG
Hunton & Williams
30 St. Mary Axe, London EC3A 8EP
Wilsons
Alexandra House, St Johns Street,
Salisbury SP1 2SB

Investment managers

HSBC Asset Management (Europe) Ltd,
London SW1A 1EJ
Royal London Cash Management Ltd,
55 Gracechurch Street, London EC3V 0UF
BlackRock
Murray House, One Royal Mint Court,
London EC3N 4HH
Ruffer LLP
80 Victoria Street, London SW1E 5JL
Investec Wealth & Investment Limited



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Thank you to everyone who gave permission for their picture to
be used in this report, as well as the many members of the
charity staff who helped during its production.

This Annual Report and Accounts 2019/20 is available to view at
www.gosh.org

Great Ormond Street Hospital Children's Charity.
Registered company no. 09338724. Registered charity no. 1160024.