

# Annual Report and Accounts 2014/15

The child first and always



## Chairman's statement 2014/15

Our mission is to enhance Great Ormond Street Hospital's (GOSH) ability to transform the health and wellbeing of children and young people, giving them the best chance to fulfil their potential.

Many of the children treated at GOSH have rare or very complex conditions. These patients and their families come from all over the country to receive specialist treatment that they often cannot find closer to home. Many of these conditions are life-limiting or life-threatening, and for some there are currently no known cures. For this reason it is vital that GOSH seeks to continue to provide the best care and discover new treatments and cures so that the children of today and tomorrow are given the best chance in life. The hospital continuously strives to offer excellent care and patient experience, and push medical and scientific boundaries, which are dramatically enhanced by support from Great Ormond Street Hospital Children's Charity ('the charity').

### Our support for GOSH is focused on four key areas:

- The redevelopment programme to replace outdated clinical facilities and accommodation, enabling the hospital to treat many more children in modern, purpose-built environments.
- Support for pioneering research to seek new treatments and cures.
- Investment in new equipment so the hospital can harness the latest technologies.
- Welfare and clinical development projects to help improve the experience of patients and their families, enable clinical innovation, and provide support for the hospital's dedicated staff.

### Our achievements this past year

I am delighted to report that we were able to raise a record amount of income to support the hospital last year, the fifth successive year of income growth. During 2014/15, our income grew by nine per cent to £81 million, the majority of which was generated by fundraising activities. This enabled us to support a wide range of charitable activities during the year and, critically, to raise the financial resources required to fund the next stages of the hospital's redevelopment programme.

2014/15 was the final year of our three-year strategy, in which we met and exceeded our ambitious fundraising targets every year. This has meant that over the three-year period we raised £225 million, surpassing our £208 million income target and making a total net contribution of £161 million available for projects at the hospital.

We are thrilled with this contribution, which was only possible thanks to the extraordinary support we receive. We are immensely grateful to each and every one of our supporters, many of whom have a personal link with the hospital.

The scale and breadth of charitable support is breathtaking. It ranges from individuals baking, swimming and singing, to families running together for the first time in a challenge event. It also includes very generous individuals donating or leaving legacy gifts in their wills. Additional vital support has come through charitable foundations and companies engaging hundreds of their employees from around the UK and beyond to support us as their chosen charity. The charity's Trustees would like to express our sincerest gratitude to all of our supporters for their inspirational dedication and commitment.

With such fantastic and diverse support, it is extremely difficult to single out particular activities and partnerships as fundraising highlights. However, there are a few areas that I would like to mention.

Our community fundraising continued to benefit from terrific support across many networks. Our flagship participation event, RBC Race for the Kids, saw a 50 per cent increase in participator numbers. This event is particularly special to us as so many patients, friends, families and staff come together to support the hospital. The Bake it Better fundraising event also exceeded targets. Our Brighter Future Funds, which remember and pay tribute to loved ones who are no longer with us, have been able to provide more support to the hospital than ever before.

We continued to see an increase in the number of people who make regular gifts to the charity. This group of more than 150,000 generous people has surpassed all of our hopes and targets. We also had an exceptional year for people leaving us gifts in their wills, with their contribution totalling £22 million to help meet the hospital's highest priority needs.

Each year, we organise a huge range of fundraising events, and last year was no exception. Of particular note were the charity's biennial Christmas event, the GOSH Gala, and the Louis Dundas Centre fundraising dinner, each of which raised more than £1 million in a single evening. A new afternoon Valentine's party entitled Big Hearts for Little People saw 300 families in attendance. This is the first of a three-part initiative to raise





Three-year-old Hassan  
on Lion Ward

## Chairman's statement

### (continued)

£500,000 towards the hospital's redevelopment. The popular annual Christmas Carol Concert celebrated its 15th year and achieved its aim of reaching £1 million as part of the charity's Look Inside campaign.

We continue to enjoy the support of the Channel 4 Comedy Gala, with last year's event being a tribute to Addison Cresswell, the mastermind behind the event and a huge GOSH supporter, who sadly passed away at the end of 2013. The night continues to raise considerable funds for hi-tech operating theatres, one of which will be named in Addison's honour.

We are extremely fortunate to enjoy the support of generous corporate partners who give both time and money to help us fulfil our mission. The Walt Disney Company has a long-standing relationship with GOSH, and this year it officially surpassed the £10 million fundraising milestone it set for itself in 2008. This achievement was marked with a visit from the chairman of Walt Disney Company International, Andy Bird, with special guests, including Mickey Mouse, delighting children and staff alike.

We were also thrilled to continue our close partnership with Morgan Stanley, who announced us as their new charity partner in February 2015. This partnership will run until 2017 and aims to raise £1.5 million towards much-needed parent accommodation.

The charity was delighted to welcome six new Friends of Adeona this year. This group of supporters are recognised as our most generous benefactors and named after the Roman Goddess Adeona, who helped to guide children safely back home. Two such benefactors were The Thompson Family Charitable Trust and The Hobson Charity Ltd, who have both generously supported the planned new state-of-the-art surgery centre.

The Tick Tock Club appeal is also focused on raising £10 million for the new surgery centre. Under the chairmanship of Grahame Chilton and his appeal board, fundraising now totals almost £6 million. This new centre will be housed in the Morgan Stanley Clinical Building and the Premier Inn Clinical Building, which together form the Mittal Children's Medical Centre.

The construction of the Premier Inn Clinical Building is now well underway. We were able to mark the beginning of the

building works with a Breaking New Ground ceremony hosted by our charity patrons Tess Daley and Vernon Kay. This event was attended by a wide variety of supporters, including representatives of the Whitbread Hotels and Restaurants group, owners of Premier Inn, whose generosity is reflected in the name of the new building.

We were also able to recognise The Barclay Foundation's long-term support of the hospital's redevelopment programme with the naming of Barclay House, which contains the regional genetic laboratory as well as key corporate hospital teams.

As the above testifies, the breadth of support the charity receives is astounding. We are privileged to have so many generous benefactors and volunteers who give us their time and expertise. They contribute in a variety of ways, including stewarding events, becoming members of event committees – such as the Carol Concert – and helping us to expand our networks of supporters at our Corporate Partnerships Board. I would like to thank them all for their support and enthusiasm.

Our volunteers are in turn supported by the dedicated staff at the charity. Their passion and commitment is second to none, along with an awareness that they must continually strive to improve. This has been evident over the past year, as they embraced a culture of innovation and worked to develop an original and compelling brand narrative.

A five-year strategy has also been developed, with a new mission (as indicated at the beginning of my statement), vision and group of impact goals, set alongside some ambitious fundraising targets. This is a comprehensive piece of work that will see the charity support GOSH, enabling the hospital to provide the highest standards of care and an excellent experience to patients and families.

Since the beginning of the 2015/16 financial year, the charity has been operating through a new legal structure. Previously, we were a charity established under National Health Service legislation that was originally passed in 1948 ('the original charity'). However, regulatory changes sponsored by the Department of Health have allowed us to set up an independent charitable Company Limited by Guarantee ('the new charity'). The assets, rights and obligations of the original charity were vested in the new charity, by means of a set of orders from



Two-year-old Aimi Bella  
on Eagle Ward

the Charity Commission and with help from the Department of Health, on 1 April 2015. Our charitable objectives are unchanged and we remain dedicated to supporting the work of GOSH and its patients. For the time being, the original charity will remain in existence to undertake those activities that could not be transferred to the new charity (see also ‘change in legal structure’ below).

As the charity evolves, so too does the Board of Trustees. Gabrielle Abbott stepped down on 31 March 2015 after more than six years as a Trustee. Gabrielle has been extremely committed in her role and I would like to thank her for her guidance and support over the past few years.

On 1 April 2015, four new Trustees joined our Board: David Claydon, Margaret Ewing, Frances Murphy and Kaela Fenn-Smith. Together, they bring an impressive depth and breadth of experience and skills to our Board.

Having served two terms as chairman, on 1 April 2015 I passed the baton to John Connolly, who joined as a Trustee in June 2014. To help with the transition I will remain a Trustee until September 2015, as will Susan Burns and Hugo Llewelyn, who also come to the end of two terms of service at this time.

## Looking ahead to 2015/16

The year ahead is extremely exciting. Year one of our new five-year strategy will see the charity launch its new research strategy. This is the result of close and careful work with the hospital and the UCL Institute of Child Health (ICH), led by Professor Stephen Holgate, Chairman of our Research Assessment Panel. It identifies the big research questions that we will seek to fund over the next five years and will aim to make a step-change in our ability to impact, quicker than ever before, clinical care through advancements in research.

Research is a core element of the hospital’s mission – without it, many of the children seen at GOSH would not get the chance to fulfil their potential. Due to the number of patients with rare and complex diseases who come to GOSH, the hospital and its research partner, the ICH, are uniquely placed to advance research that will not only benefit children at GOSH, but also elsewhere nationally and internationally.

The charity continues to support the hospital’s ambitious redevelopment programme. The construction of the Premier Inn Clinical Building is forging ahead, ready for the completion of the Mittal Children’s Medical Centre in 2017. Following the granting of planning permission earlier this year, construction work will also begin on the Centre for Research into Rare Disease in Children (CRRDC). The centre will enable hundreds of researchers and clinicians to work together under one roof, supported by state-of-the-art facilities. This will allow them to advance their





Patient Asad, with volunteer Lorna, on Eagle Ward

understanding of rare diseases and identify new and better treatments, all of which will allow GOSH to help more children and young people. It is only through the incredible generosity of our supporters, in particular Her Highness Sheikhha Fatima bint Mubarak, wife of the late Sheikh Zayed bin Sultan Al Nahyan, founder of the United Arab Emirates, that the building of the CRRDC is possible.

And we are not stopping there. Over the next year, we will be working with the hospital on its roadmap for the next 15 years of redevelopment. Through close collaboration and careful analysis, we hope to ensure that we support the right facilities to meet the ever-increasing demands for services and help the hospital stay at the forefront of clinical excellence and innovation.

Making a difference for the child first and always remains at the centre of everything we do for the hospital. Our ability to do this is predicated on the help of our generous supporters and volunteers, and the dedication of our staff. I would like to thank each and every person, family, company and foundation for their time, energy and financial support, which enables the hospital to help its patients to truly fulfil their potential. Making best use of this support is not a responsibility that we and the hospital take lightly.

Later this year, I will step down as a Trustee of this very special charity – one that supports an exceptional place full of truly extraordinary staff, patients and families. It has been an honour and privilege for me to see the growth of charitable support

for GOSH. I am very pleased that we have been able to support the hospital in its constant endeavour to stay at the forefront of paediatric care and research worldwide, and to provide the sickest children with excellent and compassionate care.

However, I leave while there is still much more to do and I very much hope you will continue to support the important work the charity has ahead of it. More and more children need GOSH's help, and our hope is to help transform their lives now and always. With continued generous support, I am confident the hospital will succeed.

**Alan Hodson**

Chair of Special Trustees  
Great Ormond Street Hospital Children's Charity

# Trustees' annual report

## Review of 2014/15

### Charity objectives

The charity's main objectives for the financial year to 31 March 2015 and the performance of the charity in meeting these objectives are set out below.

Objective	Whether met
<b>Fundraising</b>	
Complete three-year strategy to secure £208 million of income.	Met and exceeded: £225 million of income achieved over the three-year period.
A cost to income ratio below 30 per cent.	Met and exceeded: 27 per cent cost to income ratio.
Achieve budgeted income of £87 million in the year.	Not met: £81 million achieved with over-performance in most areas however there was a delay to one major fundraising project.
Grow the pool of regular givers to 150,500.	Met and exceeded: recruited 154,443 regular givers by the year end.
Grow RBC Race for the Kids to achieve 6,000 participators.	Met: 6,000 participators (maximum capacity) were achieved.
<b>Charitable expenditure</b>	
Commence construction on the Premier Inn Clinical Building and associated works to complete the Mittal Children's Medical Centre.	Met: the main works commenced on schedule in June 2014.
Obtain planning consent for the Centre for Research into Rare Disease in Children.	Met: Camden Council's Planning Committee granted detailed planning permission in June 2015.
Consider increasing the availability of accommodation for GOSH families.	Ongoing: discussions underway to secure appropriate premises.
Review the research strategy to ensure funds are targeted to where they are most effective.	Met: review undertaken during the year. New strategy will be considered by Trustees in September 2015.
<b>Governance</b>	
Deliver improved systems – work to develop a new HR system, a content management system (CMS) for the hospital and charity websites and customer relationship management system (CRM).	Met and ongoing: the new HR system went live in October 2014 and the CMS in May 2015. The development work for the CRM is ongoing, with a phased delivery through 2015/16.
Progress a change to the charity's legal structure to form a Company Limited by Guarantee.	Met: the new structure came into effect on 1 April 2015.





Four-year-old Safiya  
on Puffin Ward

# Trustees' annual report

## Charitable activities

### Charitable expenditure

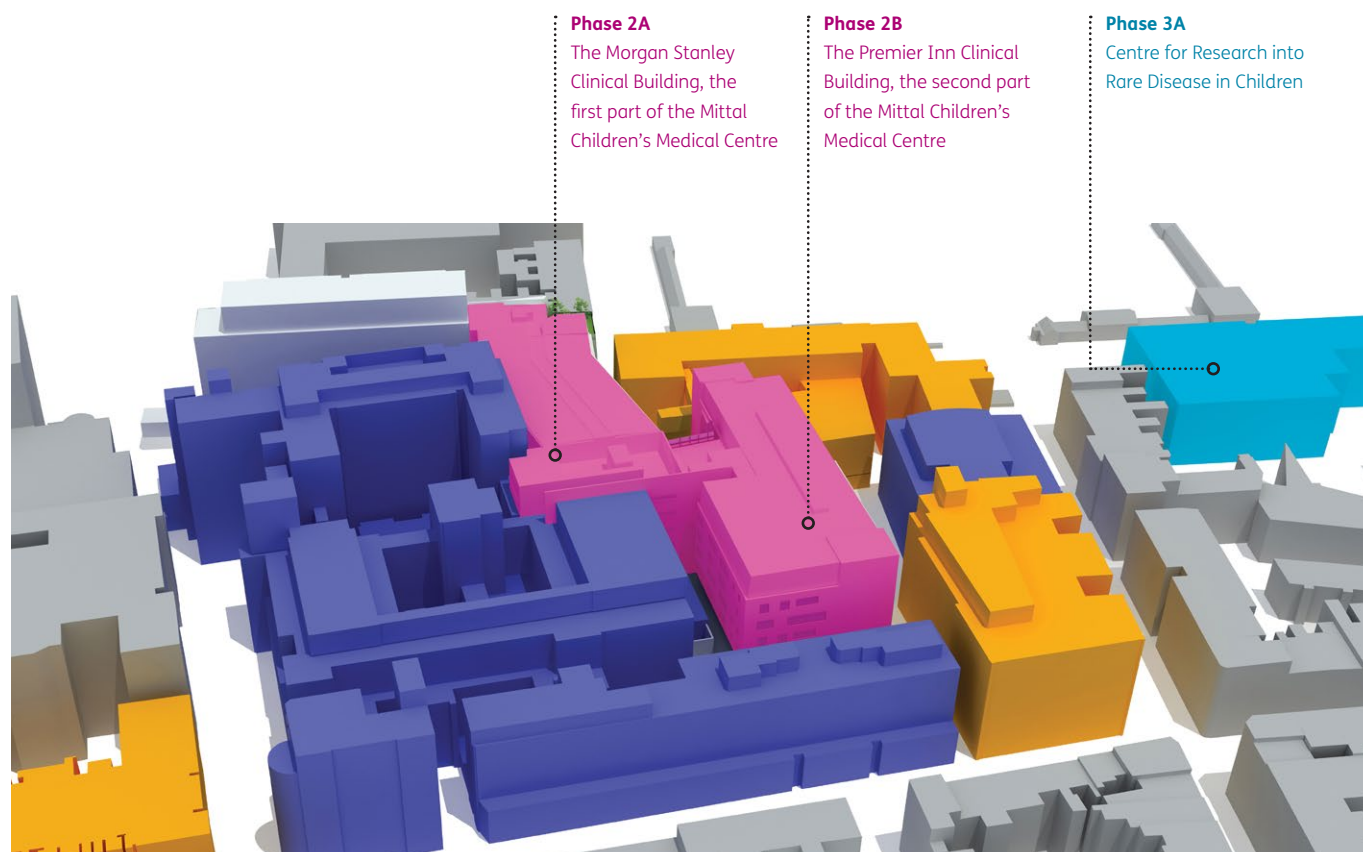
As detailed in the Chairman's statement, the charity provides funding in four key areas: redevelopment; research; equipment and infrastructure; and welfare and clinical development. Funding is provided for the latter three areas on an annual basis, however commitments are only made to redevelopment projects when they are ready to proceed. There can therefore be significant variations in redevelopment expenditure from one year to the next. In 2013/14, the charity made a £83.4 million commitment to proceed with the Premier Inn Clinical Building. In 2014/15 however, no such project commitments were made and the focus of our redevelopment work was to ensure good progress with the projects underway.

Detailed below are the significant areas of activity undertaken in 2014/15 within each of the key areas funded.

### Redevelopment

Great Ormond Street Hospital (GOSH) is currently in the middle of an ambitious four-phase redevelopment programme to rebuild two-thirds of the hospital over a 20-year period.

In September 2014, work began on phase 2B of the redevelopment programme – the Premier Inn Clinical Building. By the end of this last financial year, the building team had completed the preliminary phase of the project, dismantling levels five and six of the current cardiac wing to take the building down to the fourth floor and provide the space for subsequent development. Following this, the construction team are now beginning to build up from the fourth floor, adding three new floors of wards to complete the Premier Inn Clinical Building by 2017.





Once it opens, this state-of-the-art building will include a new surgery centre, a respiratory ward and the Khoo Teck Puat UK Foundation Centre for Children, a 16-bed isolation unit for children with dermatology and rheumatology conditions or infectious diseases. The new facilities will also provide much-needed space for a parent or carer to stay by the child's bedside overnight, more room for children to play and eat together, and areas for parents to have a break.

The Premier Inn Clinical Building will form the second part of the Mittal Children's Medical Centre, joining the Morgan Stanley Clinical Building, which opened in June 2012. Once complete, the entire centre will be seamlessly integrated, with the two buildings connected floor by floor to allow more efficient flow between departments for doctors and their patients and enable the hospital to treat up to 20 per cent more children.

Earlier this year, the charity received planning permission to build the Centre for Research into Rare Disease in Children. This paves the way for construction of the CRRDC to start in January 2016, and for the building to open in 2018. Once completed, the building will be a world-class facility with six floors of clinical and research areas housing more than 400 staff, and it will allow the hospital to treat up to 20 per cent more outpatients.

The total cost of the CRRDC is expected to be £90 million, which will be met principally by a transformative gift of £60 million to be donated over the next four years by Her Highness Sheikhha Fatima bint Mubarak, the wife of the late Sheikh Zayed bin Sultan Al Nahyan, founder of the United Arab Emirates.

## Research

Every child that comes to GOSH has access to the best treatments that the hospital can offer. However GOSH's doctors and scientists have never been satisfied with maintaining the status quo. Our extraordinary patients have always inspired them to strive for more.

Throughout GOSH's history, doctors and scientists have worked tirelessly to push the boundaries of medicine using research to bring children new and better ways of diagnosing and treating diseases. The charity is committed to supporting this endeavour through a number of different grant funding streams. In 2014/15, the charity committed more than £5.8 million to research projects at GOSH, its academic research partner the UCL Institute of Child Health and other research institutions across the UK.

**Last year, the charity committed almost £1 million through the charity's national call, which is open to applications from researchers from across the UK.** This national call was undertaken in partnership with Action Medical Research who also committed £1 million to the call. The theme of the 2014/15 call was rare diseases, which dovetails with the hospital's plans for the new Centre for Research into Rare Disease in Children, and further demonstrates the hospital's commitment to help those children with the most unusual and difficult-to-treat conditions. Seven new research projects were funded, looking at a wide range of different diseases, from an enzyme deficiency disease called Sanfilippo syndrome, to a rare form of epilepsy.



### Meet Humza

At just three weeks old, baby Humza was diagnosed with a rare form of epilepsy. When doctors realised he wasn't responding to medication, they enrolled him on a pioneering new trial to treat him with vitamin B6. Within 24 hours, Humza's seizures had significantly reduced and after a couple of weeks he was safely back at home. Life-saving treatments like this are only made possible thanks to the expertise and ingenuity of GOSH's researchers and the collaborative culture between our world-leading doctors and laboratory scientists. Working together, they are able to translate scientific discoveries into new tools and treatments that benefit children like Humza at the hospital as quickly as possible.



# Trustees' annual report

## Charitable activities

**The ICH drew down on its third year of PhD scholarship funding, which is part of a £1 million five-year programme to support a group of charity-funded PhD students.** During the last year, the charity began supporting three new students to undertake their PhD training and take the first steps towards becoming the research leaders of tomorrow. They are Fabio Tommasini (researching stem cells and regenerative medicine), Mingyang Lee (studying immunobiology) and Melisa Riachi (studying genetics).

**The charity funded seven projects on the Clinical Research Starter Grants (CRSG) programme, the second year of this funding stream.** One of the primary objectives of these pilot grants is to provide 'seed funding' to attract further funding from other organisations. The charity allocated just over £500,000 to nine projects in the CRSG stream which started in 2013/14. To date, these grant holders have used their CRSG funding to bring in a further £1.8 million in external grant income, which means that for every £1 we invested, a further £3 has been secured for research. Examples of the types of innovative projects we supported include using regenerative medicine with the aim of curing babies with oesophageal atresia who are born unable to eat or drink; using a gene therapy approach to treat children with childhood Parkinson's disease; and developing a new treatment approach towards a high-risk childhood brain tumour.

The seven CRSG projects starting in 2014/15 were allocated a further £500,000. These are just beginning in earnest and we look forward to them having similar success.

**The charity agreed to support a five-year programme of gene therapy research led by Professor Bobby Gaspar and Professor Adrian Thrasher.** GOSH, together with the ICH, has been responsible for more innovative gene therapy trials than any other centre worldwide. Under the leadership of these world-leading scientists, the gene therapy programme at GOSH and the ICH has made extraordinary progress, particularly in pioneering new treatments for children born with weak or completely absent immune systems, such as x-linked severe combined immunodeficiency (X-SCID). Children with these conditions were once confined to lives in sterile 'bubbles' to keep them safe from infection – gene therapy is helping set them free.

More than 40 children with immune deficiencies have been treated with gene therapy at GOSH so far. Over the next five to 10 years, Professor Thrasher and Professor Gaspar aim to refine and develop their gene therapy techniques so that they can be used to help more children with a wider range of life-threatening and life-limiting genetic diseases, including some metabolic disorders and certain blood diseases. Our latest commitment to the programme is likely to total almost £900,000 over five years.



### Meet Nina

Nina was born with SCID (severe combined immunodeficiency), a condition that means she was born without an immune system as a result of a genetic defect. This condition is sometimes referred to as 'bubble baby' disease, because patients need to live in a sterile environment. Nina's future looked uncertain and her family made the decision that she would take part in a ground-breaking gene therapy trial at GOSH.

Two years after having the treatment, Nina's life has been transformed. She's off almost all of her medication, only taking one antibiotic a day as a precaution. But more importantly, she has been set free – able to live her life and enjoy her childhood to the full.

**The charity agreed £1.2 million to support a new five-year research programme called Instinct**, which aims to improve treatment for children with the most aggressive brain tumours. The Instinct programme is part of a multimillion pound collaboration between the charity, The Brain Tumour Charity and Children with Cancer UK.

The Instinct programme was set up by Dr Darren Hargrave, Consultant Paediatric Neuro-oncologist at GOSH, and his collaborators Professor Steven Clifford at the University of Newcastle and Professor Chris Jones at the Institute of Cancer Research (ICR).

The main focus of their work will be to look for the genes and proteins that drive the rapid growth and spread of high-risk brain tumours. Once these key drivers are found, doctors could then use them as pointers to quickly and accurately assess how dangerous an individual child's disease is. Based on these risk assessments, doctors in the future could ensure that children receive the most effective and most appropriate treatment for them, giving them the best chance of defeating the disease with the least severe side effects.

The key genes and proteins that Dr Hargrave's team discover could also become targets for drug development. By working with experts at the University of Newcastle and the ICR, Dr Hargrave hopes to develop drugs that target the key drivers and bring them back under control to halt the spread of the disease.

## Equipment and infrastructure

To be an extraordinary hospital, we need to make sure that children at GOSH can benefit from the latest developments in biomedical science and have access to the best equipment available. In 2014/15, the charity invested £3.7 million towards medical equipment and infrastructure development, through which specific facilities within the hospital can be created or enhanced.

**As part of this investment, the charity made an initial commitment of £1 million towards the development of a new operating theatre.** The hospital needs to expand its operating facilities in order to meet its growing demand for world-leading specialist care. The hospital is taking the opportunity to create one of the most advanced operating theatres in the world. Once completed in autumn 2015, the new theatre will provide the

optimum working environment for more effective surgery and will help improve surgical treatment for thousands of children coming to the hospital.

The new theatre will:

- **Integrate the latest surgical equipment for minimally invasive procedures**, including advanced imaging and robotic tools. This will help improve outcomes for children being treated for a range of conditions, from neurological to urological.
- **Provide space for multiple teams to assist on the most complex procedures**, such as craniofacial surgery.
- **Increase efficiency**, as the computer system allows individual surgeon configurations to be stored and set, reducing set up and turnaround times.

In addition, the new theatre will become a 'show' theatre, with high-resolution audiovisual equipment in place to record each movement of the surgeon's hand in fine detail. This will enhance teaching, training, and the development and dissemination of new surgical ideas so that techniques developed at GOSH can be shared with the wider world.

**Thanks to a generous donation from the Dorothy and Spiro Latsis Benevolent Trust, a grant was given by the charity to fund a new 3T MRI machine and CT scanner.**

These were craned into the bottom of the Southwood Building at GOSH on 18 October 2014, to complete the hospital's new Turtle Imaging Suite.

Imaging allows doctors and their medical teams to peer inside the body, look for the causes of disease, and plan treatment accordingly. The new 3T MRI generates clearer and more detailed pictures of the body than were possible before, allowing faster, more accurate diagnosis and better treatment for the young patients that need them.

As an example, doctors at GOSH will now be able to detect small and subtle areas of damage to the brain that can cause epilepsy – this was often not possible with the older 1.5T MRI machine. Earlier and more accurate diagnosis of these cases will allow treatment to begin sooner, and it will be more tailored to the individual's needs, which will lead to better outcomes for children at GOSH in the future.

## Trustees' annual report

### Charitable activities

In addition, the new CT scanner has a much faster scan time, which means that children are inside the machine for less time and fewer young patients need to have an anaesthetic.

**We contributed £91,000 towards a new genetic analyser.**

A key tool for doctors diagnosing children at GOSH is genetic analysis, looking for tell-tale mistakes in a child's DNA that lead to disease. Pinpointing exactly which genes have gone wrong can help doctors to accurately diagnose a child's disease. The same information can tell doctors how to best care for children and which treatments they will respond to best.

**The charity committed £43,000 to help the hospital purchase 30 new wearable heart monitors.** Many of the children referred to the hospital face life-threatening cardiac conditions. It's vital these children are diagnosed quickly, so that they can begin effective treatment as soon as possible. Heart monitors are key pieces of equipment for the cardiac team at the hospital, helping to observe children's heartbeats and pick up any irregularities that need attention.

**We committed £50,000 towards a new UHPLC, a machine that measures the levels of amino acids in the blood.** Patients with certain metabolic disorders are unable to metabolise amino acids in the body, which can lead to a build-up of toxic compounds, and could consequently cause brain damage, coma and, in some cases, death. Rapid diagnosis and monitoring of these conditions is vital for life-saving medical and dietary intervention to begin. The charity helped the hospital purchase a new UHPLC system to allow the hospital to obtain results more rapidly and more reliably. This will lead to quicker diagnosis of patients with these disorders and help them receive the treatment they need as soon as possible.



#### Meet Oliver

Sixteen-year-old Oliver has a rare metabolic disease called methylmalonic acidemia (MMA), which makes his body unable to process protein properly. State-of-the-art machines like UHPLC allow doctors to diagnose, monitor and treat children like Oliver, who have serious metabolic conditions, and provide them with the best care possible.

### Welfare and clinical development

The charity funds patient and staff welfare and clinical development projects that support patients, parents and staff at GOSH and seek clinical improvements. This support takes place across three main areas: patient and family experience; clinical excellence and innovation; and staff development, recognition and wellbeing.

In 2014/15, the charity committed £5.5 million towards 56 welfare and clinical development projects. Three of these projects are highlighted below.

**The charity contributed £1.1 million towards supporting our specialist play team.** Play is an essential part of a child's experience, even when they are ill. The play team are on hand to make our patients' experience of hospital as stress-free as possible. The team also work closely with the hospital's clinical teams to identify particular play activities that aid children's treatment and recovery.



The play specialists are particularly skilled in working with children with sensory deficits and autistic spectrum disorder to help them prepare for and comply with invasive procedures.

**We committed £33,000 towards a pilot programme to improve the homecare of tracheal patients.** All patients treated at GOSH are managed by an extended team of healthcare professionals. These include local GPs, healthcare visitors, speech and language therapists, specialists in local hospitals and the teams at GOSH. This multi-layered system can create a challenge in communicating important medical information across different clinical settings.

GOSH is committed to improving its IT systems to address these issues. In this pilot programme, GOSH is trialling a different approach to communication with tracheal patients, by giving patients their full medical record in an electronic format. The key benefits of the programme will be:

- Improved communication between patients and GOSH.
- Improved communication between GOSH and other hospitals sharing the care of an individual child.
- Reduced duplication or unnecessary investigation – treatment records and results would be visible to all carers in the pathway.
- The facility for home monitoring and assessment of patients via video link.
- Reduction in the need for invasive investigation and routine outpatient based follow-up.

**The charity also committed £85,000 to help the hospital appoint a proleptic consultant in paediatric neurodisability.**

One of the hospital's consultants in paediatric neurodisability, Dr Alison Salt, retired in December 2014. She worked in a highly specialist area and had unique skills and experience in the assessment and management of children with visual impairment when combined with other serious conditions.

To maintain the high level of care that the hospital's Neurodisability department offers, the hospital appointed Dr Ngozi Oluonye to work alongside Dr Salt and absorb her practical knowledge and skills before she left.

## Volunteering

Recognising the vital role and value that volunteers bring to the hospital, the charity is pleased to continue its support for the Volunteer Services team in the hospital, which recruits and supports nearly 850 volunteers within the hospital. Together, these volunteers contribute approximately 3,400 hours per week, helping to cover reception, providing relief for parents so they can take some time away from their child, supporting the Play team and acting as guides to help families navigate the hospital site. GOSH estimates that this contribution equates to an annual saving of £1.5 million.

Volunteers are also critical to the charity's fundraising activities. We are grateful to all those individuals who give up their time to help and to companies who support employee volunteering. Without the thousands of volunteers who help us each year we simply could not raise the funds so urgently needed by the hospital.

Our team of charity ambassadors volunteer as part of our Community Fundraising team to give their time to represent the charity at local events, carry out their own fundraising, and support the thousands of other people in the community who organise fundraising events or collections for us.

Challenge events, such as the London Marathon and RBC Race for Kids, rely on hundreds of volunteers taking part and cheering on participants, either as individuals or from corporate partners.

We are supported by volunteers on fundraising leadership boards, which are central in our fundraising to redevelop the hospital, including the Tick Tock Club, and the Christmas Carol Service. We also receive vital support from the Corporate Partnership Board, which helps raise money for a wide range of projects across the hospital.

For more information about volunteer opportunities at the charity and how you can get involved, please email [supporter.care@gosh.org](mailto:supporter.care@gosh.org) or call 020 7239 3000.

# Trustees' annual report

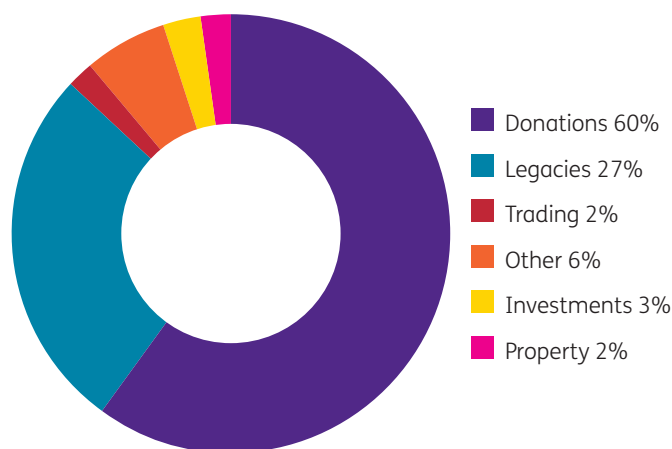
## Financial review

### Income

In the year to 31 March 2015, total income grew by 8.7 per cent to £81.0 million (2013/14: £74.5 million), principally due to an increase in income generated by fundraising activities ('incoming resources from generated funds'), which grew to £77.1 million (2013/14 £65.3 million). These results were driven by record levels of income across a number of our fundraising streams, including legacies and regular givers, with significant contributions also generated by community fundraising, corporate donors and major gift fundraising. Total income by the principal funding sources of the charity with comparisons to the previous year are shown below.

### Funding Sources 2014/15

Fundraising activities	2014/15 £ million	2013/14 £ million
Donations	48.7	48.3
Legacies	22.0	11.5
Trading	1.7	2.1
Other*	4.7	3.4
	<b>77.1</b>	<b>65.3</b>
Investments	2.3	2.7
Property	1.6	6.5
<b>Total</b>	<b>81.0</b>	<b>74.5</b>



\*Other includes grants, auctions, tickets and sponsorship.

The charity has a number of key capital projects it wishes to fund in the future and the Investment Committee continues to explore ways of improving investment returns that minimise the risk of capital loss to the charity. In 2014/15, income and gains earned from the charity's investments totalled £4.5 million (2013/14 £0.3 million), split between income of £2.3 million (2013/14: £2.7 million) and realised and unrealised gains of £2.2 million (2013/14 loss of £2.4 million). The committee is pleased with the improvement in this year's performance in light of the low-interest environment (see also 'Investment policy' below). During the year, changes have been made to strengthen the charity's ethical investment policy and the implementation of the revised policy involved significant changes to the long-term investment portfolio.

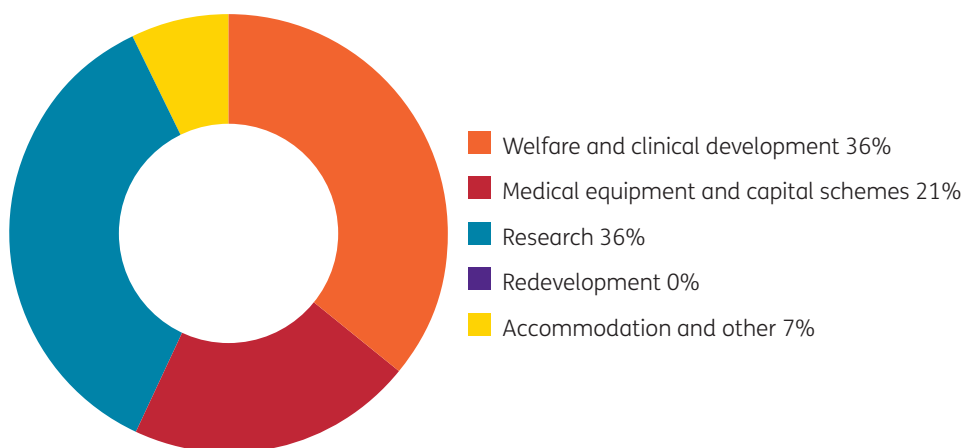
## Expenditure

Expenditure for the year totalled £37.9 million (2013/14: £118.8 million). The total costs of generating funds reduced to £19.2 million (2013/14: £19.7 million) and £17.3 million (2013/14: £98.2 million) was spent or committed to charitable activities through grants awarded in the year as shown below. A further £1.4 million (2013/14: £0.8 million) was incurred in respect of governance matters.

### Charitable Expenditure 2014/15

Charitable activities expenditure	Grants awarded 2014/15 £ million	Other costs* 2014/15 £ million	Total 2014/15 £ million	Total 2013/14 £ million
Welfare and clinical development	5.5	0.9	6.4	4.2
Research	5.8	0.6	6.4	5.1
Medical equipment and capital schemes	3.7	–	3.7	2.6
Redevelopment	–	(0.4)	(0.4)	85.4
Property expenditure	–	1.2	1.2	0.9
<b>Total</b>	<b>15.0</b>	<b>2.3</b>	<b>17.3</b>	<b>98.2</b>

\*Other costs include the return of grants previously awarded that have not been fully used and the allocation of costs incurred by the charity to support and facilitate these charitable activities.



Following the £85.4 million commitment to redevelopment in 2013/14, no further major redevelopment awards were made in 2014/15 leading to the overall reduction in expenditure in the year.



# Trustees' annual report

## Financial review

### Tangible fixed assets

Tangible fixed assets of £134.7 million (2013/14: £132.9 million) mainly consist of a number of properties that are used for operational purposes by the hospital in the furtherance of the charity's objectives. The portfolio contains properties used for clinical, office and residential purposes in addition to a site on Guilford Street that will be used to develop the Centre for Research into Rare Disease in Children (CRRDC). The charity did not acquire or dispose of any property during 2014/15. A full valuation of the property portfolio was carried out at 31 March 2014, the results of which are reflected in the balance sheet value of tangible fixed assets, and an impairment review was carried out in 2014/15, following which no changes to valuations were deemed necessary. The two clinical properties in the portfolio, Octav Botnar Wing and the Frontage Building, are valued on a depreciated replacement cost with deferment basis. The deferment basis takes into account the 30-year charitable leases that the charity entered into with the hospital in October 2009. This has the effect of expensing the charitable grant on assignment of the lease.

### Funds

During 2014/15, the charity's overall funds increased by £45.4 million to £254 million at year end (2013/14: £208.6 million).

The balance of the restricted income funds was £0.4 million (2013/14: deficit of £17.9 million). Funds continue to be raised to meet the £84 million commitment to the development of the Premier Inn Clinical Building (Phase 2B of the redevelopment programme) entered into in 2013/14 (giving rise to the deficit on the restricted funds at 31 March 2014). The current shortfall in funding for this project can be more than covered by the designated funds. The Trustees expect to receive further restricted funding prior to its completion, allowing for designated funds to be released to support other key funding priorities.

The charity's unrestricted funds at 31 March 2015 included £204.7 million of designated funds split between fixed assets of £135.5 million and a redevelopment fund of £69.2 million, which the Trustees have set aside to cover any deficit arising on the restricted redevelopment fund (including Phase 2B and the CRRDC). After designations, there were £48.2 million (2013/14:

£23.4 million) of freely available funds. The Trustees have reviewed the minimum level of reserves required to either meet the operating liabilities of the charity should it suffer a major downturn in its income or, in the extreme case, a managed cessation of activities. The Trustees have assessed this to be £10 million. The current level of freely available reserves exceeds this minimum requirement, but any current excess will be used in future years to fund projects which have been identified in the five year strategy.

### Plans for the future and key objectives for 2015/16

2015/16 is the first year of an ambitious and challenging five-year strategy for the charity, which aims to raise £90 million towards a £500 million five-year target. Budgets have been set to achieve the 2015/16 income target with a cost to income ratio below 30 per cent.

Our vision for the next five years is to be the charity of choice for supporters, staff and partners who care about transforming people's lives. As part of our five-year strategy planning, we have identified four strategic priorities and four enablers and have structured our business planning around these.

However, becoming the charity of choice is not just a vague ambition – we have defined it very precisely in terms of four priority areas (and each of these has key metrics so we can measure our progress). We will achieve this vision if we have a growing supporter base; our staff are engaged, enabled and effective; we sustain a high, positive public profile; and we increase efficiency.

Through consultation across the charity, we have identified four areas that we need to strengthen to create the conditions that will allow us to achieve these priorities. These **enablers** are also closely related to our values: if we are more innovative we will become more enterprising; improving cross-team working and engaging more closely with external partners are examples of collaboration; and strengthening governance and professional standards will make us more accountable.

The result of delivering our priorities will be **increased income** available to invest in key projects. But it is not enough to make funding available if we can't provide assurance to our supporters and stakeholders that it is being spent effectively.

So we are also committing to measure the outcomes of our charitable expenditure across four carefully-defined **impact goals** which seek to provide **improved patient outcomes**, a **better patient experience**, see **more children treated** and an **enhanced experience for families**.

Working closely with the hospital and ICH, the charity has agreed in principle to make available over £100 million of commitments on charitable expenditure in 2015/16. This includes funding the next stages of the redevelopment programme (the CRRDC) and ongoing support for research, welfare, medical equipment and accommodation in addition to new strategic priorities. These new strategic priorities include:

- Building suitable accommodation to enable more families to stay near the hospital;
- Significant expansion of the annual programme of research funding, increasing to £8.5 million, which will be supported by the charity's new research strategy;
- £5 million infrastructure expenditure to fund projects such as new imaging facilities; and
- £10 million to assist the hospital with the first phase of the IT strategy to deliver enhanced clinical care, research and patient and family experiences.

Expenditure on IT and research is subject to appropriate plans being developed by the hospital during the year and funds may be carried forward if required.

Within the charity's own administration systems the new 'customer relationship management' system will be developed and implemented to replace our existing system and significantly improve the charity's efficiency and ability to provide support to our donors.

From 1 April 2015, the charity commenced operation as a Company Limited by Guarantee (see 'Change in legal structure' below). This will have no impact on our charitable objects or the way we operate.

John Connolly succeeded Alan Hodson as Chairman of Trustees from 1 April 2015 and a number of other changes to the Trustee body are being progressed. These new Trustees will take part in an induction programme to ensure they have the information and understanding needed to take the charity forward.

## Administrative details

The administrative details of the charity are stated on page 48.

## Structure and governance

The information detailed below applied to the original charity throughout the year to 31 March 2015 (see 'Change in legal structure' below for reference to the period from 1 April 2015).

## Governing document

The charity was governed by a Charity Commission Scheme dated 18 August 1998. The Trustees were incorporated by a Certificate of Incorporation issued by the Charity Commission in April 2007 under Part VII of the Charities Act 1993 under the name "The Trustees of Great Ormond Street Hospital Children's Charity".

## Trustees' appointment

The volunteer Board of Special Trustees consisted of a Chairman and six Special Trustees, chosen for their skills and experience. The Trustees were appointed by the Appointments Commission, acting on behalf of the Secretary of State for Health, as Special Trustees for Great Ormond Street Hospital Children's Charity under Section 95 of the NHS Act 1977. Trustees were appointed for a minimum period of two years, which could be extended up to a maximum of 10 years. Up to five further Associate Trustees were appointed as volunteers to work with the Special Trustees to increase the expertise available.

A tailored induction programme was provided for Trustees on appointment. The Trustees set annual objectives for the Board that were reviewed at each meeting and formally reviewed at the year end. Each member of the Board received an annual appraisal and the Chairman's performance was in turn evaluated by fellow Trustees. Members of the Board had individual areas of expertise and shared information on relevant changes in legislation and best practice when required.

# Trustees' annual report

## Financial review

### Responsibilities

The Board of Special Trustees was responsible for providing governance and leadership for the charity. It agreed strategic plans for fundraising and other operations, and approved the allocation of charitable expenditure.

A subgroup of the Trustees met as the Audit and Remuneration Committee. It agreed both external and internal audit plans and reports, monitored compliance with policies, monitored and reviewed the integrity of the charity's financial statements and financial reporting (recommending the annual financial statements to the Board of Special Trustees for approval) and reviewed risk management systems. The committee also considered the charity staff's remuneration policy and awards, which are set following detailed benchmarking exercises within the not-for-profit sector and with reference to CPI/RPI and reward trends in general. The charity had three other regular subcommittees – the Investment Committee, the Property and Development Committee and the Grants Committee. All committees reported to the full Board. There were at least seven full Board meetings per year.

The Trustees appointed a Chief Executive, who was responsible for ensuring that their policies and strategies were followed and for ensuring the operational management of the charity.

In addition to reviewing its own performance on a regular basis, the Board of Special Trustees formally reviewed the performance of the various subcommittees, Chief Executive and individual Trustees, including the Chairman.

### Related parties

Great Ormond Street International Promotions Ltd (GOSIPL) is a wholly-owned subsidiary of the charity. It is responsible for all commercial activities of the group, namely licensing, sales promotions and mail order. All surplus funds earned are paid under Gift Aid to the charity. The company has its own Board of Directors, responsible for all governance issues. Financial details for GOSIPL are stated in note 1.1. Audited financial statements are filed with the Registrar of Companies.

In October 2012, the Friends of the Children of Great Ormond Street (the Friends) charity was merged with Great Ormond Street Hospital Children's Charity. The Trustees have taken

on the responsibility to use the funds of the Friends, and any subsequent donations received, for the benefit of the hospital in accordance with the former Friends Trustees' wishes (see note 1.2).

### Risk management

The Special Trustees were legally required to minimise significant risks to the charity. All potential risks were formally identified and regularly reviewed so that the necessary steps could be taken to minimise or eliminate them. The key risks for the charity were its ability to fundraise successfully to meet the needs of the hospital, particularly the commitments given regarding redevelopment and other grants, while also ensuring that activities undertaken do not jeopardise the reputation of either the charity or the hospital. All fundraising activities were monitored closely by the Executive Directors of the charity and regular reports were received by the Special Trustees.

### Public benefit statement

The Trustees confirm that they have paid due regard to the Charity Commission's general guidance on public benefit.

The charity's objective is to support any NHS charitable purpose relating to GOSH, including research. The Trustees ensured that this purpose was carried out for the public benefit by working to the following aim:

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

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

Our charitable organisation is set up 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 objective.





Three-year-old Alexander  
on Butterfly Ward

The charity does not provide facilities directly to the public but provides them to the hospital and, in so doing, for the patients of the hospital. For example, thanks to our supporters, the charity is able to provide accommodation in Weston House on Great Ormond Street 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 do not focus on the income of patients' parents but provide a benefit to any patient requiring the services of the hospital, which are available to all who are entitled to NHS treatment.

### Change in legal structure

Great Ormond Street Hospital Children's Charity, charity number 235825, is an unincorporated charitable trust. However, the Special Trustees of Great Ormond Street Hospital Children's Charity took the opportunity offered by what is now Part 12 of the Charities Act 2011 to incorporate the body of Trustees of that charity under the name "The Trustees of Great Ormond Street Hospital Children's Charity". This incorporated body held all the assets and contracts of the charitable trust and shares in its wholly owned subsidiary Great Ormond Street International Promotions Ltd.

A new charity has been incorporated, Great Ormond Street Hospital Children's Charity (charity number 1160024), which is

a Company Limited by Guarantee (company number 09338724), and, with effect from 1 April 2015, this new entity was appointed as the sole corporate Special Trustee of the original charity by the Department of Health. Immediately thereafter, the Charity Commission made an order under section 263 of the Charities Act 2011, which had the effect of vesting almost all of the property, rights and obligations of the incorporated body of Trustees in the new charity.

The legal ownership having vested, most of the assets of the original charity were released from the existing trust so that the new charity owns them absolutely. The only assets that are excluded are the statutory rights to royalties for Peter Pan in the UK, related contracts regarding Peter Pan and one property. The original charity has to remain until Parliament has amended the legislation that afforded the charity the right to royalties for Peter Pan. Once the Act has been changed, the rights will transfer across to the new charity.

This change in legal structure has the effect of improving our governance arrangements but will not change our charitable objects or day to day operations.

### Going concern

As detailed above, most of the property, rights and obligations of the charity were transferred to a new charity on 1 April 2015.

Income relating to the rights regarding Peter Pan will continue to be received by the original charity for the foreseeable future and

# Trustees' annual report

## Financial review

will be applied by the new charity acting as the trustee of the original charity towards the identical charitable objects of both charities.

The Trustees have reviewed the financial position of the original charity along with its successor charity, including their forecast cash flows, liquidity position and existing and potential funding commitments for the next five years. The charities' fundraising streams are well diversified and therefore a significant drop in any one channel would not materially affect the ability to meet existing financial commitments. The Trustees will only commit funds to charitable activities and other capital projects when they are confident that these obligations can be met. As a consequence, the Trustees believe that there are adequate resources to continue in operation for the foreseeable future.

In light of the fact that the new charity is the corporate trustee of the original charity and all current activities are ongoing, the Trustees believe that it is appropriate to continue to adopt the going concern basis of accounting in preparing this Annual Report and Financial Statements.

### Funds and reserves

The Trustees review the level of free reserves required on an annual basis, in line with the guidance issued by the Charity Commission. They recognise the need to ensure that the reserves held enable financial stability, are adequate to meet working capital requirements and can safeguard the charity's current commitments against fluctuations in income levels. Specifically, the Trustees wish to ensure that sufficient unrestricted reserves are available to guarantee that operations can continue over the short-term and commitments can be met.

Therefore, the Trustees believe this current level of reserves to be appropriate in order to maintain future commitments of the charity. The Trustees regularly assess the risks facing the charity and review reserve levels.

The charity has various funds available to finance its activities:

### Restricted funds

These are funds subject to specific restrictions imposed by donors, which fall within the wider objectives of the charity. There is currently £0.4 million in restricted funds. This includes both some positive funds and a deficit of £12.2 million in the

redevelopment fund, arising as a result of the £84 million commitment having been made to the Phase 2B project in 2013/14 for which fundraising is ongoing (see also 'Designated funds' below). Also included in restricted funds are £4.0 million held in special purpose funds, restricted for specific areas of work, some of which are detailed in note 20.

### Endowment funds

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

### Unrestricted funds

These are funds that are expendable at the discretion of the Trustees in furtherance of the charity's objectives. Free reserves are that part of the unrestricted fund that are not held as fixed assets or designated for other purposes.

### Designated funds

#### Redevelopment and other charitable commitments

Each year, the Trustees decide whether to designate unrestricted funds raised to the redevelopment of the hospital or to other specific projects to be spent in future years. This helps to provide financial stability for vital areas of work within the hospital. At 31 March 2015, £69.2 million had been designated by the Trustees to support the current redevelopment plans on which a £12.2 million deficit is currently shown in restricted funds.

#### Fixed assets (tangible and intangible)

The charity owns fixed assets, the majority of which are operational property used by the hospital. These properties are clinical and hospital administrative buildings or residential properties. The residential properties are either let out to hospital staff or offered, free of charge, to parents of children undergoing treatment at 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 relating to fixed assets should be placed in a designated fund, which, by definition, will increase or decrease to reflect the net book value of these assets. If a decision is taken to dispose of any properties, the attributable value is transferred from the fixed asset fund.

Details of the movement on total funds are disclosed in note 20.

## 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 commitments on capital programmes and other grants made. The portfolio is broadly split between investments required to meet existing commitments and longer-term investments for grant awards that are yet to be committed. The Trustees consider this appropriate given the long-term nature and size of the charity's commitments and intentions. The charity's investment managers follow strict guidelines in line with the charity's moral and ethical policy. The charity uses the services of a number of investment managers, dependent on the investment type. During the year, the charity changed all of its long-term portfolio holdings following a decision to strengthen the charity's ethical investment policy. The value of the long-term portfolio at 31 March 2015 was £43.2 million. The long-term portfolio is spread across a number of funds managed by Blackrock, Ruffer and Investec. The short-term portfolio 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. Although included within the charity's short-term portfolio for investment purposes, the fixed income portfolio is shown as Fixed Asset Investments in the balance sheet given its average duration of circa two-and-a-half years.

The performance of the charity's investment managers is closely monitored. The Trustees were pleased with the improved overall performance in the year, which showed a 1 per cent return on the short-term portfolio against a composite benchmark of 1.1 per cent and a gain of 7.1 per cent on the long-term portfolio against a benchmark gain of 3.9 per cent.

## Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England requires the Trustees to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the charity and the group at the financial year end date and of the

incoming resources and application of resources of the 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 Charities Statement Of Recommended Practice;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards 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 charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the charity 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 charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



**Alan Hodson**

Chair of Special Trustees  
Great Ormond Street Hospital Children's Charity

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

## Report on the financial statements

### Our opinion

In our opinion the financial statements, defined below:

- Give a true and fair view of the state of the group's and the parent charity's affairs as at 31 March 2015 and of the group's incoming resources and application of resources and the group's cash flows, for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of section 144 of the Charities Act 2011 and Regulation 15 of The Charities (Accounts and Reports) Regulations 2008.

This opinion is to be read in the context of what we say in the remainder of this report.

### What we have audited

The group financial statements and the parent financial statements ("the financial statements"), which are prepared by Great Ormond Street Hospital Children's Charity, comprise:

- The balance sheets as at 31 March 2015;
- The consolidated statement of financial activities for the year then ended;
- The consolidated cash flow statement for the year then ended;
- The notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the Trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

## What an audit of financial statements involves

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("ISAs (UK and Ireland)"). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- Whether the accounting policies are appropriate to the group's and the parent charity's circumstances and have been consistently applied and adequately disclosed;
- The reasonableness of significant accounting estimates made by the Trustees; and
- The overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Annual Report and Accounts 2014/15 (the "Annual Report") to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.

### Other matters on which we are required to report by exception

#### Sufficiency of accounting records and information and explanations received

Under the Charities Act 2011 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
- Sufficient accounting records have not been kept by the parent charity; or
- The parent charity financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



## Other information in the Annual Report

Under the Charities Act 2011 we are required to report to you if, in our opinion the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements.

We have no exceptions to report arising from this responsibility.

## Responsibilities for the financial statements and the audit

### Our responsibilities and those of the Trustees

As explained more fully in the 'statement of Trustees responsibilities', the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and ISAs (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the charity's Trustees as a body in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act (Regulation 30 of The Charities (Accounts and Reports) Regulations 2008) 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.

*PricewaterhouseCoopers LLP*

### PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors London  
16 July 2015

PricewaterhouseCoopers LLP is eligible to act, and has been appointed, as auditor under section 144(2) of the Charities Act 2011.



# Consolidated statement of financial activities

For the year ended 31 March 2015

		Unrestricted funds	Restricted funds	Endowment funds	Year to 31 March	
	Notes	£000	£000	£000	2015 £000	2014 £000
<b>Incoming resources</b>						
<b>Incoming resources from generated funds</b>						
Voluntary income	2.1	38,627	32,043	–	<b>70,670</b>	59,740
Activities for generating funds	2.2	2,164	3,601	–	<b>5,765</b>	5,249
Investment income	2.3	2,254	59	3	<b>2,316</b>	2,660
<b>Total incoming resources from generated funds</b>		<b>43,045</b>	<b>35,703</b>	<b>3</b>	<b>78,751</b>	67,649
<b>Incoming resources from charitable activities</b>	2.4	1,593	637	–	<b>2,230</b>	6,850
<b>Total incoming resources</b>		<b>44,638</b>	<b>36,340</b>	<b>3</b>	<b>80,981</b>	74,499
<b>Resources expended</b>						
<b>Cost of generating funds</b>						
Cost of generating voluntary income		18,326	–	–	<b>18,326</b>	19,102
Fundraising trading: cost of goods sold and other costs		700	–	–	<b>700</b>	468
Investment management costs		153	–	–	<b>153</b>	167
<b>Total cost of generating funds</b>	4.1	<b>19,179</b>	<b>–</b>	<b>–</b>	<b>19,179</b>	19,737
<b>Charitable activities</b>						
Welfare and clinical development		736	5,666	–	<b>6,402</b>	4,210
Research		739	5,681	–	<b>6,420</b>	5,082
Medical equipment and capital schemes		419	3,225	–	<b>3,644</b>	2,590
Redevelopment		(49)	(380)	–	<b>(429)</b>	85,404
Accommodation and other		1,209	–	–	<b>1,209</b>	966
<b>Total charitable activities</b>	4.2	<b>3,054</b>	<b>14,192</b>	<b>–</b>	<b>17,246</b>	98,252
<b>Governance costs</b>	4.3	<b>1,433</b>	<b>–</b>	<b>–</b>	<b>1,433</b>	803
<b>Total resources expended</b>		<b>23,666</b>	<b>14,192</b>	<b>–</b>	<b>37,858</b>	118,792
<b>Net incoming/(outgoing) resources before transfers</b>		<b>20,972</b>	<b>22,148</b>	<b>3</b>	<b>43,123</b>	(44,293)
Transfers between funds	20	3,914	(3,911)	(3)	<b>–</b>	–
<b>Net incoming/(outgoing) resources before other recognised gains and losses</b>		<b>24,886</b>	<b>18,237</b>	<b>–</b>	<b>43,123</b>	(44,293)
Gains on revaluation and disposal of own fixed assets		–	–	–	<b>–</b>	60,705
Gain/(loss) on revaluation and disposal of investment assets		2,238	–	–	<b>2,238</b>	(2,441)
<b>Net movement in funds for the year</b>		<b>27,124</b>	<b>18,237</b>	<b>–</b>	<b>45,361</b>	13,971
Fund balances brought forward at 1 April		225,867	(17,878)	664	<b>208,653</b>	194,682
<b>Fund balances carried forward at 31 March</b>		<b>252,991</b>	<b>359</b>	<b>664</b>	<b>254,014</b>	208,653

Notes 1 to 25 form part of these financial statements.

All income relates to continuing activities.

There is no material difference between the net income of the year and the historical cost equivalents.

All gains and losses recognised in the year are included in the Statement of Financial Activities.

## Balance sheets

As at 31 March 2015

		Consolidated		Charity	
		31 March 2015 £000	31 March 2014 £000	31 March 2015 £000	31 March 2014 £000
	Notes				
<b>Fixed assets</b>					
Intangible assets	9	805	300	805	300
Tangible assets	10	134,733	132,920	134,733	132,920
Investments	11.2	83,455	80,140	83,455	80,140
<b>Total fixed assets</b>		<b>218,993</b>	213,360	<b>218,993</b>	213,360
<b>Current assets</b>					
Stock and work in progress	12	57	48	–	–
Investments	13	134,127	118,852	134,127	118,852
Debtors	14	9,059	9,277	9,046	9,090
Cash at bank and in hand		914	2,809	852	2,636
<b>Total current assets</b>		<b>144,157</b>	130,985	<b>144,025</b>	130,578
Creditors: amounts falling due within one year	15	52,759	50,949	52,652	50,567
<b>Net current assets</b>		<b>91,398</b>	80,036	<b>91,373</b>	80,011
<b>Total assets less current liabilities</b>		<b>310,391</b>	293,396	<b>310,366</b>	293,371
Creditors: amounts falling due after more than one year	16	56,377	84,743	56,377	84,743
<b>Total net assets</b>		<b>254,014</b>	208,653	<b>253,989</b>	208,628
<b>Funds of the charity</b>					
Endowment funds	20.1	664	664	664	664
Restricted funds	20.2	359	(17,878)	359	(17,878)
Unrestricted income funds:					
General	20.3	48,233	23,427	48,208	23,402
Designated	20.3	204,758	202,440	204,758	202,440
<b>Total funds</b>		<b>254,014</b>	208,653	<b>253,989</b>	208,628

The financial statements on pages 24 to 48 were approved by the Board of Trustees on 16 July 2015 and signed on its behalf by



**Alan Hodson**  
Chair



# Consolidated cash flow statement

For the year ended 31 March 2015

		Year to 31 March	
	Notes	2015 £000	2014 £000
<b>Cash inflow from operating activities</b>	21.1	<b>14,672</b>	12,879
<b>Returns on investments and servicing of finance</b>			
Interest received		<b>1,042</b>	1,049
Investments in fixed income portfolio and equities		<b>1,274</b>	1,611
<b>Net cash inflow from returns on investments and servicing of finance</b>		<b>2,316</b>	2,660
<b>Capital expenditure</b>			
Payments to acquire fixed assets	9,10	<b>(2,531)</b>	(1,221)
Payments to acquire investments	11	<b>(42,960)</b>	(3,415)
Proceeds from sale of investments		<b>41,883</b>	34,000
<b>Net cash (outflow)/inflow from capital expenditure</b>		<b>(3,608)</b>	29,364
<b>Net cash inflow before management of liquid resources</b>		<b>13,380</b>	44,903
Management of liquid resources			
(Decrease) in short-term deposits		<b>(15,275)</b>	(43,226)
<b>Net cash (outflow) from management of liquid resources</b>	21.2	<b>(15,275)</b>	(43,226)
<b>(Decrease)/increase in cash</b>		<b>(1,895)</b>	1,677

# Notes to the accounts

## 1. Subsidiaries

### 1.1 Great Ormond Street International Promotions Ltd

The charity has a wholly-owned trading subsidiary, Great Ormond Street International Promotions Ltd (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 to 31 March	
	2015 £000	2014 £000
<b>Profit and loss account</b>		
Turnover	1,730	2,140
Cost of sales	(580)	(351)
<b>Gross profit</b>	<b>1,150</b>	<b>1,789</b>
Administrative expenses	(317)	(361)
<b>Net profit</b>	<b>833</b>	<b>1,428</b>
Amount passed as Gift Aid to the charity	–	(1,428)
<b>Result for the year before taxation</b>	<b>833</b>	<b>–</b>
Taxation	–	–
<b>Result for the year</b>	<b>833</b>	<b>–</b>

The Directors of GOSIPL have undertaken to distribute all of the company's taxable profits for the financial year to Great Ormond Street Hospital Children's Charity.

	31 March 2015 £000	31 March 2014 £000
<b>Balance sheet as at 31 March 2015</b>		
Stocks – goods held for resale	57	48
Debtors	758	655
Cash	36	168
Current liabilities	(826)	(846)
<b>Net assets</b>	<b>25</b>	<b>25</b>
<b>Share capital and reserves</b>	<b>25</b>	<b>25</b>

# Notes to the accounts

## 1.2 The Friends of the Children of Great Ormond Street

The charity is the sole member of The Friends of the Children of Great Ormond Street (the Friends) company. The principal activity of the Friends is to provide grants to key areas of the hospital, such as family support and children's play services.

	Year to 31 March	
	2015 £000	2014 £000
<b>Income and Expenditure</b>		
<b>Incoming resources</b>		
Voluntary Income	786	1,116
Investment Income	–	–
	<b>786</b>	<b>1,116</b>
<b>Resources Expended</b>		
Governance	4	4
Charitable expenditure	782	1,112
<b>Total resources expended</b>	<b>786</b>	<b>1,116</b>
Net incoming resources	–	–
<b>Fund balance carried forward at 31 March 2015</b>	<b>–</b>	<b>–</b>

	31 March 2015 £000	31 March 2014 £000
<b>Balance sheet as at 31 March 2015</b>		
Debtors	33	14
Bank and cash in hand	26	4
Current liabilities	(59)	(18)
<b>Net assets</b>	<b>–</b>	<b>–</b>
<b>Reserves</b>	<b>–</b>	<b>–</b>

### 1.3 Accounting policies

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

#### 1.3.1 Basis of preparation

These financial statements have been prepared under the historic cost convention, as modified for the revaluation of certain investments and properties, and in accordance with applicable United Kingdom accounting standards, the Statement of Recommended Practice (SORP) Accounting and Reporting by Charities, published in 2005, and the Charities Act 2011. No separate Statement of Financial Activities (SOFA) has been presented for the charity alone, as permitted by paragraph 397 of the SORP.

Total incoming resources for the charity before consolidation were £79,436,000 (2013/14: £72,595,000) with total resources expended of £37,149,000 (2013/14: £118,312,000).

As described in the annual report, following consideration of the change in legal structure which took place on 1 April 2015 (see page 18) and the Trustees' assessment of going concern (see page 19), the Trustees continue to adopt the going concern basis in preparing the financial statements.

#### 1.3.2 Basis of consolidation

The consolidated financial statements of the group incorporate the financial statements of the charity and its subsidiary undertakings, Great Ormond Street International Promotions Ltd (GOSIPL) and The Friends of Great Ormond Street (The Friends). Intercompany transactions and balances between group companies are eliminated. Consistent accounting policies have been adopted across the group.

#### 1.3.3 Incoming resources

All incoming resources are included in the SOFA when the group is legally entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies apply to categories of income:

- a) Gifts in kind
  - 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 incoming resources 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.

In all cases, the amount at which gifts in kind are recognised is either a reasonable estimate of their value to the charity or the amount actually realised.

#### b) Legacies

Legacies are accounted for as incoming resources once receipt of the legacy becomes virtually certain. This occurs at the earlier of receipt or once the final estate accounts have been approved by all parties. This approval provides confirmation that payment of the legacy will be made or property transferred, and confirms that all conditions attached to the legacy have been fulfilled. Legacies are included as incoming resources if the approval happened before 31 March. Legacies are disclosed under voluntary income in the SOFA (see note 2.1).

#### c) Income from fundraising activities

General donations and Gift Aid are disclosed under voluntary income in the SOFA and recognised on receipt. Tickets, auction and sponsorship income from fundraising events are disclosed under activities for generating funds and recognised when receivable.

#### d) Grants and other time-related income

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

#### e) Investment income

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

#### f) Trading income

Income from the charity's trading subsidiary is disclosed under activities for generating funds. This income is recognised on sale of goods when dispatched, on royalty and licence income for contractual periods ending in the financial year and for challenge events in line with when these take place.

### 1.4 Resources expended

Expenditure is accounted for on an accruals basis and has been classified under the principal categories of 'costs of generating funds' and 'charitable activities'. These classifications comprise direct expenditure attributable to the activity. The costs of generating funds comprise the costs incurred in generating voluntary and legacy income including apportioned support costs. Charitable expenditure



## Notes to the accounts

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 an unconditional commitment is made, and the liability can be quantified with reasonable certainty.

Governance costs are those costs attributable to the governance arrangements of the charity which relate to the general running of the charity, as opposed to those associated with charitable or fundraising activities. These include internal and external audit, legal advice for the Trustees and indemnity insurance.

Support costs, which include the central functions of Finance, IT, HR, Administration, Business Support and Supporter Services, are allocated across the categories of cost of generating funds, charitable activities and governance costs. The basis of the cost allocation is set out in note 5.

### 1.5 Funds structure

Incoming resources 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

The unrestricted fund includes 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. The Trustees may earmark unrestricted funds for a particular purpose without restricting or committing the funds legally. Such amounts are known as designated funds.

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 20.

### 1.6 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 amortised historical cost.

#### c) Amortisation

Software is amortised over the specific period of the purchased licence if applicable or alternatively over three years to reflect its relative short life cycle and constant advances in information technology.

### 1.7 Tangible fixed assets

#### a) Capitalisation

All assets falling into the following categories are capitalised:

- i Tangible 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 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 a value of £1,000 or more are capitalised).
- iii Assets under construction comprise 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 use.

#### b) Valuation

Tangible fixed assets are valued as follows:

- i Land, buildings and installations are stated at either open market value for their existing use or at depreciated replacement cost. Depreciated replacement cost is deferred where appropriate to recognise the presence of leases on the property. Valuations are carried out professionally at five-yearly intervals, with an impairment review undertaken in all other years. A full revaluation was carried out as at 31 March 2014 by Cluttons LLP.
  - ii Fixtures, fittings, vehicles and equipment are valued at depreciated historical cost.
  - iii Asset under construction are valued at cost.
- #### c) Depreciation
- i Depreciation is charged on each main class of tangible asset as follows: land is not depreciated; fixtures and

fittings are depreciated over the assessed remaining life of the asset; buildings are not depreciated, but are subject to an annual impairment review in the years between the formal valuations.

- ii Each equipment asset is depreciated over its expected useful life.

	<b>Years</b>
Fixtures and fittings	15
Office equipment	10
Vehicles	10
IT equipment	3

- d) Donated assets

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

- e) Asset under construction

Assets under construction are not depreciated.

## 1.8 Investment: fixed and current assets

Fixed and current asset investments consist of long-term and short-term portfolios that are recognised at market value.

- i Quoted stocks and shares are included in the balance sheet at bid value.
- ii Cash investments are held at cost plus accrued interest.
- iii Other investment fixed assets are included at Trustees' best estimate of market value.
- iv Assets for resale are held at net realisable value within current asset investments.
- v Investments in subsidiary undertakings are stated at cost.

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).

## 1.9 Stocks

Stocks consist of purchased goods for resale, which are valued at the lower of cost and net realisable value.

Provision is made for any obsolete or slow-moving items.

## 1.10 Pension contributions

Most employees are members of a defined contribution pension scheme. Contributions are chargeable to the SOFA in the period to which they relate.

The charity also participates in the NHS Pension Scheme, with five 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 at [www.nhsbsa.nhs.uk/pensions](http://www.nhsbsa.nhs.uk/pensions). 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 their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as if it were a defined contribution scheme: the cost of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the Government Financial Reporting Manual (FReM) requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

- a) Accounting valuation

A valuation of the scheme liability is carried out annually by the scheme actuary as at the end of the reporting period. This uses an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2015 is based on the valuation data as 31 March 2014, updated to 31 March 2015 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the scheme actuary report, which forms part of the annual NHS Pension Scheme (England and Wales) Pension Accounts, published annually. These accounts can be viewed on the NHS Pensions website. Copies can also be obtained from The Stationery Office.

## Notes to the accounts

### b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the scheme (taking into account its recent demographic experience), and to recommend the contribution rates.

The last published actuarial valuation undertaken for the NHS Pension Scheme was completed for the year ending 31 March 2012.

The Scheme Regulations were changed to allow contribution rates to be set by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the Scheme Actuary and appropriate employee and employer representatives as deemed appropriate.

### c) Scheme provisions

The NHS Pension Scheme provided defined benefits, which are summarised below. This list is an illustrative guide only, and is not intended to detail all the benefits provided by the Scheme or the specific conditions that must be met before these benefits can be obtained.

The Scheme is a 'final salary' scheme. Annual pensions are normally based on 1/80th for the 1995 section and on the best of the last three years pensionable pay for each year of service, and 1/60th for the 2008 section of reckonable pay per year of membership. Members who are practitioners as defined by the Scheme Regulations have their annual pensions based upon total pensionable earnings over the relevant pensionable service.

With effect from 1 April 2008 members can choose to give up some of their annual pension for an additional tax free lump sum, up to a maximum amount permitted under HMRC rules. This new provision is known as 'pension commutation'.

Annual increases are applied to pension payments at rates defined by the Pensions (Increase) Act 1971, and are based on changes in retail prices in the 12 months ending 30 September in the previous calendar year. From 2011/12 the Consumer Price Index (CPI) will be used to replace the Retail Prices Index (RPI).

Early payment of a pension, with enhancement, is available to members of the scheme who are permanently incapable of fulfilling their duties effectively through illness or infirmity. A death gratuity of twice final year's pensionable pay for death in service, and five times their annual pension for death after retirement is payable.

For early retirements other than those due to ill health the additional pension liabilities are not funded by the scheme. The full amount of the liability for the additional costs is charged to the employer.

Members can purchase additional service in the NHS Scheme and contribute to money purchase Additional Voluntary Contributions (AVCs) run by the scheme's approved providers or by other Free Standing Additional Voluntary Contributions (FSAVC) providers.

### 1.11 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 Great Ormond Street International Promotions Ltd, due to its policy of distributing all taxable profits to Great Ormond Street Hospital Children's Charity each year.

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

### 1.12 Leases

Costs relating to operating leases are charged in the SOFA over the life of the lease on a straight-line basis.

## 2. Incoming resources

	Unrestricted funds	Restricted funds	Endowment funds	Year to 31 March	
	£000	£000	£000	2015 £000	2014 £000
<b>Incoming resources from generated funds</b>					
<b>2.1 Voluntary income</b>					
Direct gifts from individuals and trusts	17,321	13,746	–	<b>31,067</b>	29,222
Legacies	14,443	7,541	–	<b>21,984</b>	11,460
Community fundraising	4,361	5,792	–	<b>10,153</b>	10,266
Partnerships, campaigns, events and other income	2,502	4,964	–	<b>7,466</b>	8,792
<b>Total</b>	<b>38,627</b>	<b>32,043</b>	–	<b>70,670</b>	59,740
<b>2.2 Activities for generating funds</b>					
Auctions, tickets, sponsorship and other income	701	3,334	–	<b>4,035</b>	3,109
Fundraising trading	1,463	267	–	<b>1,730</b>	2,140
<b>Total</b>	<b>2,164</b>	<b>3,601</b>	–	<b>5,765</b>	5,249
<b>2.3 Investment income</b>	2,254	59	3	<b>2,316</b>	2,660
<b>2.4 Incoming resources from charitable activities</b>					
Grants	–	637	–	<b>637</b>	311
Property	1,593	–	–	<b>1,593</b>	6,539
<b>Total</b>	<b>1,593</b>	<b>637</b>	–	<b>2,230</b>	6,850
<b>Total incoming resources</b>	<b>44,638</b>	<b>36,340</b>	<b>3</b>	<b>80,981</b>	74,499

## 3. Investment income

	Unrestricted funds	Restricted funds	Endowment funds	Year to 31 March	
	£000	£000	£000	2015 £000	2014 £000
Investments in a fixed income portfolio	1,224	59	–	<b>1,283</b>	1,617
Cash investments	1,030	–	3	<b>1,033</b>	1,043
<b>Total</b>	<b>2,254</b>	<b>59</b>	<b>3</b>	<b>2,316</b>	2,660



# Notes to the accounts

## 4. Resources expended

	Direct costs	Support costs	Year to 31 March	
	£000	£000	2015 £000	2014 £000
<b>4.1 Costs of generating funds:</b>				
Direct gifts from individuals and trusts	8,678	2,142	<b>10,820</b>	11,706
Legacy	499	143	<b>642</b>	481
Community fundraising	1,946	1,306	<b>3,252</b>	3,123
Partnerships, campaigns, events and other income	2,439	1,173	<b>3,612</b>	3,793
<b>Total cost of generating voluntary income</b>	<b>13,562</b>	<b>4,764</b>	<b>18,326</b>	19,102
Trading	700	–	<b>700</b>	468
Investment management costs	153	–	<b>153</b>	167
<b>Total</b>	<b>14,415</b>	<b>4,764</b>	<b>19,179</b>	19,737

## 4.2 Charitable activities

Welfare and clinical development	5,666	736	<b>6,402</b>	4,210
Research	5,681	739	<b>6,420</b>	5,082
Medical equipment and capital schemes	3,225	419	<b>3,644</b>	2,590
Redevelopment	(380)	(49)	<b>(429)</b>	85,404
Accommodation and other	1,070	139	<b>1,209</b>	966
<b>Total</b>	<b>15,262</b>	<b>1,984</b>	<b>17,246</b>	98,252

<b>4.3 Governance costs</b>	<b>855</b>	<b>578</b>	<b>1,433</b>	803
<b>Total resources expended</b>	<b>30,532</b>	<b>7,326</b>	<b>37,858</b>	118,792

## 4.4 Resources expended include charges for:

Other leases	<b>37</b>	68
Building leases	<b>433</b>	529
Fees payable to the charity's auditor for the audit of the group annual accounts	<b>39</b>	45
Depreciation	<b>152</b>	201
Amortisation	<b>61</b>	66

Other leases includes the hire of photocopier, franking machine and IT leases. Building lease rentals include 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 £39,000 (2013/14: £45,000) include £nil (2013/14: £6,600) relating to a change in the scope of the external audit and £10,000 (2013/14: £10,000) for the audit of the subsidiary undertakings.

## 5. Support costs

	Staff costs	IT and Comms	Other	Year to 31 March	
	£000	£000	£000	2015 £000	2014 £000
Cost of generating voluntary income	2,996	515	1,253	<b>4,764</b>	4,804
Welfare and clinical development	462	80	194	<b>736</b>	72
Research	465	80	194	<b>739</b>	86
Medical equipment and capital schemes	264	45	110	<b>419</b>	44
Redevelopment	(31)	(5)	(13)	<b>(49)</b>	1,444
Accommodation and other	87	15	37	<b>139</b>	14
Governance costs	364	62	152	<b>578</b>	471
<b>Total</b>	<b>4,607</b>	<b>792</b>	<b>1,927</b>	<b>7,326</b>	6,935

Support costs include the costs of the following departments and activities: Finance, Information Technology, Human Resources, Administration, Office Running Costs, Business Support, Brand Marketing, Communications and Supporter Services. These are allocated pro-rata to our charitable activities. Accordingly, as the redevelopment activity was a net grant retraction this year the allocated support cost is a credit of £49,000.

## 6. Grant-funded activities

	Year to 31 March	
	2015 £000	2014 £000
<b>Name of recipient:</b>		
The Brain Tumour Charity	<b>294</b>	–
GOSH	<b>9,535</b>	97,561
ICH	<b>4,787</b>	4,180
Imperial College London	–	260
Institute of Cardiovascular Science	<b>73</b>	–
UCL Institute of Cardiovascular Science	–	185
University of Manchester	<b>359</b>	19
<b>Total</b>	<b>15,048</b>	102,205

The 2013/14 grant to GOSH included the £84 million commitment to Phase 2B of the hospital redevelopment programme.

# Notes to the accounts

## 7. Details of staff costs

	Year to 31 March	
	2015 No. of staff	2014 No. of staff
<b>The full-time equivalent average number of employees is split as follows:</b>		
Support	32	35
Fundraising	129	120
Charitable expenditure	29	30
Governance	8	7
<b>Total</b>	<b>198</b>	<b>192</b>

### 7.1 Analysis of staff costs

	Year to 31 March	
	2015 £000	2014 £000
Salaries and wages	7,277	6,581
Compensation for loss of office	51	1
Social security costs	783	713
Pension costs	692	504
<b>Total emoluments of employees</b>	<b>8,803</b>	<b>7,799</b>
Agency staff	177	332
<b>Total emoluments</b>	<b>8,980</b>	<b>8,131</b>
<b>Pension costs are split as follows:</b>		
Defined contribution scheme	673	480
Final salary scheme	19	24
<b>Total pension costs</b>	<b>692</b>	<b>504</b>
<b>Outstanding contributions as at the year end were:</b>		
Defined contribution scheme	71	71
Final salary scheme	1	1

### 7.2 Pension contributions for senior employees

15 out of the 16 employees earning more than £60,000 participated in the defined contribution pension scheme (2014: 9 of the 9). Contributions relating to these employees were £134,692 (2014: £89,711).

## 7. Details of staff costs (continued)

### 7.3 Senior employees

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

	Year to 31 March	
	2015 £000	2014 £000
£60,000 – £69,999	4	3
£70,000 – £79,999	5	2
£80,000 – £89,999	2	1
£90,000 – £99,999	1	0
£100,000 – £109,999	1	1
£110,000 – £119,999	2	1
£120,000 – £129,999	0	0
£130,000 – £139,999	0	1
£140,000 – £149,999	1	0

Staff compensation policy is determined by reference to the market and the performance of each person based upon the achievement of specific goals. The increase in staff earning over £60,000 reflects both the policy to attract and retain experienced and high quality staff but also, over the past 2 years, the appointment of an additional 4 senior staff to help the charity maintain the highest standards of governance and stewardship over our fundraising and charitable expenditure.

## 8. Trustee remuneration

None of the Trustees received any remuneration from the charity or its subsidiaries during the current or previous financial year. No Trustees were reimbursed for expenses incurred while carrying out their responsibilities for the charity during the year (2014: none).

A trustee indemnity insurance policy is held with Dual Corporate Risks Ltd, providing indemnity of £5 million. The cost of the policy in 2014/15 was £7,000 (2013/14: £4,081).

## 9. Intangible assets

### Charity and consolidated

	IT software £000
Cost:	
<b>Balance at 1 April 2014</b>	<b>708</b>
Additions	566
<b>Balance at 31 March 2015</b>	<b>1,274</b>
Accumulated amortisation	
<b>Balance at 1 April 2014</b>	<b>408</b>
Charge for the year	61
<b>Balance at 31 March 2015</b>	<b>469</b>
<b>Net book value at 31 March 2015</b>	<b>805</b>
Net book value at 31 March 2014	300



# Notes to the accounts

## 10. Tangible fixed 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
<b>Cost and valuation</b>							
Balance as at 1 April 2014	131,105	1,131	140	13	570	1,012	133,971
Additions	–	–	–	–	13	1,952	1,965
<b>Balance at 31 March 2015</b>	<b>131,105</b>	<b>1,131</b>	<b>140</b>	<b>13</b>	<b>583</b>	<b>2,964</b>	<b>135,936</b>
<b>Accumulated depreciation</b>							
Balance at 1 April 2014	–	429	99	9	514	–	1,051
Charge for the year	–	75	21	2	54	–	152
<b>Balance at 31 March 2015</b>	<b>–</b>	<b>504</b>	<b>120</b>	<b>11</b>	<b>568</b>	<b>–</b>	<b>1,203</b>
<b>Net book value 2015</b>	<b>131,105</b>	<b>627</b>	<b>20</b>	<b>2</b>	<b>15</b>	<b>2,964</b>	<b>134,733</b>
Net book value 2014	131,105	702	41	4	56	1,012	132,920
Historic cost less depreciation at 31 March 2015	79,799	627	20	2	15	2,964	83,427

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 2005. A full valuation was performed as at 31 March 2014 by Cluttons LLP, chartered surveyors, acting as independent valuers. As a result of this valuation, the value of properties held by the charity was increased by £18.5 million. As there was no indication during the year to 31 March 2015 that the recoverable amount of a property was below its net book value, no impairments were necessary. The net book value of properties includes two buildings valued at £26.2 million used by the hospital as clinical facilities. The most commonly used method for the valuation of specialised assets such as these is depreciated replacement cost. 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. These two buildings are subject to leases between the charity and the hospital for unexpired terms of 21.5 years at peppercorn rentals and therefore the value of these properties under the depreciated replacement cost method is reduced by the fact that peppercorn leases are in place. However, it should be made clear that this value would not be realisable on the open market in the event of disposal due to the specialist nature of the assets.

All residential properties are valued at existing use value and office properties are valued at market value.

Asset under construction relates to work on the CRRDC, Phase 3A of the redevelopment programme.

## 11. Fixed asset investments

### 11.1 Analysis of fixed asset investments

	31 March 2015 £000	31 March 2014 £000
<b>Charity and consolidated</b>		
Fixed asset investments:		
Market value at 1 April 2014	80,140	113,166
Disposals at carrying value	(40,688)	(34,000)
Acquisitions at cost	42,960	3,415
Net gain/(loss) on revaluation	1,043	(2,441)
<b>Market value at 31 March 2015</b>	<b>83,455</b>	<b>80,140</b>
Historic cost at 31 March 2015	82,484	77,110

### 11.2 Market value

	Held in the UK £000	Held outside the UK £000	31 March 2015 £000	31 March 2014 £000
Investments in a fixed income portfolio – directly held	31,236	9,055	40,291	39,743
Investments in equity funds	10,456	13,472	23,928	37,389
Investments listed on Stock Exchange	19,236	–	19,236	9
Investments in gold commodities	–	–	–	2,999
<b>Total fixed asset investments</b>	<b>60,928</b>	<b>22,527</b>	<b>83,455</b>	<b>80,140</b>

### Investments representing over 5 per cent by value of the portfolio comprise:

	31 March 2015 %	31 March 2014 %
UK Gilt 2.00% 22/01/2016	6.9	6.6
UK Gilt 4.00% 07/09/2016	8.4	9.0
UK Gilt 1.75% 22/01/2017	6.7	6.9
European Investment Bank 3.25% 07/12/2016	5.9	6.2
UK Gilt 2.75% 22/01/2015	–	5.6

For investment management purposes, the fixed income investments are included in the short-term portfolio. All other investments are included in the long-term portfolio. Investments in gold were sold during the year and the proceeds reinvested.

### Investment powers

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

### 11.3 Investment in Great Ormond Street International Promotions Ltd

	31 March 2015 £2	31 March 2014 £2
Total	£2	£2

The net result for the company in 2014/15 is a surplus of £832,732 (2014: £1,427,842) with a distribution to the charity of £832,732 (2014: Gift Aid payment £1,427,842).

There is a £nil (2013/2014: £nil) investment in The Friends of the Children of Great Ormond Street company.

# Notes to the accounts

## 12. Stocks and work in progress

	Consolidated		Charity	
	31 March 2015 £000	31 March 2014 £000	31 March 2015 £000	31 March 2014 £000
Stock for resale	57	48	–	–
<b>Stocks and work in progress</b>	<b>57</b>	<b>48</b>	<b>–</b>	<b>–</b>

During the year, assets held for sale in 2014 were reclassified as short-term investments from stock (see note 13).

## 13. Current asset investments

Charity and consolidated

	Consolidated		Charity	
	31 March 2015 £000	31 March 2014 £000	31 March 2015 £000	31 March 2014 £000
Short-term deposits	132,577	118,552	132,577	118,552
Assets for resale	1,550	300	1,550	300
<b>Current asset investments</b>	<b>134,127</b>	<b>118,852</b>	<b>134,127</b>	<b>118,852</b>

All current asset investments are held in the UK.

Assets for resale comprise houses in Richmond and Wandsworth, donated to the charity in 2013 and 2015 respectively, which are currently being prepared for sale.

## 14. Debtors

	Consolidated		Charity	
	31 March 2015 £000	31 March 2014 £000	31 March 2015 £000	31 March 2014 £000
Trade debtors	6,034	6,416	5,962	6,063
Amounts owed by group undertakings	–	–	588	483
Other debtors	444	774	632	772
Prepayments	1,116	1,031	799	1,027
Accrued income	1,465	1,055	1,065	745
<b>Debtors falling due within one year</b>	<b>9,059</b>	<b>9,277</b>	<b>9,046</b>	<b>9,090</b>

## 15. Creditors: amounts falling due within one year

	Consolidated		Charity	
	31 March 2015 £000	31 March 2014 £000	31 March 2015 £000	31 March 2014 £000
Trade creditors	1,392	1,495	1,365	1,245
Taxation and social security	115	274	124	206
Grants awarded (see note 18)	49,577	47,537	49,577	47,537
Other creditors	155	146	155	147
Accruals	718	580	670	545
Deferred income	802	917	761	887
<b>Creditors falling due within one year</b>	<b>52,759</b>	<b>50,949</b>	<b>52,652</b>	<b>50,567</b>

## 16. Creditors: amounts falling due after one year

	Consolidated		Charity	
	31 March 2015 £000	31 March 2014 £000	31 March 2015 £000	31 March 2014 £000
Grants awarded (see note 18)	56,328	84,501	56,328	84,501
Rent-free provision	49	242	49	242
<b>Creditors falling after one year</b>	<b>56,377</b>	<b>84,743</b>	<b>56,377</b>	<b>84,743</b>

## 17. Deferred income

	31 March 2014 £000	Deferred £000	Released £000	31 March 2015 £000
Charity	887	761	(887)	761
Trading subsidiary	30	41	(30)	41
<b>Deferred income</b>	<b>917</b>	<b>802</b>	<b>(917)</b>	<b>802</b>

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



# Notes to the accounts

## 18. Grants awarded

	2015 £000	2014 £000
Oustanding liabilities brought forward at 1 April	132,038	65,179
<b>Awarded during the year:</b>		
Redevelopment	–	83,776
Medical equipment and capital schemes	3,750	7,880
Research	5,840	5,662
GOSH welfare and other	5,458	4,887
<b>Awarded during the year</b>	<b>15,048</b>	<b>102,205</b>
<b>Paid during the year:</b>		
Redevelopment	(19,040)	(13,132)
Medical equipment and capital schemes	(8,062)	(3,018)
Research	(6,862)	(7,249)
GOSH welfare and other	(4,941)	(4,072)
<b>Paid during the year</b>	<b>(38,905)</b>	<b>(27,471)</b>
<b>Adjustments in the year:</b>		
Redevelopment	(504)	–
Medical equipment and capital schemes	(540)	(5,430)
Research	(408)	(1,211)
GOSH welfare and other	(824)	(1,234)
<b>Adjustments in the year</b>	<b>(2,276)</b>	<b>(7,875)</b>
<b>Outstanding liabilities at 31 March</b>	<b>105,905</b>	<b>132,038</b>
Amounts falling due within one year	49,577	47,537
Amounts falling due after more than one year	56,328	84,501
<b>Outstanding liabilities at 31 March</b>	<b>105,905</b>	<b>132,038</b>

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.

## 19. Analysis of group net assets between funds

	Unrestricted		Restricted	Endowment	31 March 2015 Total funds	31 March 2014 Total funds
	General £000	Designated £000	£000	£000	£000	£000
<b>Fund balances at 31 March 2015 are represented by:</b>						
Tangible and intangible fixed assets	–	135,538	–	–	<b>135,538</b>	133,220
Investments	41,063	–	41,728	664	<b>83,455</b>	80,140
Current assets and liabilities	76,439	–	14,959	–	<b>91,398</b>	80,036
Long term liabilities	(49)	–	(56,328)	–	<b>(56,377)</b>	(84,743)
<b>Total net assets</b>	<b>117,453</b>	<b>135,538</b>	<b>359</b>	<b>664</b>	<b>254,014</b>	208,653

Restricted funds include long-term liabilities of £56.3 million and short-term liabilities of £49.6 million, relating to grants awarded to GOSH and the ICH.

# Notes to the accounts

## 20. Group and charity funds

	31 March 2014 £000	Incoming resources £000	Resources expended £000	Transfers between funds £000	Gains and losses £000	Balance 31 March 2015 £000
<b>20.1 Endowment funds</b>						
A Tippetts & Crux	222	1	–	(1)	–	222
B Lewisohn	11	–	–	–	–	11
C Barnes	7	–	–	–	–	7
D Mary Shepard Bequest	407	2	–	(2)	–	407
E John Lund Wells Bequest	17	–	–	–	–	17
<b>Total endowment funds</b>	<b>664</b>	<b>3</b>	<b>–</b>	<b>(3)</b>	<b>–</b>	<b>664</b>
<b>20.2 Restricted funds</b>						
A Redevelopment	(33,392)	22,348	379	(1,542)	–	(12,207)
B Louis Dundas Centre	114	1,458	–	(230)	–	1,342
C Gastroenterology Research Collaboration	92	162	61	81	–	396
D Craniofacial Fund	137	19	(23)	–	–	133
E The Richard Wright Fund	1,625	11	–	561	–	2,197
F The Friends Fund	2,274	623	–	(2,180)	–	717
G Clinical Cardiac Chair	300	1	(1)	–	–	300
H Olivia Hodson Cancer Fund	307	30	(108)	–	–	229
I Family Studies	306	1	(29)	–	–	278
J Other special purpose funds	3,167	724	(816)	20	–	3,095
K Other restricted purpose funds	7,192	10,963	(13,655)	(621)	–	3,879
<b>Total restricted funds</b>	<b>(17,878)</b>	<b>36,340</b>	<b>(14,192)</b>	<b>(3,911)</b>	<b>–</b>	<b>359</b>
<b>20.3 Unrestricted funds</b>						
General funds	23,427	44,638	(23,666)	1,596	2,238	48,233
<b>Designated funds:</b>						
Redevelopment fund	69,220	–	–	–	–	69,220
Fixed Assets fund	133,220	–	–	2,318	–	135,538
<b>Total unrestricted funds</b>	<b>225,867</b>	<b>44,638</b>	<b>(23,666)</b>	<b>3,914</b>	<b>2,238</b>	<b>252,991</b>
<b>Total funds</b>	<b>208,653</b>	<b>80,981</b>	<b>(37,859)</b>	<b>–</b>	<b>2,238</b>	<b>254,014</b>

Total restricted funds show a net surplus of £0.4m at the year end. This is mainly due to a deficit in Phase 2B of the redevelopment programme offsetting a surplus in other restricted funds. The redevelopment project continues to be actively fundraised for. Trustees have designated funds of £69.2 million from unrestricted funds to cover any deficit on the current redevelopment plans.

The fixed asset fund represents the value of general funds invested in fixed assets which are not, by nature of fixed assets, readily available for use for other purposes. This is equal to the net book value of the fixed assets at 31 March 2015. Fixed asset expenditure financed from restricted funds is shown within the restricted funds balances.

## 20. Group and Charity Funds (continued)

### 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 Gastroenterology Research Collaboration	To research causes of and new treatments for severe gut disorders and food allergies.
D Craniofacial Fund	To research and purchase equipment for craniofacial disorders.
E The Richard Wright Fund	To fund research into infant and childhood leukaemia.
F The Friends Fund	To provide funds for family support and children's play services.
G Clinical Cardiac Chair	To provide support costs for the post of Clinical Cardiac Chair.
H Olivia Hodson Cancer Fund	To support projects and roles related to childhood cancer.
I Family Studies	To provide support to the Psychological Medicine Department.
J Other special purpose funds	Funds delegated by the Trustees to various departments within Great Ormond Street Hospital and UCL Institute of Child Health.
K Other restricted purpose funds	To finance specific items of equipment, services or projects.

### Unrestricted and designated funds

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 arise where:

- subsequent instructions are received from a donor restricting income that was originally received with no restrictions;
- restricted income is received for projects which had previously been underwritten by unrestricted reserves (2014/15: £3.9 million, 2013/14: £5.9 million);
- two restricted funds have a common purpose, transfers may be made to support an individual project which matches their restriction;
- general funds are designated for a particular purpose should the trustees decide this to be appropriate.



# Notes to the accounts

## 21. Notes to the consolidated cash flow statement

### 21.1 Reconciliation of cash flows from operating activities to net incoming resources

	31 March 2015 £000	31 March 2014 £000
Net incoming/(outcoming) resources before other recognised gains and losses	43,123	(44,293)
Depreciation and amortisation charges	213	267
Investment income	(2,316)	(2,660)
Increase in stocks	(9)	(9)
Decrease/(Increase) in debtors	217	(6,040)
(Decrease)/Increase in creditors	(26,556)	65,614
<b>Cash inflow from operating activities</b>	<b>14,672</b>	<b>12,879</b>

### 21.2 Analysis of net funds

	31 March 2014 £000	Cash flows £000	31 March 2015 £000
Cash at bank and in hand	2,809	(1,895)	914
Current asset investments	118,852	15,275	134,127
<b>Total</b>	<b>121,661</b>	<b>13,380</b>	<b>135,041</b>

## 22. Commitments, liabilities and provisions

Debtors include £5 million that specifically relates to the Centre for Research into Rare Disease in Children building project currently in the design stage of development. The Trustees consider it unlikely that this project will not proceed to completion. However, if this is the case after the debt has been paid, the £5 million income would be repayable to UCL Institute of Child Health.

The trustees do not have any other commitments, liabilities or provisions requiring disclosure other than those included in the financial statements (2013/14: £ nil).

## 23. Legacies

The charity has been notified of 232 legacies that have not been included within the financial statements, as no notification of impending distribution has been received (2013/14: 235). Of these, 26 per cent are pecuniary legacies that have an average value of £7,262 (2013/14: 23 per cent £6,542) and the remaining 74 per cent are residuary, life interest, income trust and specific legacies that have an average value of £63,086 (2013/14: 77 per cent £93,720). The charity does not have any indication of when it is due to receive these monies and there is no certainty of receipt. Included within the above figures are 34 legacies (2013/14: 36) that are subject to a life interest, as well as 3 specific legacies (2013/14: 3) that are not subject to a life interest.

## 24. Annual commitments under non-cancellable operating leases

	Buildings		Other leases	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
	£000	£000	£000	£000
<b>Operating leases which expire:</b>				
Within one year	–	–	10	13
Between one and five years	–	–	23	42
After five years	581	571	–	–
<b>Total</b>	<b>581</b>	<b>571</b>	<b>33</b>	<b>55</b>

The leases relate to 40 Bernard Street premises.

## 25. Related party transactions

There were no transactions with other entities in which either Trustees or senior employees of the charity hold positions of authority (2014: none).

## Administrative details

### Great Ormond Street Hospital Children's Charity

Registered charity number 235825.

### Great Ormond Street International Promotions Ltd

Company limited by share capital. Registered number 2265303.

### The Friends of Great Ormond Street

Company House number 2093843.

### Principal and registered office

40 Bernard Street, London WC1N 1LE

T: 020 7239 3000 [www.gosh.org](http://www.gosh.org)

### Description of charity's objective

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

### Special Trustees

Alan Hodson (Chairman)

Gabrielle Abbott (retired 31 March 2015)

Susan Burns

John Connolly (appointed 1 June 2014)

Diana Dunstan OBE

Hugo Llewelyn

Christopher Spratling (retired 25 June 2015)

### Associate Trustees

Simon Brewer (retired 14 October 2014)

Simon Stormer

Michael Weston (retired 14 October 2014)

Edward Wozniak

Ruary Neill (appointed 14 October 2014)

Humphrey van der Klugt (appointed 14 October 2014)

Kaela Fenn-Smith (appointed 17 July 2014)

### Board of Directors

Tim Johnson (Chief Executive)

Richard Bowyer (Director of Marketing and Public Fundraising)

Ian Chivers (Director of Finance and Operations)

Antonia Dalmahoy (Director of Corporate Partnerships, resigned 20 February 2015)

Neal Donnelly

(Director of Major Gift and Special Event Fundraising)

Emma Lochhead

(Director of HR and Organisational Development)

Cymbeline Moore

(Director of Communications)

### Charity Patrons

Vernon Kay and Tess Daly

### Auditor

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditor

1 Embankment Place London WC2N 6RH

### Bankers

Royal Bank of Scotland plc

9th Floor, 280 Bishopsgate, London EC2M 4RB

### Solicitors

Withers LLP, 16 Old Bailey, London EC4M 7EG

Bircham Dyson Bell LLP

50 Broadway London SW1H 0BL

### 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

Newton Investment Management Ltd

BNY Mellon House, Ingrave Road, Brentwood, Essex CM15 8TG

Ruffer LLP

80 Victoria Street, London SW1E 5JL

Rothschild

New Court, St Swithin's Lane, London EC4N 8AL

Investec Wealth & Investment Limited

2 Gresham Street, London, EC2V 7QN

### Independent investment consultants

Stanhope Jewsons

35 Portman Square, London W1H 6LR





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

40 Bernard Street  
London WC1N 1LE  
020 7239 3000  
[www.gosh.org](http://www.gosh.org)

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Great Ormond Street  
Hospital Children's Charity.  
Registered charity no. 235825.

Design Manager  
Great Ormond Street Hospital  
Children's Charity  
Fourth floor  
40 Bernard Street  
London WC1N 1LE  
✉ [design.work@gosh.org](mailto:design.work@gosh.org)