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

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

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

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

• contributing to the rebuilding and refurbishment of the hospital;
• funding the most up-to-date equipment;
• supporting research into, and development of, breakthrough treatments; and
• providing accommodation and other support services for children and their families.
Great Ormond Street Hospital is a world leader in paediatric medicine – in clinical care, research, education and training. Many of the children seen at the hospital have complex or life-threatening illnesses and need the specialist care that only the experts at Great Ormond Street Hospital can offer.

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

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

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

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

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

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

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

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

“With increasing demands for research funding, ongoing equipment and welfare needs and the redevelopment programme, the charity needs to raise more than £50 million every year for the next 10 years – double the previous fundraising target.”
The hospital’s motto is: The child first and always. We want to be able to help sick children now and in the future; children from the UK and overseas; children who are very special and who have unique healthcare needs. With your support we can.

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

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

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

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

Changes to the way research is funded nationally has had a significant impact on the amount of money that we receive. Whilst our position, in conjunction with UCL Institute of Child Health, as the UK’s only Specialist Biomedical Research Centre for children’s health, gives some funding, it only provides a part of what is needed. Thank you to everyone who has given generously to research programmes, perhaps through donations to the children’s cancer appeal we launched on Valentine’s Day or through major gifts to specific research projects.
Buying specialist equipment is expensive and we cannot afford what we need without your support. As a result of your generosity our experts can improve diagnoses, treatments and care for the patients treated at the hospital. This year we were able to buy vital new equipment thanks to fundraisers in schools, companies, individuals and charitable trusts.

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

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

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

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

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

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

Right: Samuel has a lot of hair for a five-month-old baby. This is a result of the medication he was taking to control his over-production of insulin which caused him to fit when he was born. Despite having outgrown this condition, Samuel still visits the hospital for treatment for polycystic kidneys, and is always very curious about what is going on.
Great Ormond Street Hospital is an international centre of excellence in child healthcare. Working in partnership with UCL Institute of Child Health, the hospital is the UK’s only Specialist Biomedical Research Centre in paediatrics. With more than 50 different specialities, the hospital has the broadest range of dedicated children’s healthcare specialists in the UK.

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

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

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

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

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

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

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

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

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

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

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

In today’s NHS system, the money we raise supports four distinct objectives:

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

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

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

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

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

(The London Journal 13 November 1875)

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

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

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

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

He continues to be a frequent visitor to the hospital, having his eyes checked for any deterioration, and has stoma care from specialist nurses Helen and Monica. Our little Dominic always has a huge smile and giggle and he bounces back after all his treatment. Just like Tigger.”
Children are the inspiration for a focus on continual improvement and the money raised helps fund much-needed state-of-the-art equipment specially designed for the needs of young children and babies.
The clinical and research teams are always looking for new and better ways to care for patients and to improve the patient and family experience that they provide. One of the major pieces of work in the hospital is the Transformation programme, GOSH 2010, which was launched to further improve the quality of care that is provided to patients. While the hospital has excellent clinical standards and constantly achieves the highest clinical and research ratings, there is increased focus on finding ways to improve and work better together. With three clear aims – zero harm, no waste and no unnecessary waits – the Transformation Team has been offering support and advice to clinical teams across the hospital to make sure that they put programmes in place that matter most to children and their families.

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

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

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

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

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

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

**The generosity of our donors makes a real difference to the clinical care of patients at the hospital.**
The Sphygmacor has been essential in enabling this to happen. Hundreds of individual supporters participate in challenge events we run throughout the course of the year, from skydiving to trekking and marathon running and the money raised in these events contributes significantly to the wellbeing of children and families at the hospital.

Corporate support
In addition to the contributions of the hundreds of individuals above, we are also fortunate to have received very generous support from a number of corporate partners. Through employee fundraising and corporate donations, law firm Shoosmiths funded two new ventilators for the hospital. Legal and General PIC employees raised enough funds to purchase a brand new vital signs monitor for the wards, which was aided by the matching scheme provided by their employer.

Case study
Josephine, age six
By Josephine’s mum, Carmel

“When Josephine was just nine months old she was admitted to Great Ormond Street Hospital with a stage 3 neuroblastoma.

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

The cancer side of Josephine’s treatment was just one part, and the compromised breathing was another. For this reason we spent months in hospital as Jojo needed oxygen and a tracheotomy. The time spent with Jo Cooke, the tracheotomy specialist, was wonderful and we still consider her a friend.

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

When I talk to people about Jojo’s time at the hospital and her experience of childhood cancer, they are always amazed that care was given out of the cancer wards. In that sense, the hospital is incredibly joined up. The specialist teams work so well together for the benefit of the child – first and always.”
The powerful presence of siblings and parents helps children recover. The public’s support of the hospital redevelopment will help many more parents to stay with their children while they are in hospital.

Nine-year-old Tommy visits Great Ormond Street Hospital every three months for tests, and sometimes his little sister, Jessica, comes too. Tommy is being treated for a genetic brain disorder which is very rare but is being controlled with medication and the right diet.
The importance of caring for sick children and their families in suitable and comfortable surroundings has long been recognised. Doing everything possible to help them cope with what can inevitably be a stressful and traumatic experience is vital and there can be no better care and reassurance for a child than to know their parent is right beside them. The need for Great Ormond Street Hospital's clinical services is growing and we anticipate a 20 per cent increased need for services by 2011. However, with the hospital already operating at full capacity, the hospital will not be able to treat these patients without improved facilities.

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

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

Phase 2 will take place in two stages:

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

- **Phase 2B** – the redevelopment and refurbishment of the current Cardiac Wing (yet to be named) due to be completed by 2014, will accommodate our remaining inpatient wards.

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

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

The hospital was also able to open a state-of-the-art Imaging Suite which was wholly funded through charitable support. The vast majority of the children who come to Great Ormond Street Hospital need a scan of some kind and the hospital uses Magnetic Resonance Imaging (MRI) and Computerised Tomography (CT) scanning technology to investigate and diagnose a huge array of conditions.
The Tick Tock Club, which has been raising funds towards the new heart and lung centre for children, has also been a resounding success. Under the leadership of its patron, Gary Lineker, and chairman, Ken Costa, the club has achieved its target to raise £10 million towards the total cost of a new, world-class Wolfson Cardiac/Thoracic Centre for Children. Not only will the new centre increase our capacity to provide highly specialised care for seriously ill children, it will also promote advances in our understanding of heart and lung disease, helping sick children at the hospital and around the world.

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

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

2008 will see the launch of our Theatres for Theatres appeal, a major new three-year initiative to help treat children with complex neurological and craniofacial conditions by funding state-of-the-art operating theatres at Great Ormond Street Hospital. The appeal was founded by Heather Beckwith and her daughter, Nicola Bearman, whose son, Oscar, is a patient at the hospital. Through a range of exciting theatre-based initiatives, Theatres for Theatres aims to raise £6 million towards the cost of the new operating theatres and will include an exclusive theatre membership club, partnerships with theatres and local community groups and innovative collaborations with corporate sponsors.

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

The Walt Disney Company announced a partnership with us this year which will help to raise £30 million towards the redevelopment of the hospital and provides generous donations of toys and activities to help bring a smile to the children on a day-to-day basis. However, it is not only large donations that help with redevelopment. Our Valentine’s Day direct mail appeal encouraged almost 18,000 individuals to contribute over £317,000 in total towards improving our neurological facilities and this year’s Peter Pan schools fundraising programme raised £50,000 from schools all around the country in support of nephrology facilities improvements. In July 2007 the Formula 1 event and auction contributed over £277,000 towards the new heart and lung centre and also provided an exciting opportunity for some of our patients to meet Formula 1 stars and celebrities.

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

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

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

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

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

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

Great Ormond Street Hospital’s special partnership with UCL Institute of Child Health offers the largest concentration of research into childhood illness outside the USA. Going forward, with Specialist Biomedical Research Centre status, an ongoing increase in patient numbers, new clinical facilities and a ground-breaking research programme, the hospital is now better placed than ever to further its position as a national and international hub of world-class clinical care and pioneering research in the field of children’s health. However, as a result of government changes to research funding throughout the NHS, research income has been significantly reduced. In this context, it is critical that the research vision is financially underpinned by Great Ormond Street Hospital Children’s Charity. With this in mind, over the course of this year a number of key areas of research need have been highlighted and the charity has begun to raise funds towards specific projects within the research themes of Nutrition, Cardiorespiratory Sciences and, in particular, Childhood Cancers. Great Ormond Street Hospital is now the largest childhood cancer centre in Europe and the largest in the western world outside North America. Working hand-in-hand with UCL Institute of Child Health, the hospital continues to develop ground-breaking techniques and procedures to treat children with cancer here and around the world.

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

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

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

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

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

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

In the spring of 2007 a direct mail campaign raised almost £600,000 towards research fellowships through individual contributions by 27,000 supporters.

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

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

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

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

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

Betty Barchard Bursary

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

Library Service

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

Leadership and Management Pathway

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

Consultant Sabbatical Programme

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

Case study

Oliver, age one

By Oliver’s parents, Anna and Bryan

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

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

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

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

We remain eternally grateful to Great Ormond Street Hospital and its incredible staff, who continually go far beyond the call of duty, both for the patients and parents alike. Their dedication and professionalism is difficult to adequately describe in print. Suffice to say that we feel incredibly humble and remain in complete awe. It really is no exaggeration to state that the hospital provides some of the best medical care in the world.”
The hospital's commitment to support research into childhood illness is greater now than at any time in its history. Charitable support will enable real progress to be made, helping the children we see to live full and normal lives.
Thank you

Friends of Adeona
We would like to recognise the truly outstanding support of Great Ormond Street Hospital Children’s Charity's most generous benefactors:
The All Fayed Charitable Foundation
The Barclay Foundation
JIM Barrie
Mrs Heather Beckwith
The Bonar Family
British Heart Foundation
The Buttering Family
CHILDREN with LEUKAEMIA
Charles Dickens
The Dassy Foundation
The Clore Duffield Foundation
GlaxoSmithKline
Lord and Lady Harris
Martin and Zoe Harris
Scott and Suling Mead
Adelpa and Megha Mittal
Morgan Stanley
The Bernard Sunley Charitable Foundation
Mike Nelson
Oak Foundation
The Reuben Foundation
JIM Somers Charitable Will Trust
Mrs Phyllis Somers
Hugh and Catherine Stevenson
Sir Alan and Lady Sugar
Tesco
The Philip Ullmann Trust
The Ullmann Foundation
United Biscuits
The Variety Club Children’s Charity
The Walt Disney Company
The Watson Foundation
The Wolfson Foundation
The Charles Wolfson Charitable Trust

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

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

Lady Chinn
Lord Cow-KBE
Michael Evans
Charles Hale
Alan Hudson
Thomas Huguet-Hallett
Alan Kilner's OBE
Stephanie Léouzon
E Scott Mead
Anthony Salz
Andrew Taee
Dominic Vail

Tick Tock Club members
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Nick and Kate Austin
Mr Tony Ball
Mr and Mrs Peter Beckwith
Alan and Sara Bennie
Emily and Len Blavatnik
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Sir Trevor and Lady Chinn
John Goldman
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The Peter Crудdas Foundation
Dr George and Mr Peter Davies
Ian and Penny Davis
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Michael and Francesca Evans
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Charles and Karen Hale
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The Juice Group Limited
Rose Marie and Erland Karlsson
Mr and Mrs Nabi R Kawaiabeni
The Lakehouse Foundation
Jude Law
Eugene and Stephanie Léouzon
Keith and Muriel Lipman
Maukie McInnes Charitable Trust
Gavin and Luise MacDonald

Tick Tock Club benefactors
Mrs Tamara Beckwith Veroni
Craig and Marie Brown
Mrs Charlotte and Mr Henry Grobben
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Mitch and Alison Moore
Hilton and Louise Nathanson
Andrew and Marina Newtoning
Amica and Richard Oldfield
Elizabeth and Daniel Poltz
Simon Picken QC and Dr Sophie Picken
Paul and Dieder Pindar
Andrew Preston
Alexandra Raphael and Family
Stuart and Bianca Roden
The Rothsseum Foundation
The Countess of Rothes
The Reuben Foundation
The Dr Mortimer and Theresa
Sackler Foundation
The Bad Samuel Charitable Trust
Vesim and Beatrice Sanren
Ian and Carol Sellars
The Michael Shary Charitable Trust
Dominic and Cathy Shorthouse
Standard Chartered PLC
Hugh and Catherine Stevenson
Sir Alan and Lady Sugar
Andrew and Karinna Tee
Chris and Carole Taylor
The Taylor Family Foundation
Richard and Susan Thornton
– The Thornton Foundation
Stanley and Beatrice Tallman
Laura and Barry Townsley
The Toy Trust
Amanda and Dominik Vail
CT van Hoorn Charitable Trust
Vivid Imaginations
The Garfield Weston Foundation
Michael and Rachel Weston
Mr Pierre and Dr Yvonne Winkler
Mr and Mrs Roger Wyatt

Gifts In kind
Our thanks for the generosity of those below who have given gifts or services to the charity.
A&B Vinters
Absolute Taste
BHS
The Character Group plc
Entertainment Films
Harrods
Motion House Digital
M&G Global
Parkeray
Jamie Scott and The Town
John Brown
Teatro
Warner Bros. Entertainment Inc

Thank you
Our sincere thanks to those individuals and organisations below who have generously supported the charity this year:
Paul and Debbie Adler
Richard Bray
Miss A E Clarke
Wendy Cohen
John Goldman
Nick Collier
Elen Davis
Pamela Daweswell
Mary H Fitzgerald
Jonathan Ford
Tracey Foster and Paul Mason
Jake Goethes
Peter Goldstein
Richard Glynn
Carlo Grosso
Nicola Horlick
Diederik Hussy
Simone Hyman
Mr and Mrs Kabbani
Badger Bull Committee and Friends
Sue Knowes
Cathy Lambert
A C Larmore
Ian and Lesley Lay
Nick Leigh
Grant and Charlie Lipston
Anibal Masada
Geraldine McAughan
Mr and Mrs Messiner
Princes William and Harry, who kindly
named Great Ormond Street Hospital Children’s Charity as one of the benefactors of the Concert for Diana
Andrew Reynolds
Herdi Sidhu
Jean-Michel and Isabel Sylvestre
Jim Tavare
Daren Vickers
Abbott Laboratories
Actelion Pharmaceuticals UK Ltd
American Express Europe Ltd
Aylesford Newsprint Limited
Bakers Oven (South)
The Brian Steenjes Foundation
Bishopsgate Preparatory School
Bond Street Association
BRIT
Capita Group Plc
Channel 4 Television
The Children’s Welfare & Research Foundation
The Connor Wright Shwachman-Diamond Project
Davidstow Limited
Deutsche Bank AG London
Dollond Charitable Trust
Evans Randall
Fenlanders Chapter – HOG
Formula One Management Ltd
Donald Forrester Trust
Friends and Family of Charlotte Marie Caulton
Traves of St Joseph’s in the Park School
Heating Plumbing Supplies Ltd
The Uxbridge South
The Houghton Dure Charitable Trust
HSBC Investment Bank
The Independent Greek Schools of Finchley and Manor Hill
The Dean Lance Cancer Fund
Legal & General Group plc.
The Emil Linder Foundation
London and Continental Stations and Pro
The Lord Alliance
Macquarie Bank Foundation Ltd
Magic 105.4 FM
Mapley Estates Limited
Marriott/Renaissance London Business Council
McLaren Group Limited
Meagle Capital Limited
Morgan Stanley
Orsett Golf Club Ltd
Oxford University Press
PF Charitable Trust
Pirates Adventure Inc.
Pure Beauty Magazine
The Radcliffe Foundation
Rathbone Brothers Plc
Rays of Sunshine Children’s Charity
Red Bull Company Limited
The David Rocastle Trust
Rowlands Pharmacy
Sainsbury’s Charitable Fund
Shoosmiths
Silverbaby Foundation
Sisters for Life Limited
Trailfinders
Team Helmut
The Walt Disney Company
White Contract Services
World Mission Agency

The support of the general public is vital to the hospital. Thousands of individuals give generously to us throughout the course of the year and their ongoing support is critical to the important work we do for sick children. On behalf of the inspiring children and remarkable staff in the hospital, thank you to everyone.
Our wish list for 2008/09

New facilities
We need to replace cramped, outdated wards with new modern facilities to give a better, more flexible, and comfortable service for our patients and their families.
Your support could help to:
- fund a ward in our new building £2 million
- fund a four-bed high dependency Cardiac Critical Care Unit £500,000
- fund an isolation room in our Neurosciences Unit £100,000
- pay for a playroom in our new clinical building £91,000

Family accommodation
It is vital that we help children and families cope with what can inevitably be a traumatic experience when visiting hospital. There can be no better care and reassurance than for a child to know that their parent is right beside them.
Your support could help to:
- fund the annual up-keep of 16 rooms for parents and families to stay overnight near their sick children £33,000
- fund a bed for parents to stay beside their child in our new building £250

Research essentials
We are committed to finding treatments and cures for some of the most complex and difficult illnesses for the benefit of children at the hospital and worldwide.
Your support could help to:
- create new targeted treatments that will increase the chances of successful bone marrow transplants £826,000
- pioneer the use of a leading-edge computerised tomography (CT) scanner for children by employing a dedicated research leader £773,000
- improve lives of autistic children transitioning from primary to secondary school £661,000
- discover why blood cells grow into leukaemia-causing cells £228,000
- fund one week of pioneering research into complex illness £1,100

Equipment
It is essential that our exceptional doctors and nurses have leading edge equipment to provide children with world-class care.
We need:
- an angi-o bi-plane machine for heart patients £1 million
- a tandem mass spectrometer to screen newborns £121,000
- heart and lung bypass machines to keep children alive £115,000
- ventilators to help babies to breathe £20,000
- respiration monitors to track children’s breathing £2,000
- neonatal masks for newborn babies £20

Training and development
The drive for new learning in the many professions that serve our patients is enormous and we have many ways to make it happen.
Your support could help to:
- fund training for a neurosurgery consultant £107,000
- contribute towards our Ethics Service development Any amount

Patient welfare
The welfare of patients is our primary concern.
Your support could help to:
- contribute towards our multi-faith chaplaincy so families can receive much needed support when they need it £65,000
- fund meals for breastfeeding mothers to ensure their babies receive the vital nutrition they need £30,000
- support patient families needing help with expenses £1,000

Case study
Georgia, age 10
By Georgia’s mum, Linda

Georgia was born with spina bifida, hydrocephalus [water on the brain] and a congenital hand abnormality.
She was admitted to Great Ormond Street Hospital on the day she was born and had her first operation – to close the myelomeningocele [where the backbone and spinal canal haven’t closed] on her back - the following day.
We had expected to be in the hospital for a number of weeks but she made such good progress we were home within 10 days.
In spring 1999, shortly before her first birthday, Georgia had the first operation on her hands by Mr Paul Smith. She was born with six fingers on each hand but without opposable thumbs. This would have made it very difficult to do many everyday tasks.
This first operation was to fuse a weak joint in the ‘thumb’ on the left hand and to create a thumb from the first finger on the right hand. In 2000 a thumb was created on her left hand.
This was a much more complicated operation, involving tendon transfers and a skin graft. Once again it was very successful and although Georgia sometimes uses her hands differently, there doesn’t seem to be much she can’t do.
She is even learning to play the piano and recorder, which wouldn’t have been easy without these operations.
In the past couple of years she has had some urology surgery and still needs to have some minor procedures in urology and orthopaedics so we have once again become regular visitors to Great Ormond Street Hospital.
Having a child stay in hospital is always stressful but it’s great to be able to stay at the hospital and facilities for parents have improved since Georgia’s first admission 10 years ago. During our times at the hospital we have received excellent care from the doctors and nursing staff.”
What difference have we made?

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

This year we were able to confirm:

• £2.5 million towards the expansion and renovation of our cancer daycare and Outpatients Department allowing us to operate as the largest children's cancer centre outside the USA.

• £12 million to open a new, extensive Imaging Suite to provide advanced diagnostic imaging equipment and facilities which inform surgeons and consultants in carrying out life-saving and often ground-breaking procedures.

• £16 million towards our new clinical building which will allow us to replace cramped, outdated, inconvenient wards with new facilities where parents can sleep alongside their child in comfort.

• £200,000 to provide accommodation for parents and siblings of patients to stay close by, which is of real benefit in helping sick children recover more quickly.

• £4.2 million to provide new, modern facilities for the Neonatal Intensive Care, Cardiac Critical Care, Dental and Pharmacy Departments.

• £3.7 million allowing us to relocate our Molecular and Cytogenetics Laboratories into a new modern space enabling us to provide an essential diagnostic service for a number of genetic disorders across the UK, as well as providing vital information and advice to clinicians about the medical significance of chromosome abnormalities.

• £1.7 million in 29 senior clinically-related academic research posts.

• £870,000 for a Flow Cytometry and Cell Sorting Facility that allows us to recognise and separate specific types of cells from a mixture of cells, enabling us to carry out essential work including preventing blindness, repairing spinal cord injury, and bone marrow transplants.

• £200,000 to educate children and families across the UK in all areas of healthcare via the Children First for Health website (www.childrenfirst.nhs.uk).

• £157,000 for ventilators to help children breathe while undergoing major operations.

• £89,000 for essential patient and nurse controlled analgesia pumps (pain reduction) for use across the whole hospital.

• £30,000 to provide meals for breastfeeding mothers, ensuring they get the nutrition they need.

• £600,000 for equipment for researchers to carry out their vital projects.

• £346,000 to conduct research into a vaccine for aggressive childhood brain tumours.

• £130,000 for essential equipment for our Gastroenterology Team.

• £66,000 to meet the multi-faith spiritual and religious needs of patients and families.

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

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

Why do we need so much money?

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

Don’t you already have a lot of money?

Our balance sheet shows funds of £211 million at the end of the year. Of this:

• £59 million relates to property/fixed assets we own, most of which are used (for free) by the hospital;

• £14 million is the amount we are required to hold in reserve to provide the cash flow for our running costs and as a contingency against the unexpected;

• £55 million relates to funds our donors have given us for specific projects, such as research activities and the redevelopment, to be spent over a number of years; and

• the remaining £83 million has been designated towards the cost of the redevelopment and existing commitments on other charitable activities.

Funding required (£ millions)

Total income raised (£ millions)

Funds breakdown

• Redevelopment and other charitable activities 39%

• Fixed assets 28%

• Restricted funds 26%

• Unrestricted and endowments 7%
“We want to treat our patients to the best standards in the world; the standards they deserve and their parents expect.”

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

Mia, age four, and her mum are here for a check-up after Mia had a tumour removed three-and-a-half years ago. The tumour affected her spine and she will never be able to walk again properly without the aid of a wheelchair, but she is very sociable and determined to get on with her life.
The Board of Special Trustees, which is responsible for providing leadership and setting standards of ethical behaviour, governs Great Ormond Street Hospital Children’s Charity. They are supplied with information in a form and quality to enable them to take decisions, discharge their duties, and ensure the right strategy and controls, together with appropriate financial and human resources are in place. Working with the hospital, they endeavour to make Great Ormond Street Hospital’s facilities the best in the UK through investment and development.

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

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

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

The trustees are responsible for the charity and how fundraised money is raised and spent, approving the allocation of raised charitable funds to the hospital. They ensure good practice, governance and support and guide the charity’s fundraising work. They aim to:
- help fund the hospital’s priorities including research and development into new and improved treatment for children and young people at the hospital;
- fund up-to-date equipment;
- provide support for families and staff;
- assist the hospital in recruiting and retaining a high-quality workforce, and
- fund the hospital’s redevelopment programme and other key building needs.

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

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

The charity receives a professional internal audit service by purchasing the services of an NHS audit consortium. External audit services are provided by Deloitte & Touche. External review of investment managers’ performance is provided by Edward Jewson Associates. Criminal Records Bureau checks are carried out for all trustees, staff and volunteers. The charity secretary is responsible for identifying, advising and ensuring compliance with all relevant legislation and regulations.

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

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

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

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

GOSIPL revenues were £2,203,000 for 2007/08 through trading activities, with licensing activity continuing to be the main revenue earner. This money will be paid under Gift Aid to the charity, with some earmarked to fund specific projects within the hospital and UCL Institute of Child Health, although the majority is unrestricted. The chairman of GOSIPL ensures good governance in the running of the company. An annual licensing fee is paid to the charity for the use of its name and logo, and the company has its own board of directors and company secretary responsible for ensuring it runs at a profit and its activities are not contentious. In addition, the charity and GOSIPL adhere to the moral and ethical fundraising guidelines agreed by the hospital and special trustees for the charity.
During the year the charity established the Friends of Adeona, which recognises those individuals and companies who have donated to the charity at a level of £1 million or above. The Friends of Adeona are listed in this annual report on page 32.

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

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

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

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

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

Charity objectives and strategies

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

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

Key fundraising achievements

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Trustees and associate trustees

John Ballard
Chairman

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

Susan Burns
Trustee

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

Margaret Casey-Hayford
Trustee

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

Alan Hodson
Trustee

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

Richard Glynn
Trustee

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

Margaret Goodwin
Associate trustee

Biography
Margaret Goodwin is a chartered surveyor and served on the Property and Accommodation Committee. She is the chairman of Great Ormond Street Hospital (MBS) Ltd.

Andrew Fane
Associate trustee

Biography
Andrew joined the charity as an associate trustee in 1994, was appointed as a special trustee in October 1996 and was chairman of the charity from September 1999 until March 2007. He is also a non-executive director of Great Ormond Street Hospital (MBS) Ltd where he chairs the Audit Committee. He was one of the charity’s sub-committees and was chairman of the charity’s trading company until February 2008. He was a trustee of the charity between 1994 and 2007.

Hugo William John Llewelyn
Trustee

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

Gary Steinberg
Associate trustee

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

David Elmes
Associate trustee

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

Michael Weston
Associate trustee

Biography
Michael joined the charity as an associate trustee in October 2007 and serves on the Investment Committee. Mr Weston is managing director of Morgan Stanley, where he has worked since 1986.
Financial statements for the year ended 31 March 2008

Financial review 2007/08
Total income rose by 23 per cent to £52.6 million during the year, with £170 million still required to complete the second phase of the hospital’s redevelopment programme. Support for this and the many other vital services we fund in the hospital came in a number of ways:

- £27.2 million was spent on charitable activities: the year, with £170 million still required to complete the second phase of the hospital’s redevelopment programme.
- £54.5 million in restricted funds, of which £39 million relates to the redevelopment. A further £8.9 million is held in Special Purpose Funds, which have been restricted for specific areas of work. The charity holds three endowment funds, which have been granted in order to generate funds for a range of charitable purposes.

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

<table>
<thead>
<tr>
<th>Category</th>
<th>£ million</th>
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</thead>
<tbody>
<tr>
<td>Redvelopment</td>
<td>14.2</td>
</tr>
<tr>
<td>Medical equipment and capital schemes</td>
<td>5.7</td>
</tr>
<tr>
<td>Research</td>
<td>3.5</td>
</tr>
<tr>
<td>Patient and staff welfare</td>
<td>2.2</td>
</tr>
<tr>
<td>Accommodation and other</td>
<td>1.6</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>27.2</strong></td>
</tr>
</tbody>
</table>

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

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

The charity spent £547,000 on governance costs. This was an increase over the prior year, primarily resulting from a change in the basis of allocating costs (see note 6) to provide a more accurate view of our expenditure. Overall fund balances increased by £17.4 million during the year, most of which will be designated towards the redevelopment programme.

**Trustees’ responsibilities**

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

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

Reserves
The trustees review the level of reserves on an annual basis to ensure that sufficient funds are available to cover:
- redundancy costs;
- six months of the charity’s running costs, and
- six months of non-redevelopment planned charitable activities.

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

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

<table>
<thead>
<tr>
<th>Category</th>
<th>£000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Restricted funds</td>
<td>54,514</td>
</tr>
<tr>
<td>Endowment funds</td>
<td>239</td>
</tr>
<tr>
<td>Designated funds</td>
<td>83,001</td>
</tr>
<tr>
<td>redevelopment/other charitable activities</td>
<td>58,997</td>
</tr>
<tr>
<td>Fixed assets (tangible and intangible)</td>
<td>16,401</td>
</tr>
<tr>
<td>Unrestricted reserves</td>
<td>211,156</td>
</tr>
</tbody>
</table>

**Fig 1** Income sources

- Donations 60%
- Legacies 19%
- Investments 9%
- Trading 6%
- Property 3%
- Other 3%

**Fig 2** Charitable expenditure

- Redvelopment 52%
- Medical equipment and capital schemes 21%
- Research 13%
- Parents and staff welfare 8%
- Accommodation and other 6%

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<td>Unrestricted reserves</td>
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- Accommodation and other 6%
**Designated funds**

**Redevelopment and other charitable activities** (formerly known as GOS 2000)

Each year the trustees decide to designate funds raised towards the redevelopment of the Hospital (see page 23), to be spent in future years. The trustees have agreed to designate a further £9.5 million towards this fund, bringing the net aggregate value of this designated fund to £89.3 million and to also provide stability for future commitments in vital areas of research. The charity does not enter into contracts for the funding of the redevelopment until/unless it has sufficient funds available.

**Fixed assets (tangible and intangible)**

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

**Risk management**

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

**Subsidiary**

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

**Consolidation**

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

**Our policies and procedures**

**Investment policy**

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

**Risk management**

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

Ahmed, aged 15, is a gastroenterology patient on Kingfisher Ward. The hospital sees children of all ages and some remain patients from birth until they are ready to transfer to adult services.
Independent auditors’ report to the members of Great Ormond Street Hospital Children’s Charity

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

This report is made solely to the charitable company’s members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company’s members those matters we are required to state to them in an auditors’ report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company’s members as a body, for our audit work, for this report, or for the opinions we have formed.

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

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

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

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

### Basis of opinion

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

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

### Opinion

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

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

### Notes

An audit does not provide assurance on the maintenance and integrity of the website, including controls used to achieve this, and in particular on whether any changes may have occurred to the financial statements after first published. These matters are the responsibility of the directors but control procedures can provide absolute assurance in this area.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements differs from legislation in other jurisdictions.

### Consolidated statement of financial activities

for the year ended 31 March 2008

<table>
<thead>
<tr>
<th>Note</th>
<th>Unrestricted funds £000</th>
<th>Restricted funds £000</th>
<th>Endowment funds £000</th>
<th>Total at 31 March 2008 £000</th>
<th>Total at 31 March 2007 £000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income resources from generated funds</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Voluntary income</td>
<td>2</td>
<td>26,148</td>
<td>15,840</td>
<td>–</td>
<td>41,988</td>
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<td>Activities for generating funds</td>
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<td>3,165</td>
<td>676</td>
<td>–</td>
<td>3,843</td>
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<td>Investment income</td>
<td>2.3</td>
<td>3,156</td>
<td>1,013</td>
<td>–</td>
<td>4,469</td>
</tr>
<tr>
<td>Total incoming resources from generated funds</td>
<td>3</td>
<td>32,769</td>
<td>17,531</td>
<td>–</td>
<td>50,300</td>
</tr>
<tr>
<td>Income resources from charitable activities</td>
<td>3</td>
<td>1,419</td>
<td>797</td>
<td>–</td>
<td>2,216</td>
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<tr>
<td>Other incoming resources</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gain on disposal of fixed asset</td>
<td>4</td>
<td>26</td>
<td>7</td>
<td>–</td>
<td>33</td>
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<tr>
<td>Total incoming resources</td>
<td>34,214</td>
<td>18,335</td>
<td>–</td>
<td>52,549</td>
<td>62,880</td>
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<tr>
<td>Resources expended</td>
<td></td>
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<td></td>
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<tr>
<td>Cost of generating funds</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost of generating voluntary income</td>
<td>5.1.1a</td>
<td>10,254</td>
<td>–</td>
<td>–</td>
<td>10,254</td>
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<tr>
<td>Fundraising costs of goods sold and other costs</td>
<td>5.1.1b</td>
<td>2,562</td>
<td>–</td>
<td>–</td>
<td>2,562</td>
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<tr>
<td>Investment management costs</td>
<td>5.1.3</td>
<td>85</td>
<td>–</td>
<td>–</td>
<td>85</td>
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<tr>
<td>Total cost of generating funds</td>
<td>12,901</td>
<td>–</td>
<td>–</td>
<td>12,901</td>
<td>9,086</td>
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<td>Charitable activities</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Patient welfare</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Staff welfare</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Research</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Medical equipment and capital schemes</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Redevelopment</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property expenditure</td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other activities</td>
<td></td>
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<tr>
<td>Total charitable activities</td>
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<td>27,584</td>
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<td>Governance costs</td>
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<td>–</td>
<td>547</td>
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<td>Total resources expended</td>
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<td>17,512</td>
<td>–</td>
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<td>35,483</td>
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<td>Net incoming resources before transfers</td>
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<td>Gross transfers between funds</td>
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</tr>
<tr>
<td>Total net incoming resources before other recognised gains and losses</td>
<td>10,694</td>
<td>1,183</td>
<td>–</td>
<td>11,877</td>
<td>6,997</td>
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<tr>
<td>Losses on realisation of own fixed assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Gains on realisation and disposal of investment assets</td>
<td>2,845</td>
<td>2,718</td>
<td>–</td>
<td>5,563</td>
<td>2,049</td>
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<tr>
<td>Net movement in funds</td>
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<tr>
<td>13,539</td>
<td>3,901</td>
<td>–</td>
<td>17,440</td>
<td>3,524</td>
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</tr>
<tr>
<td>Fund balances brought forward at 31 March 2007</td>
<td>142,862</td>
<td>50,613</td>
<td>7,072</td>
<td>200,547</td>
<td>193,714</td>
</tr>
<tr>
<td>Fund balances carried forward at 31 March 2008</td>
<td>156,401</td>
<td>54,514</td>
<td>7,603</td>
<td>218,518</td>
<td>193,714</td>
</tr>
</tbody>
</table>

Notes 1 to 23 form part of these accounts.
<table>
<thead>
<tr>
<th>Notes</th>
<th>Unrestricted funds</th>
<th>£000</th>
<th>Restricted funds</th>
<th>£000</th>
<th>Endowment funds</th>
<th>£000</th>
<th>Total at 31 March 2007</th>
<th>£000</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<td></td>
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<tr>
<td>Fixed assets</td>
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<td></td>
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<tr>
<td>Tangible assets</td>
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<td>-</td>
<td>-</td>
<td>58,997</td>
<td>58,445</td>
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<td>Investments</td>
<td>10</td>
<td>56,364</td>
<td>40,180</td>
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<td>Total fixed assets</td>
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<td>-</td>
<td>153,518</td>
<td>196,623</td>
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<tr>
<td>Current assets</td>
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<td></td>
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<td></td>
<td></td>
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</tr>
<tr>
<td>Stocks</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>169</td>
<td>107</td>
<td></td>
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<tr>
<td>Debtors</td>
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<td>4,272</td>
<td>-</td>
<td>-</td>
<td>4,272</td>
<td>6,352</td>
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<td>Short term investments and deposits</td>
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<td>14,259</td>
<td>239</td>
<td>40,276</td>
<td>659</td>
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<tr>
<td>Cash at bank and in hand</td>
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<td>-</td>
<td>24,325</td>
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<td>239</td>
<td>69,020</td>
<td>11,545</td>
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<tr>
<td>Creditors: amounts falling due within one year</td>
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<td>11,060</td>
<td>-</td>
<td>-</td>
<td>11,060</td>
<td>14,278</td>
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<td>Net current assets</td>
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<td>14,334</td>
<td>239</td>
<td>57,960</td>
<td>2,733</td>
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<tr>
<td>Total assets less current liabilities</td>
<td>156,725</td>
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<td>239</td>
<td>211,478</td>
<td>193,890</td>
<td></td>
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<tr>
<td>Creditors: amounts falling due after more than one year</td>
<td>324</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>324</td>
<td>176</td>
<td></td>
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<tr>
<td>Total net assets</td>
<td>156,401</td>
<td>54,514</td>
<td>239</td>
<td>211,154</td>
<td>193,714</td>
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<td>Funds of the charity</td>
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<td>Capital funds:</td>
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<tr>
<td>Endowment funds</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>239</td>
<td>239</td>
<td></td>
</tr>
<tr>
<td>Income funds:</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Restricted</td>
<td>14</td>
<td>-</td>
<td>54,514</td>
<td>-</td>
<td>54,514</td>
<td>50,613</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unrestricted</td>
<td>15</td>
<td>156,401</td>
<td>-</td>
<td>-</td>
<td>156,401</td>
<td>142,862</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total funds</td>
<td>156,401</td>
<td>54,514</td>
<td>239</td>
<td>211,154</td>
<td>193,714</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Notes 1 to 23 form part of these accounts.

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

John Ballard
Trustee
9 September 2008
## Consolidated cash flow statement
for the year ended 31 March 2008

<table>
<thead>
<tr>
<th>Cash inflow from operating activities</th>
<th>Notes</th>
<th>£000</th>
<th>£000</th>
</tr>
</thead>
<tbody>
<tr>
<td>31 March 2008</td>
<td>31 March 2007</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>6000</td>
<td>6000</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Returns on investments and servicing of finance</th>
<th>Notes</th>
<th>£000</th>
<th>£000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest received</td>
<td></td>
<td>3,643</td>
<td>1,849</td>
</tr>
<tr>
<td>Dividend received</td>
<td></td>
<td>765</td>
<td>913</td>
</tr>
<tr>
<td>Investment broker’s rebate</td>
<td></td>
<td>61</td>
<td>88</td>
</tr>
<tr>
<td>Net cash inflow from returns on investments and servicing of finance</td>
<td></td>
<td>4,469</td>
<td>2,850</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Capital expenditure</th>
<th>Notes</th>
<th>£000</th>
<th>£000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payments to acquire fixed assets</td>
<td></td>
<td>(737)</td>
<td>(860)</td>
</tr>
<tr>
<td>Payments to acquire investments</td>
<td></td>
<td>(36,290)</td>
<td>(66,416)</td>
</tr>
<tr>
<td>Receipts from sales of tangible fixed assets</td>
<td></td>
<td>–</td>
<td>20,100</td>
</tr>
<tr>
<td>Proceeds from sale of investments</td>
<td></td>
<td>85,510</td>
<td>19,047</td>
</tr>
<tr>
<td>Net cash inflow/(outflow) before management of liquid resources</td>
<td></td>
<td>48,883</td>
<td>(8,129)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Net cash inflow/(outflow) before management of liquid resources</th>
<th>Notes</th>
<th>£000</th>
<th>£000</th>
</tr>
</thead>
<tbody>
<tr>
<td>31 March 2008</td>
<td>31 March 2007</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>6000</td>
<td>6000</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Management of liquid resources</th>
<th>Notes</th>
<th>£000</th>
<th>£000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase in short term deposits</td>
<td></td>
<td>(39,615)</td>
<td>(198)</td>
</tr>
<tr>
<td>Net cash outflow from management of liquid resources</td>
<td></td>
<td>(39,615)</td>
<td>(198)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Increase/(decrease) in cash</th>
<th>Notes</th>
<th>£000</th>
<th>£000</th>
</tr>
</thead>
<tbody>
<tr>
<td>31 March 2008</td>
<td>31 March 2007</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>6000</td>
<td>6000</td>
<td></td>
</tr>
</tbody>
</table>

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

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

54
Notes to the accounts

1 Accounting policies

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

1.2 Incoming resources
a) All incoming resources are included in full in the Statement of Financial Activities (SOFA) as soon as the following three factors can be fulfilled:
   i) Entitlement – arises when a particular resource is receivable or the charity’s right becomes legally enforceable;
   ii) Certainity – when there is reasonable certainty that the incoming resource will be received;
   iii) Measurement – when the monetary value of the incoming resources can be measured with sufficient reliability.

b) Gifts in kind
   i) Assets given for distribution by the funds are included in the Statement of Financial Activities only when distributed.
   ii) Assets given for use by the funds (eg property for its own occupation) are included in the Statement of Financial Activities as incoming resources when receivable.
   iii) Gifts made in kind but on trust for conversion into cash and subsequent application by the funds are included in the accounting period in which the gift is sold.

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

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

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

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

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

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

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

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

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

1.5 Fixed assets
a) Capitalisation
All assets falling into the following categories are capitalised:
   i) Tangible assets which are capable of being used for more than one year, and have a cost equal to or greater than £5,000;
   ii) Groups of tangible fixed assets which are interdependent or would normally be provided or replaced as a group with a total value in excess of £5,000 and an individual value of £250 or more;
   iii) Valuation
Tangible fixed assets are valued at current cost as follows:
   i) Land, buildings, installations and fittings are stated at open market value for their existing use. Valuations are carried out professionally at five-yearly intervals. The last valuation was made on 31 March 2008.
   ii) Equipment is valued at the lower of estimated net replacement cost or recoverable amount.
   iii) Assets in the course of construction are valued at current cost.

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

Buildings are not depreciated, but are subject to an annual impairment review in the years between the formal valuation.

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

<table>
<thead>
<tr>
<th>Years</th>
<th>Fittings and equipment</th>
<th>Furniture</th>
<th>Office equipment</th>
<th>IT equipment</th>
</tr>
</thead>
<tbody>
<tr>
<td>15</td>
<td></td>
<td></td>
<td>10</td>
<td>5</td>
</tr>
<tr>
<td>10</td>
<td></td>
<td></td>
<td>5</td>
<td>3</td>
</tr>
</tbody>
</table>

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

1.6 Investment fixed assets
Investment fixed assets are shown at market value.

i) Quoted stocks and shares are included in the balance sheet at mid-market price, ex div.

ii) Other investment fixed assets are included at trustees’ best estimate of market value. Investments in subsidiary undertakings are shown at cost.

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

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

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

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

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

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

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

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

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

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

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

2 Incoming resources from generated funds

2.1 Voluntary income

<table>
<thead>
<tr>
<th></th>
<th>Uninvested funds £000</th>
<th>Restricted funds £000</th>
<th>Total at 31 March 2008 £000</th>
<th>Total at 31 March 2007 £000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Donations</td>
<td>15,552</td>
<td>15,078</td>
<td>30,630</td>
<td>17,604</td>
</tr>
<tr>
<td>Legacies</td>
<td>9,130</td>
<td>622</td>
<td>9,752</td>
<td>6,264</td>
</tr>
<tr>
<td>Gift Aid</td>
<td>1,466</td>
<td>68</td>
<td>1,534</td>
<td>1,214</td>
</tr>
<tr>
<td>Membership fees</td>
<td>72</td>
<td>72</td>
<td>144</td>
<td>76</td>
</tr>
<tr>
<td>Total voluntary income</td>
<td>26,148</td>
<td>15,860</td>
<td>41,988</td>
<td>25,858</td>
</tr>
</tbody>
</table>

2.2 Activities for generating funds

<table>
<thead>
<tr>
<th></th>
<th>Uninvested funds £000</th>
<th>Restricted funds £000</th>
<th>Total at 31 March 2008 £000</th>
<th>Total at 31 March 2007 £000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Auctions and sales of donated goods</td>
<td>27</td>
<td>134</td>
<td>161</td>
<td>166</td>
</tr>
<tr>
<td>Tickets</td>
<td>77</td>
<td>56</td>
<td>133</td>
<td>166</td>
</tr>
<tr>
<td>Sponsorship</td>
<td>35</td>
<td>66</td>
<td>101</td>
<td>122</td>
</tr>
<tr>
<td>Course fees</td>
<td>-</td>
<td>102</td>
<td>102</td>
<td>82</td>
</tr>
<tr>
<td>Royalties</td>
<td>-</td>
<td>3</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>Income generated by trading subsidiary</td>
<td>3,026</td>
<td>297</td>
<td>3,323</td>
<td>3,371</td>
</tr>
<tr>
<td>Total</td>
<td>3,165</td>
<td>678</td>
<td>3,843</td>
<td>4,239</td>
</tr>
</tbody>
</table>

2.3 Analysis of gross income from investments

<table>
<thead>
<tr>
<th></th>
<th>Year ended 31 March 2010 £000</th>
<th>Year ended 31 March 2009 £000</th>
<th>Total £000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Held in UK</td>
<td></td>
<td></td>
<td>128</td>
</tr>
<tr>
<td>Held outside UK</td>
<td></td>
<td></td>
<td>284</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td>412</td>
</tr>
<tr>
<td>Investments listed on Stock Exchange</td>
<td>715</td>
<td>60</td>
<td>765</td>
</tr>
<tr>
<td>Investments in a Common Deposit Fund or Common Investment Fund</td>
<td>3,324</td>
<td>347</td>
<td>3,671</td>
</tr>
<tr>
<td>Investment brokers rebate</td>
<td>61</td>
<td>61</td>
<td>122</td>
</tr>
<tr>
<td>Total</td>
<td>4,302</td>
<td>167</td>
<td>4,469</td>
</tr>
</tbody>
</table>

Notes to the accounts continued
### 3 Incoming resources from charitable activities

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

### 4 Other incoming resources

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted funds £000</th>
<th>Restricted funds £000</th>
<th>Total at 31 March 2008 £000</th>
<th>Total at 31 March 2007 £000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other miscellaneous income</td>
<td>26</td>
<td>7</td>
<td>33</td>
<td>132</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>26</td>
<td>7</td>
<td>33</td>
<td>132</td>
</tr>
</tbody>
</table>

### 5 Resources expended

#### 5.1 Costs of generating voluntary income

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

#### 5.2 Charitable activities

<table>
<thead>
<tr>
<th></th>
<th>Year ended 31 March 2008</th>
<th>Year ended 31 March 2008</th>
<th>Year ended 31 March 2008</th>
<th>Year ended 31 March 2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Patients welfare</td>
<td>590</td>
<td>25</td>
<td>615</td>
<td>783</td>
</tr>
<tr>
<td>Staff welfare</td>
<td>1,497</td>
<td>64</td>
<td>1,561</td>
<td>1,047</td>
</tr>
<tr>
<td>Research</td>
<td>3,318</td>
<td>141</td>
<td>3,459</td>
<td>3,472</td>
</tr>
<tr>
<td>Medical equipment and capital schemes</td>
<td>5,510</td>
<td>236</td>
<td>5,746</td>
<td>3,459</td>
</tr>
<tr>
<td>Redevelopment</td>
<td>13,631</td>
<td>582</td>
<td>16,213</td>
<td>15,141</td>
</tr>
<tr>
<td>Property expenditure</td>
<td>1,453</td>
<td>150</td>
<td>1,603</td>
<td>2,253</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>26,026</td>
<td>1,198</td>
<td>27,224</td>
<td>26,181</td>
</tr>
</tbody>
</table>

#### 5.3 Governance costs

<table>
<thead>
<tr>
<th></th>
<th>Year ended 31 March 2008</th>
<th>Year ended 31 March 2008</th>
<th>Year ended 31 March 2008</th>
<th>Year ended 31 March 2007</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>175</td>
<td>372</td>
<td>547</td>
<td>216</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>34,391</td>
<td>6,281</td>
<td>40,672</td>
<td>35,683</td>
</tr>
</tbody>
</table>

#### 5.4 Operating expenses include:

<table>
<thead>
<tr>
<th></th>
<th>2008 £000</th>
<th>2007 £000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hire of plant and machinery</td>
<td>12,653</td>
<td></td>
</tr>
<tr>
<td>Other operating lease rentals</td>
<td>308,102</td>
<td></td>
</tr>
</tbody>
</table>

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

6 Support costs

<table>
<thead>
<tr>
<th>Staff costs</th>
<th>IT and Comms</th>
<th>Other</th>
<th>Year ended 31 March 2008</th>
<th>Total (£000)</th>
<th>Year ended 31 March 2007</th>
<th>Total (£000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost of generating voluntary income</td>
<td>2,944</td>
<td>204</td>
<td>621</td>
<td>3,769</td>
<td>215</td>
<td></td>
</tr>
<tr>
<td>Fundraising trading</td>
<td>736</td>
<td>51</td>
<td>155</td>
<td>942</td>
<td>56</td>
<td></td>
</tr>
<tr>
<td>Patients welfare</td>
<td>18</td>
<td>2</td>
<td>5</td>
<td>25</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>Staff welfare</td>
<td>48</td>
<td>4</td>
<td>12</td>
<td>64</td>
<td>107</td>
<td></td>
</tr>
<tr>
<td>Research</td>
<td>106</td>
<td>9</td>
<td>26</td>
<td>141</td>
<td>30</td>
<td></td>
</tr>
<tr>
<td>Medical equipment and capital schemes</td>
<td>178</td>
<td>14</td>
<td>44</td>
<td>236</td>
<td>12</td>
<td></td>
</tr>
<tr>
<td>Redevelopment</td>
<td>437</td>
<td>36</td>
<td>109</td>
<td>582</td>
<td>24</td>
<td></td>
</tr>
<tr>
<td>Property expenditure</td>
<td>135</td>
<td>3</td>
<td>12</td>
<td>150</td>
<td>95</td>
<td></td>
</tr>
<tr>
<td>Governance costs</td>
<td>343</td>
<td>17</td>
<td>52</td>
<td>372</td>
<td>30</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>4,905</strong></td>
<td><strong>360</strong></td>
<td><strong>1,036</strong></td>
<td><strong>6,281</strong></td>
<td><strong>535</strong></td>
<td></td>
</tr>
</tbody>
</table>

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

7 Grant funded activities – institutions

<table>
<thead>
<tr>
<th>Name of recipient</th>
<th>Aggregate amount paid 31 March 2008 (£000)</th>
<th>Aggregate amount paid 31 March 2007 (£000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Great Ormond Street Hospital for Children NHS Trust</td>
<td>23,415</td>
<td>22,000</td>
</tr>
<tr>
<td>Child Health Research Appeal Trust</td>
<td>1,940</td>
<td>2,290</td>
</tr>
<tr>
<td>UCL Institute of Child Health</td>
<td>1,149</td>
<td>1,105</td>
</tr>
<tr>
<td>Sick Children Trust</td>
<td>33</td>
<td>32</td>
</tr>
<tr>
<td>Others</td>
<td>687</td>
<td>754</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>27,226</strong></td>
<td><strong>26,181</strong></td>
</tr>
</tbody>
</table>

8 Details of staff costs

8.1 Analysis of staff costs

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

The average monthly number of employees is split as follows:

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

8.2 Pension contributions for senior employees

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

<table>
<thead>
<tr>
<th>Year ended 31 March 2008</th>
<th>Number of employees</th>
<th>Value of contributions (£000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>£60,000 to £69,999</td>
<td>19</td>
<td>3</td>
</tr>
<tr>
<td>£70,000 to £79,999</td>
<td>9</td>
<td>1</td>
</tr>
<tr>
<td>£80,000 to £89,999</td>
<td>18</td>
<td>2</td>
</tr>
<tr>
<td>£190,000 to £199,999</td>
<td>11</td>
<td>1</td>
</tr>
</tbody>
</table>

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

8.3 Senior employees

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

<table>
<thead>
<tr>
<th>Year ended 31 March 2008</th>
<th>Number of employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>£60,000 to £69,999</td>
<td>3</td>
</tr>
<tr>
<td>£70,000 to £79,999</td>
<td>1</td>
</tr>
<tr>
<td>£80,000 to £89,999</td>
<td>2</td>
</tr>
<tr>
<td>£190,000 to £199,999</td>
<td>1</td>
</tr>
</tbody>
</table>

Included within the highest paid employee’s emoluments was a redundancy payment.
### 9 Tangible fixed assets

<table>
<thead>
<tr>
<th></th>
<th>Charity and consolidated</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Freehold/leasehold land</td>
<td>Assets</td>
</tr>
<tr>
<td></td>
<td>and buildings £000</td>
<td>under</td>
</tr>
<tr>
<td></td>
<td></td>
<td>constr</td>
</tr>
<tr>
<td></td>
<td></td>
<td>uction</td>
</tr>
<tr>
<td></td>
<td></td>
<td>fittings £000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>IT equipment £000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>£000</td>
</tr>
<tr>
<td><strong>Total tangible fixed assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance at 31 March 2007</td>
<td>57,734</td>
<td>533</td>
</tr>
<tr>
<td>Additions</td>
<td></td>
<td>661</td>
</tr>
<tr>
<td>Disposals</td>
<td>(73)</td>
<td>38</td>
</tr>
<tr>
<td><strong>Balance at 31 March 2008</strong></td>
<td>57,661</td>
<td>661</td>
</tr>
</tbody>
</table>

**Accumulated depreciation:**
- **Balance at 31 March 2007**: 73 - 22 - 121 = 216
- **Balance at 31 March 2008**: 73 - 39 = 132

**Net book value at 31 March 2008**: 57,661 + 661 + 534 = 59,325

**Historic cost at 31 March 2008**: 14,265 + 661 + 534 = 15,929

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

### 10 Fixed asset investments

**Analysis of fixed assets investments**

#### 10.1 Charity and consolidated

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total</strong></td>
<td>£000</td>
<td></td>
</tr>
<tr>
<td>Fixed asset investments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Market value at 31 March</td>
<td>137,994</td>
<td>108,576</td>
</tr>
<tr>
<td>Less: disposals at carrying value</td>
<td>(75,196)</td>
<td>(36,931)</td>
</tr>
<tr>
<td>Add: acquisitions at cost</td>
<td>36,290</td>
<td>66,416</td>
</tr>
<tr>
<td>Net loss on revaluation</td>
<td>(6,751)</td>
<td>(65)</td>
</tr>
<tr>
<td>Market value at 31 March</td>
<td>94,337</td>
<td>137,994</td>
</tr>
</tbody>
</table>

**Historic cost at 31 March**: 88,130 127,041

### 10.2 Market value at 31 March:

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total</strong></td>
<td>£000</td>
<td></td>
</tr>
<tr>
<td>Investments listed on Stock Exchange</td>
<td>-</td>
<td>43,878</td>
</tr>
<tr>
<td>Investments in a Common Deposit Fund or Common Investment Fund</td>
<td>94,337</td>
<td>94,337</td>
</tr>
</tbody>
</table>

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

### 10.3 Investment property

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total</strong></td>
<td>£000</td>
<td></td>
</tr>
<tr>
<td>Flat let on long term lease</td>
<td>184</td>
<td>184</td>
</tr>
</tbody>
</table>

Valued at open market value at 31 March 2007.

### 10.4 Investment in Great Ormond Street International Promotions Ltd (GOSIPL)

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total</strong></td>
<td>£2</td>
<td>£2</td>
</tr>
</tbody>
</table>

The net result for the company in 2007/08 is a surplus of £991,756 (2007: £1,282,000), with net assets at the end of the year of £125,493 (2007: £125,493).

### 11 Analysis of debtors

<table>
<thead>
<tr>
<th></th>
<th>Charity</th>
<th>Consolidated</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>31 March</td>
<td>31 March</td>
</tr>
<tr>
<td><strong>Amounts falling due within one year:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade debtors</td>
<td>200</td>
<td>403</td>
</tr>
<tr>
<td>Amounts due from subsidiary and associated undertakings</td>
<td>1,541</td>
<td>1,276</td>
</tr>
<tr>
<td>Other debtors</td>
<td>2,953</td>
<td>1,793</td>
</tr>
<tr>
<td>Prepayments</td>
<td>279</td>
<td>316</td>
</tr>
<tr>
<td>Accrued income</td>
<td>682</td>
<td>3,006</td>
</tr>
<tr>
<td><strong>Total debtors falling due within one year</strong></td>
<td>5,655</td>
<td>6,794</td>
</tr>
</tbody>
</table>

Included in other debtors in the charity’s accounts are balances with an aggregate value of £738,396 and in the consolidated accounts are balances of an aggregate value of £739,467 (2007: £589,716; £563,934) due from Great Ormond Street Hospital for Children NHS Trust.
### Notes to the accounts continued

#### 12 Analysis of creditors

<table>
<thead>
<tr>
<th>Charity</th>
<th>Consolidated</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£000</td>
</tr>
<tr>
<td>Amounts falling due within one year:</td>
<td></td>
</tr>
<tr>
<td>Trade creditors</td>
<td>3,749</td>
</tr>
<tr>
<td>Other creditors</td>
<td>5,178</td>
</tr>
<tr>
<td>Accruals</td>
<td>1,624</td>
</tr>
<tr>
<td>Deferred income</td>
<td>116</td>
</tr>
<tr>
<td><strong>Total creditors falling due within one year:</strong></td>
<td><strong>10,667</strong></td>
</tr>
</tbody>
</table>

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

#### 13 Endowment funds

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td>A Tippetts &amp; Crux</td>
<td>222</td>
<td>222</td>
</tr>
<tr>
<td>B Lewisohn</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td>C Barnes</td>
<td>7</td>
<td>7</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>239</strong></td>
<td><strong>239</strong></td>
</tr>
</tbody>
</table>

#### 14 Restricted funds

<table>
<thead>
<tr>
<th>Name of fund</th>
<th>Description of the nature and purpose of each fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>A Tippetts &amp; Crux</td>
<td>Capital in perpetuity bequests to be used for research in general and general purposes.</td>
</tr>
<tr>
<td>B Lewisohn</td>
<td>A capital in perpetuity bequest to be used for an annual staff award.</td>
</tr>
<tr>
<td>C Barnes</td>
<td>A capital in perpetuity bequest for general purposes.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£000</td>
<td>£000</td>
<td>£000</td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>50,631</strong></td>
<td><strong>18,335</strong></td>
<td><strong>17,152</strong></td>
<td><strong>–</strong></td>
<td><strong>2,718</strong></td>
</tr>
</tbody>
</table>

#### Notes to the accounts continued

- **Material funds**
  - A Redevelopment: £3,465 (11,361, 1,949, 2,712, 38,992)
  - B Restricted Purpose Funds: £5,179 (1,545, 3,499, 2,253, 5,788)
  - C Clinical Cardiac Chair: £1,161 (65, 102, 1,224, 506)
  - D Neonatal Surgical Disorders: £506 (30, 30, 506, 354)
  - E Legacy – Cancer Research: £1,256 (39, 69, 347, 347)
  - F O’Hodson Cancer Fund: £1,377 (39, 69, 347, 347)
  - G Paediatric Intensive Care Fund: £285 (33, 33, 313, 313)
  - H Host Defence: £249 (76, 26, 299, 299)
  - I Clarissa Norman Fund: £184 (16, 16, 199, 199)
  - J Family Studies: £124 (95, 53, 166, 166)
  - K Neonatal Intensive Care Fund: £163 (13, 13, 145, 145)
  - L Reach Fund: £110 (80, 51, 139, 139)
  - M Hearts for Kids Fund: £113 (46, 27, 132, 132)
  - N Craniofacial Fund: £109 (26, 16, 121, 121)
  - 217 other Special Purpose Funds: £7,936 (4,043, 4,043, 6,137, 6,137)
  - **Total** £50,631 (18,335, 17,152, 2,718, 54,514)
Notes to the accounts
continued

15 Unrestricted funds

<table>
<thead>
<tr>
<th></th>
<th>Balance 31 March 2007</th>
<th>Income</th>
<th>Resources</th>
<th>Transfers</th>
<th>Gains and losses</th>
<th>Balance 31 March 2008</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£000</td>
<td>£000</td>
<td>£000</td>
<td>£000</td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td>General funds</td>
<td>10,917</td>
<td>34,214</td>
<td>(20,668)</td>
<td>(42,906)</td>
<td>2,845</td>
<td>16,402</td>
</tr>
<tr>
<td>Designated funds:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Redevelopment Fund/other charitable activities</td>
<td>73,500</td>
<td>–</td>
<td>(2,852)</td>
<td>12,354</td>
<td>–</td>
<td>83,002</td>
</tr>
<tr>
<td>Fixed Assets (tangible and intangible) Fund</td>
<td>58,445</td>
<td>–</td>
<td>–</td>
<td>552</td>
<td>–</td>
<td>58,997</td>
</tr>
<tr>
<td>Total unrestricted funds</td>
<td>162,862</td>
<td>36,214</td>
<td>(23,520)</td>
<td>–</td>
<td>2,845</td>
<td>156,401</td>
</tr>
</tbody>
</table>

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

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

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

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net incoming resources</td>
<td>11,877</td>
<td>6,997</td>
</tr>
<tr>
<td>Depreciation charges</td>
<td>185</td>
<td>133</td>
</tr>
<tr>
<td>Profit on sale of Guilford Street properties</td>
<td>–</td>
<td>(5,498)</td>
</tr>
<tr>
<td>Investment income</td>
<td>(4,469)</td>
<td>(2,850)</td>
</tr>
<tr>
<td>Increase in stocks</td>
<td>(62)</td>
<td>(74)</td>
</tr>
<tr>
<td>Decrease/(increase) in debtors</td>
<td>2,080</td>
<td>(1,922)</td>
</tr>
<tr>
<td>(Decrease)/increase in creditors</td>
<td>(3,070)</td>
<td>7,887</td>
</tr>
<tr>
<td>Cash inflow from operating activities</td>
<td>6,541</td>
<td>4,673</td>
</tr>
</tbody>
</table>

17 Analysis of net debt

<table>
<thead>
<tr>
<th></th>
<th>Balance 31 March 2007</th>
<th>Cash in hand and at bank</th>
<th>Balance 31 March 2008</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£000</td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td>Cash in hand and at bank</td>
<td>6,447</td>
<td>19,878</td>
<td>24,305</td>
</tr>
<tr>
<td>Increase in cash in the year</td>
<td>6,447</td>
<td>19,878</td>
<td>24,305</td>
</tr>
<tr>
<td>Current asset investments</td>
<td>659</td>
<td>39,615</td>
<td>40,274</td>
</tr>
<tr>
<td>Total</td>
<td>5,086</td>
<td>59,493</td>
<td>64,579</td>
</tr>
</tbody>
</table>

18 Commitments, liabilities and provisions

The trustees have the following commitments:

- Redevelopment programme/other charitable activities: £83,002
- Research: £7,350
- Capital projects and equipment: £2,872
- Other commitments: £3,813
- Total commitments: £56,074

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

19 Annual commitments under non-cancellable operating leases

<table>
<thead>
<tr>
<th></th>
<th>2007-08</th>
<th>2006-07</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land and buildings</td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td>After five years</td>
<td>20</td>
<td>13</td>
</tr>
<tr>
<td>Before five years</td>
<td>381</td>
<td>266</td>
</tr>
<tr>
<td>Total</td>
<td>401</td>
<td>279</td>
</tr>
</tbody>
</table>

20.2 Trustee remuneration

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

2.3 Trustee indemnity insurance

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

Notes to the accounts
continued
Notes to the accounts

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

22 Related party transactions
Great Ormond Street Hospital for Children NHS Trust Relationship – the charity and the hospital are separate legal entities. The objects of the charity are NHS services and research at Great Ormond Street Hospital for Children NHS Trust.
Transactions – payments were made via Great Ormond Street Hospital for Children NHS Trust and payroll services provided up to 30 September 2007.
The net amount owing to Great Ormond Street Hospital for Children NHS Trust at 31 March 2008 was £4.3 million.

Friends of the Children of Great Ormond Street Relationship – a separate charity supporting the work of the NHS Trust. Accounting and administration is carried out by the charity’s Finance Department for which a charge of £15,000 was made during 2007/08 (2006/07: £11,685).
Transactions – payments are made via Great Ormond Street Hospital for Children NHS Trust. The net amount owed to the Friends of the Children of Great Ormond Street Hospital at 31 March 2008 was £33,000.

Great Ormond Street International Promotions Ltd Relationship – a wholly-owned trading subsidiary. Accounting and administration is carried out by the charity’s Finance Department for which a charge of £66,680 was made during 2007/08 (2006/07: £38,400).
Transactions – as at 31 March 2008, £991,756 was owing to Great Ormond Street Hospital Children’s Charity relating to net profit and donations collected by the trading company in 2007/08.

UCL Institute of Child Health
Relationship – The UCL Institute of Child Health, part of University College London, is the research partner of Great Ormond Street Hospital for Children NHS Trust. Great Ormond Street Hospital Children’s Charity supports research and infrastructure research that directly benefits the patients of Great Ormond Street Hospital for Children NHS Trust.
Payments amounting to £1,149,018 were made towards purchases of equipment and research.

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

Legal information

Name of charity
Great Ormond Street Hospital Children’s Charity

Registered charity number
103525

Address
40 Bernard Street
London WC1N 1LE
Tel: 020 7329 3000
Fax: 020 7837 5062
www.gosh.org

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

Trustees, officers and professional advisors
Charity patrons
Vernon Kay and Tess Daly
Cat Deeley
Chief executive
Dr Jane Collins MSc MD FRCP FRCPCH
Charity executive director
Charles Denton (stood down 30.04.08)
Tim Johnson (appointed 01.05.08)

Special trustees
Chairman
John Ballard CB (stood down 31.03.08 remains as special trustee)
Alan Hudson (appointed 01.04.08)
Susan Burns (appointed 01.08.07)
Margaret Casely-Hayford (tenure ended 31.01.08)
Richard Glynn
Thomas Hughes-Hallett (stood down 31.03.08)
Alan Hudson (appointed 01.08.07)
Hugo William John Llewelyn (appointed 01.08.07)

Associate trustees
David Double OBE (stood down 31.03.08)
David Elms
Andrew Fane
Gary Steinberg
Michael Weston (appointed 15.10.07)*
Our associate trustees are volunteers who work with the special trustees to increase the expertise available.

Appointment of trustees
By the secretary of state for health under Section 9 of the National Health Service Act 1977, as amended by Schedule 1 of the Health Services Act 1980. Also under article 2(1) of the National Health Service Trusts’ (Trust Funds: Appointments of Trustees) Order 2000 (SI 2000/2/12).

Contact: Great Ormond Street Hospital
Children’s Charity
Charity executive director
Charles Denton (resigned 30.04.08)
Tim Johnson (appointed 01.05.08)

Charity secretary
Christine Monk

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

Trading company board directors
Chairman
Andrew Fane (resigned 13.02.08)
Andrew Hibbert (appointed 13.02.08)
Managing director
Charles Denton (resigned 13.02.08)
Antonia Dalmahoy (appointed 13.02.08)

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

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Appointment of trustees
By the secretary of state for health under Section 9 of the National Health Service Act 1977, as amended by Schedule 1 of the Health Services Act 1980. Also under article 2(1) of the National Health Service Trusts’ (Trust Funds: Appointments of Trustees) Order 2000 (SI 2000/2/12).

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Antonia Dalmahoy (appointed 13.02.08)

Directors
Elaine Dodds (resigned 21.12.07)
Joan Kearns (resigned 31.03.08)
Ross is 11 and suffers from a form of epilepsy which does not respond fully to drugs. He recently visited the hospital so that his brain activity could be monitored and to be assessed for neurosurgery that could potentially cure him.