



Glasgow Children's Hospital Charity

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Consolidated Report and Financial Statements
Year ended 31 March 2019

Company number: SC222439
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Contents	Page
Chairman's Report	1
Directors' Report	3
Independent Auditors' Report	22
Consolidated Statement of Financial Activities	25
Charity Statement of Financial Activities	26
Consolidated Balance Sheet	27
Charity Balance Sheet	28
Statement of Cash Flows	29
Notes to the Consolidated Financial Statements	30

Chairman's Report

I am delighted to report on yet another successful year for Glasgow Children's Hospital Charity.

We embarked on 2018 / 2019 with a very ambitious target – to raise £4.70m in what was an extremely challenging and unpredictable social and political climate. I am very pleased to report that a total of £4.72m was raised, again an increase on the previous year (£4.61m). This meant that we were able to contribute £3.1m to NHS Greater Glasgow and Clyde (NHSGGC) and support their overarching priorities for the babies, children and young people in their care.

We continue to work closely with Senior Management and clinical staff within NHSGGC. Our objectives remain closely aligned with those of the Women and Children's Directorate of NHSGGC, and we are determined to meet the needs of the children treated at Scotland's busiest children's hospital.

Last year I reported on our successful Schiehallion Appeal to raise funds to support the development and expansion of the Schiehallion Clinical Trials Centre in Glasgow. The support of this hugely important service has continued in 2018/2019 and it gives me great pleasure to report that well over £1m has now been raised.

In November 2018, we launched our Renal Appeal in partnership with Kidney Kids Scotland. The appeal aims to raise £500,000 to help children from across the country who have kidney failure – a life-long, life-limiting condition. These children face years of long hospital stays, medication and dialysis, while they await a kidney transplant. With the funds raised, we can ensure that these resilient children receive care on the Renal Ward that is second-to-none. The appeal got off to a great start at our 12th Annual Ball and we are well on our way to exceeding our target.

Last year was very much a year of planning, as we prepare to embark on a new strategy for 2019 – 2022.

Oor Wullie's BIG Bucket Trail launched in June 2019, and is the culmination of two years of groundwork in partnership with Edinburgh Children's Hospital Charity, the ARCHIE Foundation, DC Thomson and Wild in Art. As key participants in the first national public art trail in the world, we not only raised significant funds and our profile, but also gave the Scottish public something to enjoy and engage with over the summer months.

In 2018/2019 we began discussions with NHS Ayrshire & Arran (NHSAAA) to expand our work into their area. We felt strongly that all children in the West of Scotland should benefit from Glasgow Children's Hospital Charity, not just those in Glasgow. We have been very warmly welcomed by the staff of NHSAAA and we are all tremendously excited to be working together. We have called this new venture the Crosshouse Children's Fund and were delighted to launch it in May. We look forward to new fundraising initiatives all over Ayrshire to help their local children have the very best hospital experience possible.

In our 2019 – 2022 strategy, one of our objectives will be to extend our reach even further within the West of Scotland and we look forward to meeting and negotiating with other health boards.

Chairman's Report (cont'd)

I would like to end by thanking the wider Glasgow Children's Hospital Charity Team, the Board of Trustees, all our volunteers, our staff and of course our supporters. Every single person is an integral member of this team and the continuing success of the charity is down to every single person. On behalf of the babies, children, young people and their families.

Thank you.

P Watson

Peter Watson
Chairman

Dated: 24 September 2019

Directors' Report

The Directors have pleasure in presenting their Annual Report together with the audited group Financial Statements for the year ended 31 March 2019 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006, the Articles of Association and the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

References to the Royal Hospital for Children (RHC) in the Consolidated Report and Financial Statements relate to all neonatal, paediatric and obstetric departments within the Women & Children's Directorate of NHS Greater Glasgow & Clyde (NHSGGC).

Objectives and activities

Vision and values

Our vision

We raise funds to help those who tirelessly care for and nurture young lives at their most vulnerable; to invest in equipment, research and the continued improvement of facilities and services for children and families in hospital.

Our Values

Pride: *we care.*

We are proud ambassadors of the charity, and will carry out our work with conviction. It's not just a job; it's our privilege to be part of this special community of supporters, children and families.

Enthusiasm: *we are inspired.*

We will enthusiastically approach each new opportunity, inspired by the resilience, hope and commitment of our supporters, patients and families. We are always looking up.

Determination: *we are all in.*

We are determined to give our all, because we are dedicated to the children, families and staff we support. They deserve our best work.

Unity: *we are one team.*

We respect and encourage each other. We can make an extraordinary impact when we work together with our colleagues, supporters and partners.

Integrity: *we do what we say we'll do.*

We promise to be honest, professional and respectful. We will never compromise the charity's reputation or our values, and will always act in the best interests of those we support.

Directors' Report (cont'd)

Charitable objectives

The objects of the Charity are to provide and support excellence in paediatric, maternity and neonatal healthcare to enhance the treatment, care and wellbeing of babies, children, young people and their families treated in the Royal Hospital for Children, Glasgow, other paediatric hospital or community based services in the West of Scotland and other locations nationally and internationally as appropriate.

The Charity provides innovative medical equipment, play activities, child and family support services, paediatric research and other enhancement projects. The Charity also seeks to alleviate poverty in families whose children are treated at the above facilities and are experiencing financial hardship exacerbated by the health issues of their children.

Activities

The Charity is a grant-making organisation which generates fundraising income, primarily voluntary donations from various sources including individuals, companies, community groups and trusts, needed to achieve our charitable objectives through the making of grant awards.

Grant making policy

As partner Charity for the Royal Hospital for Children, Glasgow, the Charity works closely with NHSGGC senior management to identify the core needs of patients and families. Together, we identify, develop and bring to fruition fundraising propositions that align with the overarching objectives and priorities of the Hospital and related facilities and offer long term sustainability for key NHS needs, which are outwith or beyond statutory requirements. The grants awarded fund medical equipment, research, structured play programmes and distraction therapies, patient and family support services, facility enhancements and other projects in the Hospital whether one-off awards or ongoing services. In recent years, the Charity has been asked to provide significant levels of funding towards the establishment, development and continuation of many services on site at the Hospital which have been agreed as priority by NHSGGC and the Charity's Board.

These projects are reviewed by the relevant Board sub-committees which make recommendations to the Charity's Board. Decisions regarding grant awards are taken at each quarterly Board meeting. Projects may be approved between meetings where the nature of the project requires a quicker decision and these are ratified at the subsequent Board meeting.

Authority has been delegated to the Chief Executive / Chief Operating Officer for approval of awards of an emergency nature up to £20k between quarterly Board meetings and these are reviewed and ratified by the Board at the subsequent meeting.

Achievements and performance

Since our inception in 2001, the Charity has contributed over £34m in charitable expenditure which has made a substantial impact on the lives of the patients and families treated and cared for at Scotland's busiest children's hospital. We are proud to support the extraordinary work that takes place at the hospital through a range of projects including life-saving medical equipment and research, the support that families desperately need during their darkest days and the play and events programmes that give children in hospital the chance of a childhood.

Directors' Report (cont'd)

Achievements and performance (cont'd)

With our 20th anniversary on the horizon in 2021, we are aware that we operate in a very different landscape than in 2001 and have tailored our new organisational strategy for 2019/22 accordingly. Our passion and determination to continue to support those in need remains unchanged and to allow us to enter this next phase in the charity's development, 2018/19 has been a year where we have taken the time to research our plans for the future, to evaluate our opportunities for growth and development and to create an ambitious and proactive organisational strategy to future-proof the organisation and position us accordingly to make the biggest impact that we can on maternity, neonatal and paediatric services within the West of Scotland. Throughout this, our fundraising and charitable activities have continued apace, and, in a period of continuing uncertainties in the political, economic and social environments, we are delighted that, thanks to the extraordinary generosity and support of our donors, to be able to have exceeded targets and to have provided in 2018/19 £3.1m of funding to the hospital and related community services.

Renal Appeal

The children's hospital in Glasgow is the national centre in Scotland for kidney transplants. Each year hundreds of children from across Scotland are treated on the Renal Ward for kidney failure - a life-long, life-limiting condition which cannot be cured. These children are often robbed of their childhood as they face years of medication, dialysis, and in some cases an endless wait until a kidney match becomes available for transplant. In November 2018, we launched our Renal Appeal 'Failure is not an option', in partnership with NHS GGC and Kidney Kids Scotland. Together, both Charities pledged to raise £500,000 to enhance the Renal Unit to ensure that these resilient children and their families receive care and support that is second-to-none.

Their kidneys have failed, but we won't fail them. For us, failure is not an option.
Ian Ramage, Consultant Nephrologist

Life is very difficult for children on dialysis. For three or four days every week, their life goes on hold while they undergo dialysis, and they simply can't have a normal childhood. More than that, kidney failure restricts freedoms for the whole family. As a national transplant centre, children from across Scotland come for treatment in Glasgow. It can be hard enough for families who live in the central belt, but for families who live in Aberdeen, Inverness or the Islands, it can be an impossible journey. Some families have moved home and left their previous lives behind, in order to move closer to the hospital in Glasgow. Being close to hospital is not just preferable – it can be life-saving. Families of children with kidney disease live in constant fear, due to the propensity of these children to become seriously ill in a matter of minutes.

Ward Reconfiguration & Senior Charge Nurse

Nobody wants to call hospital 'home'. But when hospital becomes home, and nurses become family, we want to make that home as comfortable and welcoming as it can possibly be. We also want to ensure that there are dedicated staff members to look after children with kidney failure. By creating a dedicated and specialised renal and nephrology ward, we can ensure that specialist staff who know the patients and their families are there to support them through their difficult journey. These close bonds are perhaps felt more strongly on the renal ward than in any other ward in the hospital.

"We see these kids more than our own children, and they see us more than their own families".
Nicola, RHC dialysis nurse

Directors' Report (cont'd)

Achievements and performance (cont'd)

Families speak about the need for a 'cocoon' – a place where they feel safe and protected, where everyone knows them and understands what they're going through.

Psychologist

As a life-long, life-limiting condition, with no cure, kidney failure can put a severe strain on the mental health of children and their families. Many children with kidney failure live in limbo – those waiting for a transplant may be waiting for years. Others may never have the prospect of a transplant, and face a life of uncertainty, of repetitive visits to hospital as their lives pass by. Children are robbed not only of their childhood, but of their lives. Aside from dealing with the mental health implications of a life-limiting illness, many children feel guilt, shame and embarrassment. They lose much of their dignity and independence, and with the limitations of their condition, can find it difficult to develop their own sense of self.

A psychologist can help children understand their condition, and make sense of their world. The psychologist also plays a critical role at every stage in the transplant process. From preparing a child for transplant (a process that can take a year), to the transplant itself, and life after transplant, the psychologist will help to protect and guide children through a life-changing procedure. The psychologist is particularly important because a transplant is not always guaranteed to be successful. By funding a full time psychologist, we can help children to understand and manage their condition, which comes with the most extreme emotions we can face – fear, despair, guilt, embarrassment and loneliness.

Schiehallion Appeal

In 2017 we launched, in conjunction with NHSGGC and our national media partner The Daily Record, a major fundraising appeal to raise £500k for the haemato-oncology unit of RHC, known as the Schiehallion Unit. Although 8 out of 10 children with cancer will survive beyond 5 years, cancer is still a leading cause of death of children in Scotland. Sadly, despite the heroic efforts of the Schiehallion team, not all children will respond to treatment. For these children, early phase clinical trials can be a lifeline – but before were often only available in highly specialised centres in England.

Thanks to the generosity of our supporters, we have now provided funding of £1.3m (£380k in the 2018/19 financial year) to bring the latest cancer treatments to Scotland for years to come. The money raised has enabled the team in the Schiehallion Unit to achieve their vision of creating a leading Clinical Trials Centre meaning more children can be treated in the hospital they know, by their own doctors and nurses.

Directors' Report (cont'd)

Achievements and performance (cont'd)

Play Events Programme

Being in hospital can be a very frightening and distressing time for young patients. Every day, our extra special team of play staff and volunteers are able to relax and distract children through the power of play - creating joyful memories for families during difficult times. The Charity's Hospital Programmes team run a full and varied calendar of events at the hospital for our patients, families and staff. We focus on seasonal events such as Burns Day, Valentine's Day, Easter, Halloween and Christmas ensuring that our patients don't miss out on the fun of these big occasions whilst they are in hospital. We also celebrate fun days such as Harry Potter Day, organise social events for specific patient groups, run workshops and schedule a roster of regular entertainers who visit our wards. For those children who are regular visitors but aren't always inpatients, we work with our partners to organise treats and days out to football matches, safari parks, pantomimes and more. We give out Easter Eggs and Christmas gifts, celebrate birthdays and special occasions and aim to ensure that every child treated in the hospital has a fun experience during what can be a very difficult time. It is our ambition that no child should ever be lonely or scared in hospital.

"So many people working behind the scenes to ensure a child's experience in hospital is as positive as they can make it. In Nathan's own words - 'I love hospital ... I'm having so much fun!'"
Nathan's Mum, Leslie

In total in 2018/19, the Charity invested £747k in our wide-ranging Play and Events programme. The Charity is thankful for the £10k donation from The Gannochy Trust in support of our play service.

NICU Enhancements

Ten years after it opened, the Charity is working in partnership with the team in the neonatal unit at the RHC to make changes and improvements to the look and feel of the unit. The aim is to reduce the feeling of it being a stark and clinical environment, instead bringing a more domestic and 'nursery' atmosphere. Rooms have been painted with pastel colours with wall stickers with cute animal motifs bringing a more baby-friendly aesthetic to each cot bay. Family rooms and social spaces have been decorated with large-scale photography, aiming to distract parents from the day-to-day stress of having a baby in the neonatal ward. Reclining chairs by each cot bay encourage parents and carers to take babies out of their incubators for a feed, cuddle or skin-to-skin contact and retractable screens around each bay give privacy when needed.

Royal Alexandria Hospital (RAH) Enhancements

The recently reconfigured paediatric outpatient facility at RAH in Paisley was enhanced to become a warm and welcoming space with bright child-friendly stickers applied to the walls of the treatment rooms and the facility as a whole repainted and refreshed.

Directors' Report (cont'd)

Volunteers

Volunteers are integral to the lifeline of the Charity and we are indebted to our dedicated team of more than 200 generous and kind-hearted volunteers who come from all walks of life and give their time to help us raise vital funds and awareness, and to support the young patients within the children's hospital.

Our volunteers have contributed 20,500 hours of their own time this year alone, some having done so for many years now. At our 2019 Volunteer Dinner we were privileged to have the opportunity to present long service awards recognising the dedication and commitment of no less than 18 volunteers who had each volunteered for the Charity for 10 years and more. We simply could not do all that we do without their support.

The Charity works in partnership with NHSGGC to deliver the volunteer programme at RHC and has 142 (2018: 140) hospital-based Charity volunteers who are there to help children and their families across a wide range of functions including playmakers, MediCinema film screenings, storytellers, hospital welcome guides, health & beauty services, volunteer drivers, gardeners and the education service and more. Charity volunteers are also the face of the Fundraising Hub at the hospital. Volunteers assist with our busy events programme, putting smiles on children's faces all year round and especially at Christmas as Santa and his elves.

"I just wanted to send a little message of appreciation, today we were up seeing the consultant with my daughter Lauren. She went to visit Santa while we were there and I couldn't believe how well he spoke to the children. He reassured my daughter that she's coping well with her hospital visits and not to be scared. She left with the biggest smile on her face and I've never seen her react this way before when visiting any Santa's grotto! To hear the little words from Santa that she's coping so well has completely lifted her spirits as she was starting to panic about her next operation. I just wanted to thank you for all the hard work you put in, here's a picture from today!"
Lauren's Mum

In addition to hospital volunteers, the Charity has 78 (2018: 72) active fundraising and administration volunteers who provide the Charity with assistance at external talks and events, bucket collections, the collection can service and office administration. This year we were fortunate to be joined by the Paisley Court Café whose steadfast volunteers now contribute their time to help the Charity raise vital funds through the sale of snacks and refreshments in the Court café.

The contribution of our regular volunteers was supplemented by the considerable support from the staff of corporate partners who gave 2,500 hours of time last year to help with bucket collections, hospital decorating days and gift wrapping presents at our Christmas pop up shop at Buchanan Galleries.

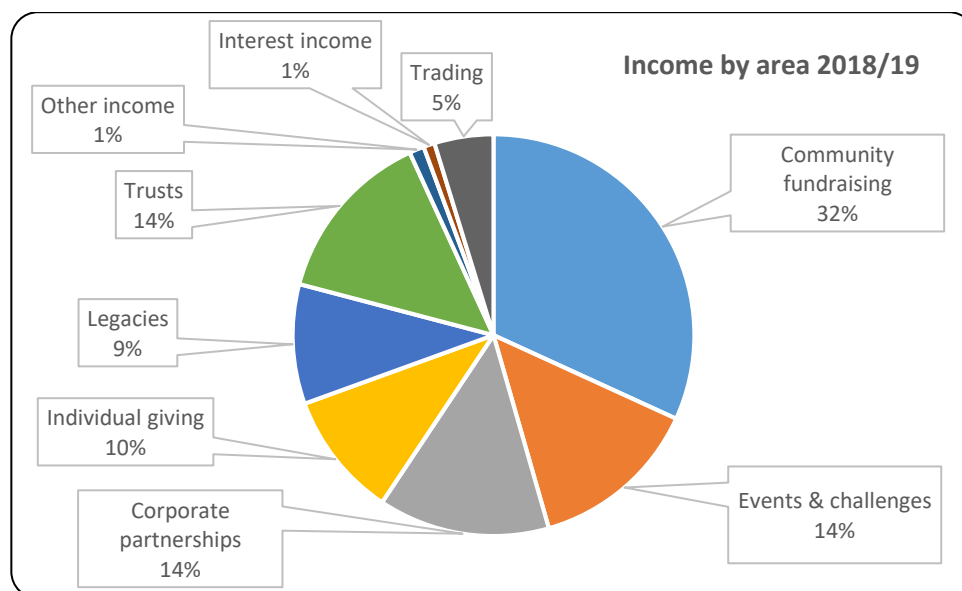
Financial Review

In 2018/19 the Charity reached our income targets and achieved consolidated income of £4.7m against a backdrop of continuing uncertainties in the political, economic and fundraising landscapes. We operate in a highly competitive arena, where we understand that donors make a choice to support us over many other deserving charities, and we are truly grateful for their steadfast and unstinting support. Nearly 200,000 babies, children and young people are treated at the hospital each year and without the generosity of our donors, we could not support these children and families and ensure they receive the best possible care.

Directors' Report (cont'd)

Financial Review (cont'd)

2018/19 income split by area:



The political, economic, social and technological landscape has changed immensely over the past 5 year. The societal impact and perception of charities has changed; the issues surrounding the independence referendum, EU referendum and Brexit, have presented challenges to how the Charity is perceived by UK funders. Furthermore, the rollout of GDPR in May 2018 has created a seismic shift in the way that supporters and their contact preferences are handled and controlled by organisations.

The Charity has been proactive and restructured and deployed resources into new areas of fundraising that were not previously our stronghold in order to build a more balanced fundraising portfolio as can be seen from the income by area chart. The charity relies entirely on fundraising income and is aware of the changing giving patterns of the general public and have acted accordingly. Our traditional core area of community income remains of fundamental importance to the Charity raising £1m annually, but is now more balanced against income from events, partnerships and trusts.

From our research, awareness of the Glasgow Children's Hospital Charity brand is now comparable to key national competitors. Only 3 years on from the change of hospital location and change of charity name, this is something we are very proud of. The period of transition following the name change was undeniably difficult and often confusing for our supporters, however to have not only maintained our income above £4m each year since then, but to have raised £4.7m in the 2018/19 financial year, is a considerable achievement. Despite the challenges, we have continued to make a substantial impact on the lives of young patients and families, treated and cared for at Scotland's busiest children's hospital.

Directors' Report (cont'd)

Financial Review (cont'd)

The Statement of Financial Activities shows that our charitable activities resulted in net financial outgoings of £98,573 (2018: net financial outgoings of £493,170). This is a direct result of a deliberate strategy of utilising restricted reserves accumulated in previous years and matching projects to reserves where appropriate to allow a greater number and value of charitable activities to be delivered to the benefit of the patients and families.

Our 12th annual ball held in November 2018 marked the launch of our Renal Appeal in conjunction with NHSGGC and Kidney Kids Scotland. From the moment the guests arrived, the room was filled with enthusiasm, love and support for our children and families treated at the Renal Unit and thanks to the awe-inspiring generosity of our supporters and sponsors, we raised £171k of income towards the Appeal.

Our long-standing partnership with the Kiltwalk continues to go from strength to strength where the monies raised in 2017 and 2018 were in support of our Schiehallion Appeal. The Charity raised an extraordinary £333k inclusive of a 40% uplift generously gifted by the Hunter Foundation. Our heartfelt gratitude goes to the 1,088 walkers who took part in 2018.

Our annual sponsored walk and family fun day in September attracted over 1,400 participants in 2018, a record number for the Charity of people coming together to raise vital funds for the ophthalmology team at the hospital.

Oor Wullie's BIG Bucket Trail

Oor Wullie's BIG Bucket Trail (OWBBT) was Scotland's first ever nationwide public art trail, and hit the streets of Scotland's cities in June 2019 bringing 200 larger than life, individually designed Oor Wullie sculptures in the 11 weeks from 17 June to 30 August 2019 to the five host cities of Glasgow, Edinburgh, Aberdeen, Dundee and Inverness. The Charity was delighted to work in partnership with Edinburgh Children's Hospital, the ARCHIE Foundation, DC Thomson Media and Wild in Art to raise awareness and vital funds for Scotland's children's hospital charities. Since appearing in the Sunday Post over 80 years ago, Oor Wullie has become a much loved part of Scottish Heritage and the artists captured his love of life, fun and laughter to inspire the public and corporate supporters to come out in support of the three charities through sponsorship of the Trail and individual sculptures, taking part in our annual sponsored walk or following the Trail to 'collect' as many of the fun sculptures as possible. The trail provides an invitation to residents and visitors alike to explore the 5 cities and surrounding areas and a fun and active day out for children and families, as well as promoting the work of the charities.

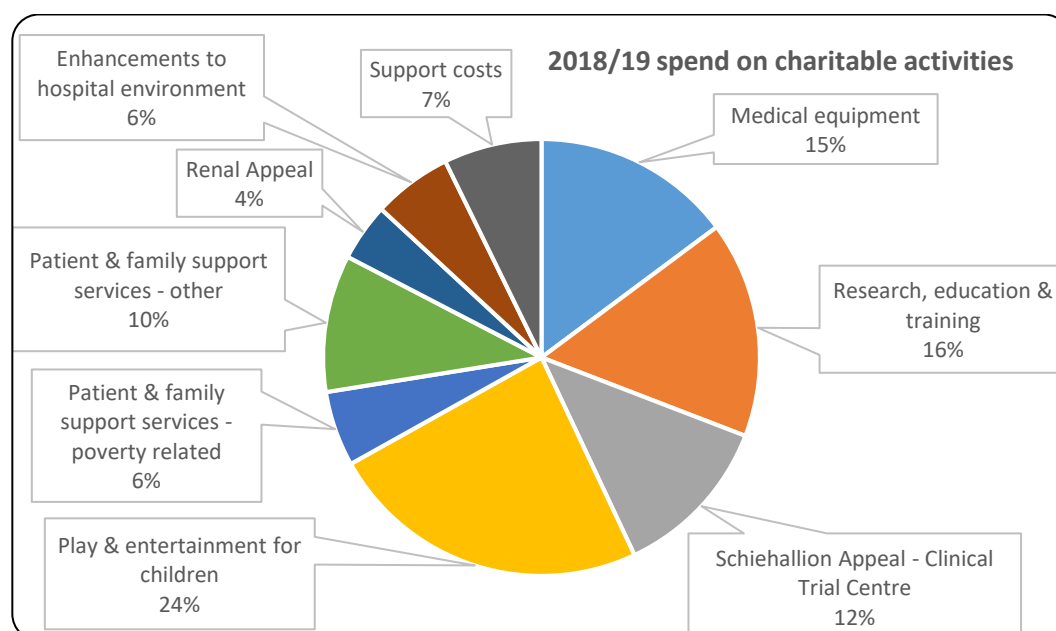
The Charity is enormously grateful to Arnold Clark for their extremely generous support and sponsorship of the Trail at a national level, and also to our Design Partner Avian, our Discovery Partner CityLink, our Logistics Partner The Malcom Group, our Innovation Partner Scottish Power and our Community and Farewell Weekend Partner Zero Waste Scotland who have provided generous support and sponsorship. We are also indebted to Active Scotland, BiGroup, Leith Agency, NorthWood Charitable Trust, Police Scotland, ScotRail and Visit Scotland for their support of the Trail.

Directors' Report (cont'd)

Financial Review (cont'd)

The project also provides a community and educational learning programme which focuses on the themes of art, citizenship, communities and positive mental and physical health. The charities have worked with young people and teachers from schools and youth groups across the country who have unleashed their imaginations in decorating over 140 mini Oor Wullie sculptures in the most colourful and imaginative ways possible for the Glasgow Trail. These mini sculptures will be displayed as part of the national Trail before returning to the schools and community groups for them to keep.

The Charity was able in the 2018/19 year to support RHC with grant awards totalling £3.1m split by area of activity as follows (items and projects greater than £25k are detailed in Note 9 of the financial statements):



As partner Charity of the RHC, the Charity works to enhance the experience of the patients and their families at all stages of their journey through the hospital. Every year 199,000 children from Scotland and beyond are treated at RHC. Some children will visit just once for a minor injury, while others may spend many months or years at the hospital, fighting for their lives. Thanks to the generous support of our donors, fundraisers and volunteers alike we have been able to enhance the care and experience provided at the hospital.

Pulmonary lung function & exercise testing kit

The Royal Hospital for Children's Respiratory lab provides specialist investigative services in the field of Paediatric Respiratory Physiology. This service covers the whole of NHS GGC area (including Paisley Royal Alexandra & Inverclyde Royal Hospitals), Managed Clinical Network areas for the West of Scotland (Wishaw General, Ayrshire Central and Dumfries District General Hospital) and some specialist national services (e.g. Cardiac & Chest wall surgery).

Directors' Report (cont'd)

Financial Review (cont'd)

Increasing demand for the service coupled with the development of new equipment with state of the art software which would put the department at the forefront of its field, presented an opportunity for the Charity to fund new pulmonary function & exercise testing equipment complete with wheelchair box. This equipment puts RHC on par with the top European and American facilities in this field. No other UK centre offers the equivalent scope of service to what RHC now has the ability to deliver.

One of the key benefits of the new equipment is the ability to accurately test younger patients with smaller lungs which the older equipment simply could not provide accurate measurements for. Being able to test patients as young as three years old gives the clinicians valuable diagnostic information earlier, aids development & assessment of treatment plans earlier & potentially highlights risks of lung damage at an earlier age.

The Charity is indebted to the generosity of the Reid Timoney Charitable Foundation for providing the funding to allow this equipment to be purchased, benefiting hundreds of young patients.

Love at First Sight Appeal – Retinopathy of Prematurity (ROP) equipment

Thanks to the efforts of our dedicated supporters including those taking part in our annual sponsored walk and attending our annual ladies' lunch event, Scotland's tiniest babies will now have access to sight-saving imaging equipment funded by the Charity at a cost of £159,000. The new imaging equipment will enable teams across Glasgow's neonatal units to screen for and detect retinopathy of prematurity (ROP) – abnormal blood vessel growth in the retina – in babies. ROP occurs in around 20% of premature babies and in the most serious cases, this condition can cause retinal detachment which can lead to complete loss of sight if not diagnosed or treated early enough. However, if detected in time, there is an excellent chance that a baby's sight can be saved with interventions. This imaging equipment will not only help to save the sight of premature babies, but it will prevent the need for manual screening - an intrusive and at times distressing procedure for babies and their families.

"A picture is worth a thousand words, and we need to be able to take photos of tiny babies' eyes to see if there are any problems. Before we worked on diagnosis based on written reports following a visit by an ophthalmologist, but we can more accurately diagnose the condition from a photo."

Pedro Gonzalez, Consultant Ophthalmologist

The Charity is very grateful to the Wooden Spoon Society who have pledged £30,000 towards this equipment.

Directors' Report (cont'd)

Financial Review (cont'd)

Research

By funding research, we are helping to shape the care given to Scotland's children. With generous support from the Catherine McEwan Foundation, we have been able to fund the ongoing research and development of less restrictive diets for children with Crohn's disease. Crohn's disease is a chronic and debilitating condition which involves young patients being treated through a liquid only diet using feeding tubes.

This is a difficult and restrictive treatment to manage, and can be very socially isolating for children who are not able to partake in activities with their peers like eating out at special events or enjoying school dinners. This restrictive treatment can have significant implications for the mental wellbeing of children and young people, and so research has been carried out to design a solid food diet which matched the effects of the liquid diet.

"The results proved to be overwhelmingly positive, with symptoms improving or disappearing after 8 weeks on the new 'CD-Treat' diet. By moving away from the liquid-only diet, young patients can avoid the side effects which come with being treated with medication, and can enjoy their childhood without the restrictions which come with feeding tubes."

Richard Russell, Consultant Paediatric Gastroenterologist

We would like to thank the Catherine McEwan Foundation for working tirelessly to help us care for children with Crohn's and Colitis, and to our Young Ambassador Jenny Cook for her tremendous fundraising efforts. This important research would also not have been possible without our brave Santa Bungee jumpers and our Drive-In Movie guests whose fundraising efforts made a significant contribution to this research.

Reserves

At the end of the financial year the Group's reserves were as follows:

Unrestricted Funds:

Designate general reserve	600,000
General Funds – fixed assets	90,283
General funds – 'free funds'	67,753

758,036

Restricted Funds	1,705,241
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Total Funds	2,463,277
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Directors' Report (cont'd)

Financial Review (cont'd)

Reserves policy

The Directors examine the requirement to retain reserves within the Charity on an annual basis to ensure there are sufficient free unrestricted reserves to safeguard the financial stability of the Charity against unforeseen fluctuations in income levels. The Directors are confident that the sum of £600,000 set aside as a designated reserve is sufficient to allow the Charity to continue to operate and meet commitments over a period of four to six months. The Directors believe this is the prudent and appropriate sum to set aside and review this level as required in conjunction with their regular assessment of the risks facing the Charity.

Going concern

The Board considers that there are no known material uncertainties regarding the Charity's ability to continue as a going concern and accordingly the financial statements have been prepared on a going concern basis. The Board considers that the Charity has sufficient reserves and detailed management accounts are prepared and scrutinised on a regular basis.

Investment policy

The Charity's investment objectives are to at least maintain, and ideally grow, the real value of the Charity's capital with a low attitude to risk. Funds needed to meet immediate, short and medium term commitments along with an allowance for the Charity to be able to react to unplanned events, should be in investments which are both liquid and of low capital volatility. The key risk to funds held for the longer term is inflation and assets should be invested with a view to generating a return on excess of inflation over the longer term whilst generating an income to support the Charity's on-going activities.

The Charity is reliant on fundraising income for its grant making and operational activities and the majority of the Charity's funds have a time horizon of less than 3 years. The Board of Directors has reviewed the investment policy and practice and concluded that short to medium term investment of funds should be held in a mixture of current and term bank accounts to optimise interest earned.

As a result of wider economic conditions, deposits rates have remained low and the interest earned has not exceeded inflation. The funds invested in term deposits have achieved an average rate of 0.8% against an inflation rate of 1.8% (CPIH at March 2019).

Directors' Report (cont'd)

Risk management

The Directors and Senior Management Team examine the major strategic, business and operational risks which the Charity faces on a regular basis and adopt a risk management strategy which comprises:

- an annual Board-level review of the risks which the Charity may face;
- the establishment of systems and procedures to mitigate those risks identified in the plan;
- the implementation of procedures designed to minimise any potential impact on the Charity should any of those risks materialise, and
- monthly reviews of these risks and procedures by the Senior Management Team complemented by a quarterly update to the Finance & Legal Committee.

The Directors consider that the principal risks facing the Charity at the current time are:

- the continuing uncertainties in the social, political and economic landscape in the UK adversely impacting our ambitious income projections and our ability to continue to fund a full range of charitable activities, and
- the regional expansion not realising income in the projected timeframes.

These risks are being managed by robust multi-faceted Fundraising and Marketing & Communications strategies. The fundraising team are actively engaging with donors, fundraisers and volunteers across every viable platform and are always looking to diversify the fundraising portfolio with new opportunities.

Plans for future periods

2019/22 Organisational Strategy

2019/20 marks the start of a new phase in the Charity's development with a refreshed Organisational Strategy for 2019/22 period. As a Charity, we ultimately want to make the biggest impact that we can on maternity, neonatal and paediatric services within the West of Scotland. Our Organisation Strategy 2019/22 is ambitious and will see us move into new areas of fundraising and service delivery that we have not previously occupied.

2018/19 has been a period for necessary research and planning, critically assessing our activities, functionality and resources to determine where best to deploy resources going into the 2019/22 period in order to ensure we maximise our fundraising potential but also, and more importantly, we maximise the levels of charitable expenditure and support we provide to our beneficiaries. We carried out an internal restructure to direct resources to our key areas of focus - supporter experience and engagement, expansion of volunteers, individual giving fundraising, regionalisation and service delivery – and are starting this new period of the Charity's journey in the best position to deliver on our ambitious and exciting plans.

Directors' Report (cont'd)

Plans for future periods (cont'd)

Crosshouse Children's Fund

As part of our strategy to provide direct, financial support to maternity, neonatal and paediatric sites across the West of Scotland, the Charity was delighted to launch in May 2019 the Crosshouse Children's Fund, to raise funds to benefit the thousands of families across Ayrshire and Arran whose children are cared for at Crosshouse Hospital each year. Our plans for regional development are fiercely driven by the ever-growing healthcare needs of local people and our ambition to make the biggest impact we can for our beneficiaries. From investments made over the past year, we are ready with the skills and infrastructure to support each of the district general hospitals within the West of Scotland, ultimately aligning our priorities to those of NHS Scotland. This is a hugely exciting development in the Charity's history, and presents the opportunity to replicate the support we give to RHC and enhance the hospital experiences for patients across a wider geographical area, to fund additional services and projects and provide the enhanced equipment and support services that can alleviate the fears of a hospital visit.

Each year, more than 10,000 babies, children and young people pass through the doors of Crosshouse Hospital and its associated maternity, neonatal and paediatric services and we aim to raise significant funds annually to give Ayrshire's children and their families the extra special care they deserve in hospital.

Oor Wullie's BIG Bucket Trail (OWBBT)

The OWBBT was live across Scotland for 11 weeks from June to August 2019 culminating in September 2019 with farewell weekends and live auctions. As Scotland's first ever national public art trail, we were provided with an unprecedented opportunity to engage with the public across Glasgow and the West to raise awareness and vital funds, with hundreds of thousands of people across Scotland exploring the trails with friends and family 'unlocking' and collecting sculptures.

Glasgow Children's Hospital Charity, Edinburgh Children's Hospital Charity and the ARCHIE Foundation collectively help to support over half a million babies, children and young people affected by ill health in Scotland every year. Looking beyond the huge success of the Trail, there is a tangible opportunity for the three charities to work in closer partnership to initiate and develop Scotland-wide partnership working to enable us all to harness national funding streams and ultimately maximise the impact we can have on paediatric healthcare in Scotland. The legacy of the Trail presents opportunities not only at fundraising and awareness-raising levels, but also to strengthen our collective voice at a national level.

The budgets for the 2019/20 financial year were drawn up balancing the fundraising and economic landscape with bold ambitious development plans. The scale of the OWBBT, the internal resources devoted to its planning and implementation, in addition to the uncertainties over the financial outcome of the Trail and the auction did impact the budget and overall the income and charitable expenditure levels were set at £5m and £3m respectively.

Directors' Report (cont'd)

Reference and administrative details

Charity number SC007856
Company number SC222439
Registered office 100 Brand Street, Glasgow G51 1DG

Key management personnel

The key management personnel are those individuals in charge of directing and controlling, running and operating the Charity on a day to day basis and comprise the Board of Directors, who are the Charity's Trustees for the purpose of Charity law, the Chief Executive Officer and the Chief Operating Officer.

Directors and Trustees

Professor Peter Watson (Chairman)
Mr Robert Tomlinson (Vice-Chairman) (Resigned 6 March 2019)
Mr Robert Vaughan (appointed as Vice-Chairman 26 June 2018)
Mr Stuart Anderson (Secretary)
Mr Jonathan Bryden (Treasurer)
Professor Syed Faisal Ahmed
Miss Victoria Drysdale
Dr Abid Faqir
Mr Andrew Perratt
Dr Alison Rennie
Ms Jennifer Rodgers
Dr Joanne Stirling (appointed 14 June 2018)
Mr Scott Taylor (appointed 31 May 2018)

Chief Executive

Shona Cardle

Chief Operating Officer

Kirsten Sinclair

Auditors

Hardie Caldwell LLP
Citypoint 2
25 Tyndrum Street
Glasgow G4 0JY

Bankers

Bank of Scotland
174 Byres Road
Glasgow G12 8SW

Directors' Report (cont'd)

Reference and administrative details (cont'd)

Solicitors

Turcan Connell
Sutherland House
149 St. Vincent Street
Glasgow G2 5NW

Governing Document

The Charity is a charitable company limited by guarantee, incorporated and registered as a Charity on 22 August 2001. The company is established and governed under its Articles of Association (revised 2018) which established the objects and powers of the charitable company.

Organisational Structure

The Board of Directors is responsible for providing strategic guidance and leadership. The Board meets quarterly with regular communication occurring between the Chair, the Vice Chair and the Chief Executive on matters requiring decisions between board meetings.

The Board appoints the Chief Executive who is responsible for ensuring that their policies and strategies are followed and for ensuring the operational management of the Charity. A formal staff structure exists below the Chief Executive covering the main activities of fundraising, corporate services and finance. There is an established procedure of delegation from the Board to the Chief Executive for the approval of commitments and payments within the parameters of an annually approved operating budget.

There are five sub-committees, which meet as required and make recommendations to the Board. These are:

Professional Scientific Advisory Committee

This Committee meets quarterly to discuss the applications received for charitable expenditure, with specific reference to medical equipment, to assess and prioritise them and to make recommendations to the Board.

Finance and Legal Committee

This Committee meets quarterly to review the annual operating budget, quarterly reforecasts, comprehensive monthly management accounts, risk register and all financial and legal arrangements of the Charity and to report on these to the Board and make recommendations on actions required. This Committee also liaises with the external auditors.

Remuneration Committee

This Committee meets annually to review proposed staff salaries in conjunction with the annual operating budget, to assess their suitability in line with industry benchmarking and individual objectives and to make recommendations to the Board.

Directors' Report (cont'd)

Structure, governance and management (cont'd)

Board Review Committee

This Committee meets quarterly and its remit includes a full review of the policies and procedures in place for all aspects of Board recruitment, selection and induction in addition to making recommendations to the Board on potential skills gaps and specific appointments.

Business Development Committee

This Committee meets periodically to identify and develop new avenues of income growth, growth in existing income streams, responses to emerging issues in business development and to review and assess appropriate business cases and plans prepared by the team in respect of delivering outcomes on a timely basis.

Appointment of Directors

There is a formal appointment process, led by the Board Review Committee. A skills assessment is carried out on a regular basis to identify gaps and succession plans reviewed. Written applications for membership are considered by the Committee who meet the applicants and make recommendations to the Board. Following a comprehensive induction process the admitted member automatically constitutes a Director of the company. At each Annual General Meeting, any Director appointed during the year and one third of remaining Directors, on a rotation basis, will retire. All retired Directors can offer themselves for re-appointment.

The following Directors will retire at the following AGM and will be eligible to offer themselves for re-election at this time:

Professor Peter Watson
Mr Robert Vaughan
Professor Syed Faisal Ahmed
Miss Victoria Drysdale
Dr Abid Faqir
Mr Andrew Perratt

Directors represent independent professional individuals and medical and other NHS staff. The maximum number of Directors is 16 and the Chair may not be an NHS employee. Directors are appointed to the offices of Chair, Vice-Chair, Secretary and Treasurer.

Director Induction and Training

Guidance notes and formal training are provided on trustee duties and responsibilities. A full induction process is conducted on recruitment including an information pack and meetings with key personnel. In addition, informal briefings are provided by Directors at quarterly board meetings and sub-committees by members of the legal and accountancy professions. Opportunities also exist for touring the facilities at the hospital. The Board holds 'away days' periodically to review the strategic direction of the organisation and receive refresher training as required.

Directors' Report (cont'd)

Structure, governance and management (cont'd)

Board Review

In 2018, the Charity commissioned an external Board Review to examine the roles and responsibilities of Trustees with particular focus on skills assessment, recruitment and succession planning. While the Review had many positive comments on the Trustees' commitment to the charity and the overall governance framework, a number of recommendations were made, most notably around succession planning and ensuring the Charity is best equipped to face the next stages in our development. A number of long-standing Trustees are planning to retire in the 2019/20 year and a rigorous review of the skills and experience currently on the Board, and those needed for the next phase of the Charity's development, has been undertaken and with external specialised recruitment advice taken to find the right people to take the Charity forward.

Remuneration policy for key management personnel

Staff salaries for all staff are set annually by the Remuneration Committee utilising regular benchmarking activity undertaken throughout the year looking at similar roles in similar organisations within the sector, published salary guides and taking account of both recruitment trends in the sector and staff turnover within the organisation.

Subsidiary Trading Company

The Charity operates a retail shop under a separate company, Glasgow Children's Hospital Trading Limited, which annually gifts an appropriate proportion of its net profits to the Charity with the remainder being re-invested in the company. The trading subsidiary is responsible for the management of the Oor Wullie BIG Bucket Trail on behalf of the Charity and accounting for the sponsorship income.

Responsibilities of the Directors

The Directors (who are also the Trustees of the charitable company for the purposes of Charity law) are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102: 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group, and of the incoming resources and application of resources including the income and expenditure of the charitable company and the group, for that period.

Directors' Report (cont'd)

Responsibilities of the Directors (cont'd)

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent; and
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

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

The Directors are responsible for the maintenance and integrity of the corporate and financial information included in the charitable company's website.

Disclosure of information to auditors

So far as the Directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director, has each taken all the steps that he or she is obliged to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

Auditors

A resolution will be proposed at the Annual General Meeting that Hardie Caldwell be re-appointed as the Charity's auditors.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

On behalf of the Board

S Anderson

Stuart Anderson
Director and Secretary

Dated: 24 September 2019

INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS AND MEMBERS OF GLASGOW CHILDREN'S HOSPITAL CHARITY FOR THE YEAR ENDED 31 MARCH 2019

Opinion

We have audited the consolidated financial statements of Glasgow Children's Hospital Charity group and parent company for the year ended 31 March 2019 on pages 25 to 52. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and charitable company's affairs as at 31 March 2019 and of the group's and charitable company's incoming resources and application of resources, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the group and the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS AND MEMBERS OF GLASGOW CHILDREN'S HOSPITAL CHARITY FOR THE YEAR ENDED 31 MARCH 2019 (cont'd)

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- proper and adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Directors' Report.

Responsibilities of Directors

As explained more fully in the Responsibilities of the Directors statement set out on pages 20 - 21, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS AND MEMBERS OF GLASGOW CHILDREN'S HOSPITAL CHARITY FOR THE YEAR ENDED 31 MARCH 2019 (cont'd)

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

Our responsibilities for the audit of the financial statements

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

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's directors (who are also the trustees of the charitable company for the purposes of charity law), as a body in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and directors 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 charitable company and the charitable company's members and directors as a body, for our audit work, for this report, or for the opinions we have formed.

M Hopper

Marion Hopper (Senior Statutory Auditor)
For and on behalf of Hardie Caldwell LLP
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
Citypoint 2
25 Tyndrum Street
Glasgow
G4 0JY

Date: 16 October 2019

Consolidated Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
For the year ended 31 March 2019

	Note	Unrestricted funds £	Restricted funds £	2019 Total £	2018 £
Income from:					
Donations and legacies	3	1,912,599	1,839,265	3,751,864	3,587,608
Other trading activities	4	414,316	514,911	929,227	988,106
Investment income	5	25,547	17,129	42,676	34,758
Total income		2,352,462	2,371,305	4,723,767	4,610,472
Expenditure on:					
Raising funds:					
Donations and legacies	7	1,168,175	96,191	1,264,366	1,171,167
Other trading activities	7	284,971	153,669	438,640	421,424
Charitable activities	7,8,9	922,431	2,204,399	3,126,830	3,515,805
Total expenditure		2,375,577	2,454,259	4,829,836	5,108,396
Net movement in funds before gains / (losses) on investments					
		(23,115)	(82,954)	(106,069)	(497,924)
Gains /(losses) on investments	14	7,496	-	7,496	4,754
Net income / (expenditure)	20	(15,619)	(82,954)	(98,573)	(493,170)
Transfers between funds	20,21,22	31,634	(31,634)	-	-
Net movement in funds for the year		16,015	(114,588)	(98,573)	(493,170)
Reconciliation of funds:					
Total funds brought forward	20,21,22	742,021	1,819,829	2,561,850	3,055,020
Net movement in funds for the year		16,015	(114,588)	(98,573)	(493,170)
Total funds carried forward	20,21,22	758,036	1,705,241	2,463,277	2,561,850

All of the above results are derived from continuing operations. All gains and losses recognised in the year and previous year are included in the above.

The attached notes form part of these financial statements.

Charity Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
For the year ended 31 March 2019

	Note	Unrestricted funds £	Restricted funds £	2019 Total £	2018 Total £
Income from:					
Donations and legacies	3	1,912,599	1,839,265	3,751,864	3,587,608
Other trading activities	4	241,875	514,911	756,786	841,199
Investment income	5	25,517	17,129	42,646	34,749
Total income		2,179,991	2,371,305	4,551,296	4,463,556
Expenditure on:					
Raising funds:					
Donations and legacies	7	1,168,175	96,191	1,264,366	1,171,167
Other trading activities	7	112,500	153,669	266,169	274,508
Charitable activities	7,8,9	922,431	2,204,399	3,126,830	3,515,805
Total expenditure		2,203,106	2,454,259	4,657,365	4,961,480
Net movement in funds before gains / (losses) on investments					
		(23,115)	(82,954)	(106,069)	(497,924)
Gains / (losses) on investments	14	7,496	-	7,496	4,754
Net income / (expenditure)	20	(15,619)	(82,954)	(98,573)	(493,170)
Transfers between funds	20,21,22	31,634	(31,634)	-	-
Net movement in funds for the year		16,015	(114,588)	(98,573)	(493,170)
Reconciliation of funds:					
Total funds brought forward	20,21,22	706,771	1,819,829	2,526,600	3,019,770
Net movement in funds for the year		16,015	(114,588)	(98,573)	(493,170)
Total funds carried forward	20,21,22	722,786	1,705,241	2,428,027	2,526,600

All of the above results are derived from continuing operations. All gains and losses recognised in the year and previous year are included in the above.

The attached notes form part of these financial statements.

Consolidated Balance Sheet

As at 31 March 2019

	Note	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Fixed assets					
Tangible Fixed assets	13	90,283	-	90,283	86,635
Investments	14	39,876	-	39,876	32,379
Current Assets					
Stock		7,951	-	7,951	8,367
Debtors	15	273,186	-	273,186	172,339
Cash at bank and in hand	16	1,862,402	4,350,808	6,213,210	5,790,752
		<u>2,143,539</u>	<u>4,350,808</u>	<u>6,494,347</u>	<u>5,971,458</u>
Creditors: amounts falling due within one year	17	(1,369,463)	(1,629,067)	(2,998,530)	(2,563,626)
Net Current Assets		774,076	2,721,741	3,495,817	3,407,832
Creditors: amounts falling due after more than one year	18	(146,199)	(1,016,500)	(1,162,699)	(964,996)
Net Assets		<u><u>758,036</u></u>	<u><u>1,705,241</u></u>	<u><u>2,463,277</u></u>	<u><u>2,561,850</u></u>
Accumulated Funds					
Unrestricted Funds:					
Designated general reserve				600,000	600,000
General funds				158,036	142,021
	20,21			<u>758,036</u>	<u>742,021</u>
Restricted Funds	20,22			1,705,241	1,819,829
	20,23			<u><u>2,463,277</u></u>	<u><u>2,561,850</u></u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and were authorised for issue by the Board of Directors and signed on its behalf by:

P Watson

Peter Watson (Chair)
Dated: 24 September 2019

J Bryden

Jonathan Bryden (Treasurer)
Dated: 24 September 2019

The attached notes form part of these financial statements.

Charity Balance Sheet

As at 31 March 2019

	Note	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Fixed assets					
Tangible Fixed assets	13	90,283	-	90,283	86,053
Investments	14	39,976	-	39,976	32,479
Current Assets					
Debtors	15	118,849	-	118,849	258,450
Cash at bank and in hand	16	1,679,923	4,350,808	6,030,731	5,667,750
		<u>1,798,772</u>	<u>4,350,808</u>	<u>6,149,580</u>	<u>5,926,200</u>
Creditors: amounts falling due within one year	17	(1,060,046)	(1,629,067)	(2,689,113)	(2,553,136)
Net Current Assets		738,726	2,721,741	3,460,467	3,373,064
Creditors: amounts falling due after more than one year	18	(146,199)	(1,016,500)	(1,162,699)	(964,996)
Net Assets		<u><u>722,786</u></u>	<u><u>1,705,241</u></u>	<u><u>2,428,027</u></u>	<u><u>2,526,600</u></u>
Accumulated Funds					
Unrestricted Funds:					
Designated general reserve				600,000	600,000
General funds				122,786	106,771
	20,21			<u>722,786</u>	<u>706,771</u>
Restricted Funds	20,22			1,705,241	1,819,829
	20			<u><u>2,428,027</u></u>	<u><u>2,526,600</u></u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and were authorised for issue by the Board of Directors and signed on its behalf by:

P Watson

Peter Watson (Chair)
Dated: 24 September 2019

J Bryden

Jonathan Bryden (Treasurer)
Dated: 24 September 2019

The attached notes form part of these financial statements.

Statements of Cash Flows

For the year ended 31 March 2019

	Note	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
Cash provided by operating activities		405,227	406,649	345,780	367,049
<u>Cash flows from investing activities:</u>					
Dividends and interest	5	42,676	34,758	42,646	34,749
Purchase of fixed assets	13	(25,445)	(2,988)	(25,445)	(2,988)
Cash provided by investing activities		17,231	31,770	17,201	31,761
Increase in cash in the year		422,458	438,419	362,981	398,810
Cash at the beginning of year	16	5,790,752	5,352,333	5,667,750	5,268,940
Increase in cash in the year		422,458	438,419	362,981	398,810
Cash at the end of the year	16	6,213,210	5,790,752	6,030,731	5,667,750
<u>Reconciliation to Statement of Financial Activities</u>					
Net expenditure for the year as per the Statement of Financial Activities		(98,573)	(493,170)	(98,573)	(493,170)
<u>Adjustments for:</u>					
Depreciation	13	21,797	21,077	21,215	19,913
(Gains)/ losses on investments	14	(7,496)	(4,754)	(7,496)	(4,754)
Dividends and interest	5	(42,676)	(34,758)	(42,646)	(34,749)
Disposal of current asset investment		-	19,091	-	19,091
(Increase) / decrease in stock		416	(2,554)	-	-
Decrease / (increase) in debtors		(100,847)	(126,761)	139,601	(163,608)
(Decrease) / increase in creditors		632,606	1,028,478	333,679	1,024,326
Cash provided by operating activities		405,227	406,649	345,780	367,049

Notes to the Consolidated Financial Statements

1. General information

The Charity is a company limited by guarantee, incorporated and registered in Scotland, under company number SC222439, and has no share capital. The liability of each member is limited to £1 in the event of winding up. The Charity's registered number is SC007856 and the registered office is 100 Brand Street, Glasgow G51 1DG.

2. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of preparation

The financial statements of the charitable company, have been prepared in accordance with the Charities SORP (FRS 102) Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and the Companies Act 2006.

The Charity has availed itself of Paragraph 3 (3) of Schedule 4 of the Companies Act and adapted the Companies Act formats to reflect the special nature of the Charity's activities.

Assets and liabilities are initially recognised at historic cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

(a) Group financial statements

These financial statements consolidate the results of the Charity and its wholly owned trading subsidiary Glasgow Children's Hospital Trading Limited on a line by line basis incorporating income and expenditure under income from and expenditure on other trading activities respectively. With the preparation of consolidated financial statements by the Charity there is no requirement to disclose related party transactions with the wholly-owned subsidiary undertaking, Glasgow Children's Hospital Trading Limited.

(b) Taxation

The Charity is registered with the Office of the Scottish Charity Regulator and HM Revenue & Customs as a Scottish Charity for tax purposes and has no liability to corporation tax.

(c) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Directors in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Notes to the Consolidated Financial Statements (cont'd)

2. Accounting policies (cont'd)

(d) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Directors in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Directors for particular purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income is allocated to the appropriate fund.

(e) Incoming resources

All incoming resources are included in the Statement of Financial Activities when the Charity is legally entitled to the income, receipt is probable and the amount can be quantified with reasonable accuracy. For legacies, entitlement is the earlier of the Charity being notified of an impending distribution or the legacy being received.

Trading turnover is attributable to the retailing of goods and services, primarily the sale of logo merchandise through the Charity's Fundraising Hub and mail order service, to sponsorship income in relation to the Oor Wullie BIG Bucket Trail, a national art trail being run in conjunction with the charity in 2019 and to the sales of food and drink via a café opened in 2018

(f) Resources expended

All expenditure is accounted for on an accruals basis once there is a legal or constructive obligation to make payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified as follows:

- Expenditure on raising donations and legacies are those costs incurred in attracting these income streams.
- Expenditure on other trading activities are those costs incurred in the trading activities of the Charity's subsidiary company and fundraising events organised by the Charity.
- Charitable activities comprises both direct costs of grant payments awarded and an allocation of support costs associated with that activity.

Notes to the Consolidated Financial Statements (cont'd)

2. Accounting policies (cont'd)

(f) Resources expended (cont'd)

Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis e.g. staff time. Included within support costs are costs associated with the governance arrangements of the Charity, including the external audit and staff time attributable to strategic matters. Support costs have been allocated between expenditure categories based on the use of resources.

(g) Gifts in Kind

Where gifts in kind are donated for the purposes of auction or other sale at events organised by the Charity, the proceeds from the auction are included in the activities for generating funds figures in the Statement of Financial Activities.

Where goods or services are donated directly to the Charity, these are included in the Statement of Financial Activities if the value is known with any certainty.

(h) Investments and investment income

Investments in these financial statements are shown at market value.

Realised gains/losses are calculated as the difference between the investments carrying value and its disposal proceeds.

Unrealised gains/losses are calculated as the difference between the market value of investments at the end of the year compared with the start of the year, and cost of additions in the year, as relevant.

Unrealised gains / losses on revaluation and gains / losses realised on disposal are taken to the Statement of Financial Activities.

Investment income represents dividends received from listed investments, and interest receivable in the year gross of tax.

(i) Tangible fixed assets and depreciation

Fixed assets are capitalised where the cost of any item exceeds £1,000.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost on a straight line basis over their expected useful economic lives as follows:

Computer equipment	over 3 years
Fixtures and fittings	over 3 years
Leasehold improvements	term of the lease

Notes to the Consolidated Financial Statements (cont'd)

2. Accounting policies (cont'd)

(j) Stocks

Stocks are valued at the lower of cost and net realisable value. Cost includes all costs incurred in bringing each product to its present location and condition.

(k) Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

(l) Debtors

Debtors and accrued income are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

(m) Cash and cash equivalents

Cash and cash equivalents include cash, bank and term deposits. Term deposits are held in short to medium term accounts to optimise interest earned and not held for investment purposes.

(n) Creditors

Grants payable and other creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are recognised at their settlement amount.

(o) Employee benefits

The Charity operates a defined contribution pension scheme. Contributions payable are charged to the Statement of Financial Activities in the period to which they relate.

(p) Leases

Rentals paid under operating leases are charged to the Statement of Financial Activities as incurred.

(q) Commitments

Full commitments to charitable donations out of existing funds are provided for in the financial statements.

(r) Going concern

The Board considers that there are no known material uncertainties regarding the Charity's ability to continue as a going concern and accordingly the financial statements have been prepared on a going concern basis. The Board considers that the Charity has sufficient reserves and detailed management accounts are prepared and scrutinised on a regular basis.

Notes to the Consolidated Financial Statements (cont'd)

3. Consolidated income from donations and legacies – Group and Charity

	Unrestricted Funds £	Restricted Funds £	Total 2019 £	Total 2018 £
Donations from Individuals	1,020,217	960,557	1,980,774	1,920,646
Donations from corporate partners	525,591	126,296	651,887	532,191
Donations from Trusts & Foundations	39,450	624,493	663,943	792,573
Legacies	327,341	127,919	455,260	342,198
Total income from donations and legacies	1,912,599	1,839,265	3,751,864	3,587,608

4. Income from other trading activities

	Unrestricted Funds £	Restricted Funds £	Total 2019 £	Total 2018 £
Group				
Trading	224,309	-	224,309	232,625
Charity challenges	71,541	26,860	98,401	185,290
GCHC events	117,466	432,637	550,103	537,119
Course registration fees	1,000	55,414	56,414	33,072
Total income from other trading activities	414,316	514,911	929,227	988,106

Incoming resources from Trading are stated net of Value Added Tax and represent the value of sales made via the charity's trading subsidiary, Glasgow Children's Hospital Trading Limited.

	Unrestricted Funds £	Restricted Funds £	Total 2019 £	Total 2018 £
Charity				
Dividend payment from Glasgow Children's Hospital Trading Limited	51,868	-	51,868	85,718
Charity challenges	71,541	26,860	98,401	185,290
GCHC events	117,466	432,637	550,103	537,119
Course registration fees	1,000	55,414	56,414	33,072
Total income from other trading activities	241,875	514,911	756,786	841,199

Notes to the Consolidated Financial Statements (cont'd)

5. Investment income

	Unrestricted Funds £	Restricted Funds £	Total 2019 £	Total 2018 £
Group				
Interest received from bank deposits	24,664	17,129	41,793	33,298
Dividend income	883	-	883	1,460
	<u>25,547</u>	<u>17,129</u>	<u>42,676</u>	<u>34,758</u>
Total investment income	25,547	17,129	42,676	34,758
Charity				
Interest received from bank deposits	24,634	17,129	41,763	33,289
Dividend income	883	-	883	1,460
	<u>25,517</u>	<u>17,129</u>	<u>42,646</u>	<u>34,749</u>
Total investment income	25,517	17,129	42,646	34,749

6. Gifts in kind

The Charity is grateful for the generous support in the year to the following donors who have made significant donations of goods or services as Gifts in Kind:

- Dog Digital who provided £7,400 of photography, filming, creative development, strategy workshops, graphic design and illustration services.
- Exterior who provided £1,790 of extended advertising space.

Notes to the Consolidated Financial Statements (cont'd)

7. Allocation of expenditure

	Basis	Donations & legacies £	Other trading activities £	Charitable Activities £	2019 Total £	2018 Total £
Group						
Grants payable	1			2,786,849	2,786,849	3,209,650
Staff cost - prog. delivery	2			113,002	113,002	109,556
Staff costs - excl prog. delivery	2	743,361	108,069	178,909	1,030,339	881,021
Community initiatives	1	108,003			108,003	102,545
Corporate partners	1	20,213			20,213	32,228
Events & challenges	1		173,895		173,895	198,651
Trading	1		154,376		154,376	117,644
Individual Giving	1	16,228			16,228	13,400
Legacies & Trusts	1	3,075			3,075	937
Marketing & Communications	1	126,155			126,155	121,295
Transaction charges	1	38,962			38,962	68,007
Staff related costs	1	36,755		9,190	45,945	31,315
Office related costs	1	156,416		38,880	195,296	142,155
Volunteer costs	1	5,191			5,191	3,053
Strategy	1	113			113	4,906
Development Costs	1	2,994			2,994	60,871
Audit & other professional fees	1	6,900	2,300		9,200	11,162
		1,264,366	438,640	3,126,830	4,829,836	5,108,396
Charity						
Grants payable	1			2,786,849	2,786,849	3,209,650
Staff cost - prog. delivery	2			113,002	113,002	109,556
Staff costs - excl prog. delivery	2	743,361	72,314	178,909	994,584	853,219
Community initiatives	1	108,003			108,003	102,545
Corporate partners	1	20,213			20,213	32,228
Events & challenges	1		193,855		193,855	198,651
Individual Giving	1	16,228			16,228	13,400
Legacies & Trusts	1	3,075			3,075	937
Marketing & Communications	1	126,155			126,155	121,295
Transaction charges	1	38,962			38,962	68,007
Staff related costs	1	36,755		9,190	45,945	31,315
Office related costs	1	156,416		38,880	195,295	142,155
Volunteer costs	1	5,191			5,191	3,053
Developing Strategy	1	113			113	4,906
Development costs	1	2,994			2,994	60,871
Audit & other professional fees	1	6,900			6,900	9,692
		1,264,366	266,169	3,126,830	4,657,365	4,961,480

Expenditure is allocated as follows: 1. Direct attribution 2. Time allocation

Notes to the Consolidated Financial Statements (cont'd)

7. Allocation of expenditure (cont'd)

Included within support costs, which have been allocated between expenditure categories, are costs associated with the governance arrangements of the Charity, including the external audit and staff time attributable to strategic matters:

	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
Staff costs	61,430	37,734	61,430	37,734
Audit fees	9,200	7,700	6,900	6,360
Strategy development	(797)	4,000	(797)	4,000
Trustee meetings	910	78	910	78
Total governance costs	70,743	49,512	68,443	48,172

8. Charitable activities – Group and Charity

	Unrestricted Funds £	Restricted Funds £	Total 2019 £	Total 2018 £
Medical Equipment	7,070	456,097	463,167	280,112
Research, Education & Training	245,599	634,756	880,355	1,412,414
Play & Entertainment for Children	287,090	460,083	747,173	809,734
Patient and Family Support Services	95,868	78,228	174,096	523,921
Patient and Family Support Services – Poverty Related	49,148	401,894	451,042	168,474
Enhancements to Hospital Environment	10,677	172,373	183,050	123,351
Other Projects	-	968	968	407
	695,452	2,204,399	2,899,851	3,318,413
Grants to affiliated bodies	-	-	-	793
Total grants awarded (Note 9)	695,452	2,204,399	2,899,851	3,319,206
Support costs allocated	226,979	-	226,979	196,599
Charitable expenditure	922,431	2,204,399	3,126,830	3,515,805

Notes to the Consolidated Financial Statements (cont'd)

9. Grants awarded in the period – Group and Charity

(a) Unrestricted funds

The Charity invites applications for funding of medical equipment, research, structured play programmes and distraction therapies, patient and family support services, facility enhancements and other projects from RHC.

In addition the Charity operates three separate Service Level Agreements (SLAs) / Programme Delivery Agreements (PDAs) with NHS Greater Glasgow & Clyde for the provision of the structured play programme (including internal children's events), volunteer services and milk bank volunteer driver service.

A breakdown of individual grants larger than £25,000 is shown in Note 9(d).

(b) Restricted funds

Charitable expenditure in respect of funds donated to specific departments of RHC for which the accounts are administered by Glasgow Children's Hospital Charity. A breakdown of individual grants larger than £25,000 is shown in Note 9(d) and a breakdown by Fund is given in Note 22.

(c) Restricted funds – Grants to affiliated bodies

Grants in respect of funds donated to specific departments of RHC for which the accounts are administered by NHS Greater Glasgow & Clyde.

(d) Items of charitable expenditure over £25,000 in value:

	From unrestricted funds £	From restricted funds £	2019 Total £
<u>Medical equipment</u>			
Retinopathy of prematurity equipment	-	159,000	159,000
Pulmonary lung function equipment	-	188,000	188,000
ECMO Quantum monitors & probes	-	38,600	38,600
Medical Equipment < £25,000	7,070	70,497	77,567
<u>Research, education & training</u>			
GCHC Research Support scheme	250,000	-	250,000
Schiehallion Appeal (Clinical Trials centre)	-	380,000	380,000
Clinical Research Fellowship	-	39,957	39,957
Office for Rare Conditions	-	75,000	75,000
Training Courses & Conferences < £25,000	(4,401)	139,799	135,398

Notes to the Consolidated Financial Statements (cont'd)

9. Grants awarded in the period – Group & Charity (cont'd)

(d) Items of charitable expenditure over £25,000 in value:

	From unrestricted funds £	From restricted funds £	2019 Total £
<u>Play & Entertainment for Children</u>			
Structured Play Service	214,348	321,048	535,396
Internal Hospital Events	426	27,500	27,926
Hospital Volunteer Service	20,499	10,000	30,499
MediCinema Running Costs	-	53,063	53,063
Clown Doctors service	51,817	-	51,817
Items < £25,000	-	48,472	48,472
<u>Patient & Family Support Services</u>			
Bereavement Service	54,948	55,564	111,512
Renal unit services & reconfiguration	-	133,333	133,333
Schiehallion unit social care services	-	39,100	39,100
Items < £25,000	(5,800)	173,897	167,097
<u>Patient & Family Support Services - Poverty</u>			
Financial Inclusion Service	90,871	5,000	95,871
Emergency Family Support Service	-	68,774	68,774
Items < £25,000	4,997	4,454	9,451
<u>Environmental & artistic enhancements within RHC:</u>			
Wall muralling	-	33,000	33,000
Neonatal recliner chairs	-	33,290	33,290
Items < £25,000	10,677	106,083	116,760
Other Projects	-	968	968
Total grants awarded (Note 8)	695,452	2,204,399	2,899,851

Notes to the Consolidated Financial Statements (cont'd)

10. Net (expenditure) / income for the year

Is stated after charging:

	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
Audit fees (net of VAT)	9,200	6,770	6,900	5,300
Tax advisory service fees	378	514	-	241
	=====	=====	=====	=====

11. Analysis of staff and key management personnel costs

	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
<u>Programme delivery staff:</u>				
Salaries	100,721	97,711	100,721	97,711
Employer's NI	7,736	7,451	7,736	7,451
Pension costs	4,545	4,394	4,545	4,394
	=====	=====	=====	=====
	113,002	109,556	113,002	109,556
<u>Other charitable activities:</u>				
Salaries	146,198	132,419	146,198	132,419
Employer's NI	15,523	13,038	15,523	13,038
Pension costs	17,188	16,568	17,188	16,568
	=====	=====	=====	=====
	178,909	162,025	178,909	162,025
<u>Other trading activities:</u>				
Salaries	85,732	88,117	53,697	63,427
Employer's NI	6,966	7,833	4,868	5,931
Pension costs	4,487	5,188	2,866	3,978
	=====	=====	=====	=====
	97,185	101,138	61,431	73,336
<u>Donations & legacies:</u>				
Salaries	642,727	526,607	642,727	526,607
Employer's NI	60,307	48,584	60,307	48,584
Pension costs	51,211	42,667	51,211	42,667
	=====	=====	=====	=====
	754,245	617,858	754,245	617,858
Total staff costs	=====	=====	=====	=====
	1,143,341	990,577	1,107,586	962,775

Notes to the Consolidated Financial Statements (cont'd)

11. Analysis of staff and key management personnel costs

All employees are employed by Glasgow Children's Hospital Charity with an allocation of costs made to the wholly owned trading subsidiary, Glasgow Children's Hospital Trading Limited on the basis of time spent on trading activities.

The key management personnel are those individuals in charge of directing and controlling, running and operating the Charity on a day to day basis and comprise the Board of Directors, who are the Charity's Trustees, the Chief Executive and the Chief Operating Officer. The Trustees received no remuneration in the period, nor re-imbursement of expenses (2018: £Nil). The total employee benefits (inclusive of pension and employer's National Insurance costs) of the Chief Executive and Chief Operating Officer were £169,939 (2018: £91,989 – 2018 figure for Chief Executive only as the Chief Operating Officer post is a newly created role following an internal staff restructure).

The average number of employees in the year was 36 (2018: 32).

The number of employees whose emoluments (excluding pension costs) fell within the following bands, was:

	2019	2018
£60,001 - £70,000	1	-
£70,001 - £80,000	1	1
	=	=

Contributions are made to money purchase pension schemes on behalf of all employees. All schemes are administered by funds independent from the charitable company. On the basis of the immateriality of the total charge it is not considered necessary to disclose any further information on the pension scheme arrangements in force.

12. Related Party Transactions

The Trustees, in aggregate, donated the sum of £12,771 (2018: £13,263) in monetary donations in addition to the considerable amounts of time and expertise freely given to the Charity in attendance at Board and Committee meetings and in the provision of leadership, strategic guidance and professional advice throughout the period.

Notes to the Consolidated Financial Statements (cont'd)

13. Tangible fixed assets – Group and Charity

	Group Fixtures & Fittings £	Group Computer Equipment £	Group Total £	Charity Fixtures & Fittings £	Charity Computer Equipment £	Charity Total £
Cost:						
At beginning of the year	159,217	52,207	211,424	155,725	52,207	207,932
Additions	15,881	9,564	25,445	15,881	9,564	25,445
Disposals	(16,360)	-	(16,360)	(14,943)	-	(14,943)
At end of the year	158,738	61,771	220,509	156,663	61,771	218,434
Depreciation:						
At beginning of the year	75,570	49,219	124,789	72,660	49,219	121,879
Charge for the period	20,698	1,099	21,797	20,116	1,099	21,215
Disposals	(16,360)	-	(16,360)	(14,943)	-	(14,943)
At end of the year	79,908	50,318	130,226	77,833	50,318	128,151
Net book value:						
At beginning of the year	83,647	2,988	86,635	83,065	2,988	86,053
At end of the year	78,830	11,453	90,283	78,830	11,453	90,283

14. Fixed asset investments

	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
100 ordinary shares in Glasgow Children's Hospital Trading Limited, a trading subsidiary	-	-	100	100
Shares in UK stock exchange companies	39,876	32,379	39,876	32,379
Total fixed asset investments	39,876	32,379	39,976	32,479

Glasgow Children's Hospital Trading Limited's profit for the year ended 31 March 2019 was £Nil (2018: £Nil) after transferring £51,868 (2018 : £85,718) to Glasgow Children's Hospital Charity. The Charity holds the entire issued share capital of the company whose principal activity is retailing. At 31 March 2019, its capital and reserves totalled £35,350 (2018: £35,350).

Notes to the Consolidated Financial Statements (cont'd)

14. Fixed asset investments (cont'd)

Shares held in UK Stock Exchange Companies – Group & Charity

	2019 £	2018 £
Market value at beginning of the year	32,380	31,891
Gain on revaluation	7,496	489
Market Value at the end of the year	39,876	32,380
Cost at end of the year	19,351	19,351

These shareholdings arose from a legacy received in 2010. The gain of £4,754 reported in 2018 was inclusive of a gain of £4,265 on current assets investments disposed of in that year.

15. Debtors

	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
Amount due from Glasgow Children's Hospital Trading Limited	-	-	53,090	86,664
Prepayments	98,110	20,584	12,683	20,031
Accrued Income	175,076	151,755	53,076	151,755
Total debtors	273,186	172,339	118,849	258,450

No legacies have been accrued into income in 2019 (2018: four legacies totalling £115,000). Accrued income in 2019 relates to accrued sponsorship income arising from the Oor Wullie BIG Bucket Trail.

16. Cash at bank and in hand

	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
Unrestricted funds	1,862,402	2,567,356	1,679,923	2,444,354
Restricted funds	4,350,808	3,223,396	4,350,808	3,223,396
Total cash at bank and in hand	6,213,210	5,790,752	6,030,731	5,667,750

Notes to the Consolidated Financial Statements (cont'd)

17. Creditors: amounts falling due within one year

	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
Grants payable	2,495,775	2,276,900	2,495,775	2,276,900
Other creditors & accruals	504,303	264,307	189,591	256,211
Other taxation and social security	(1,548)	22,419	3,747	20,025
Total creditors falling due within one year	2,998,530	2,563,626	2,689,113	2,553,136

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

	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
Grants payable	1,162,699	964,996	1,162,699	964,996

19. Commitments

At 31 March 2019, the Charity had total future commitments under non-cancellable operating leases as follows:

	Property		Equipment	
	2019 £	2018 £	2019 £	2018 £
Group				
Within one year	5,048	19,450	9,647	11,015
Within two to five years	-	-	10,849	9,195
Total	5,048	19,450	20,496	20,210

19. Commitments (cont'd)

	Property		Equipment	
	2019 £	2018 £	2019 £	2018 £
Charity				
Within one year	-	19,450	8,394	9,218
Within two to five years	-	-	9,682	8,787
Total	-	19,450	18,076	18,005

Notes to the Consolidated Financial Statements (cont'd)

20. Funds

	Unrestricted £	Restricted £	Total £
Fund balances brought forward - Charity	706,771	1,819,829	2,526,600
Net movement in funds for period	(15,619)	(82,954)	(98,573)
Transfers between funds	31,634	(31,634)	-
Fund balances carried forward - Charity	722,786	1,705,241	2,428,027
Glasgow Children's Hospital Trading Ltd reserves - 31 March	35,250	-	35,250
Fund balances carried forward - Group	758,036	1,705,241	2,463,277

These funds are retained in order to provide funds for:

Unrestricted purposes

To meet the financial objectives of the Charity, which are detailed in the Directors' Report. These reserves are broken down further in Note 21.

Restricted purposes

Donations for specific funds and projects as detailed in Note 22.

Transfers between funds represent:

- where subsequent instructions are received from a donor restricting income that was originally recorded in a prior period with no restrictions,
- where two or more restricted funds have a common purpose, transfers may be made to support a project which matches their specific restriction, or the funds may be merged, or
- where restricted donations are received for projects initially underwritten from unrestricted funds in a prior period.

Notes to the Consolidated Financial Statements (cont'd)

21. Unrestricted funds – Group and Charity

	Fund balances brought forward £	Income £	Expenditure £	Transfers £	(Losses) / Gains £	Fund balances carried forward £
Designated General reserve	600,000	-	-	-	-	600,000
General reserves	106,771	2,179,991	(2,203,106)	31,634	7,496	122,786
Unrestricted funds - Charity	706,771	2,179,991	(2,203,106)	31,634	7,496	722,786
Trading company reserves	35,250	172,471	(172,471)	-	-	35,250
Unrestricted funds - Group	742,021	2,352,462	(2,375,577)	31,634	7,496	758,036

Designated general reserve

As detailed in the Directors' Report, the general designated reserve exists to allow the current activities of the Charity to continue for the short term in the event of unforeseen significant fluctuations in income levels.

22. Restricted funds - Group and Charity

	Fund balances brought forward £	Income £	Expenditure £	Transfer (to) / from Unrestricted funds £	Fund balances carried forward £
Restricted Funds held for specific areas/projects	1,819,829	2,371,305	(2,454,259)	(31,634)	1,705,241

Restricted Funds held by the Charity for specific areas or projects

Provide funds for specific departments or projects within RHC, as specified by the donor on receipt of the donation, for which the Charity has accounts set up. Authority for expenditure from many of these funds has been delegated by the Trustees to the designated Fundholders and they take a long-term strategic view of expenditure from these funds. There were 143 separate restricted funds open during the financial period, the larger ones being detailed on the following page.

Notes to the Consolidated Financial Statements (cont'd)

22. Consolidated and Charity restricted funds (cont'd)

	Fund balances brought forward	Income	Expenditure	Transfer between Restricted Funds	Transfer (to) / from Unrestricted funds	Fund balances carried forward
	£	£	£	£	£	£
All Active Kids App	-	24,991	-	-	(24,991)	-
Cardiology Fund	29,881	115,593	(101,220)	-	-	44,254
Cardiology Ward Fund (1E)	64,109	10,244	(3,512)	-	-	70,841
Cardiology Investigation Unit	38,426	330	-	-	-	38,756
Creative Therapies	-	17,971	(17,971)	-	-	-
Children with Diabetes Fund	100,556	5,607	(11,018)	-	-	95,145
DNM Family Fund	38,394	6,910	(495)	(7,262)	-	37,547
DM Family Fund	15,550	22,194	(37,744)	-	-	-
ECMO Fund	27,693	46,170	(39,241)	-	-	34,622
Endoscope (Neurology)	15,020	-	(15,020)	-	-	-
Emergency Family Relief Fund	16,442	16,193	(31,749)	-	-	886
Fetal Medicine Fund	50,629	6,406	(5,523)	-	-	51,512
Fetal Medicine Enhancements	-	42,840	-	-	(4,284)	38,556
Hospital Enhancements Fund	-	72,814	(70,551)	(574)	-	1,689
Intensive Care Unit Fund	184,564	41,089	(47,406)	-	-	178,247
IBD Fund	156,696	74,197	(123,822)	-	-	107,071
Imaging & Diagnostics Fund	-	332	(824)	9,742	-	9,250
Kitten Scanner Fund	8,261	400	2,291	(9,322)	(1,630)	-
Love At First Sight Appeal	-	155,225	(199,723)	24,563	20,000	65
MediCinema Fund	9,534	3,958	(53,261)	-	39,838	69
Marion's Still Smiling	3,956	33,500	(6,901)	-	-	30,555
Neonatal Fund (RHC)	110,057	68,906	(74,378)	-	-	104,585
Neonatal Fund (GCHC)	42,339	19,541	(40,206)	(14,665)	-	7,009
Neurosciences Unit Fund	27,003	760	(7,028)	-	-	20,735
Neurosciences Research Fund	38,948	10,331	(17,724)	-	-	31,555
Office for Rare Conditions	68,311	1,983	(78,462)	8,732	-	564
OWBBT Project	-	36,667	-	-	-	36,667
Renal Appeal	-	278,784	(253,390)	-	(25,394)	-
Playroom / Waiting Areas	28,827	-	(2,316)	574	-	27,085
Pulmonary equipment	-	196,400	(188,000)	-	(8,400)	-
Play Project Fund	955	146,612	(147,567)	-	-	-
Play – Teddy Hospital Fund	-	25,000	(25,000)	-	-	-
Play – Plaster It Purple Appeal	-	40,450	(40,450)	-	-	-
SC Family Fund	17,046	33,182	(2,746)	-	-	47,482
Schiehallion Appeal	8,366	429,299	(391,755)	-	(42,900)	3,010
Schiehallion Unit Fund	118,796	124,016	(180,738)	-	-	62,074
Vein of Galen Fund	102,672	2,490	(81)	-	-	105,081
Wilson Family Bequest	159,550	-	-	11,368	-	170,918
Wilson Family Bequest-Int.	10,574	1,458	(664)	(11,368)	-	-
Other funds (under £25,000)	326,674	258,462	(240,064)	(11,788)	16,127	349,411
Total	1,819,829	2,371,305	(2,454,259)	-	(31,634)	1,705,241

Notes to the Consolidated Financial Statements (cont'd)

23. Analysis of consolidated net assets between funds

	Fixed assets	Current assets less creditors	31 March 2019 Total £
	£	£	£
Restricted funds	-	1,705,241	1,705,241
Unrestricted funds	130,159	627,877	758,036
Total	130,159	2,333,118	2,463,277

24. Indemnity Insurance

Indemnity insurance in respect of the Directors and Officers of the Charity is in place.

Notes to the Consolidated Financial Statements (cont'd)

25. Prior Year Statement of Financial Activities

	Group Unrestricted funds £	Group Restricted funds £	Group 2018 Total £	Charity Unrestricted funds £	Charity Restricted funds £	Charity 2018 Total £
Income from:						
Donations and legacies	1,774,326	1,813,282	3,587,608	1,774,326	1,813,282	3,587,608
Other trading activities	254,282	733,824	988,106	140,634	700,565	841,199
Investment income	17,251	17,507	34,758	17,242	17,507	34,749
Total income	2,045,859	2,564,613	4,610,472	1,932,202	2,531,354	4,463,556
Expenditure on:						
Raising funds:						
Donations and legacies	1,066,619	104,548	1,171,167	1,066,619	104,548	1,171,167
Other trading activities	242,009	179,415	421,424	128,352	146,156	274,508
Charitable activities	1,246,102	2,269,703	3,515,805	1,246,102	2,269,703	3,515,805
Total expenditure	2,554,730	2,553,666	5,108,396	2,441,073	2,520,407	4,961,480
Net movements in funds before unrealised (losses) / gains on investments	(508,871)	10,947	(497,924)	(508,871)	10,947	(497,924)
Unrealised (losses) / gains on investments	4,754	-	4,754	4,754	-	4,754
Net (expenditure) / income	(504,117)	10,947	(493,170)	(504,117)	10,947	(493,170)
Transfers between funds	233,591	(233,591)	-	233,591	(233,591)	-
Net movement in funds	(270,526)	(222,644)	(493,170)	(270,526)	(222,644)	(493,170)
Reconciliation of funds:						
Total funds brought forward	1,012,547	2,042,473	3,055,020	977,297	2,042,473	3,019,770
Net movement in funds	(270,526)	(222,644)	(493,170)	(270,526)	(222,644)	(493,170)
Total funds carried forward	742,021	1,819,829	2,561,850	706,771	1,819,829	2,526,600

Notes to the Consolidated Financial Statements (cont'd)

26. Prior Year Unrestricted funds – Group and Charity

	Fund balances brought forward £	Income £	Expenditure £	Transfers £	(Losses) / Gains £	Fund balances carried forward £
Designated General reserve	600,000	-	-	-	-	600,000
General reserves	377,297	1,908,750	(2,417,621)	233,591	4,754	106,771
Unrestricted funds - Charity	977,297	1,908,750	(2,417,621)	233,591	4,754	706,771
Trading company reserves	35,250	137,109	(137,109)	-	-	35,250
Unrestricted funds - Group	1,012,547	2,045,859	(2,554,730)	233,591	4,754	742,021

27. Prior Year Restricted funds – Group and Charity

	Fund balances brought forward £	Income £	Expenditure £	Transfer (to) / from Unrestricted funds £	Fund balances carried forward £
(a) Restricted Funds held for specific areas/projects	2,042,473	2,563,809	(2,552,862)	(233,591)	1,819,829
(b) Restricted Funds held by NHS Greater Glasgow & Clyde	-	804	(804)	-	-
Total	2,042,473	2,564,613	(2,553,666)	(233,591)	1,819,829

(a) Restricted Funds held by the Charity for specific areas or projects

Provide funds for specific departments or projects within RHC, as specified by the donor on receipt of the donation, for which the Charity has accounts set up. Authority for expenditure from many of these funds has been delegated by the Trustees to the designated Fundholders and they take a long-term strategic view of expenditure from these funds. Additional analysis is provided below.

Notes to the Consolidated Financial Statements (cont'd)

27. Prior Year Consolidated and Charity restricted funds (cont'd)

(a) Restricted Funds held by the Charity for specific areas or projects (cont'd)

There were 135 separate restricted funds open during the financial period relating to specific units, specialities, projects and tribute funds, the larger ones being detailed below:

	Fund balances brought forward	Income	Expenditure	Transfer between Restricted Funds	Transfer (to) / from Unrestricted funds	Fund balances carried forward
	£	£	£	£	£	£
All Active Kids App	-	49,197	-	-	(49,197)	-
Cardiology Fund	66,403	19,976	(56,498)	-	-	29,881
Cardiology Ward Fund (1E)	74,635	8,764	(19,290)	-	-	64,109
Cardiology Investigation Unit	38,046	380	-	-	-	38,426
Creative Therapies	-	73,604	(73,604)	-	-	-
Children with Diabetes Fund	100,569	7,444	(7,457)	-	-	100,556
CAL Fund	30,764	1,648	(30,427)	-	-	1,985
DNM Fund	33,046	5,901	(553)	-	-	38,394
DM Fund	-	32,455	(16,905)	-	-	15,550
ECMO Fund	26,911	828	(46)	-	-	27,693
Endoscope (Neurology)	-	20,677	(9,210)	-	3,553	15,020
Fetal Medicine Fund	53,116	2,852	(5,339)	-	-	50,629
Financial Inclusion Service	-	23,850	9,338	-	(33,188)	-
Intensive Care Unit Fund	188,794	16,698	(20,928)	-	-	184,564
IBD Fund	128,682	136,664	(113,680)	5,030	-	156,696
Kitten Scanner	4,625	27,579	(23,943)	-	-	8,261
MediCinema Fund	36,268	25,352	(52,086)	-	-	9,534
Marion's Still Smiling	-	60,000	(6,044)	(50,000)	-	3,956
Neonatal Fund (RHC)	194,179	66,996	(160,416)	-	9,298	110,057
Neonatal Fund (GCHC)	22,010	21,242	(913)	-	-	42,339
Neurosciences Unit Fund	27,415	1,068	(1,480)	-	-	27,003
Neurosciences Research Fund	33,433	77,244	(71,729)	-	-	38,948
Office for Rare Conditions	82,579	57,246	(75,140)	3,626	-	68,311
Renal Appeal	-	218	(156,100)	-	155,882	-
Playroom / Waiting Areas	38,382	-	(9,555)	-	-	28,827
Rehab Kitchen	19,920	37,516	(57,030)	-	-	406
Respiratory Fund	18,732	4,222	(22,810)	-	-	144
Schiehallion Appeal	-	1,169,017	(1,027,116)	53,982	(187,517)	8,366
Schiehallion Unit Fund	181,821	58,374	(121,399)	-	-	118,796
STV Children's Appeal Fund	-	106,124	-	-	(106,124)	-
Vein of Galen Fund	101,657	1,015	-	-	-	102,672
Vitamin D Research Project	42,000	-	(39,297)	(2,703)	-	-
Wilson Family Bequest - Capital	159,550	-	-	-	-	159,550
Wilson Family Bequest- Interest	9,389	1,685	(500)	-	-	10,574
Other funds (under £25,000)	329,547	447,973	(382,705)	(9,935)	(26,298)	358,582
Total	2,042,473	2,563,809	(2,552,862)	-	(233,591)	1,819,829

Notes to the Consolidated Financial Statements (cont'd)

27. Prior Year Consolidated and Charity restricted funds (cont'd)

(b) Restricted Funds held by NHS Greater Glasgow & Clyde

Provide funds for specific departments within RHC, as specified by the donor on receipt of the donation, the accounts for which are held by NHS Greater Glasgow & Clyde Endowments.

28. Prior Year analysis of consolidated net assets between funds

	Fixed assets	Current assets less creditors	31 March 2018 Total £
	£	£	£
Restricted funds	-	1,819,829	1,819,829
Unrestricted funds	119,014	623,007	742,021
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Total	119,014	2,442,836	2,561,850
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